

# **City of Overland Park, Kansas**

Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2012



# City of Overland Park, Kansas

## Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2012

### **Mayor**

Carl Gerlach

### **Council President**

Dan Stock

### **City Council**

Terry Happer Scheier

Dave Janson

Paul Lyons

Curt Skoog

Donna Owens

David White

Fred Spears

Terry Goodman

Jim Hix

John Skubal

George Kandt

### **City Manager**

Bill Ebel

### **Prepared by Department of Finance**

David M. Scott, Chief Financial Officer

Janice Meier, Senior Accountant

Mark Fehling, Accountant II

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Overland Park, Kansas 66212  
[www.opkansas.org](http://www.opkansas.org)

June 25, 2013

The Honorable Mayor and  
City Council Members  
City of Overland Park  
Overland Park, Kansas 66212

The Overland Park Finance Department is pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Overland Park, Kansas, for the fiscal year ended December 31, 2012.

The responsibility for accuracy, completeness, and fairness of the data presented, including all disclosures, rests with the City. We believe the report as presented is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position and the results of the City, on both a Government-wide and Fund basis. It is our belief that all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. To enhance the reader's understanding of these financial statements, note disclosures have been included as an integral part of this document.

McGladrey LLP has issued an unmodified ("clean") opinion on the City of Overland Park's financial statements for the year ended December 31, 2012. The independent auditors' report is located in the beginning of the financial section of the CAFR.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements.

### *City of Overland Park Profile*

The City of Overland Park is the second largest city in Kansas. It is located in the northeastern part of Johnson County and is one of 113 incorporated cities existing in the Kansas City metropolitan region. There are approximately 75.4 square miles within the corporate boundaries of the City.

The City was incorporated as a first-class city on May 20, 1960 under the provisions of K.S.A. 12-1026h. 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 biennial 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.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Overland Park, as legally defined), as well as a component unit. Component units are legally separate entities for which the primary government is financially accountable. The government provides a range of services including: police and fire protection; construction and maintenance of the City's street and highway network; maintaining the structural standards of the community through the planning and enforcement of the City's building code and comprehensive land use plan; and the development and maintenance of the City's parks and recreation programs and facilities.

A blended presented component unit is a separate legal entity and is not part of the primary government's operations. Accordingly, the Overland Park Development Corporation, which financed, constructed and owns a Sheraton Hotel a part of the Overland Park Convention Center complex, is reported as a blended unit using proprietary fund accounting. Other independent agencies exist for school, sewer and water services. These agencies cannot impose their will on the City, nor is there any financial benefit or burden to the City, or any fiscal dependency on the City by these agencies.

### *Local Economy*

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 2012 it was named one of the nation's top ten "Best Places to Live" according to *Money Magazine*; this was the fourth time Overland Park has received this award since 2006. In addition the City was ranked No. 1 by Livability.com in its list of the Top 10 Soccer Cities in the United States.

The population of the City continues to experience moderate growth even during the recovery of the recent recession. At slightly more than 179,000, 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 235,000. 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 2012 was 5.1%, which was the less than the state of Kansas rate of 5.7%, and significantly less than the national rate of 8.1%.

As the current economy continues to show signs of improvements, the City also is experiencing improved economic development including strong gains in residential building permits. The City's assessed valuation of \$2.63 billion increased 1.5% for 2012. Retail sales increased 1.7% from 2011 providing the City an improving economic foundation, as well as positive future



financial outlook. Overland Park continues to receive from the nation's three top bond rating agencies, an "AAA" bond-rating status. The triple-A status is a distinction only shared by a handful of communities in the nation.

### *2012 Major Initiatives for the Year*

As the national, state and regional economies continued to gain traction in recovering from the prolonged recession, the City continued to manage under challenging fiscal conditions. By mid-2011 it was evident that the City's ability to reduce annual expenditures enough to balance within the existing revenue structure would not be achievable without severely affecting existing city service levels. Reductions would need to include the elimination of several services of the City, including a severe reduction in our investment in street maintenance. In addition, elimination of numerous front-line employees who provide direct services to citizens, including police and fire services, would be required.

City officials believed such drastic reductions would create long-term untenable condition for the community, and the further reduction in the areas of street maintenance and public safety services would be contrary to the stated goals of the City Council and the community. Therefore, the 2012 Budget included a 3.938 mill increase in the property tax rate to 12.814 mills to support the 2012 Budget. This increase resulted in approximately \$10 million of additional property revenue annually and strengthens the diversity of the City's revenue streams.

Even with the revenue enhancement, Overland Park's 2012 budget process continued to emphasize fiscal constraint. The adopted budget was less than the previous year's budget for the fourth straight year. Overland Park's adopted 2012 operating budget was \$400,000 (0.4%) below the adopted 2011 Budget, while the total budget was \$4.6 million (2.1%) less than the adopted 2011 Budget.

Departments identified reduction and reallocation opportunities in the form of operational changes and positions which could be eliminated without the elimination of existing programs and services. As a result, 18 full-time positions were eliminated between the 2011 and 2012 budgets. The number of full-time employees dropped from 844 in the 2011 Budget, to 826 in the 2012 Budget. This reduction was achieved through the combination of attrition and reassignment of personnel when vacancies became available.

In addition, employee compensation and benefits were examined. Programmatic adjustments were made to ensure city-controlled personal service costs remain stable. There were not any salary increases for 2012. This was the fourth year of compressed or no salary adjustments for non-public safety employees. Additionally, 2012 was the first budget completed based on the City's recently implemented consumer-driven health plan, which required additional financial participation from employees. Other benefit changes incorporated into the 2012 Budget included elimination of future retiree health care benefits after age 65, and restructuring of the City's police, fire, and non-public safety pension programs for new employees, limiting the City's future liability.

The City's Capital Improvement Program (CIP) was also reviewed and several projects were delayed or removed from the CIP. As a result the 2013-2017 Capital Improvement Program (CIP) was \$16.3 million less than the adopted 2012-2016 CIP.

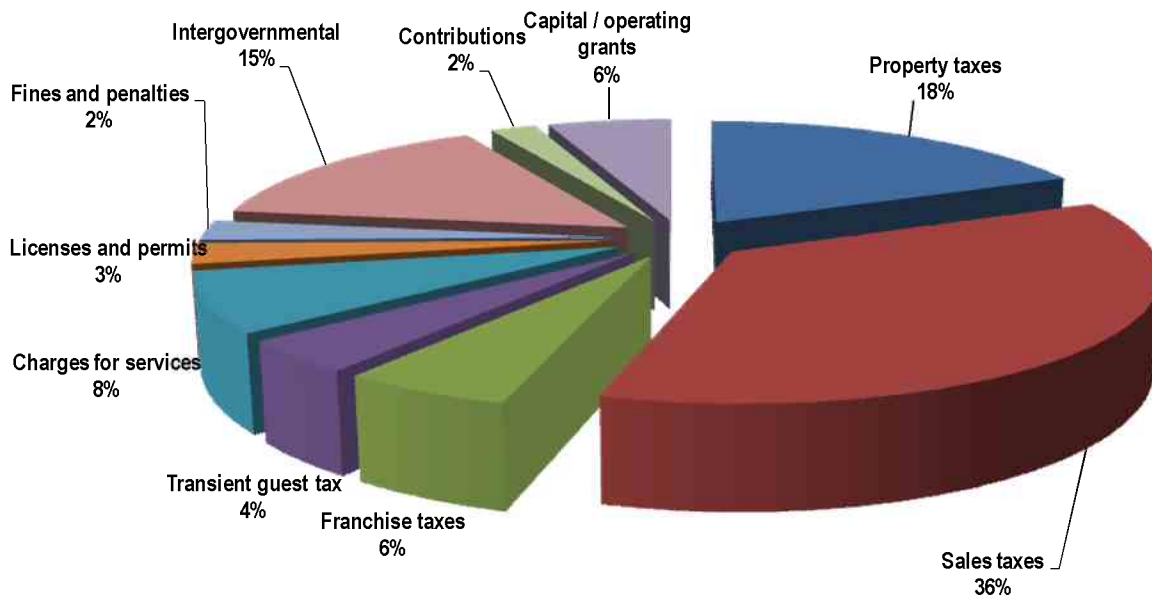
*Providing Quality Transportation Infrastructure.* During 2012, approximately \$47.4 million was spent on Overland Park infrastructure improvement projects related to the traffic system and infrastructure. Projects included:

- Storm Drainage Improvements
- Highway Improvements U.S. 69 Highway Widening: 95th St. to 119th
- Thoroughfare Improvements including:
  - Quivira, College to 119th Street
  - 159<sup>th</sup> Street: Antioch to Metcalf
  - 159<sup>th</sup> Street: Quivira to Antioch
  - Quivira, 99<sup>th</sup> Street to I-435
- Metcalf/Shawnee Mission Parkway Bus Corridor

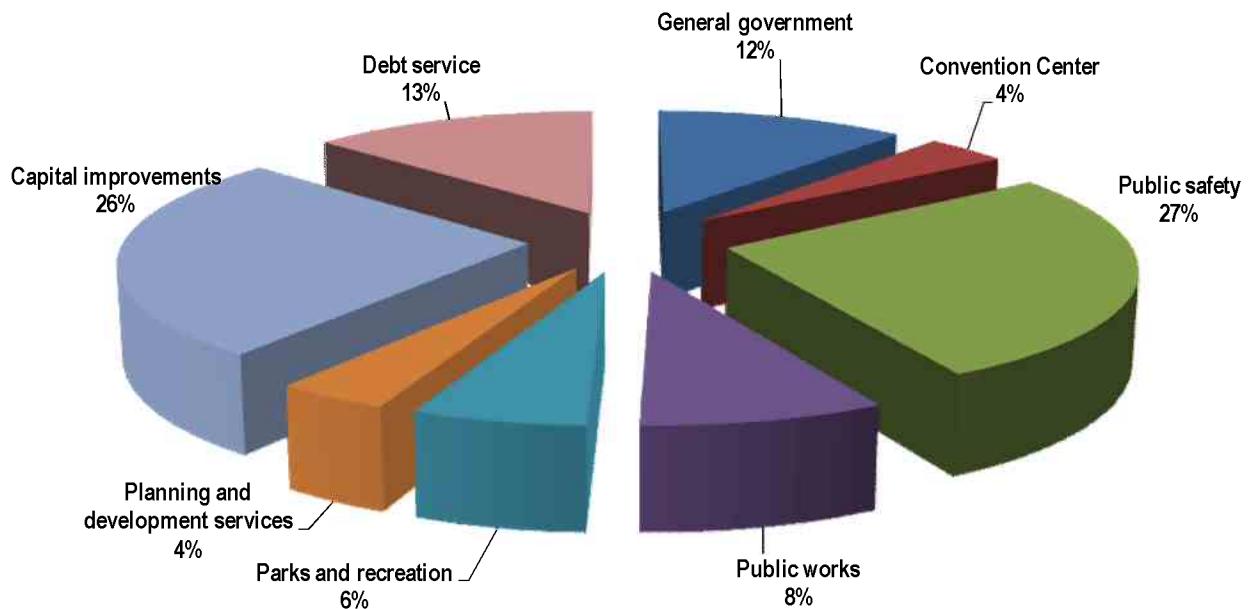
*Maintaining Quality Infrastructure and Public Facilities.* Infrastructure maintenance expenditures during 2012 were approximately \$8.4 million which was dedicated towards maintenance of the City's street and stormwater infrastructure.

The following chart depicts the actual sources and uses of the City's financial resources for 2012:

### Where the Money Comes From



### Where the Money Goes



## *Outlook for 2013*

During 2012 and 2013 the City continued to use various economic development incentive tools to encourage economic development. At the end of 2012, the City issued \$79.1 million in a combination of sales tax revenue (STAR) bonds, and community improvement district (CID) sales tax revenue bonds to finance Phase I of the Prairiefire at Lionsgate development of \$160 million mixed-use development at 135th Street and Nall Avenue.

Phase I of the Prairiefire at Lionsgate development includes approximately 206,000 square feet of retail space, a 41,000 square foot museum and 397,555 square feet of residential space. The museum is designed to host traveling exhibits by New York's American Museum of Natural History and will serve as a regional attraction drawing an estimated 400,000 visitors annually. The museum is schedule to open in March 2014, while the first retail occupants and a seven story parking garage are scheduled to be completed in the fall of 2013.

In March 2013, the City Council approved the establishment of a Community Improvement District within the Corbin Park shopping center to partially finance the construction of the Scheels All Sports development.

Scheels All Sports is one of the region's largest sporting goods stores. This two-story 222,000-square-foot store includes a 16,000-gallon aquarium, complete with a coral reef and scuba divers to feed the fish daily. Inside the store will be a 65-foot tall, 16-car Ferris wheel. It is anticipated that Scheels will open in the summer of 2015.

In April 2013, the City Council approved the establishment of a Transportation Development District (TDD) located between 159<sup>th</sup> Street and 167<sup>th</sup> and between US Highway 69 and Antioch Road. This TDD is a part of a unique public/private partnership among the City, the developer and the Kansas Department of Transportation (KDOT). The major components of this partnership are:

- Developer anticipates building approximately 1 million square feet of mixed-use retail within the TDD.
- The City would design and finance the design cost of the interchange at 159<sup>th</sup> & US 69 Highway.
- KDOT would be responsible for the construction and finance of the interchange at 159<sup>th</sup> & US 69 Highway, with reimbursement of a portion of the KDOT's construction costs from this TDD.

The first phase of retail (125,000 square feet) and the construction of the interchange is scheduled to begin in middle of 2014 with completion of both of these items anticipated near the end of 2015 through the middle of 2016.

The 2013 US Youth Soccer National Championships, the country's most prestigious national tournament, is coming back to Overland Park for the second time. As a result of this national tournament, and all the other soccer tournaments scheduled during 2013, nearly 43,000 hotel room nights are expected to be reserved, having a estimated economic impact of more than \$12 million on our local economy.

In 2012, several companies announced plans to relocate or expand their operations in Overland Park:

- FishNet Security, the nation's largest independently owned information security solutions provider, decided to relocate its corporate headquarters to Overland Park. The move brought 175 technology employees to the city. The company plans to grow to nearly 300 full-time employees within the next five years.
- Netsmart Technologies, a health care IT company established its new headquarters in Overland Park in 2012. The company anticipates growing its employee count from the current 100 to 500 employees over the next five years.
- Teva a pharmaceutical company plans to establish its headquarters in Overland Park by constructing a five-story 154,000 square foot building. Teva plans to have 400 employees initially working on this site, with 200 additional jobs planned with future growth. The average annual salaries of these jobs are estimated to be \$130,000. Construction began in July 2012 with the company scheduled to move into its new headquarters in October 2013.
- RedStone Logistics is a third-party logistics provider specializing in logistic management services to small- and medium-sized businesses nationwide announced it will bring more than 100 jobs to Overland Park in the next three years, and invest more than \$1 million in systems and support.
- Lock Path, an Overland Park software company that provides governance, risk, and compliance applications announced it expects to increase its employee base by adding nearly 100 new employees.
- Service Link is a national title and mortgage servicing company that will handle loans related to new home purchases and refinance direct to consumers with the bank it works for announced it will bring 125 jobs to Overland Park.

### *Accounting System*

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal controls. Internal accounting controls are designed to provide reasonable assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition, and 2) the reliability of the financial records for preparing statements and maintaining accountability of assets. The concept of reasonable assurance requires that management personnel make judgments that rely on estimates in the evaluation of the cost benefits derived from such controls. All internal control evaluations occur within that cost-to-benefit framework.

We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

The City's budget is prepared on the modified accrual basis further adjusted by an encumbrance system of accounting as required by applicable state statutes. The City Manager presents recommendations for the budget to the Mayor and City Council for their review. The budget recommendations set forth the

proposed funding level of the City's various operating and public service programs. A series of public meetings are held by City Council committees to review alternative spending proposals. After a public hearing to solicit citizens' comments on the proposals, the City Council adopts the budget. The budget is appropriately controlled through the accounting system to ensure effective fiscal management and accountability.

### *Capital and Maintenance Programs*

Overland Park is a vital and growing city. The City also considers it a priority to maintain and improve existing infrastructure. A vital element for managing both of these priorities lies in the development and maintenance of the City's infrastructure through capital improvements. The management of the City's five-year Capital Improvements (CIP) and Maintenance Programs are controlled through the use of a long-range plan adopted by the Mayor and City Council. The City's capital improvements needs for a five-year period are reviewed and updated annually. Maintenance program included in the City's five-year maintenance program is defined as significant repairs to, renovation or rehabilitation of, or in-kind replacement of city infrastructure and facilities. The City's maintenance program includes both major and preventive maintenance projects. The management and accounting of these programs is controlled through the use of capital projects funds. The primary sources of financing these improvements include general obligation bonds, City budgeted funds, county funds and revenue from federal and state grants.

### *Fiscal Policy*

The financial management of the City is performed in accordance with a fiscal policy adopted by the City Council. This fiscal policy is to establish the criteria and guidelines to be used in developing long-range (five-year) financial plans, annual operating budgets, and maintenance and capital improvements programs for Governing Body consideration. Purpose of this policy is designed to:

- Provide clear direction to the city staff about the policies of the Governing Body, and about the scope and level of City services and capital improvements desired.
- Ensure that the Governing Body is informed about the fiscal capacity of the City to undertake capital, maintenance or operating program activities before making decisions on such activities.
- Provide for a balanced municipal revenue structure which is dependable and responsive to economic conditions, while continuing to limit the City's reliance on property tax when possible.
- Provide investors interested in Overland Park bonds with a clear picture of the financial condition of the City and the security of their investment which will improve and maintain Overland Park's bond ratings.
- Provide the lead-time required to plan and schedule public improvements.
- Advise the public as to the need for City financial and service actions to maintain public confidence in the City's credibility.

### *Risk Management*

In an effort to combat the rising cost of insurance premiums, in 1987 the City initiated a limited risk management program for workers' compensation and all other insurable losses not otherwise insured. The City, through its contracted Risk Manager, monitors the insurance market throughout the year to determine the feasibility of obtaining insurance coverage. Additional information on the City's risk management activity can be found in Note IV. A. of the Notes to the Basic Financial Statements.

### *Awards and Acknowledgements*

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for the CAFR for the fiscal year ended December 31, 2011. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR with contents that conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A certificate is valid for a period of one year. The City has been the recipient of this award annually since the first award was granted for the CAFR for the year ended December 31, 1976. We believe our 2012 report continues to conform to Certificate of Achievement Program requirements, and we will submit this report to the GFOA to determine its eligibility for another certificate.

In addition, the City also has received a GFOA Award for Distinguished Budget Presentation for its annual appropriated budget dated January 1, 2013. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

Many persons are responsible for the preparation of this report and for the maintenance of records upon which it is based. Appreciation is expressed to the entire Finance Department who were instrumental in the successful completion of this report. Certain individuals worked many extra hours and exhibited extraordinary effort in ensuring the accuracy and timeliness of this report, and their contribution to this effort is greatly appreciated.

Respectfully submitted,

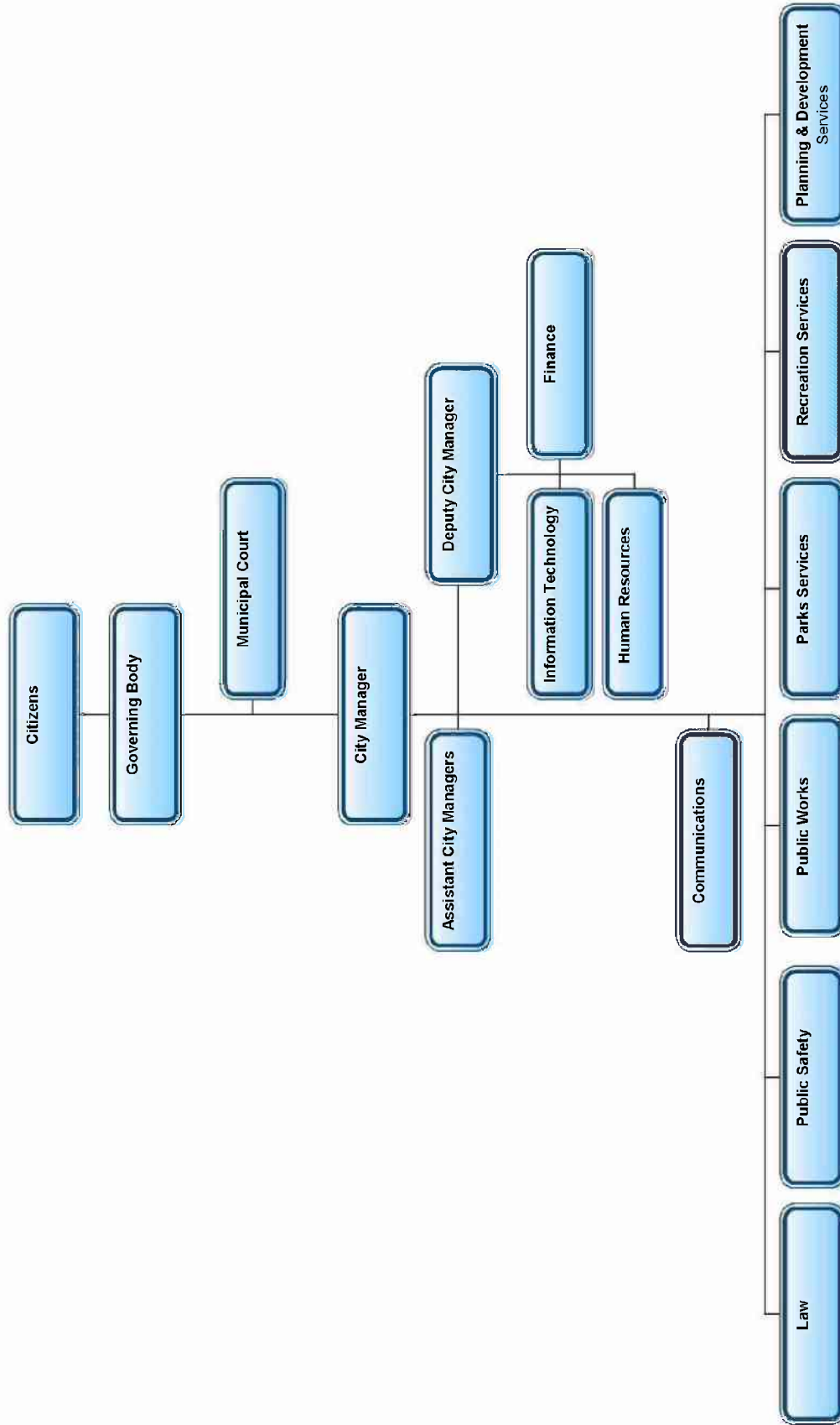


David M. Scott  
Chief Financial Officer



Gena McDonald  
Assistant Chief Financial Officer

**CITY OF OVERLAND PARK, KANSAS**  
Organizational Chart





# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Overland Park  
Kansas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Christopher P. Morille*

President

*Jeffrey R. Emer*

Executive Director

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## Financial Section





## Independent Auditor's Report

To the Honorable Mayor and  
Members of the City Council  
City of Overland Park, Kansas  
Overland Park, Kansas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Overland Park, Kansas (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Sheraton Overland Park Hotel and Scoops, Inc., which is included within the financial statements of the Overland Park Development Corporation, a major enterprise fund. This activity represents 3 percent and 99 percent, respectively, of the total assets and total revenues of the major enterprise fund and 3 percent and 75 percent, respectively, of the total assets and total revenues of the business-type activities. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Sheraton Overland Park Hotel and Scoops, Inc., is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Overland Park Development Corporation, a major enterprise fund, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Overland Park, Kansas, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

As explained in Note IV.I. to the basic financial statements, the City adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which restated beginning net position for items previously reported as assets.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 14, and the Schedules of Funding Progress and Employer Contributions on pages 81 through 83 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Overland Park, Kansas' basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other schedules, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory, statistical sections and other schedules, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2013 on our consideration of the City of Overland Park, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Overland Park, Kansas' internal control over financial reporting and compliance.



Kansas City, Missouri  
June 24, 2013

**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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This section of the report contains an overview and analysis of the City of Overland Park's financial statements for the fiscal year ended December 31, 2012. The information contained here, as well as the information contained in the letter of transmittal, are intended to provide the reader of the financial statements with a well rounded picture of the City's financial condition.

## **Financial Highlights**

- The City's net position of our governmental activities increased by \$22,769,876 (or 2.5%) while the net position of our business-type activities decreased by \$694,273 (or 1.8%).
- During the year, the City's revenues generated in taxes and other revenues for governmental programs were \$22,769,876 more than the \$163.1 million in City's expenses.
- The City's one-cent sales tax revenue collections in 2012 increased 2.5% over 2011 collections.
- The convention center generated excess revenues over expenses (ninth consecutive year) in its tenth full year of operations.

## **The Basic Financial Statements**

The basic financial statements of the City include the government-wide financial statements and the fund financial statements. The notes to basic financial statements follow the basic financial statements and are essential for the reader's understanding of the financial statements. Other supplementary information is also included at the end of this report to provide additional information for the reader.

### *Government-wide Financial Statements*

The government-wide financial statements present the results of the City's operations using the accrual basis of accounting, the basis of accounting used by private-sector businesses. These statements focus on the long-term financial picture of the City as a whole.

The Statement of Net Position reports all of the City's assets and liabilities. Net position, the difference between assets and liabilities, are an important measure of the City's overall financial health. Over time, the increases and decreases in net position can be monitored to determine whether the City's financial position is improving or deteriorating.

The Statement of Activities shows how the net position has changed during the fiscal year. The unique feature of this statement is how it shows the revenues and expenses related to specific programs and how much of the programs were supported by the general taxes of the City. Since this statement is prepared on the accrual basis of accounting, all revenues and expenses are included regardless of when cash is actually received.

**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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Both statements show the operations of the City broken down between governmental activities and business-type activities. Governmental activities are the operations of the City generally supported by taxes, such as public works, police and parks and recreation. Business activities are operations of the City that are intended to recover all or a significant portion of their costs through user fees and charges. Currently, the City's business activities are the golf course operation, the soccer complex and Overland Park Development Corporation.

*Fund Financial Statements*

The City uses three types of funds to manage its resources: governmental funds, proprietary funds and fiduciary funds. A fund is a fiscal entity with a set of self-balancing accounts recording financial resources, together with all related liabilities and residual equities and balances, and the changes therein. These accounting entities are separated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions or limitations.

Governmental fund financial statements are prepared on the modified accrual basis. Under the modified accrual basis, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and other similar items which are recorded when due. The focus, therefore, is on the short-term financial picture of the operations reported, rather than the City as a whole. Most of the City's basic operations are reported in the governmental fund financial statements. The information reported in these statements can be compared to the governmental activities information in the government-wide statements. The reconciliation at the end of the fund financial statements details the relationship between the two types of financial statements.

Proprietary funds fall into two categories: enterprise funds and internal service funds. All proprietary funds are prepared on the accrual basis of accounting. Enterprise funds are used to account for business-type activities. Enterprise fund statements present the same information that is in the government-wide statements for business activities, only in greater detail. Internal service funds are used to account for the cost of operations shared by various functions of the City. The City uses four internal service funds to account for its self-insurance activities: Special Liability Defense Fund, Risk Management Reserve Fund, Workers' Compensation Fund and Medical Imprest Plan Fund. The Special Liability Defense Fund and the Risk Management Reserve are presented as sub-funds of the General Fund. The Workers' Compensation Fund and Medical Imprest Fund are combined together into a single column on the proprietary fund statement. A combining statement for these funds can be found in the supplementary information following the notes to the financial statements. In the government-wide statements, the information for these internal service funds is presented as part of the governmental activities information.

Fiduciary funds are used by the City to account for resources held by the City for the benefit of a third party. Because the resources of these funds are not available for the City's operation, they are not presented in the government-wide financial statements. The City's fiduciary funds include the Municipal Employees Pension Plan Fund, the Police Pension Plan Fund, the Overland Park Fire Department Retirement Plan, the Other Post-Employment Benefit Trust, and the Tomahawk Cemetery Trust Fund and are reported as a private purpose trust since the City has no ownership interest in these trusts. The fiduciary funds are combined into two columns on the fiduciary fund statement. A combining statement can be found in the supplementary information following the notes to basic financial statements.



**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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Notes to Basic Financial Statements

The notes to basic financial statements are an integral part of the basic financial statements since they contain valuable additional information necessary for gaining a complete understanding of the City's financial statements.

Other Information

In addition to the financial statements and the notes described above, required supplementary information regarding the City's funding of its Police Pension Plan and the Overland Park Fire Department Retirement Plan and Other Post-Employment Benefit Trust has been included to give the reader further insight into the City's pension and other postemployment benefit plan results. The combining statements for non-major funds referred to above are included after the required supplementary information on pension plans. Finally, the Statistical Section includes statistical data about the City.

**Analysis of the Government-wide Statements**

Net Position

Combined net position of the City at December 31 were:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Current and other assets	\$ 114,845,887	\$ 113,628,524	\$ 19,670,502	\$ 18,991,936
Capital assets	1,044,759,020	1,051,464,862	55,164,556	54,787,991
Total assets	<u>1,159,604,907</u>	<u>1,165,093,386</u>	<u>74,835,058</u>	<u>73,779,927</u>
Deferred outflows	<u>372,576</u>	<u>343,916</u>	<u>8,192,254</u>	<u>7,590,423</u>
Long-term liabilities	172,872,017	159,013,370	113,877,423	111,174,768
Other liabilities	41,817,140	38,294,777	6,561,360	8,291,127
Total liabilities	<u>214,689,157</u>	<u>197,308,147</u>	<u>120,438,783</u>	<u>119,465,895</u>
Deferred inflows	<u>33,862,105</u>	<u>33,933,058</u>	<u>1,055,211</u>	<u>1,065,410</u>
Net position:				
Net investment in capital assets	865,820,612	887,503,877	(52,499,975)	(48,109,010)
Restricted for other purposes	3,761,989	4,835,240	16,272,483	15,827,405
Unrestricted	41,843,620	41,856,980	(2,239,190)	(6,879,350)
Total net position	<u>\$ 911,426,221</u>	<u>\$ 934,196,097</u>	<u>\$ (38,466,682)</u>	<u>\$ (39,160,955)</u>

**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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Governmental Activities

The City ended 2012 with positive net position. Several of the items fluctuated significantly between 2011 and 2012.

- Current and Other Assets – This category decreased 1.1% from 2011 primarily due to a decrease in special assessments and franchise tax receivable.
- Long-term Liabilities – Outstanding debt decreased 7.8% as a result of regularly scheduled debt payments of \$17,227,086.

Business-type Activities

- The City's golf course operations ended 2012 with positive net position and a decrease of 3.2% in total net position in 2012 compared to 2011 due to increased expenditures.
- The Overland Park Development Corporation ended 2012 with negative net position of \$43,996,918.

Statement of Activities

The table below shows the condensed revenues, expenses and the change in net position for 2011 and 2012.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Revenues:				
Program Revenues:				
Charges for services	\$ 24,601,540	\$ 24,727,350	\$ 23,928,303	\$ 26,092,952
Operating grants and contributions	13,704,711	14,637,360	-	-
Capital grants and contributions	12,858,126	23,595,514	-	-
General Revenues:				
Property taxes	23,010,679	34,073,454	-	-
Sales taxes	46,553,901	47,715,776	-	-
Other taxes	17,838,165	18,067,675	-	-
Other taxes	23,540,287	27,106,738	255,919	460,364
Total revenues	<u>162,107,409</u>	<u>189,923,867</u>	<u>24,184,222</u>	<u>26,553,316</u>

**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Expenses:				
General government	34,805,867	24,165,599	-	-
Public safety	49,874,733	49,093,933	-	-
Public works	61,229,121	57,384,226	-	-
Parks and recreation	4,530,531	18,644,475	-	-
Planning and development	7,084,275	7,219,292	-	-
Golf course	-	-	3,073,047	5,063,747
Soccer complex	-	-	1,012,289	1,086,509
OP Development Corporation	-	-	25,163,663	25,123,892
Interest on long-term debt	6,355,197	6,619,907	-	-
Total expenses	<u>163,879,724</u>	<u>163,127,432</u>	<u>29,248,999</u>	<u>31,274,148</u>
Revenue over (under) expenses	(1,772,315)	26,796,435	(5,064,777)	(4,720,832)
Transfers	(3,396,867)	(4,026,559)	3,396,867	4,026,559
Increase (decrease) in net position	(5,169,182)	22,769,876	(1,667,910)	(694,273)
Net position January 1, as restated	916,595,403	911,426,221	(36,798,772)	(38,466,682)
Net position December 31	<u>\$ 911,426,221</u>	<u>\$ 934,196,097</u>	<u>\$ (38,466,682)</u>	<u>\$ (39,160,955)</u>

Governmental Activities

Several of the revenue and expense categories fluctuated between 2011 and 2012, as explained below.

- Operating Grants/Contributions – Grants increased primarily due to the Department of Transportation TIGER grant for the Metcalf bus corridor.
- Capital Grants/Contributions – Increase in contributions from the State, County and local governments, primarily for improvements to major thoroughfares.
- Property Taxes – The 48.1% increase in property taxes results from an increase in the mill levy for 2012 as well as a slight increase in the assessed valuation. The table below compares the mill levy for 2011 through 2012.

**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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	<b>2010 Levy to support <u>2011 Budget</u></b>	<b>2011 Levy to support <u>2012 Budget</u></b>
General Fund	3.254	7.262
Fire Service Fund	4.651	4.593
Storm Water Utility	<u>0.971</u>	<u>0.959</u>
Total Mill Levy	<u><u>8.876</u></u>	<u><u>12.814</u></u>

The City's assessed valuation experienced a 0.6% increase over the previous year, as shown in the following chart. This increase was driven by a 1.2% increase in real estate valuation.

Decreases in Assessed Valuation: 2011 to 2012

	2011 Valuation to Support 2012 <u>Budget</u>	2012 Valuation to Support 2013 <u>Budget</u>	Increase/ (Decrease) over <u>Prior year</u>	<u>% Change</u>
Real Estate	\$ 2,518,504,326	\$ 2,548,009,526	\$ 29,505,200	1.2%
Personal	59,012,772	50,540,129	(8,472,643)	-14.4%
Utilities	<u>55,742,400</u>	<u>49,821,564</u>	<u>(5,920,836)</u>	-10.6%
Total	<u><u>\$ 2,633,259,498</u></u>	<u><u>\$ 2,648,371,219</u></u>	<u><u>\$ 15,111,721</u></u>	0.6%

- Sales taxes – The soft economy in 2012 resulted in an increase in overall sales and use tax revenue by 2.5% over 2011 due to a slow growing retail sales. Retail sales tax collections increased 1.7% over 2011.
- Other taxes – Franchise taxes decreased by 0.9% over 2011 due to weather factors. Transient guest taxes increased by 4.3% due to improved occupancy percentages and average daily room rates.
- Other – Countywide retail sales tax collections increased \$1.8 million. The City's share of the countywide distribution increased due to the mill levy increase.
- General Government Expense – This expense category was lower in 2012 due to lower capitalized expenses in 2012 compared with 2011.
- Public Works Expense – This expense category is lower in 2012 due to an increase in expenditures related to capital improvement projects.
- Parks & Recreation Expense – This expense category is higher in 2012 due to final capitalized expenses of the City's soccer complex in 2011.

**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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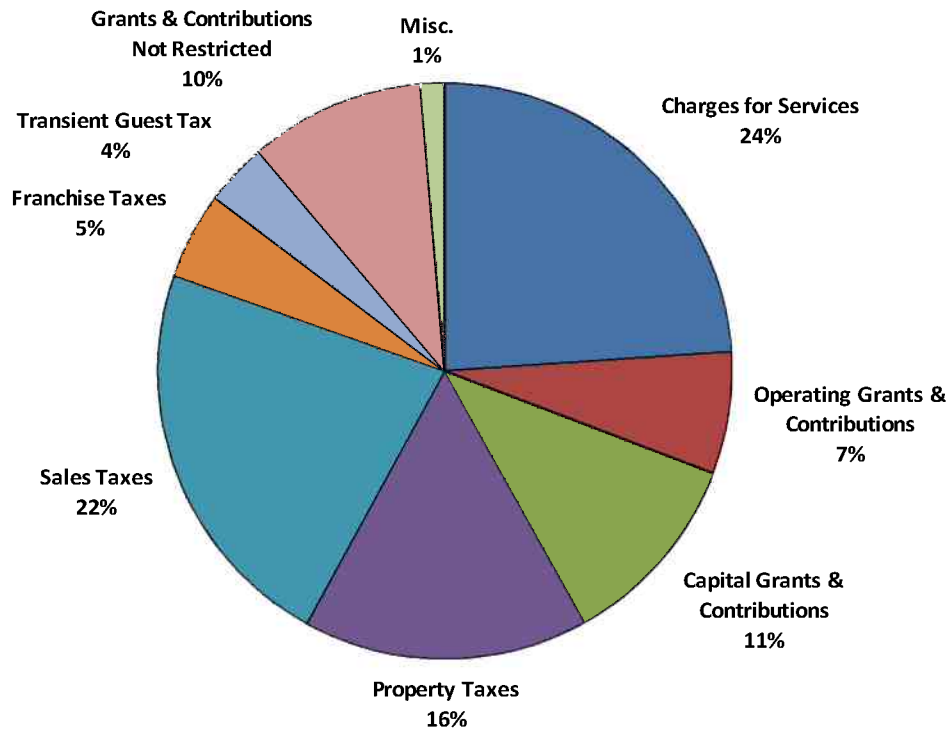
Business-type Activities

The following categories experienced significant variations between 2011 and 2012:

- Charges for Services – Revenues in 2012 increased by 9% primarily as a result of increased revenues from outsourcing the golf course operations along with an increase in rounds of golf played.
- Golf Course Expenses – Expenses increased due to outsourcing the management of the operation and maintenance of the golf courses along with increased operating costs.
- Overland Park Development Corporation Expenses – Expenses in 2012 decreased in the Overland Park Development Corporation due to the results of operations of the Sheraton Hotel.

The following graph depicts the composition of 2012 primary government revenues as presented in the Statement of Activities.

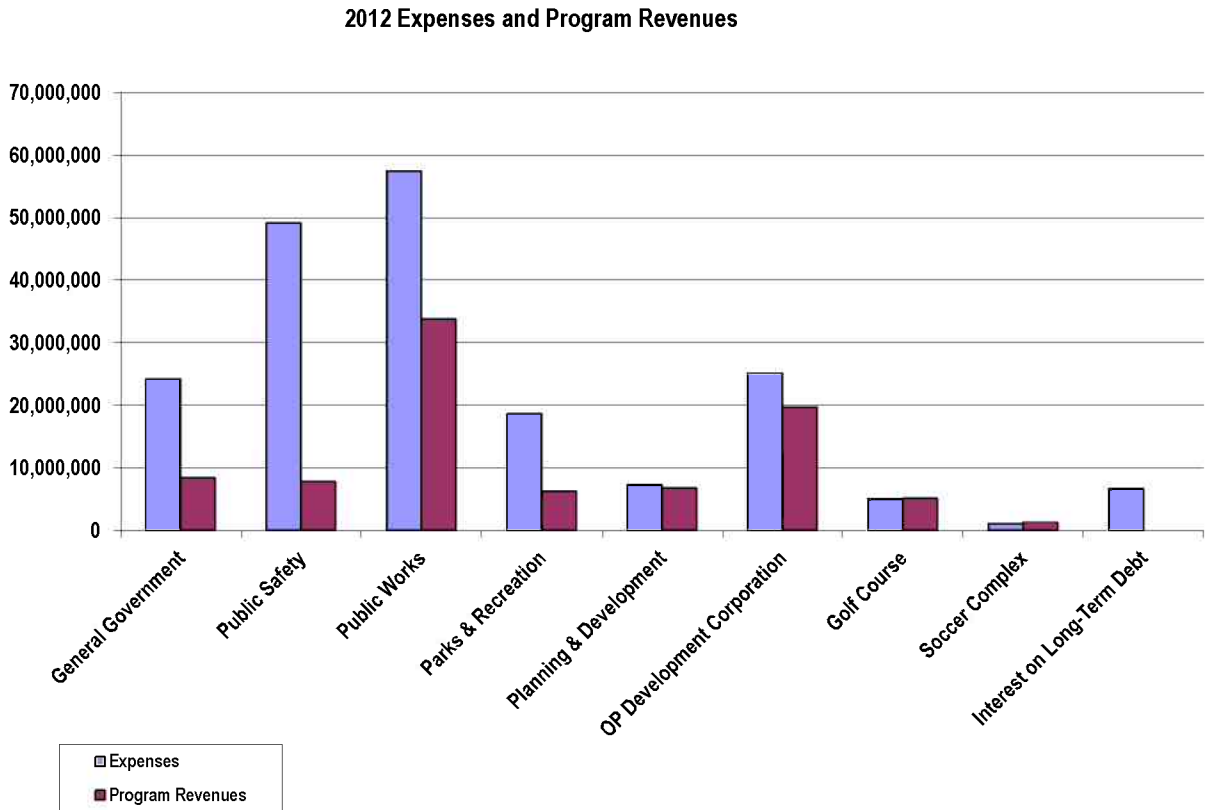
**2012 Revenues by Source**



**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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The following chart compares the primary government expenses and program revenues.



The total cost of services for 2012 was \$194.4 million; however, \$89.1 million was funded by users directly benefiting from the services or by other organizations through grants and contributions. The remaining \$105.3 million of these services were paid by the City's taxpayers primarily through property taxes and sales taxes.

**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

**Analysis of the Fund Financial Statements**

Governmental Fund Balance at December 31, 2012						
	General	One-Eighth Cent Sales Tax - Street Improvement	Stormwater Utility	Street Improvement	Debt Service	Total
Restricted	\$ -	\$ 2,298,032	\$ 1,882,013	\$ -	\$ 250,000	\$ 4,430,045
Committed	12,479,807	-	-	-	-	12,479,807
Assigned	2,152,114	-	61,020	-	-	2,213,134
Unassigned	23,222,648	-	-	(379,961)	-	22,842,687
<b>Total fund balances</b>	<b>\$ 37,854,569</b>	<b>\$ 2,298,032</b>	<b>\$ 1,943,033</b>	<b>\$ (379,961)</b>	<b>\$ 250,000</b>	<b>\$ 41,965,673</b>

Governmental Fund Balance at December 31, 2011						
	General	One-Eighth Cent Sales Tax - Street Improvement	Stormwater Utility	Street Improvement	Debt Service	Total
Restricted	\$ -	\$ 3,082,918	\$ 880,650	\$ 2,551,913	\$ 100,000	\$ 6,615,481
Committed	150,000	-	-	-	-	150,000
Assigned	717,147	-	83,674	4,612,665	-	5,413,486
Unassigned	31,341,222	-	-	-	-	31,341,222
<b>Total fund balances</b>	<b>\$ 32,208,369</b>	<b>\$ 3,082,918</b>	<b>\$ 964,324</b>	<b>\$ 7,164,578</b>	<b>\$ 100,000</b>	<b>\$ 43,520,189</b>

Overall, the City's major funds experienced a 3.6 percent decrease in fund balance as a result of 2012 operations. The increase in the General Fund is attributable to the increases in property tax and sales tax collections which more than offset a \$10.4 million lower beginning fund balance. The One-Eighth Cent Sales Tax – Street Improvement fund balance decreased as a result of an increase in street maintenance expenditures. The increase in the Stormwater Utility Fund is a result of an increase in stormwater fee revenue along with a decrease in expenditures compared to the prior year. The Street Improvement fund balance decreased as a result of the timing of a bond issue which was completed in early 2013.

Changes in the classifications of the fund balance can be attributed to the City's adoption of a fiscal policy in March 2012. More information can be found in Note IV, Item G. Fund Balance.

Proprietary Funds

The Internal Service Funds information is included with the Governmental Activities information on the government-wide statements. Any asset, revenue and/or expense fluctuations have been discussed in the Government-wide statement section.

Enterprise fund information for the City's Golf Course Fund, Soccer Fund and Overland Park Development Corporation Fund is included in the discussion of the Government-wide financial statements.

City of Overland Park, Kansas

Management's Discussion and Analysis  
Year Ended December 31, 2012

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### General Fund Budgetary Highlights

The legally adopted budget for the General Fund was not amended by the City Council during 2012. The budget was revised due to Departments within the City that are allowed to transfer budget between line items and between cost centers within a department. In addition, budget may be transferred out of cost centers to reflect insurance savings, budget cuts, etc. As a result of these budget transfers, the original budget and the final budgets may not be the same in some cost centers.

The following revenue and expenditure categories experienced significant differences between the final budget amount and the actual amount. The explanation of the difference is also included.

Category	Explanation
Sales Tax	The soft economy in 2012 resulted in an increase of retail sales tax collections of 1.7% and an increase in compensating use tax revenue of 7.8%. Combined sales and use taxes increased 2.5% compared to a budgeted increase of 2.7%.
Franchise Tax	Franchise tax revenues from electric and gas utility companies vary from year to year based on the weather.
Fines and Penalties	The Municipal Court's case load varies from year to year based on the level of police enforcement activity.
Use of Money	Decreasing available funds to invest and lower interest rates continued during 2012.
Grant/Contributions Not Restricted	Countywide retail sales tax collections increased \$1.8 million. The City's share of the countywide distribution increased due to the mill levy increase. Motor vehicle tax collections increased \$1.4 million due to collapsing the Fire Service Fund within the General Fund.
Miscellaneous and Reimbursements	These revenues will vary from year to year. Because of the nature of these revenues, it is difficult to make accurate estimates of the individual sources in order to develop the budgeted amount.
City-wide Contingency	The contingency budget is set aside for unexpected expenditures. Any funds allocated from this budget are transferred to the requesting cost center so there will not be any actual expenditures charged to this category.



**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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**Capital Asset and Debt Administration**

Capital Assets

The total amount invested in capital assets for the City at December 31, 2012, was \$1,104,915,841 net of accumulated depreciation. This represents a decrease of 0.5 percent over the 2011 total, which is attributed to an excess of accumulated depreciation over the major additions listed below. The following chart breaks down the City's capital asset balance into the various categories of assets.

	<b>Government Activities</b>		<b>Business-Type Activities</b>	
	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>
Land	\$ 31,045,631	\$ 31,045,631	\$ 1,425,200	\$ 1,425,200
Construction in Progress	34,622,480	7,004,202	-	1,680,492
Land Improvements	33,987,159	31,326,656	776,814	559,409
Building and Improvements - City	87,814,404	85,384,297	1,773,866	1,697,987
Building and Improvements - OPDC	-	-	49,563,758	48,157,509
OPCC Capital Assets	200,663	108,052	-	-
Equipment - City	12,897,821	15,977,055	303,862	368,899
Equipment - OPDC	-	-	1,321,056	898,495
Infrastructure	844,190,862	880,618,969	-	-
	<u>\$ 1,044,759,020</u>	<u>\$ 1,051,464,862</u>	<u>\$ 55,164,556</u>	<u>\$ 54,787,991</u>

Major additions to capital assets during the year included:

Infrastructure - 2012 streets	\$ 4,720,400
Infrastructure - 2012 residential street	46,737
Infrastructure - 2012 storm drainage	519,583
Public buildings	5,114,219
Parks facilities	(5,739,936)
Public equipment	951,935
Total	<u>\$ 5,612,938</u>

**City of Overland Park, Kansas**  
**Management's Discussion and Analysis**  
**Year Ended December 31, 2012**

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Additional information about the City's capital assets can be found in Note I, Item D and Note III, Item C in the notes to basic financial statements.

Debt Administration

The outstanding general obligation bonds at December 31, 2012 totaled \$162,605,000 of which \$157,830,125 is considered net direct tax supported debt. This balance represents a 9.6% decrease over the 2011 balance. The decrease is due to regularly scheduled debt payments of \$17,270,000. The City did not issue any new debt in 2012.

For the past 25 years, the City has received a credit rating of Aaa and AAA from Moody's Investors Service, Inc. and Standard and Poor's Corporation, respectively. This represents the highest possible rating available from these two companies. For the eleventh year, the City received an AAA rating from Fitch Ratings, the highest rating the company offers.

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita provide useful indicators of the City's debt position to citizens, elected officials, City management and investors. This data for the City at the end of the 2012 fiscal year is as follows:

	<b>Total Amount</b>	<b>Ratio of Debt to Assessed Value</b>	<b>Debt Per Capita</b>
Total bonded debt	\$162,605,000	0.061	\$907.21

Additional information regarding the City's debt can be found in Note III, Item G.

## **Requests for Information**

This financial report is intended to give the reader a general overview of the City's finances. Questions about information contained in this report or requests for additional information should be directed to the Chief Financial Officer, 8500 Santa Fe, Overland Park, KS 66212.

# Basic Financial Statements



**City of Overland Park  
Statement of Net Position  
December 31, 2012**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Current assets:			
Cash and cash equivalents and investments	\$ 52,630,438	\$ 1,730,572	\$ 54,361,010
Taxes receivables	17,093,142	-	17,093,142
Accounts receivable	1,344,119	846,791	2,190,910
Due from other governments	3,859,044	-	3,859,044
Current property taxes receivable	33,817,054	-	33,817,054
Special assessments	434,739	-	434,739
Other current assets	550,279	587,168	1,137,447
<b>Total Current Assets</b>	<b>109,728,815</b>	<b>3,164,531</b>	<b>112,893,346</b>
Noncurrent assets:			
Special assessments	2,048,548	-	2,048,548
Cash and investments restricted for:			
Debt service	-	15,827,405	15,827,405
Worker's comp and medical claims	1,851,161	-	1,851,161
Capital Assets:			
Land, improvements and construction in progress	38,049,833	3,105,692	41,155,525
Capital assets, net of depreciation	1,013,415,029	51,682,299	1,065,097,328
<b>Total Capital Assets</b>	<b>1,051,464,862</b>	<b>54,787,991</b>	<b>1,106,252,853</b>
<b>Total Noncurrent Assets</b>	<b>1,055,364,571</b>	<b>70,615,396</b>	<b>1,125,979,967</b>
<b>Total Assets</b>	<b>1,165,093,386</b>	<b>73,779,927</b>	<b>1,238,873,313</b>
<b>Deferred outflows of resources</b>			
Deferred charge on refunding	\$ 343,916	\$ 7,590,423	\$ 7,934,339
<b>Liabilities</b>			
Accounts and claims payable	\$ 4,457,645	\$ 2,449,224	\$ 6,906,869
Accrued expenditures	7,294,181	4,311,181	11,605,362
Contract payable	3,334,029	-	3,334,029
Unearned revenue	2,233,806	8,780	2,242,586
Long-term liabilities:			
Due in one year	20,975,116	1,521,942	22,497,058
Due in more than one year	159,013,370	111,174,768	270,188,138
<b>Total Liabilities</b>	<b>\$ 197,308,147</b>	<b>\$ 119,465,895</b>	<b>\$ 316,774,042</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - property taxes	33,933,058	-	33,933,058
Lease revenue	-	1,065,410	1,065,410
<b>Total deferred inflows of resources</b>	<b>33,933,058</b>	<b>1,065,410</b>	<b>34,998,468</b>
<b>Net Position</b>			
Net investment in capital assets	\$ 887,503,877	\$ (48,109,010)	\$ 839,394,867
Restricted for:			
Debt Service	344,206	12,730,359	13,074,565
Restricted for capital and other projects	-	3,097,046	3,097,046
Workers' compensation and medical claims	924,828	-	924,828
Street improvements	3,566,206	-	3,566,206
Unrestricted	41,856,980	(6,879,350)	34,977,630
<b>Total Net Position</b>	<b>\$ 934,196,097</b>	<b>\$ (39,160,955)</b>	<b>\$ 895,035,142</b>

*The accompanying notes are an integral part of the basic financial statements.*



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**City of Overland Park  
Balance Sheet  
Governmental Funds  
December 31, 2012**

	<b>One-eighth Cent</b>			
	<b>General</b>	<b>Sales Tax - Street Improvement</b>	<b>Stormwater Utility</b>	<b>Street Improvement</b>
<b>Assets</b>				
Cash, cash equivalents and investments	\$ 30,313,553	\$ 1,516,197	\$ 2,051,975	\$ 7,307
Taxes receivable	12,670,920	983,080	-	-
Accounts receivables	538,111	-	-	-
Due from other funds	1,324,835	-	-	999,799
Due from other governments	-	-	-	2,877,123
Current property taxes receivable	31,287,859	-	2,529,195	-
Other current assets	-	-	-	-
Special assessments				
Current	-	-	-	-
Noncurrent	-	-	-	-
<b>Total assets</b>	<b>\$ 76,135,278</b>	<b>\$ 2,499,277</b>	<b>\$ 4,581,170</b>	<b>\$ 3,884,229</b>
<b>Liabilities:</b>				
Accounts payable	\$ 3,826,993	\$ 201,245	\$ 39,100	\$ -
Accrued expenditures	2,790,486	-	69,842	-
Contracts payable	-	-	-	2,617,704
Due to other funds	-	-	-	1,158,016
Unearned revenue	259,367	-	-	-
<b>Total Liabilities</b>	<b>\$ 6,876,846</b>	<b>\$ 201,245</b>	<b>\$ 108,942</b>	<b>\$ 3,775,720</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - property taxes	31,403,863	-	2,529,195	-
Unavailable revenue - special assessments	-	-	-	-
Unavailable revenue - other	-	-	-	488,470
<b>Total deferred inflows of resources</b>	<b>\$ 31,403,863</b>	<b>\$ -</b>	<b>\$ 2,529,195</b>	<b>\$ 488,470</b>
<b>Fund Balances:</b>				
Restricted	-	2,298,032	1,882,013	-
Committed	12,479,807	-	-	-
Assigned	2,152,114	-	61,020	-
Unassigned	23,222,648	-	-	(379,961)
<b>Total fund balances</b>	<b>37,854,569</b>	<b>2,298,032</b>	<b>1,943,033</b>	<b>(379,961)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 76,135,278</b>	<b>\$ 2,499,277</b>	<b>\$ 4,581,170</b>	<b>\$ 3,884,229</b>

*The accompanying notes are an integral part of the basic financial statements.*



<b>Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 250,000	\$ 14,329,268	\$ 48,468,300
-	3,439,142	17,093,142
-	792,422	1,330,533
-	-	2,324,634
-	981,921	3,859,044
-	-	33,817,054
-	550,279	550,279
434,739	-	434,739
2,048,548	-	2,048,548
<u>\$ 2,733,287</u>	<u>\$ 20,093,032</u>	<u>\$ 109,926,273</u>

\$ -	\$ 1,119,500	\$ 5,186,838
-	-	2,860,328
-	702,550	3,320,254
-	1,166,618	2,324,634
-	1,974,439	2,233,806
<u>\$ -</u>	<u>\$ 4,963,107</u>	<u>\$ 15,925,860</u>

-	-	33,933,058
2,483,287	-	2,483,287
-	694,520	1,182,990
<u>\$ 2,483,287</u>	<u>\$ 694,520</u>	<u>\$ 37,599,335</u>

250,000	8,114,038	12,544,083
-	-	12,479,807
-	6,337,486	8,550,620
-	(16,119)	22,826,568
<u>250,000</u>	<u>14,435,405</u>	<u>56,401,078</u>
<u>\$ 2,733,287</u>	<u>\$ 20,093,032</u>	<u>\$ 109,926,273</u>

**City of Overland Park  
Reconciliation of the Balance Sheet  
to the Statement of Net Position  
Governmental Funds  
December 31, 2012**

Fund balances - total governmental funds \$ 56,401,078

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. 1,051,464,862

Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.

Governmental bonds payable	\$ (162,583,964)	
Accrued interest payable on long-term debt	(2,072,733)	
Bond premium	(1,720,937)	
Deferred charge on refunding	343,916	
Accrued vacation and sick leave payable	(7,038,494)	
Claims payable for special liability defense	(826,536)	
Net Pension obligation	(1,482,443)	
Other postemployment benefit	<u>(6,336,112)</u>	(181,717,303)

Unearned special assessment tax revenue in governmental funds is not reported on the entity-wide statements.

Unearned revenue 3,666,277

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.

4,381,183

**Net position of governmental activities**

\$ 934,196,097

*The accompanying notes are an integral part of the basic financial statements.*

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**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2012**

	General	One-eighth Cent Sales Tax Street Improvement	Stormwater Utility	Street Improvement
<b>Revenues</b>				
Property taxes	\$ 31,348,077	\$ -	\$ 2,566,564	\$ -
Sales taxes	42,397,537	5,301,383	-	-
Franchise taxes	10,295,175	-	-	-
Transient guest tax	-	-	-	-
Charges for services	7,044,029	-	-	-
Licenses and permits	4,801,914	-	-	-
Fines and penalties	4,712,719	-	-	-
Use of money	353,610	-	-	-
Intergovernmental	351,507	-	-	17,213,117
Contributions	1,358,225	-	-	-
Capital / operating grants	-	16,968	3,875,339	22,306
Grants / contributions not restricted to specific programs	22,569,980	-	-	-
<b>Total revenues</b>	<b>125,232,773</b>	<b>5,318,351</b>	<b>6,441,903</b>	<b>17,235,423</b>
<b>Expenditures</b>				
Current:				
General government	17,520,355	-	-	-
Public safety	47,686,578	-	-	-
Public works	11,782,006	-	2,748,668	-
Parks and recreation	9,281,168	-	-	-
Planning and development services	6,608,369	-	-	-
Capital improvements	-	-	-	42,056,820
Principal / Interest on long-term debt	-	-	-	-
<b>Total expenditures</b>	<b>92,878,476</b>	<b>-</b>	<b>2,748,668</b>	<b>42,056,820</b>
Excess of revenues over (under) expenditures	32,354,297	5,318,351	3,693,235	(24,821,397)
<b>Other financing sources (uses)</b>				
Transfers in	6,819,043	92,513	354,539	25,865,306
Transfers out	(33,595,465)	(6,195,750)	(3,069,065)	(8,588,448)
<b>Total other financing sources (uses)</b>	<b>(26,776,422)</b>	<b>(6,103,237)</b>	<b>(2,714,526)</b>	<b>17,276,858</b>
Net change in fund balances	5,577,875	(784,886)	978,709	(7,544,539)
Fund balances (deficits) at beginning of year	32,276,694	3,082,918	964,324	7,164,578
Fund balances (deficits) at end of year	<b>\$ 37,854,569</b>	<b>\$ 2,298,032</b>	<b>\$ 1,943,033</b>	<b>\$ (379,961)</b>

*The accompanying notes are an integral part of the basic financial statements.*

<b>Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 158,813	\$ 34,073,454
-	16,856	47,715,776
-	-	10,295,175
-	7,772,500	7,772,500
-	7,205,873	14,249,902
-	105,310	4,907,224
-	-	4,712,719
-	323,943	677,553
-	6,649,498	24,214,122
526,155	1,284,129	3,168,509
-	6,549,835	10,464,448
-	-	22,569,980
526,155	30,066,757	184,821,362
-	10,292,737	27,813,092
-	559,945	48,246,523
-	371,400	14,902,074
-	1,355,895	10,637,063
-	434,870	7,043,239
-	5,311,841	47,368,661
24,074,904	-	24,074,904
24,074,904	18,326,688	180,085,556
(23,548,749)	11,740,069	4,735,806
23,698,749	14,712,625	71,542,775
-	(24,648,006)	(76,096,734)
23,698,749	(9,935,381)	(4,553,959)
150,000	1,804,688	181,847
100,000	12,630,717	56,219,231
\$ 250,000	\$ 14,435,405	\$ 56,401,078

**City of Overland Park**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2012**

Net change in fund balances-total governmental funds \$ 181,847

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital assets contributed	3,374,932	
Expenditures for capital assets	39,428,646	
Less current year depreciation	(36,046,272)	
Less current year disposals (net of depreciation)	(51,464)	6,705,842

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Long-term debt interest expense	227,911	
Change in pension obligation	(159,414)	
Change in other post employment benefits	(1,489,394)	
Change in vacation/sick leave obligation	(267,232)	
Change in claims payable	(702,116)	(2,390,245)

Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in governmental funds.

Special assessments		(379,790)
Capital grant		517,758

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded payments.

Bond principal		17,227,086
Amortization of deferred charge on refunding		(28,660)
Amortization of bond premium		330,910
Amortization of bond issuance cost		(510,313)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of all internal service funds is reported with governmental activities.

		1,115,441
<b>Change in net position of governmental activities</b>		<b>\$ 22,769,876</b>

*The accompanying notes are an integral part of the basic financial statements.*

**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**General Fund**  
**For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	
<b>Revenues:</b>				
Property taxes	\$ 18,814,000	\$ 30,823,000	\$ 31,348,077	\$ 525,077
Sales tax	41,492,447	41,492,447	42,397,537	905,090
Franchise taxes	10,297,700	10,297,700	10,295,175	(2,525)
Charges for services	5,434,500	7,372,000	7,044,028	(327,972)
Licenses and permits	2,914,941	2,916,191	4,801,914	1,885,723
Fines and penalties	6,280,500	6,281,500	4,712,720	(1,568,780)
Use of money	188,109	219,109	261,928	42,819
Intergovernmental	200,000	294,000	351,487	57,487
Grants/ Contributions not restricted	19,105,025	20,523,025	22,569,980	2,046,955
Miscellaneous Reimb / Contributions	1,130,778	1,139,028	1,357,225	218,197
<b>Total revenues</b>	<b>105,858,000</b>	<b>121,358,000</b>	<b>125,140,071</b>	<b>3,782,071</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Finance and Administration</b>				
Mayor and Council	390,669	401,029	376,125	24,904
Economic Development	650,980	696,080	575,481	120,599
City Manager	864,238	918,694	883,919	34,775
Communications	413,664	412,729	373,421	39,308
Information Technology	3,492,407	3,507,365	3,373,450	133,915
Facilities Management	3,441,214	3,417,320	3,438,630	(21,310)
Municipal Court	2,945,788	2,924,282	2,604,037	320,245
Law	1,422,812	1,514,049	1,468,457	45,592
Finance and Accounting	1,320,928	1,306,112	1,116,287	189,825
City Clerk	705,403	701,321	650,063	51,258
Human Resources	1,366,620	1,613,842	1,629,078	(15,236)
Payroll	641,452	442,640	468,607	(25,967)
City Wide Contingency	3,138,518	3,486,372	-	3,486,372
<b>Total Finance and Administration</b>	<b>20,794,693</b>	<b>21,341,835</b>	<b>16,957,555</b>	<b>4,384,280</b>
<b>Public Safety</b>				
<b>Police</b>				
Police Administration	2,284,741	2,455,132	3,508,969	(1,053,837)
Tactical Operations	18,205,966	17,955,847	17,404,320	551,527
Special Services Bureau	10,434,225	10,208,254	8,570,467	1,637,787
<b>Total Public Safety</b>	<b>30,924,932</b>	<b>30,619,233</b>	<b>29,483,756</b>	<b>1,135,477</b>

(continued)

**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**General Fund**  
**For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	
Fire				
Fire Services	\$ -	\$ 1,222,000	\$ 1,207,180	\$ 14,820
OPFD - Administration	-	1,058,281	1,048,173	10,108
OPFD - Operations	-	14,414,249	14,193,852	220,397
OPFD - Prevention	-	626,682	600,315	26,367
OPFD - Support Services	-	462,077	528,245	(66,168)
OPFD - Training	-	829,866	781,096	48,770
<b>Total Fire</b>	-	18,613,155	18,358,861	254,294
<b>Total Public Safety</b>	30,924,932	49,232,388	47,842,617	1,389,771
Public Works				
Public Works Administration	1,202,334	1,199,082	1,107,741	91,341
Street Engineering & Construction	2,331,630	2,287,720	2,177,286	110,434
Traffic Services	1,475,842	1,447,402	1,345,544	101,858
Traffic Maintenance	3,209,723	3,198,796	3,312,683	(113,887)
Public Works Maintenance	4,222,319	4,164,900	3,788,404	376,496
<b>Total Public Works</b>	12,441,848	12,297,900	11,731,658	566,242
Community Development				
Parks and Forestry	2,904,036	2,882,398	2,815,587	66,811
Arboretum/Botanical Garden	731,559	891,011	842,338	48,673
Leisure Services	827,189	822,582	802,285	20,297
Community Centers	1,635,801	1,654,431	1,726,608	(72,177)
Farmstead	1,689,404	1,681,394	1,675,228	6,166
Aquatics	1,323,187	1,314,642	1,350,447	(35,805)
Planning and Development	1,961,388	2,058,572	2,081,157	(22,585)
Community Planning	1,990,701	1,977,463	1,809,518	167,945
Building Safety	2,154,268	2,133,141	1,966,561	166,580
Engineering Services	996,492	992,795	914,149	78,646
<b>Total Community Development</b>	16,214,025	16,408,429	15,983,878	424,551
<b>Total expenditures</b>	80,375,498	99,280,552	92,515,708	6,764,844
Revenues over expenditures	25,482,502	22,077,448	32,624,363	10,546,915
Other financing sources (uses):				
Transfer (to) from other funds:				
Special Revenue Funds	150,000	150,000	150,000	-
Golf Course Fund	297,000	297,000	297,000	-
Debt Service Fund	(17,515,000)	(17,543,256)	(17,103,890)	439,366
Insurance Reserve Funds	(100,000)	(100,000)	-	100,000
Capital Projects Funds	(16,561,287)	(12,324,977)	(12,364,671)	(39,694)
Fire Service Fund	(4,375,000)	-	-	-
Equipment Reserve Fund	(260,000)	(1,063,000)	(1,563,000)	(500,000)
Transient Guest Tax Fund - Cap Fund	(5,442,215)	(5,442,215)	-	5,442,215
<b>Total other financing sources (uses)</b>	(43,806,502)	(36,026,448)	(30,584,561)	5,441,887

(continued)



**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**General Fund**  
**For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues and other financing sources over (under) expenditures and other uses	(18,324,000)	(13,949,000)	2,039,802	15,988,802
Fund balances at beginning of year	18,324,000	18,324,000		(18,324,000)
Fund balances at end of year	<u>\$ -</u>	<u>\$ 4,375,000</u>		<u>\$ (4,375,000)</u>
Reconciliation to GAAP Basis:				
Activities reported within the Capital Improvement Fund, Equipment Reserve Fund, Special Street Improvement Fund, Special Liability Defense Fund, Risk Management Fund (sub-funds of the General Fund):				
<b>Total Revenue</b>			\$ 92,702	
<b>Total Expenditures</b>			(729,410)	
<b>Total other financing sources</b>			<u>3,808,139</u>	
<b>Revenues and other financing sources over expenditures</b>			5,211,233	
Reconciliation between GAAP and Non-GAAP expenditures			366,642	
Fund balances at beginning of year			32,276,694	
Fund balances at end of year			<u>\$ 37,854,569</u>	

*The accompanying notes are an integral part of the basic financial statements.*

**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**One-eighth Cent Sales Tax for Street Improvements Fund**  
**For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	
<b>Revenues:</b>				
Sales taxes	\$ 5,190,000	\$ 5,190,000	\$ 5,301,383	\$ 111,383
Capital/operating grants	10,000	10,000	16,968	6,968
<b>Total revenues</b>	<b>5,200,000</b>	<b>5,200,000</b>	<b>5,318,351</b>	<b>118,351</b>
<b>Expenditures:</b>				
City wide contingency	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues over expenditures	5,200,000	5,200,000	5,318,351	118,351
<b>Other financing sources (uses):</b>				
General Fund	(150,000)	(150,000)	(150,000)	-
Capital Projects Funds	(7,375,000)	(7,375,000)	(5,953,237)	1,421,763
<b>Total other financing sources (uses)</b>	<b>(7,525,000)</b>	<b>(7,525,000)</b>	<b>(6,103,237)</b>	<b>1,421,763</b>
<b>Revenues and other financing sources over (under) expenditures and other uses</b>	<b>(2,325,000)</b>	<b>(2,325,000)</b>	<b>(784,886)</b>	<b>1,540,114</b>
Fund balances at beginning of year	2,325,000	2,325,000	3,082,918	757,918
Fund balances at end of year	\$ -	\$ -	\$ 2,298,032	\$ 2,298,032

*The accompanying notes are an integral part of the basic financial statements.*

**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Stormwater Utility Fund**  
**For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Budgetary Basis	
<b>Revenues:</b>				
Property Tax	\$ 2,510,000	\$ 2,510,000	\$ 2,566,564	\$ 56,564
Charges for Services	3,650,000	3,650,000	3,855,913	205,913
Use of money	40,000	40,000	19,426	(20,574)
<b>Total revenues</b>	<b>6,200,000</b>	<b>6,200,000</b>	<b>6,441,903</b>	<b>241,903</b>
<b>Expenditures:</b>				
Current:				
Public Works	3,914,552	3,510,722	2,726,013	784,709
<b>Total expenditures</b>	<b>3,914,552</b>	<b>3,510,722</b>	<b>2,726,013</b>	<b>784,709</b>
<b>Revenues over expenditures</b>	<b>2,285,448</b>	<b>2,689,278</b>	<b>3,715,890</b>	<b>1,026,612</b>
<b>Other financing sources (uses):</b>				
Transfer (to) from other funds:				
Special Revenue Funds	(50,000)	(50,000)	(50,000)	-
Debt Service Fund	(4,448)	(4,448)	(4,448)	-
Capital Projects Funds	(2,651,000)	(3,054,830)	(2,660,078)	394,752
<b>Total other financing sources (uses)</b>	<b>(2,705,448)</b>	<b>(3,109,278)</b>	<b>(2,714,526)</b>	<b>394,752</b>
<b>Revenues and other financing sources over (under) expen- ditures and other uses</b>	<b>(420,000)</b>	<b>(420,000)</b>	<b>1,001,364</b>	<b>1,421,364</b>
Fund balances at beginning of year	420,000	420,000	880,650	460,650
Fund balances at end of year	\$ -	\$ -	\$ 1,882,014	\$ 1,882,014

*The accompanying notes are an integral part of the basic financial statements.*

**City of Overland Park  
Statement of Net Position  
Proprietary Funds  
December 31, 2012**

	<b>OPDC</b>	<b>Total Nonmajor Enterprise Fund</b>	<b>Total Enterprise Funds</b>	<b>Governmental Activities Combined Internal Service Funds</b>
<b>Assets</b>				
Current assets:				
Cash, cash equivalents and investments	\$ 799,983	\$ 930,589	\$ 1,730,572	\$ 4,162,138
Receivables, net	827,176	19,615	846,791	13,586
Inventory	325,133	155,253	480,386	-
Other current assets	106,782	-	106,782	-
<b>Total current assets</b>	<u>2,059,074</u>	<u>1,105,457</u>	<u>3,164,531</u>	<u>4,175,724</u>
Noncurrent assets:				
Capital assets:				
Land and construction in progress	1,680,492	1,425,200	3,105,692	-
Other capital assets, net of depreciation	49,056,004	2,626,295	51,682,299	-
<b>Total capital assets</b>	<u>50,736,496</u>	<u>4,051,495</u>	<u>54,787,991</u>	<u>-</u>
Investments restricted for workers' compensation and medical claims	-	-	-	1,851,161
Investments restricted for debt service	15,827,405	-	15,827,405	-
<b>Total noncurrent assets</b>	<u>66,563,901</u>	<u>4,051,495</u>	<u>70,615,396</u>	<u>1,851,161</u>
<b>Total assets</b>	<u>\$ 68,622,975</u>	<u>\$ 5,156,952</u>	<u>\$ 73,779,927</u>	<u>\$ 6,026,885</u>
Deferred outflows of resources, deferred charge on refunding	\$ 7,590,423	\$ -	\$ 7,590,423	\$ -
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	\$ 2,365,352	\$ 83,872	\$ 2,449,224	\$ 227,033
Accrued payroll	1,460,844	150,486	1,611,330	-
Accrued interest payable	2,805,547	210	2,805,757	-
Unearned revenue	-	8,780	8,780	-
Unpaid claims	-	-	-	1,418,669
Bonds payable	1,395,000	21,036	1,416,036	-
<b>Total current liabilities</b>	<u>8,026,743</u>	<u>264,384</u>	<u>8,291,127</u>	<u>1,645,702</u>
Long-term liabilities				
Accrued compensated absences	-	56,605	56,605	-
Bonds payable, net	109,071,388	-	109,071,388	-
Subordinated asset and property management fee payable	2,046,775	-	2,046,775	-
<b>Total long term liabilities</b>	<u>111,118,163</u>	<u>56,605</u>	<u>111,174,768</u>	<u>-</u>
<b>Total liabilities</b>	<u>\$ 119,144,906</u>	<u>\$ 320,989</u>	<u>\$ 119,465,895</u>	<u>\$ 1,645,702</u>
Deferred inflows of resources, lease revenue	\$ 1,065,410	\$ -	\$ 1,065,410	\$ -
<b>Net Position</b>				
Invested in capital assets, net of related debt	\$ (52,139,469)	\$ 4,030,459	\$ (48,109,010)	\$ -
Restricted for workers' compensation claims	-	-	-	804,191
Restricted for employee medical claims allocations	-	-	-	120,637
Restricted for debt service	12,730,359	-	12,730,359	-
Restricted for capital and other purposes	3,097,046	-	3,097,046	-
Unrestricted	(7,684,854)	805,504	(6,879,350)	3,456,355
<b>Total net position (deficit)</b>	<u>\$ (43,996,918)</u>	<u>\$ 4,835,963</u>	<u>\$ (39,160,955)</u>	<u>\$ 4,381,183</u>

*The accompanying notes are an integral part of the basic financial statements.*

**City of Overland Park**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2012**

	<u>OPDC</u>	<u>Total Nonmajor Enterprise Fund</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Combined Internal Service Funds</u>
Operating revenues:				
Charges for services	\$ 19,681,243	\$ 6,411,709	\$ 26,092,952	\$ 8,919,499
Other reimbursements	191,624	170,883	362,507	4,274
<b>Total operating revenues</b>	<u>19,872,867</u>	<u>6,582,592</u>	<u>26,455,459</u>	<u>8,923,773</u>
Operating expenses:				
Claims paid	-	-	-	8,105,705
Contractual services	-	-	-	265,758
Soccer operations	-	1,086,509	1,086,509	-
Golf course operations	-	4,729,880	4,729,880	-
OPDC Operations	16,803,482	-	16,803,482	-
Depreciation	2,254,679	332,378	2,587,057	-
<b>Total operating expenses</b>	<u>19,058,161</u>	<u>6,148,767</u>	<u>25,206,928</u>	<u>8,371,463</u>
<b>Operating income</b>	<u>814,706</u>	<u>433,825</u>	<u>1,248,531</u>	<u>552,310</u>
Nonoperating revenues and (expenses):				
Interest earned on investments	115,207	3,680	118,887	35,731
Interest expense on long term debt	(6,086,761)	(1,489)	(6,088,250)	-
<b>Total nonoperating revenue (expenses)</b>	<u>(5,971,554)</u>	<u>2,191</u>	<u>(5,969,363)</u>	<u>35,731</u>
<b>Income (loss) before transfer</b>	(5,156,848)	436,016	(4,720,832)	588,041
Transfers in	4,446,293	83,266	4,529,559	527,400
Transfers out	-	(503,000)	(503,000)	-
<b>Change in net position</b>	(710,555)	16,282	(694,273)	1,115,441
Total net position-beginning of year, as restated	<u>(43,286,363)</u>	<u>4,819,681</u>	<u>(38,466,682)</u>	<u>3,265,742</u>
Total net position-end of year	<u>\$ (43,996,918)</u>	<u>\$ 4,835,963</u>	<u>\$ (39,160,955)</u>	<u>\$ 4,381,183</u>

*The accompanying notes are an integral part of the basic financial statements.*

**City of Overland Park  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2012**

	Enterprise Fund OPDC	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Combined Internal Service Funds
<b>Cash flows from operating activities</b>				
Cash received from customers	\$ 19,696,166	\$ 6,396,134	\$ 26,092,300	\$ 8,919,499
Cash received from other reimbursements	-	170,883	170,883	74,513
Claims paid	-	-	-	(8,105,705)
Cash payments for personal services	-	(2,786,975)	(2,786,975)	-
Cash payments for contractual services and accounts payable	(16,395,037)	(3,175,680)	(19,570,717)	(726,955)
<b>Net cash provided by operating activities</b>	<u>3,301,129</u>	<u>604,362</u>	<u>3,905,491</u>	<u>161,352</u>
<b>Cash flows from noncapital financing activities</b>				
Transfers from (to) other funds	4,446,293	(419,734)	4,026,559	527,400
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>4,446,293</u>	<u>(419,734)</u>	<u>4,026,559</u>	<u>527,400</u>
<b>Cash flows from capital and related financing activities</b>				
Principal paid on capital debt	(1,215,000)	(42,914)	(1,257,914)	-
Interest paid on capital debt	-	(1,918)	(1,918)	-
Interest and trust fees paid on capital debt	(5,631,394)	-	(5,631,394)	-
Purchases of capital assets	(1,909,615)	(300,877)	(2,210,492)	-
<b>Net cash (used in) capital and related financing activities</b>	<u>(8,756,009)</u>	<u>(345,709)</u>	<u>(9,101,718)</u>	<u>-</u>
<b>Cash flows from investing activities</b>				
Interest on investments	226,429	3,680	230,109	35,731
Deposits to revenue bond trust funds	(9,446,497)	-	(9,446,497)	-
Proceeds from sale of restricted investments	9,780,353	-	9,780,353	-
<b>Net cash provided by investing activities</b>	<u>560,285</u>	<u>3,680</u>	<u>563,965</u>	<u>35,731</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(448,302)	(157,401)	(605,703)	724,483
Cash and cash equivalents-beginning of the year	1,248,285	1,087,990	2,336,275	5,288,816
Cash and cash equivalents-end of the year	<u>\$ 799,983</u>	<u>\$ 930,589</u>	<u>\$ 1,730,572</u>	<u>\$ 6,013,299</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income	\$ 814,706	\$ 433,825	\$ 1,248,531	\$ 552,310
Adjustments to reconcile operating income to net cash provided by operating activities:				
(Increase) decrease in accounts receivable	(176,701)	(5,827)	(182,528)	70,239
(Increase) in other current assets	(23,325)	-	(23,325)	-
(Increase) in inventory	(11,109)	(155,253)	(166,362)	-
Increase in accrued payroll	123,814	10,465	134,279	-
Increase in subordinate asset and property management fee payable	114,543	-	114,543	-
(Decrease) in unearned revenue	-	(9,748)	(9,748)	-
Increase (decrease) in accounts payable and claims payable	204,522	(1,478)	203,044	(461,197)
Depreciation expense	2,254,679	332,378	2,587,057	-
<b>Net cash provided by operating activities</b>	<u>\$ 3,301,129</u>	<u>\$ 604,362</u>	<u>\$ 3,905,491</u>	<u>\$ 161,352</u>

*The accompanying notes are an integral part of the basic financial statements.*

**City of Overland Park  
Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2012**

	<b>Employee Retirement Plans</b>	<b>Private-purpose Trusts</b>	<b>Agency Funds</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 2,600,093	\$ 3,321	\$ 68,105,167
Investments in equities	51,797,968	-	-
Investments in mutual funds	70,371,416	-	-
Investments in co-mingled trust fund	17,968,600	-	-
Interest receivable	-	-	21,622
Sales tax receivable	-	-	470,910
Special assessment receivable	-	-	12,591,000
<b>Total assets</b>	<b>\$ 142,738,077</b>	<b>\$ 3,321</b>	<b>\$ 81,188,699</b>
<b>Liabilities</b>			
Due to state	-	-	\$ 38,637
Due to other entities	-	-	81,150,062
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>\$ 81,188,699</b>
<b>Net Position</b>			
Held in trust for pension benefits and other purposes	<b>\$ 142,738,077</b>	<b>\$ 3,321</b>	

*The accompanying notes are an integral part of the basic financial statements.*

**City of Overland Park**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2012**

	<b>Employee Retirement Plans</b>	<b>Private-purpose Trusts</b>
<b>Additions</b>		
Contributions:		
Employer	\$ 7,523,108	\$ -
Plan members	121,229	-
<b>Total contributions</b>	<b>7,644,337</b>	<b>-</b>
Investment earnings:		
Net increase in fair value of investments	11,871,001	-
Interest	73,217	47
Dividends	3,417,340	-
<b>Total investment earnings</b>	<b>15,361,558</b>	<b>47</b>
<b>Total additions</b>	<b>23,005,895</b>	<b>47</b>
<b>Deductions</b>		
Benefits	4,876,865	377
Administrative expenses	539,093	-
<b>Total deductions</b>	<b>5,415,958</b>	<b>377</b>
<b>Change in net position</b>	<b>17,589,937</b>	<b>(330)</b>
Net position-beginning of the year	125,148,140	3,651
Net position-end of the year	<b>\$ 142,738,077</b>	<b>\$ 3,321</b>

*The accompanying notes are an integral part of the basic financial statements.*



Notes to the Basic  
Financial Statements



## I. Summary of significant accounting policies

### A. Reporting entity

The City of Overland Park, Kansas (the City) was incorporated as a city of the first class on May 20, 1960 under the provisions of Kansas Statutes Annotated (K.S.A.) 12-1036h. The City operates with a Mayor-Council-City Manager form of government, which is made up of a twelve member council and mayor that provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

As required by accounting principles generally accepted in the United States of America, these basic financial statements present the City of Overland Park (the primary government) and its component units. The City's basic financial statements include the accounts of all City operations: Finance and Administration, Public Safety, Public Works and Community Development.

**Blended Component Unit** - The City's relationship to other legally separate organizations (potential component units) has been examined to determine if their inclusion in the City's basic financial statements is necessary to fairly present the financial position of the City. The criteria used in this determination included an examination of the nature and significance of the organization's relationship with the City, financial benefit or burden to the City, the ability of the City Council to appoint members of the entity's governing board, and the level of influence the City has over the activities of the organization. Based on these criteria, the Overland Park Development Corporation has been included in the accompanying basic financial statements as a blended component unit.

The Overland Park Development Corporation (OPDC), a not-for-profit corporation, was formed in February 2000 for the purpose of facilitating the financing, construction and ownership of a convention center hotel. Land adjacent to the Overland Park Convention Center, owned by the City, is leased to the corporation for the hotel facility. The OPDC Board of Directors are appointed by the Mayor and approved by the City Council. All board members are council members. The OPDC has a December 31 year-end.

Financial statements of the OPDC are available at 8500 Santa Fe Drive, Overland Park, KS 66212.

In the opinion of management, the accompanying basic financial statements include all appropriate organizations based on the criteria outlined above.

### B. Basis of Presentation – Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

## I. Summary of Significant Accounting Policies (Continued)

The City's funds are grouped into three broad fund categories for financial statement presentation purposes. Governmental funds include the General, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. Fiduciary funds include the pension and other employee benefit trust, private-purpose trust and agency funds.

### C. Basis of Accounting

#### *Government-Wide Financial Statements*

The statement of net position and the statement of activities display information about the City, the primary government and its component units as a whole, and exclude fiduciary funds. All interfund activity has been removed from these statements unless interfund services were provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements and the private-purpose trust fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between expenses and program revenues for each program of the governmental activities. Expenses are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the City.

Net position is reported as restricted when constraints placed on net position use is either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or legislation.

The City adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, in the current year. The adoption of this Statement changed the presentation of the basic financial statements to a statement of net position format.

## I. Summary of Significant Accounting Policies (Continued)

### *Fund Financial Statements*

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements.

The major funds of the financial reporting entity are described below:

***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. In 2012, the Fire Service Fund activity (previously reported as a major special revenue fund) was consolidated within the General Fund, because the property tax mill levy was eliminated for the Fire Service Fund and combined with the General Fund levy.

### ***Special Revenue Funds:***

***One-eighth Cent Sales Tax – Street Improvement Fund:*** To account for residential streets and thoroughfare improvement expenditures funded by the 1/8 cent City sales tax approved by the voters in November 2008.

***Stormwater Utility Fund:*** To account for revenues, including property tax and user fees, related to the City's Stormwater management system. Revenues from this fund are reserved to fund the operations, maintenance, capital improvements and debt service of the City's stormwater management program.

### ***Capital Projects Fund:***

***Street Improvement Fund:*** To account for the financing and construction of street improvement projects.

### ***Debt Service Fund:***

To account for resources to be used for the payment of general long-term debt principal, interest and related costs.

### ***Enterprise Fund:***

***Overland Park Development Corporation Fund:*** To account for the operations of the Overland Park Development Corporation Fund, a blended component unit.

The One-Eighth Cent Sales Tax-Street Improvement Fund and the Stormwater Utility Fund, special revenue funds are presented as major for public interest purposes.

## I. Summary of Significant Accounting Policies (Continued)

### *Governmental Funds*

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (collectible within the current year or within two months of year-end and available to pay obligations of the current period). This includes investment earnings, sales taxes and state-levied locally shared taxes (including motor vehicle fees). Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance they are unearned until expenditures are made. Property taxes, though measurable, are recognized for the period for which they are levied.

Other revenues, including licenses and permits, certain charges for services and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt as well as compensated absences and claims and judgments, which have not matured are recognized when paid. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

### *Proprietary Funds*

Proprietary funds are accounted for using the economic resource measurement focus and the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for services. Operating expenses for the enterprise funds and internal service funds include golf course operations, soccer complex operations, claims paid and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## I. Summary of Significant Accounting Policies (Continued)

The internal service funds account for payment of judgments, claims, uninsured losses and workers' compensation claims and medical imprest claims on a cost reimbursement basis.

### *Fiduciary Funds*

The financial statements for the pension and other postemployment benefits trust funds are prepared using economic resources measurement focus and the accrual basis of accounting. Agency funds adhere to the accrual basis of accounting and do not have a measurement focus.

The pension and other employee benefit trust funds account for the activities of the Municipal Employees Pension Plan, the Police Department Retirement Plan, the Overland Park Fire Department Retirement Plan and the Other Post-Employment Benefits Trust, which accumulate resources for pension benefit payments and other post-employment benefits to qualified employees.

A private-purpose trust fund is used to account for contributions received for maintenance of a privately owned cemetery, Tomahawk Cemetery.

The agency funds are used to account for assets held by the City in a trustee capacity or as an agent for the private organizations or other governmental units. The State License Fund and OMB State Stamp Fund account for the receipt of resources on behalf of the state for the purpose of driver's licenses reinstatement and cereal malt beverage tax license and stamp. The Transportation Development Districts (TDD) account for the receipt of resources (special assessments and TDD sales taxes) on behalf of private developers. All assets reported in the agency funds are offset by a liability to the appropriate state agencies or other entities for which the assets are being held.

### *Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenditures, expenses, and other disclosures. Accordingly, actual results could differ from those estimates.

## I. Summary of Significant Accounting Policies (Continued)

### D. Assets, Liabilities and Net Position or Fund Balance

#### *Cash, Cash Equivalents and Investments*

The City temporarily pools idle cash from all funds, except the pension trust and other post employment benefit trust funds, for the purpose of increasing revenue through investment activities. Each major fund type's portion of this pool is displayed on the balance sheet, for various fund types, as "Cash, cash equivalents and investments." For purposes of the statements of cash flows, the City considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Interest earned on this pool is allocated to each fund in relation to that fund's individual cash balance. The deposits and investments of the pension trust funds and other post-employment benefit trust fund are held separately from those of other City funds.

The City typically invests available cash in demand deposits, time deposits, U.S. Government securities and securities of U.S. Government sponsored organizations ranging from 150 to 365 days to maturity. On occasion, however, the City invests for periods between one and two years. The average yield on maturing investments during the year was 0.54 percent and the amount of investment revenue received was \$884,349. The investment revenue is equivalent to a 0.298 mill property tax.

The City reports investments in nonparticipating interest-earning investment contracts and money market investments with maturity at the time of purchase of one year or less at cost or amortized cost in accordance with the provisions of GASB Statement No. 31. All other investments are reported at fair value which is determined using quoted market prices.

#### *Capital Assets*

Capital assets, which include land, construction in progress, land improvements, building and improvements, convention center equipment, equipment and infrastructure assets (streets, drainage systems and similar items) are accounted for on the government-wide financial statements, rather than in governmental funds. Infrastructure assets acquired since 1980 are reported in the financial statements.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Only capital assets with a value of \$250 or more are capitalized by the City.



City of Overland Park, Kansas

Notes to Basic Financial Statements

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**I. Summary of Significant Accounting Policies (Continued)**

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Type</u>	<u>Estimated Useful Life in Years</u>
Infrastructure - Storm Drainage Systems	75
Infrastructure - Streets	50
Building and Improvements	40
Land Improvements	15
Equipment	5-7

Interest is capitalized in proprietary funds on assets acquired with tax-exempt debt from the date of borrowing until the project is placed into service. There was no interest capitalized in fiscal year 2012.

*Vacation and Sick Leave*

All regular full-time and certain part-time employees of the City with six months of employment are eligible for vacation benefits in varying annual amounts. Employees are allowed to accumulate and carry forward 200 percent of the amount of vacation time earned in a 12-month period. Hours accumulated and not taken in excess of these amounts at December 31 of each year are lost by employees.

Sick leave benefits accrue, with no maximum accumulation, to all regular full-time employees of the City, at the rate of one working day per month and certain part-time employees at a prorated rate.

Upon retirement, employees with over 10 years of service are permitted to apply unused sick leave benefits to increase the employee's retirement benefits based on the following chart:

<u>Years of Service</u>	<u>Percent of Accumulated Unused Sick Leave Which is Compensated</u>
20+	20%
15-19	15%
10-14	10%

Compensated absences are accrued when incurred in the government-wide and propriety fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

*Long-Term Liabilities*

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

## I. Summary of Significant Accounting Policies (Continued)

All long-term debt is reported as liabilities in the government-wide statements and proprietary fund type statement of net position. The long-term debt consists primarily of bonds payable and accrued compensated absences. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

### *Special Assessments*

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as revenue in the appropriate project. Special assessments and related interest received after the issuance of general obligation bonds are recorded as revenue in the Debt Service Fund. Further, state statutes require levying additional general ad valorem property taxes in the Debt Service Fund to finance delinquent special assessments receivable. Accordingly, special assessments receivable are accounted for within the Debt Service Fund. Special assessments are levied over various periods, and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessment when delinquent assessments are two years in arrears. Special assessment taxes levied are a lien on the property and are recorded as special assessment receivable in the Debt Service Fund. A corresponding amount is recorded as a deferred inflow of resources in the fund financial statements.

### *Fund Balance*

In the governmental fund financial statements, fund balances are classified as follows:

- *Non-Spendable*- amounts legally or contractually required to be maintained or not in spendable form, such as inventory or prepaid items. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.
- *Restricted*- amounts with externally imposed constraints, such as those mandated by creditors, grantors, and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, law or regulations.

## I. Summary of Significant Accounting Policies (Continued)

- *Committed*- amounts with a purpose formally imposed by resolution by the Governing Body of the City, binding unless modified or rescinded by the Governing Body.
- *Assigned*- amounts constrained by the express intent of the Governing Body, City Manager or designee. Encumbrances shall be considered as assigned, unless they specifically meet the requirements to be committed or restricted.
- *Unassigned*- all amounts not included in other fund balance classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balances. Residual deficit amounts of other governmental funds would also be reported as unassigned.

In circumstances when expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

### *Net Position*

In the government-wide financial statements and proprietary fund financial statements, equity is classified as net position and displayed in three components:

- *Net investment in capital assets* – Consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- *Restricted net position* – Consists of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Net position restricted through enabling legislation consists of \$344,206 for the Transient Guest Tax-Reserve which is restricted for debt service, \$3,566,206 for street improvements, \$924,828 for worker's compensation and medical claims, \$12,730,359 restricted for debt service of the Overland Park Development Corporation and \$3,097,046 restricted for capital and other projects of the Overland Park Development Corporation.
- *Unrestricted net position* – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

The City first applied restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

## I. Summary of Significant Accounting Policies (Continued)

### *Interfund Receivables and Payables*

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “due to and from other funds.” Long-term interfund loans (non-current portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

### *Interfund Transfers*

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated unless interfund services were provided. However, transfers between the governmental funds and enterprise fund have not been eliminated.

### *Deferred Inflows/Outflows*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide and proprietary funds statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, that qualifies for reporting in this category. Unavailable revenue is reported in the government-wide statement of net position and governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, special assessments and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The business-type activities and enterprise funds statement of net position report unavailable revenue for deferred lease revenue for the excess of ground lease rentals recognized on a straight-line basis over the cash rentals paid.

## **II. Stewardship, Compliance and Accountability**

### **A. Budgetary Control**

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute) and Debt Service Fund. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
3. Public hearing on or before August 15, but at least 10 days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time.

The statutes establish the legal level of budgetary control at the fund level by prohibiting expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Management is not allowed to amend a fund's total budgeted expenditures without the City Council's approval. However, management is permitted to transfer budgeted amounts between cost centers or line items within an individual fund. Cost centers are divisions within City departments. For example, the Traffic Services cost center is a division of the Public Works Department. Within each department, cost centers are given the latitude to exceed specific line items, but total expenditures must not exceed the total budgeted expenditures for the cost center. In addition, in no instance should non-personal service expenditures exceed the non-personal service cost center budget without City Manager written approval. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

## II. Stewardship, Compliance and Accountability (Continued)

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when they are measurable and available. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Encumbrances also represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because commitments will be honored in the subsequent year. All unencumbered appropriations (legal budget expenditure authority) lapse at the end of the year.

A legal operating budget is not required for capital projects funds, internal service funds, private purpose trust funds and the following special revenue funds:

Street Improvement Escrow	Westlinks Land Acquisition
TIF/CID Financing Initiatives	Mayor's Heat and Light
Federal and State Grants	Art in the Woods
Fire Memorial	Special Law Enforcement
Parks and Recreation	Jack Sanders Memorial

Spending in any fund which is not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

### B. Fund Balance/Budget Deficits

The Overland Park Development Corporation had a deficit net position balance of \$43,996,918. This deficit will decrease as debt is paid in future years. The Street Improvement Fund had a deficit fund balance of \$379,961 as of December 31, 2012. This fund deficit will be financed through the sale of bonds upon project completion. The TIF/CID Financing Initiatives Fund, a nonmajor fund, had a deficit fund balance of \$16,119. This fund deficit will decrease as revenue collections begin on the related projects for which costs were incurred.

City of Overland Park, Kansas

Notes to Basic Financial Statements

**II. Stewardship, Compliance and Accountability (Continued)**

In the General Fund: Facilities Management exceeded their budget by \$21,310 due to significant increase in the maintenance in the community centers. Human Resources and Payroll exceeded their budget by \$15,236 and \$25,967 due to pension administration fees that were budgeted in other departments. Police Administration exceeded their budget by \$1,053,837 as a result of department reorganization of personnel. OPFD – Support Services exceeded their budget by \$66,168 due to higher costs incurred to maintain fire apparatus. Traffic Maintenance exceeded their budget by \$113,887 as a result of an significant increase in the cost of street light electricity costs. Community Centers exceeded their budget by \$72,177 as a result of purchasing additional exercise equipment. Aquatics exceeded their budget by \$35,805 due to significantly higher than normal pool maintenance expenses. Planning and Development exceeded their budget by \$22,585 due to contracting for services to assist in rewriting the City’s unified development code.

Budgetary Compliance – Non-GAAP Financial Statements

By statute, the City prepares its annual budget on a non-GAAP basis of accounting as described in Note II, Item A.

A reconciliation of these non-GAAP statements to the GAAP statements is as follows:

	Expenditures/		Reporting Purposes		
	Encumbrances Non-GAAP Basis	Add: 2011 Encumbrances	Less: 2012 Encumbrances	Non-General Fund Expenditures	Expenditures GAAP Basis
General Fund	\$ 92,515,708	\$ 785,472	\$ 1,152,113	\$ 729,409	\$ 92,878,476
Transient Guest Tax Reserve Sub-Fund	-	-	-	-	-
Transient Guest Tax Capital Sub-Fund	5,165,372	-	-	-	5,165,372
Transient Guest Tax Operating Sub-Fund	1,657,732	-	-	-	1,657,732
Transient Guest Tax Fund	6,823,104	-	-	-	6,823,104
Stormwater Utility Fund	2,726,013	83,674	61,019	-	2,748,668
Special Alcohol Fund	795,380	-	-	-	795,380

	Fund Balance		Fund Balance
	Non-GAAP Basis	Encumbrances	GAAP Basis
General Fund	\$ 36,702,456	\$ 1,152,113	\$ 37,854,569
Transient Guest Tax Reserve Fund Sub-Fund	344,206	-	344,206
Transient Guest Tax Capital Fund Sub-Fund	2,091,320	-	2,091,320
Transient Guest Tax Operating Fund Sub-Fund	-	-	-
Transient Guest Tax Fund	2,435,526	-	2,435,526
Stormwater Utility Fund	1,882,014	61,019	1,943,033
Special Alcohol Fund	1,344,564	-	1,344,564

## **II. Stewardship, Compliance and Accountability (Continued)**

### **C. Property Taxes**

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis, and are levied and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the county.

Property owners have the option of paying one half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 20 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due, receivable or budgeted for until the ensuing year. At December 31, such taxes are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as a deferred inflow of resources on the balance sheets of the appropriate funds.

Property taxes are recognized as revenue in the government-wide financial statements in the year intended to be financed by those taxes in accordance with provisions of GASB No. 33 and GASB No. 34. As a result, the levy for the subsequent fiscal year is reported as a deferred inflow of resources on the statement of net position.

## **III. Detailed Notes on All Funds**

### **A. Deposits**

The City's cash, cash equivalents and investments are considered to be cash on hand, demand deposits and highly liquid investments.

### **B. Investments**

Statutes authorize the City to invest in instruments which are direct obligations of the U.S. government, temporary notes of the City, bank certificates of deposit, Kansas State Municipal Investment Pool, no fund warrants, time certificates of deposit with savings and loan companies, commercial bank saving accounts and repurchase agreements of U.S. government securities with maturities of up to two years. In 2002, the City was granted expanded investment powers by the state of Kansas. In addition to the options mentioned above, expanded investment powers allow the City to invest in U.S. Government Agency securities and securities of U.S. Government sponsored enterprises, as well as to extend maturities up to four years. The City is required to provide an annual report of investment results to the state as a condition of maintaining the expanded powers.

Disclosures for retirement plan and other post-employment benefit investments can be found in Note IV. C.



City of Overland Park, Kansas

Notes to Basic Financial Statements

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**III. Detailed Notes on All Funds (Continued)**

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City does not have a formal policy on custodial credit risk. As of December 31, 2012, the Overland Park Development Corporation Enterprise Fund had bank deposits and investments of \$460,237 and \$10,695,915, respectively, that were uninsured and uncollateralized. As of December 31, 2012 the Transportation Development District Agency Fund had investments of \$68,034,765 that were uninsured and uncollateralized. All other City deposits and investments were not exposed to custodial credit risk. All securities are purchased on the delivery vs. payment basis and are held in the City's name by its safekeeping agent.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of debt security investments. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City has a formal policy that limits its exposure to interest rate risk by establishing limits on maturities of investments according to the chart below. Investments received as contributions may not follow this policy:

<u>Maturity Range</u>	<u>Target Percentage of Portfolio</u>
Total Securities less than 1 month	Up to 20%
Total Securities between 1 and 12 months	Up to 40%
Total Securities 12 to 48 months	Up to 50%

City of Overland Park, Kansas

Notes to Basic Financial Statements

**III. Detailed Notes on All Funds (Continued)**

Callable securities are limited to 20 percent of their respective investment type. The following table shows the City's primary government investment portfolio broken down into the established maturity ranges.

Investment Type	Amount	Maturity			
		1 Month or Less	1 - 12 Months	12 - 48 Months	48 Months or Longer
Overnight Sweep **	\$ 15,788,000	\$ 15,788,000	\$ -	\$ -	\$ -
U.S. Government Sponsored Enterprise Notes	36,739,510	-	-	36,739,510	-
U.S. Treasury Strips	6,688	-	-	-	6,688
Mutual Funds, OPDC *	15,827,405	15,827,405	-	-	-
Certificates of Deposit *	4,000,000	-	-	4,000,000	-
	<u>\$ 72,361,603</u>	<u>\$ 31,615,405</u>	<u>\$ -</u>	<u>\$ 40,739,510</u>	<u>\$ 6,688</u>

Callable securities are limited to 20 percent of their respective investment type. The following table shows the City's agency fund investment portfolio broken down into the established maturity ranges.

Investment Type	Amount	Maturity			
		1 Month or Less	1 - 12 Months	12 - 48 Months	48 Months or Longer
Overnight Sweep **	\$ 954,253	\$ 954,253	\$ -	\$ -	\$ -
U.S. Government Sponsored Enterprise Notes	3,964,210	-	2,384,348	1,579,862	-
Money Market *	1,240,481	1,240,481	-	-	-
	<u>\$ 6,158,944</u>	<u>\$ 2,194,734</u>	<u>\$ 2,384,348</u>	<u>\$ 1,579,862</u>	<u>\$ -</u>

\* Not subject to interest rate risk.

\*\* Underlying investments only include U.S. government Sponsored Enterprise Notes with maturities of one month or less

Credit Risk/Concentration of Credit Risk

Generally credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

City of Overland Park, Kansas

Notes to Basic Financial Statements

**III. Detailed Notes on All Funds (Continued)**

As stated above, the City's investment options are very limited, which inherently reduces credit risk. State statutes do not address concentration of credit risk. The City's investment policy limits the percentage of the portfolio that can be in various investment classes. The investment classes and their respective limits are shown below.

Investment Class	Limit
Collateralized Certificates of Deposit	100%
Repurchase Agreements	40%
U.S. Treasuries	100%
U.S. Agencies and U.S. Government Sponsored Enterprises	80%
Kansas Municipal Investment Pool	25%
Money Market Funds	25%

The table below illustrates the City's exposure to credit risk and concentration of credit risk for its debt securities.

Investment Name	Moody's Credit Rating	S&P Credit Rating	Percent of Total Investments
FFCB	Aaa	AA+	29.54%
FHLMC	Aaa	AA+	27.97%
FNMA	Aaa	AA+	20.36%
FHLB	Aaa	AA+	12.29%
Certificates of Deposit	Not Rated	Not Rated	9.81%
US Treasury	Aaa	AA+	0.03%

City of Overland Park, Kansas

Notes to Basic Financial Statements

**III. Detailed Notes on All Funds (Continued)**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2012, was as follows:

<b>Governmental activities</b>	Balance January 1, 2012	Additions	Transfers / Disposals	Balance December 31, 2012
<b><u>Assets not being depreciated:</u></b>				
Land	\$ 31,045,631	\$ -	\$ -	\$ 31,045,631
Construction in progress	34,622,480	5,607,151	(33,225,429)	7,004,202
<b>Total</b>	<b>65,668,111</b>	<b>5,607,151</b>	<b>(33,225,429)</b>	<b>38,049,833</b>
<b><u>Assets Being Depreciated</u></b>				
Land Improvements	40,928,671	-	-	40,928,671
Building and improvements	120,954,332	592,572	-	121,546,904
OPCC capital assets	3,451,303	51,722	(3,176)	3,499,849
Equipment	55,724,107	7,263,748	(3,045,412)	59,942,443
Infrastructure	1,155,476,222	62,513,814	-	1,217,990,036
<b>Total</b>	<b>1,376,534,635</b>	<b>70,421,856</b>	<b>(3,048,588)</b>	<b>1,443,907,903</b>
<b><u>Accumulated Depreciation</u></b>				
Land Improvements	(6,941,512)	(2,660,503)	-	(9,602,015)
Building and improvements	(33,139,928)	(3,022,679)	-	(36,162,607)
OPCC capital assets	(3,250,640)	(141,157)	-	(3,391,797)
Equipment	(42,826,286)	(4,136,226)	2,997,124	(43,965,388)
Infrastructure	(311,285,360)	(26,085,707)	-	(337,371,067)
<b>Total</b>	<b>(397,443,726)</b>	<b>(36,046,272)</b>	<b>2,997,124</b>	<b>(430,492,874)</b>
<b>Total capital assets being depreciated, net</b>	<b>979,090,909</b>	<b>34,375,584</b>	<b>(51,464)</b>	<b>1,013,415,029</b>
<b><u>Governmental activities capital assets, net</u></b>				
	<b>\$ 1,044,759,020</b>	<b>\$ 39,982,735</b>	<b>\$ (33,276,893)</b>	<b>\$ 1,051,464,862</b>

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

<b>Business-type activities</b>	Balance January 1, 2012	Additions	Transfers / Disposals	Balance December 31, 2012
<b>Assets not being depreciated:</b>				
Land	\$ 1,425,200	\$ -	\$ -	\$ 1,425,200
Construction in progress	196,746	1,680,492	(196,746)	1,680,492
	<u>1,621,946</u>	<u>1,680,492</u>	<u>(196,746)</u>	<u>3,105,692</u>
<b>Assets Being Depreciated</b>				
Land Improvements	6,920,077	-	-	6,920,077
Building and improvements	67,154,968	196,746	-	67,351,714
Equipment	13,106,007	530,000	(2,851)	13,633,156
Capitalized Lease Equipment	400,852	-	-	400,852
<b>Total</b>	<u>87,581,904</u>	<u>726,746</u>	<u>(2,851)</u>	<u>88,305,799</u>
<b>Accumulated Depreciation</b>				
Land Improvements	(6,143,263)	(217,405)	-	(6,360,668)
Building and improvements	(15,817,344)	(1,678,874)	-	(17,496,218)
Equipment	(11,677,835)	(690,778)	2,851	(12,365,762)
Capitalized Lease Equipment	(400,852)	-	-	(400,852)
<b>Total</b>	<u>(34,039,294)</u>	<u>(2,587,057)</u>	<u>2,851</u>	<u>(36,623,500)</u>
<b>Total capital assets being depreciated, net</b>	<u>53,542,610</u>	<u>(1,860,311)</u>	<u>-</u>	<u>51,682,299</u>
<b>Business-type activities capital assets, net</b>				
	<u>\$ 55,164,556</u>	<u>\$ (179,819)</u>	<u>\$ (196,746)</u>	<u>\$ 54,787,991</u>

The following schedule presents 2012 depreciation charges by function:

Governmental activities:	
General government	\$ 3,376,119
OP Convention Center	141,157
Public safety	2,892,236
Public works	24,258,684
Parks and recreation	2,954,893
Planning and development services	94,305
Soccer complex	2,328,878
<b>Total depreciation-governmental activities</b>	<u>\$ 36,046,272</u>
Business type activities:	
Golf course	\$ 332,378
Overland Park Development Corporation	2,254,679
<b>Total depreciation-business type activities</b>	<u>\$ 2,587,057</u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

**III. Detailed Notes on All Funds (Continued)**

**D. Capital Projects Authorized**

At December 31, 2012, capital projects authorizations compared with expenditures from inception are as follows:

	Project Authorizations	Project Expenditures December 31, 2012
Street improvements	\$ 171,103,000	\$ 51,335,679
Drainage improvements	1,338,150	868,771
Municipal building improvements	400,000	115,065
Equipment	1,022,800	866,000
Street lighting	6,102,000	2,775,401
Traffic signals	5,559,200	1,496,686
Parks and recreation improvements	19,130,500	4,142,185
<b>Total</b>	<u>\$ 204,655,650</u>	<u>\$ 61,599,787</u>

**E. Interfund Receivables/Payables**

Individual fund receivable/payable balances at December 31, 2012, are as follows:

	Interfund Receivables	Interfund Payables
<b>Major Governmental Funds:</b>		
General	\$ 1,324,835	\$ -
Street Improvement Capital Projects Fund	999,799	1,158,016
<b>Non-major Funds:</b>		
Special Revenue:		
Special Street and Highway	-	999,799
Federal/State Grants	-	140,810
TIF/CID Financing Initiatives	-	26,009
<b>Total</b>	<u>\$ 2,324,634</u>	<u>\$ 2,324,634</u>

The interfund loans were made to cover cash flow deficiencies of the various funds. These amounts are expected to be repaid shortly after the end of the fiscal year as resources become available.

City of Overland Park, Kansas  
Notes to Basic Financial Statements

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**III. Detailed Notes on All Funds (Continued)**

**F. Interfund Transfers**

All of the significant interfund transfers in 2012 were routine and were budgeted for debt service obligations or indenture requirements, pay-as-you-go funding for capital improvements or were administrative in nature. Interfund transfers during the fiscal year ended December 31, 2012 were as follows:

	Transfer In	Transfers Out
<b>Major Governmental Funds:</b>		
General	\$ 6,819,043	\$ 33,595,465
1/8th Cent Sales Tax	92,513	6,195,750
Capital Proj - Street Improvements	25,865,306	8,588,448
Debt Service	23,698,749	-
Stormwater Utility	354,539	3,069,065
	<u>56,830,150</u>	<u>51,448,728</u>
<b>Non-major Governmental Funds:</b>		
Special Revenue	8,050,994	23,793,287
Capital Projects	6,661,631	854,719
	<u>14,712,625</u>	<u>24,648,006</u>
<b>Major Enterprise Fund:</b>		
OPDC	4,446,293	-
<b>Nonmajor Enterprise Funds:</b>		
Enterprise Fund - Golf Course	83,266	299,700
Enterprise Fund - Soccer	-	203,300
	<u>83,266</u>	<u>503,000</u>
<b>Internal Service Fund:</b>		
Workers' Compensation	527,400	-
	<u>527,400</u>	<u>-</u>
<b>Total</b>	<u>\$ 76,599,734</u>	<u>\$ 76,599,734</u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

**III. Detailed Notes on All Funds (Continued)**

**G. Long-Term Debt**

The following is a summary of debt transactions of the City for the year ended December 31, 2012:

	Balance January 1, 2012	Additions	Deletions	Balance December 31, 2012	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 179,811,050	\$ -	\$ 17,227,086	\$ 162,583,964	\$ 16,003,964
Premium on bonds	2,051,847	-	330,910	1,720,937	-
Employee compensated absences	6,771,262	5,238,384	4,971,152	7,038,494	4,971,152
Claims payable	2,581,748	7,528,750	7,735,603	2,374,895	129,690
Net Pension Obligation	1,323,029	159,414	-	1,482,443	-
Net OPEB Obligation	4,846,718	1,708,468	219,074	6,336,112	-
<b>Total</b>	<b>\$ 197,385,654</b>	<b>\$ 14,635,016</b>	<b>\$ 30,483,825</b>	<b>\$ 181,536,845</b>	<b>\$ 21,104,806</b>
<b>Business-type activities:</b>					
General obligation bonds	\$ 63,950	\$ -	\$ 42,914	\$ 21,036	\$ 21,036
Premium on bonds	1,717,552	-	126,164	1,591,388	-
Employee compensated absences	183,468	84,949	105,906	162,511	105,906
Revenue bonds-OPDC	109,890,000	-	1,015,000	108,875,000	1,395,000
Note Payable	200,000	-	200,000	-	-
Subordinated asset and property management fee payable	1,932,232	114,543	-	2,046,775	-
<b>Total</b>	<b>\$ 113,987,202</b>	<b>\$ 199,492</b>	<b>\$ 1,489,984</b>	<b>\$ 112,696,710</b>	<b>\$ 1,521,942</b>

Note: Compensated absences, net pension obligations and net other postemployment benefit obligations are generally liquidated by the General Fund.



City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

General Obligation Bonds

General obligation bonds payable consist of the following serial bonds:

	Date Issued	Maturity Date	Outstanding Interest Rates	Balance December 31, 2012
<b>Governmental Activities-General Obligation Bonds</b>				
Street improvement	10/01/02	9/1/03 - 9/1/22	2.0 to 4.5	\$ 1,155,218
Storm drainage	10/01/02	9/1/03 - 9/1/22	2.0 to 4.5	14,782
Street improvement	11/01/03	9/1/04 - 9/1/2013	3.71	628,445
Street improvement	11/01/03	9/1/04 - 9/1/23	2.0 to 4.625	3,338,678
Storm drainage	11/01/03	9/1/04 - 9/1/23	2.0 to 4.625	70,978
Public building	11/01/03	9/1/04 - 9/1/23	2.0 to 4.625	1,386,899
Public building	02/15/04	9/1/04 - 9/1/19	3.0 to 5.0	3,935,000
Public building	11/01/04	9/1/05 - 9/1/18	3.0 to 4.0	2,670,000
T raffic signal improvement	05/15/06	9/1/06-9/1/15	4.00-4.25	93,090
Street improvement	05/15/06	9/1/06-9/1/15	4.00-4.25	1,841,910
Street improvement	05/15/06	9/1/06-9/1/25	4.00-4.25	5,343,208
Parks and recreation	05/15/06	9/1/06-9/1/25	4.00-4.25	13,116,792
Public building	11/15/06	9/1/07-9/1/30	4.4	42,385,000
Parks and recreation	12/01/07	12/1/07-9/1/17	4.0	4,343,675
Parks and recreation	12/01/07	12/1/07-9/1/27	4.0	25,120,000
Street improvement	12/01/07	12/1/07-9/1/27	4.625	1,290,000
Street improvement	12/01/07	12/1/07-9/1/17	4.0	10,316,935
Public building	12/01/07	12/1/07-9/1/17	4.0	264,390
Parks and recreation	09/10/09	9/1/2010-9/1/2019	2.22	2,815,851
Parks and recreation	09/10/09	9/1/2010-9/1/2029	5.1	3,031,288
Street improvement	09/10/09	9/1/2010-9/1/2019	2.2	13,004,149
Street improvement	09/10/09	9/1/2010-9/1/2029	5.1	1,268,712
Parks and recreation	10/13/09	9/1/2010-9/1/2013	3.0	4,862
Public building	10/13/09	9/1/2010-9/1/2013	3.0	67,496
Storm drainage	10/13/09	9/1/2010-9/1/2013	3.0	2,087
Street improvement	10/13/09	9/1/2010-9/1/2013	3.0	154,519
Storm drainage	09/16/10	9/1/2011-9/1/2020	2.57	979,111
Street improvement	09/16/10	9/1/2011-9/1/2020	2.57	9,780,889
Street improvement	06/01/11	6/1/11-9/1/2021	2.38	7,640,000
Street improvement	06/01/11	6/1/11-9/1/2024	2.46	6,520,000
<b>Total General Obligation Bonds</b>				<u>162,583,964</u>
<b>Business-type Activities</b>				
Parks and recreation	10/13/09	9/1/2010-9/1/2013	3.0	21,036
<b>Total all Bonds</b>				<u>\$ 162,605,000</u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

**III. Detailed Notes on All Funds (Continued)**

The annual requirements to amortize the general obligation bonds at December 31, 2012, including interest payments, are as follows:

Year ending December 31	Government Activities		Business-type Activities		Total Primary Government Debt Service
	General Obligation Bonds Principal	Interest	General Obligation Principal	General Obligation Interest	
2013	\$ 16,003,964	\$ 6,218,200	\$ 21,036	\$ 631	\$ 22,243,831
2014	15,195,000	5,697,661	-	-	20,892,661
2015	14,580,000	5,192,324	-	-	19,772,324
2016	13,995,000	4,693,629	-	-	18,688,629
2017	14,050,000	4,209,024	-	-	18,259,024
2018 - 2022	39,300,000	12,445,301	-	-	51,745,301
2023 - 2027	32,870,000	8,095,875	-	-	40,965,875
2028 - 2031	16,590,000	1,773,942	-	-	18,363,942
	<u>\$ 162,583,964</u>	<u>\$ 48,325,956</u>	<u>\$ 21,036</u>	<u>\$ 631</u>	<u>\$ 210,931,587</u>

K.S.A. 10-308 prescribes that the indebtedness of a city shall be limited to 30 percent of such city's assessed valuation. As of December 31, 2012, the statutory limit for the City was \$869,466,898 providing a debt margin of \$706,861,899.

Overland Park Development Corporation – Revenue Bonds:

In January 2001, the Overland Park Development Corporation ("OPDC") issued \$92,135,991 in Revenue Bonds to finance the construction of a 412 room full-service Convention Center Hotel. At the time of the issuance, the City entered into a Debt Service Support Agreement and a ground lease for land owned by the City and leased to the Corporation for use by the hotel. The Debt Service Support Agreement obligates the City, under certain conditions, to apply only its Transient Guest Tax revenue to help pay the debt service on the Revenue Bonds. No other funds of the City are committed by this support agreement.

The Series 2007A and 2007B Revenue Bonds are special, limited obligations of the Corporation secured by (1) net operating revenues of the Hotel, (2) the Project, (3) a mortgage on the Corporation's leasehold interest in the Project, granted by the Corporation in favor of the Bond Trustee, (4) the fee mortgage on the City's fee interest in the Site granted by the City in favor of the Bond Trustee, and (5) monies held by the Bond Trustee in certain funds and accounts under the Revenue Bond Indenture. In addition, monies for payment of debt service on the Series 2007A and 2007B Revenue Bonds may also be derived under certain circumstances from annual appropriation payments by the City to the Bond Trustee and from amounts on reserve pursuant to a Debt Service Support Agreement.

The Series 2007 Revenue Bonds shall be subject to redemption prior to maturity at the option of the Corporation at the current principal balance of the Series 2007 Revenue Bonds plus accrued and unpaid interest at the date fixed for redemption.

City of Overland Park, Kansas

Notes to Basic Financial Statements

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**III. Detailed Notes on All Funds (Continued)**

In addition, monies for payment of debt service on the Series 2007A and 2007B Revenue Bonds may also be derived under certain circumstances from annual appropriation payments by the City to the Bond Trustee and from amounts on reserve pursuant to a Debt Service Agreement. Pursuant to the Debt Service Support Agreement, the City has agreed to make a specified portion of its annual revenues from its Transient Guest Tax available for the payment of debt service subject to annual appropriation. The bonds are payable through 2032. The hotel net revenues and the Transient Guest Tax are projected to range from \$12 million to \$25 million annually. Total principal and interest remaining to be paid on the bonds is \$182,449,003. Principal and interest paid for the current year and total hotel net revenues were \$6,646,394 and \$814,706, respectively.

The annual requirements to amortize the revenue bonds at December 31, 2012, including interest payments, are as follows:

Year Ending December 31,	Principal	Interest	Total
2013	\$ 1,395,000	\$ 5,575,347	\$ 6,970,347
2014	1,685,000	5,496,422	7,181,422
2015	1,980,000	5,402,506	7,382,506
2016	2,285,000	5,293,216	7,578,216
2017	2,600,000	5,168,038	7,768,038
2018-2022	19,360,000	23,244,631	42,604,631
2023-2027	31,445,000	16,781,019	48,226,019
2028-2032	48,125,000	6,612,824	54,737,824
<b>Total</b>	<b>\$ 108,875,000</b>	<b>\$ 73,574,003</b>	<b>\$ 182,449,003</b>

The Revenue Bonds contain certain covenants. The covenants require sufficient net revenues each calendar year for a debt service coverage ratio that is not less than 1.05 to 1.0 for each calendar year. The Corporation did not meet the Debt Service Coverage Requirement for the year ended December 31, 2012; however, per the trust indenture, dated November 15, 2007, Section 6.10(c), failure to meet this requirement shall not constitute an event of default and does not activate a call provision. The Series 2007A and 2007B Bonds require a reserve equal to the least of: (1) 10 percent of the bonds, (2) the maximum annual principal and interest requirements or (3) 125 percent of the average annual principal and interest requirements. The total reserves for these covenants as of December 31, 2012 is \$10,937,413.

Overland Park Development Corporation Subordinated Asset and Property Management Fee Payable

Base property management fees (adjusted annually by the CPI Index) of \$1,474,184 were owed to Starwood/Sheraton for the year ended December 31, 2012. Eighty percent (80%) of base property management fees is unsubordinated and twenty percent (20%) is subordinated during operating years two through five and no portion is to be subordinated for years six through the end of the 15-year term of the agreement. Subordinated amounts owed to Starwood/Sheraton are non-interest bearing obligations to be repaid only after certain other obligations have been repaid according to the terms of the Revenue Bond Indenture.

### III. Detailed Notes on All Funds (Continued)

Base asset management fees (adjusted annually by the CPI Index) of \$343,560 were owed to the asset management company for the year ended December 31, 2012. Two-thirds (2/3) of the base asset management fees is unsubordinated and one-third (1/3) is subordinated for the 15-year term of the agreement. Subordinated amounts owed to the asset management company are non-interest bearing obligations to be repaid only after certain other obligations have been repaid according to the terms of the Revenue Bond Indenture.

#### Conduit Debt Obligations

The City has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the City nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

As of December 31, 2012, there were 14 issues of industrial revenues bonds outstanding with an aggregate original issue amount totaling \$1,208,183,262 and an aggregate principal balance outstanding of \$1,168,353,364.

In December 2012 the City issued \$79,105,000 in a combination of sales tax revenue (STAR) bonds, and community improvement district (CID) sales tax revenue bonds as conduit debt obligations to finance Phase I of the Prairiefire at Lionsgate development. The City is not obligated in any manner for repayment of this conduit debt.

As of December 31, 2012, there are now three issues of special obligation bonds (TDD, STAR & CID) outstanding with an aggregate original issue amount totaling \$110,240,000 and an aggregate principal balance outstanding of \$106,996,000. These special obligation bonds are to be paid solely from the special assessments and sales taxes collected from within the districts. As the City is acting in a fiduciary capacity for the collection of the special assessment and the sales tax, the collection of these revenues is reported within an agency fund and these bonds are not reported as liabilities in the accompanying basic financial statements.

## IV. Other Information

### A. Self-Insurance Program

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In September 1982, the City established a Special Liability Defense Fund and a Risk Management Reserve Fund, and these two funds are reported within the General Fund. The Special Liability Defense Fund is used to account for costs related to the payment of judgments and settlement of claims relating to torts. The City currently maintains an insurance portfolio that includes general liability, automobile liability, law enforcement, public entity management and employment practices with a \$100,000 self-insured retention. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has not been a significant reduction in insurance coverage in the past fiscal year.

The Risk Management Reserve Fund is used to account for insurable losses not otherwise insured resulting from claims against the City. The City currently maintains an insurance portfolio that includes general property insurance covering a majority of City-owned property with a \$25,000 deductible and automobile physical damage insurance with a \$50,000 deductible. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has not been a significant reduction in insurance coverage in the past fiscal year.

In March 1987, the City established a self-insurance program to account for statutory workers' compensation benefits. The workers' compensation plan covers all City employees. Premiums are paid into the Workers' Compensation Fund, an internal service fund. The premiums are available to pay claims, claim reserves and administrative costs of the program. Under this program, the Workers' Compensation Fund provides coverage of \$350,000 per accident (Fire & Police Personnel) and \$300,000 per accident (all Other) not to exceed a two-year aggregate stop-loss of \$3,606,966 for accidents occurring during calendar year 2011 and 2012. The City purchases commercial insurance for claims in excess of coverage provided by the fund. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has not been a significant reduction in insurance coverage in the past fiscal year. This self-insurance program is in compliance with Section 44-532 of the Workers' Compensation Act and is annually required to be reviewed and approved by the state.

In January 2001, the City established a self-insurance program for health care benefits. A third party administrator is contracted to provide claims administration and payment services. The City accounts for the Medical Imprest Plan in the internal service fund.

City of Overland Park, Kansas

Notes to Basic Financial Statements

**IV. Other Information (Continued)**

The General Fund and the Special Alcohol Control Fund, a special revenue fund, participate in the self-insurance program and make payments to the Special Liability Defense, Risk Management Reserve, (both sub-funds of the General Fund) Workers' Compensation, and Medical Imprest Plan Funds based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. The net position of the Workers' Compensation and Medical Imprest Plan Internal Service Funds were \$804,191 and \$3,576,992, respectively, as of December 31, 2012. Liabilities in the Special Liability Defense Fund, Risk Management Reserve Fund, Workers' Compensation Fund and Medical Imprest Plan Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities of these funds include an amount for claims that have been incurred but not reported. Claim liabilities are determined by the City's Risk Manager and the City's Law Department based on estimates of the ultimate cost of claims including inflation factors and historical trend data and all claims balances are considered to be current. The liability recorded in the General Fund for the Special Liability Defense and Risk Management sub-funds was \$129,690 as of December 31, 2012, based on claims considered matured and represent claims against current financial resources. The remaining liability of \$826,536 is considered a long-term liability and recorded on the statement of net position.

Changes in the City's estimated liability for incurred but unreported claims in its Special Liability Defense Fund, Risk Management Reserve Fund, Workers' Compensation Fund and Medical Imprest Plan Fund for fiscal years 2011 and 2012 were as follows:

	<b>Beginning of Fiscal Year Liability</b>	<b>Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>Balance at Fiscal Year End</b>
January 1 to December 31, 2011:				
Special Liability Defense (subfund of General Fund)	\$ 1,023,796	\$ 250,232	\$ (700,872)	\$ 573,156
Risk Management (subfund of General Fund)	10,720	33,229	(19,084)	24,865
Worker's Compensation	1,175,597	687,821	(638,691)	1,224,727
Medical Imprest	524,000	7,628,155	(7,393,155)	759,000
<b>Total</b>	<b>\$ 2,734,113</b>	<b>\$ 8,599,437</b>	<b>\$ (8,751,802)</b>	<b>\$ 2,581,748</b>
January 1 to December 31, 2012:				
Special Liability Defense (subfund of General Fund)	\$ 573,156	\$ 610,850	\$ (231,070)	\$ 952,936
Risk Management (subfund of General Fund)	24,865	(4,713)	(16,862)	3,290
Worker's Compensation	1,224,727	237,531	(522,589)	939,669
Medical Imprest	759,000	6,685,082	(6,965,082)	479,000
<b>Total</b>	<b>\$ 2,581,748</b>	<b>\$ 7,528,750</b>	<b>\$ (7,735,603)</b>	<b>\$ 2,374,895</b>

## **IV. Other Information (Continued)**

### **B. Contingent Liabilities**

The City participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Grantors have yet to conduct audits on some of these programs; accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed is not determinable although the City expects such amounts, if any, to be immaterial.

The City is involved in litigation arising from the normal course of operations. It is not possible to state the ultimate liability, if any, in these matters. In the opinion of the City, based on advice of counsel, such litigation will have no material effect on the basic financial statements of the City.

### **C. Retirement Plans**

All full-time employees of the City of Overland Park, after meeting eligibility requirements, are covered under the Overland Park Municipal Employees' Pension Plan and the Kansas Public Employees Retirement System except commissioned police officers who are covered by the Overland Park Police Department Retirement Plan and firefighters and emergency medical technicians who are covered by the Overland Park Fire Department Retirement Plan. Kansas state statutes require that current liabilities be funded currently. The City sponsors and administers the Overland Park Municipal Employees' Pension Plan, the Overland Park Police Department Retirement Plan and the Overland Park Fire Department Retirement Plan. These three plans are accounted for as separate pension trust funds. The Kansas Public Employees Retirement System is administered by the state of Kansas. Each plan is described below:

#### City of Overland Park Municipal Employees' Pension Plan (Defined Contribution Plan)

The City of Overland Park Municipal Employees' Pension Plan (MEPP) is a single-employer defined contribution plan established by the City Council on October 1, 1969, to provide benefits at retirement to all regular full-time civilian employees of the City who have completed three years of continuous service. As of December 31, 2012, there were 458 plan members. Plan members are not required to contribute to the plan, but may elect to contribute up to 10 percent of their post-tax annual compensation. The City is required to contribute 10 percent of annual covered payroll. Actual member and City contributions were \$121,229 and \$2,127,778, respectively, for the year ended December 31, 2012. This plan provides for vesting of City contributions at the rate of a 10 percent increase per year up to 100 percent with participants vested at 40 percent after one year in the plan. Participant contributions are immediately fully vested. Plan benefit provisions and contribution requirements are established by City of Overland Park Ordinance and may be amended by the City Council. A separate audit report is not prepared.

City of Overland Park, Kansas  
Notes to Basic Financial Statements

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#### IV. Other Information (Continued)

Financial statements for the MEPP are presented below:

**City of Overland Park  
Municipal Employees Pension Plan  
Statement of Plan Net Position  
December 31, 2012**

<b>Assets</b>	
Cash and cash equivalents	\$ 1,000
Investment in mutual fund	45,734,985
<b>Total assets</b>	<u>\$ 45,735,985</u>
<b>Net Position</b>	
Held in trust for pension benefits	<u>\$ 45,735,985</u>

**City of Overland Park  
Municipal Employees Pension Plan  
Statement of Changes in Plan Net Position  
Year Ended December 31, 2012**

<b>Additions</b>	
Contributions:	
Employer	\$ 2,127,778
Plan members	121,229
<b>Total assets</b>	<u>2,249,007</u>
Investment earnings:	
Net increase in fair value of investments	2,719,570
Dividends	1,306,412
<b>Total investment earnings</b>	<u>4,025,982</u>
<b>Total additions</b>	<u>6,274,989</u>
Deductions:	
Benefits	1,525,813
Administrative expenses	65,144
<b>Total deductions</b>	<u>1,590,957</u>
<b>Change in net position</b>	4,684,032
Net position-beginning of the year	41,051,953
Net position-end of the year	<u>\$ 45,735,985</u>



City of Overland Park, Kansas

Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

*Investment Related Disclosures*

The majority of the assets of the MEPP are invested in mutual funds. Only one of the funds invests solely in bonds. Pertinent information for this investment is presented below:

Fund Name	Credit Rating	Average Maturity	% of Net Position
Harbor Bond Fund	Not Rated	6.41 years	12.04%

More than 5% of the City's Municipal Employees' Pension Plan investments are in the following investments:

Type	Percent of Total
ICMA Plus	27.7%
American Funds EuroPacific Gr R5	6.6%
Vanguard 500 Index Signal	6.4%
Fidelity Growth Company	6.7%
Dreyfus MidCap Index	6.2%

The investment policy for the MEPP allows investments in several investment vehicles, including mutual funds of common stock, fixed income securities and balanced funds. Participants direct the deposit of their contributions and the City's contributions on their behalf among the investment options made available by the MEPP Board of Trustees. The investment policy does not address credit risk, interest rate risk or concentration of credit risk. The investments of the MEPP were not exposed to custodial credit risk.

The plan has only two fixed income investments, one is the Harbor Bond Mutual Fund which invests solely in bonds. The other is the Dodge & Cox Balanced Mutual Fund, which invests in both equities and bonds. Mutual funds are not subject to interest rate risk given they have no maturity dates. Neither investment is rated by Moody's or S&P.

Kansas Public Employees Retirement System (Defined Benefit Pension Plan)

The City participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERs provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 South Kansas Avenue, Suite 100, Topeka, KS 66603-3803) or by calling 1-888-275-5737.

City of Overland Park, Kansas

Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established by statute for 2012 was 8.34 percent. The City employer contributions to KPERS for the years ending December 31, 2012, 2011 and 2010 were \$2,017,663, \$1,893,771, and \$1,875,545, respectively, equal to the statutory required contributions for each year.

City of Overland Park Police Department Retirement Plan (PDRP)(Defined Benefit Pension Plan)

The PDRP is a single-employer defined benefit pension plan that provides retirement, disability and death benefits to plan members and beneficiaries. The PDRP is considered part of the City's reporting entity and is presented solely in the accompanying basic financial statements as a pension trust fund in the fiduciary fund type. A separate audit report is not prepared.

Membership in the PDRP was comprised of the following at January 1, 2012:

Active employees	225
Vested terminated employees	72
Retired participants and beneficiaries	15
	<hr/>
	312
	<hr/>

Membership in the PDRP is granted to all full-time police officers who have been continuously employed by the City for at least two years and have not attained the age of 52. Participating employees who retire at or after age 55 or have at least 25 years of credited service are entitled to a monthly retirement allowance, payable for life, in an amount equal to 2 percent of the participant's average monthly earnings times credited service. Average monthly earnings are the average of the three highest consecutive monthly earnings as of March 1 of each year. Participants are 40 percent vested after four years of employment with the City. Vesting continues at a rate of 10 percent per year. Participants are 100 percent vested after 10 years of employment.

PDRP financial statements are prepared using the accrual basis of accounting. Contributions from the City are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value as listed on the brokerage statement as of December 31, 2012. Expenses of the fund managers are paid from investment income. Other administrative expenses, such as fees for actuarial valuations, legal fees, etc., are paid by the City.

In 2012, employees did not make contributions to the PDRP. The City contributions, authorized by the City Council, for fiscal years 2012, 2011, and 2010 were \$2,977,104, \$2,818,636, and \$2,761,411, respectively. These contributions were made in accordance with contribution requirements determined by an actuarial valuation of the PDRP at January 1, 2012, 2011, and 2010, respectively. The City's contribution was for normal cost plus interest.

City of Overland Park, Kansas

Notes to Basic Financial Statements

**IV. Other Information (Continued)**

Plan benefit provisions and contribution requirements are established by City of Overland Park Ordinance PEN-497 as adopted March 1, 1968, and amended December 1, 1989, January 1, 1998, and September 9, 2002, and may be amended by the City Council.

Components of the Net Pension Obligation (NPO) of the City as of December 31, 2012, were as follows:

Annual required contribution	\$ 3,088,500
Interest on net pension obligation	26,979
Adjustment to annual required contribution	(58,090)
Annual pension cost	<u>3,057,389</u>
Actual contributions	<u>2,977,104</u>
Increase in net pension obligation	80,285
Beginning net pension obligation	613,153
<b>Ending net pension obligation</b>	<b><u><u>\$ 693,438</u></u></b>

Historical trend information is as follows for the PDRP:

The latest actuarial valuation of the PDRP was performed at January 1, 2012 and utilized the aggregate cost method which does not identify or separately amortize unfunded liabilities. Therefore, the PDRP has no unfunded actuarial accrued liability that will need to be amortized.

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/10	\$ 2,888,754	96%	\$ 544,729
12/31/11	2,946,525	98	613,153
<b>12/31/12</b>	<b>3,057,389</b>	<b>97</b>	<b>693,438</b>

The latest actuarial valuation of the PDRP was performed at January 1, 2012 and utilized the aggregate cost method which does not identify or separately amortize unfunded liabilities. Therefore, the PDRP has no unfunded actuarial accrued liability that will need to be amortized.

City of Overland Park, Kansas

Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

*Funded Status and Funding Progress*

The Plan's funding method is the aggregate actuarial cost method. Because the aggregate method does not identify or separately amortize unfunded actuarial liabilities, information about the Plan's funded status and funding progress has been prepared using the entry age actuarial cost method. The information presented is intended to serve as a surrogate for the funded status and funding progress of the Plan. Using the entry age actuarial cost method, as of January 1, 2012, the most recent actuarial valuation date, the plan was 85.11% funded. The actuarial accrued liability for benefits was \$67.0 million, and the actuarial value of assets was \$57.0 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$10.0 million. The covered payroll (annual payroll of active employees covered by the plan) was \$14.2 million and the ratio of the UAAL to the covered payroll was 70.11%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

*Actuarial Methods and Assumptions*

The annual required contribution for the current year was determined using the aggregate cost method and the following significant actuarial assumptions: (a) a rate of return on the investment of present and future assets of 7.75 percent per annum (net of administrative expense), (b) projected salary increases of 5.25 percent per year, (c) RP-2000 pension mortality tables, (d) inflation rate assumption of 2.75 percent and (e) termination rates based on the Actuary's Pension Handbook. Assets are valued at market value for actuarial valuation purposes.

*Investment Related Disclosures*

The pension trust fund established to account for the Police Department Retirement Plan is authorized to invest in every kind of investment which "a prudent person" would use for his own investments. The only limitation is that the total amount of common stock investments cannot exceed 50 percent of the total book value of all the pension fund investments. Currently, the City uses six money managers and a mutual fund to invest the assets of the plan. All but one of the money managers invest the assets in stocks. The sixth money manager invests the assets in a co-mingled trust fund that invests only in bonds. Pertinent information related to this investment is presented below. The investments of the OPPDRP were not exposed to custodial credit risk.

Fund Name	Credit Rating	Average Maturity	% of Net Position
Passive Bond Market Index Fund	Not Rated	5.06	19.1%

City of Overland Park, Kansas  
Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

More than 5% of the City's Police Plan investments are in the following investments:

Type	Percent of Total
Franklin/Temp Global Total Return Bond	14.9%
Europacific Growth	5.2%
Eaton Vance Structured Emerging Mkts	5.2%

The OPPDRP's only fixed income investment is the Franklin Templeton Global Total Return Mutual Fund noted above. Mutual funds are not subject to interest rate risk given they have no maturity dates. This investment is not rated by Moody's or S&P.

The investment policy does not address credit risk, interest rate risk or concentration of credit risk.

Financial statements for the PDRP are presented below:

**City of Overland Park  
Overland Park Police Department Retirement Plan  
Statement of Plan Net Position  
December 31, 2012**

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<b>Assets</b>	
Cash and cash equivalents	\$ 1,955,414
Investment in co-mingled trust fund	13,315,646
Investment in Mutual Funds	17,573,715
Investment in equities	36,773,125
<b>Total assets</b>	<u>\$ 69,617,900</u>
<b>Net Position</b>	
Held in trust for pension benefits	<u>\$ 69,617,900</u>

City of Overland Park, Kansas  
Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

City of Overland Park  
Overland Park Police Department Retirement Plan  
Statement of Changes in Plan Net Position  
Year Ended December 31, 2012

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<b>Additions</b>	
Contributions, employer	\$ 2,977,104
Investment earnings:	
Net increase in fair value of investments	6,730,156
Dividends	1,577,175
<b>Total investment earnings</b>	<b>8,307,331</b>
<b>Total additions</b>	<b>11,284,435</b>
<b>Deductions</b>	
Benefits	1,768,523
Administrative expenses	331,182
<b>Total deductions</b>	<b>2,099,705</b>
<b>Change in net position</b>	<b>9,184,730</b>
Net position-beginning of the year	60,433,170
Net position-end of the year	<b>\$ 69,617,900</b>

Overland Park Fire Department Retirement Plan (OPFDRP) (Defined Benefit Pension Plan)

The OPFDRP is a single-employer defined benefit pension plan that provides retirement, disability and death benefits to plan members and beneficiaries. The OPFDRP is considered part of the City's reporting entity and is presented solely in the accompanying basic financial statements as a pension trust fund in the fiduciary fund type. A separate audit report is not prepared.

Membership in the OPFDRP was comprised of the following at January 1, 2012:

Active employees	137
Vested terminated employees	29
Retired participants and beneficiaries	17
	<b>183</b>

The OPFDRP was assumed by the City when Overland Park Fire Department, Inc., (OPFD, Inc.) merged with the City on September 1, 2003. The OPFDRP was reaffirmed by City of Overland Park Charter Ordinance No. 83 as adopted August 11, 2003. Amendment No. 1 to the plan was approved by the City Council on September 13, 2004.

City of Overland Park, Kansas

Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

Membership in the OPFDRP is granted to all full-time firefighters and emergency medical technicians who have been continuously employed by the City for at least 6 months and have attained the age of 18. Participating employees who retire at or after age 55 or have at least 25 years of credited service are entitled to a monthly retirement allowance, payable for life, in an amount equal to 2 percent of the participant's average monthly earnings times credited service. The average monthly earnings amount is the highest average monthly earnings over any 3 years of employment. Participants are 100 percent vested after 5 years of employment.

OPFDRP financial statements are prepared using the accrual basis of accounting. Contributions from the City are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value as listed on the brokerage statement as of December 31, 2012. Expenses of the fund managers are paid from investment income. Other administrative expenses, such as fees for actuarial valuations, legal fees, etc., are paid by the City.

In 2012, employees did not make contributions to the OPFDRP. The City contributions made in accordance with contribution requirements determined by an actuarial valuation of the OPFDRP at January 1, 2012, 2011, and 2010 were \$2,418,226, \$2,404,502, \$2,339,445, respectively. The City's contribution for 2012, 2011, and 2010 was for normal cost plus interest.

Components of the net pension obligation of the OPFDRP at December 31, 2012, were as follows:

Annual required contribution	\$ 2,511,142
Interest on net pension obligation	24,846
Adjustment to annual required contribution	<u>(38,633)</u>
Annual pension cost	2,497,355
Actual contributions	<u>2,418,226</u>
Increase in net pension obligation	79,129
Beginning net pension obligation	<u>709,876</u>
<b>Ending net pension obligation</b>	<b><u>\$ 789,005</u></b>

City of Overland Park, Kansas

Notes to Basic Financial Statements

**IV. Other Information (Continued)**

Historical trend information is as follows for the OPFDRP:

<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
12/31/10	2,475,665	94%	633,643
12/31/11	2,521,093	97%	709,876
<b>12/31/12</b>	<b>2,497,355</b>	<b>97%</b>	<b>789,005</b>

The latest actuarial valuation of the OPFDRP was performed at January 1, 2012, and utilized the aggregate cost method. This method does not identify or separately amortize unfunded liabilities. Therefore, the OPFDRP has no unfunded actuarial accrued liability that will need to be amortized.

*Funded Status and Funding Progress*

The Plan's funding method is the aggregate actuarial cost method. Because the aggregate method does not identify or separately amortize unfunded actuarial liabilities, information about the Plan's funded status and funding progress has been prepared using the entry age actuarial cost method. The information presented is intended to serve as a surrogate for the funded status and funding progress of the Plan. Using the entry age actuarial cost method, as of January 1, 2012, the most recent actuarial valuation date, the plan was 60.59% funded. The actuarial accrued liability for benefits was \$31.1 million, and the actuarial value of assets was \$18.9 million, resulting in an unfunded accrued liability (UAAL) of \$12.3 million. The covered payroll (annual payroll of active employees covered by the plan) was \$9.2 million and the ratio of the UAAL to the covered payroll was 133.62%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

*Actuarial methods and assumptions*

The annual required contribution for the current year was determined using the aggregate cost method and following significant actuarial assumptions: (a) a rate of return on the investment of present and future assets of 7.75 percent per annum (net of administrative expense), (b) projected salary increases of 5 percent per year, (c) RP-2000 pension mortality tables, (d) inflation rate assumption of 2.75 percent and (e) termination rates based on the Actuary's Pension Handbook. Assets are valued at market value for actuarial valuation purposes.



City of Overland Park, Kansas  
Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

Financial statements for the OPFDRP are presented below:

City of Overland Park  
Overland Park Fire Department Retirement Plan  
Statement of Plan Net Position  
December 31, 2012

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**Assets**

Cash and cash equivalents	\$ 617,466
Investment in equities	12,916,924
Investment in mutual fund	6,141,663
Investment in co-mingled trust fund	4,652,954
<b>Total position</b>	<u><u>\$ 24,329,007</u></u>

**Net Position**

Held in trust for pension benefits	\$ 24,329,007
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City of Overland Park  
Overland Park Fire Department Retirement Plan  
Statement of Changes in Plan Net Position  
Year Ended December 31, 2012

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**Additions**

Contributions, employer	\$ 2,418,226
Investment earnings:	
Net increase in fair value of investments	2,258,848
Dividends	533,753
<b>Total investment earnings</b>	<u>2,792,601</u>
<b>Total additions</b>	<u>5,210,827</u>

**Deductions**

Benefits	1,582,529
Administrative expenses	133,325
<b>Total deductions</b>	<u>1,715,854</u>

**Change in net position**

Net position-beginning of the year	20,834,034
Net position-end of the year	<u><u>\$ 24,329,007</u></u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

**IV. Other Information (Continued)**

*Investment Related Disclosures*

The pension trust fund established to account for the Fire Department Retirement Plan is authorized to invest in every kind of investment which “a prudent person” would use for his own investments. The only limitation is that the total amount of common stock investments cannot exceed 50 percent of the total book value of all the pension fund investments. Currently, the City uses six money managers and a mutual fund to invest the assets of the plan. All but one of the money managers invest the assets in stocks. The sixth money manager invests the assets in a co-mingled trust fund that invests only in bonds. Pertinent information related to this investment is presented below. The investments of the OPFDRP were not exposed to custodial credit risk.

Fund Name	Credit Rating	Average Maturity	% of Net Position
Passive Bond Market Index Fund	Not Rated	3.85	19.1%

More than 5% of the City’s Fire Plan investments are in the following investments:

Type	Percent of Total
Franklin/Temp Global Total Return Bond	14.9%
Europacific Growth	5.2%
Eaton Vance Structured Emerging Mkts	5.2%

The OPFDRP’s only fixed income investment is the Franklin Templeton Global Total Return Mutual Fund noted above. Mutual funds are not subject to interest rate risk given they have no maturity dates. This investment is not rated by Moody’s or S&P.

City of Overland Park, Kansas  
Notes to Basic Financial Statements

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## IV. Other Information (Continued)

### D. Convention Center Information

In 2001, the City issued general obligation bonds to finance the construction of the Overland Park Convention Center for trade shows, conventions, training sessions, corporate meetings and social events. The Convention Center is accounted for within the Transient Guest Tax Capital Fund. The general obligation bonds rely solely on the revenue generated from a 4 percent Transient Guest Tax and the revenue generated by the facility for repayment. Summary financial information for the Convention Center's operations is presented below:

Comparative Condensed Statement of Net Position as of December 31,

	2012	2011
<b>Assets</b>		
Current assets	\$ 1,340,308	\$ 1,390,601
<b>Liabilities</b>		
Current liabilities	1,084,197	988,713
Unearned revenue	781,587	723,554
<b>Total Liabilities</b>	1,865,784	1,712,267
<b>Net position</b>	\$ (525,476)	\$ (321,666)

Comparative Condensed Statement of Revenue, Expenses and Changes in Net Position  
For the Years Ended December 31,

	2012	2011
Operating revenue	\$ 7,578,511	\$ 7,641,144
Operating expense	7,406,982	7,521,832
<b>Operating Income</b>	171,529	119,312
Non-operating revenue	106,464	184,616
<b>Excess of revenues or expenses</b>	277,993	303,928
Owner's net cash received (paid)	(481,803)	147,322
<b>Change in net position</b>	(203,810)	451,250
Net position - beginning of the year	(321,666)	(772,916)
Net position - end of the year	\$ (525,476)	\$ (321,666)

#### IV. Other Information (Continued)

##### E. Postemployment Benefits

###### City of Overland Park Postemployment Benefit Plan (OPEB)

Overland Park Postemployment Benefit Plan is a single employer defined benefit health care plan administered by the City that provides medical and long-term care insurance benefits to eligible retirees and their spouses. The OPEB is considered part of the City's reporting entity and is presented solely in the accompanying basic financial statements as a post employment benefit trust fund in the fiduciary fund type. A separate audit report is not prepared.

Membership in the OPEB was comprised of the following at January 1, 2012:

Active Employees	786
Retired participants medical	59
Retired participants spouse medical	13
Retired participants long-term care	155

The annual required contribution (ARC) is the basic annual expense recognized under GASB Statement No. 45, though there is no requirement to fund the ARC. ARC is calculated under the actuarial cost method that was chosen and is made up of the normal cost plus amortization of the unfunded actuarial accrued liability (UAAL- excess of the past service liability over the actuarial value of the assets). The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually. For fiscal year 2012, the City contributed \$219,074 to the plan. Plan members receiving benefits from OPEB contributed \$423,116, which is 66 percent of the total premiums.

City of Overland Park, Kansas

Notes to Basic Financial Statements

**IV. Other Information (Continued)**

Other Postemployment Benefit cost expense is computed based on the annual required contribution (ARC) of the City. The annual required contribution is an amount of funding that if funded on a regular basis, it is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components that make up the City of Overland Park's OPEB cost for 2012:

Annual required contribution	\$ 1,775,100
Interest on net OPEB Obligation	218,102
Adjustments to the ARC	<u>(284,734)</u>
Annual OPEB Cost (expense)	1,708,468
Contributions made	<u>219,074</u>
Increase in net OPEB Obligation	1,489,394
Net OPEB Obligation - beginning of year	<u>4,846,718</u>
Net OPEB Obligation - end of year	<u><u>\$ 6,336,112</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) are as follows in the table below:

Fiscal Year Ended	OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 2,022,760	14.40%	\$ 3,334,960
2011	1,729,251	12.58	4,846,718
<b>2012</b>	<b>1,708,468</b>	<b>12.82</b>	<b>6,336,112</b>

As of December 31, 2011, the plan was 14.9 percent funded. As of January 1, 2011, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$19,046,800, and the actuarial value of assets was \$2,828,983, resulting in an unfunded actuarial accrued liability (UAAL) of \$16,217,817. The covered payroll (annual payroll of active employees covered by the plan) was \$55,300,195, and the ratio of the UAAL to the covered payroll was 29.3 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contribution (ARC) of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents only the initial year trend information.

City of Overland Park, Kansas

Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2011 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the City's own investments calculated based on the funded level of the plan at the valuation date, and an annual health care cost trend rate of 9 percent for medical claims and 10.5 percent for prescriptions initially, reduced by decrements to an ultimate rate of 5 percent after five years. The UAAL is being amortized as a level dollar amount over a 30-year open period. The initial inflation rate assumptions for medical and dental are 7.10 percent and 5.00 percent, respectively.

In the January 1, 2009 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included an 8 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the City's own investments calculated based on the funded level of the plan at the valuation date, and an annual health care cost trend rate of 9 percent for medical claims and 10.5 percent for prescriptions initially, reduced by decrements to an ultimate rate of 5 percent after five years. The UAAL is being amortized as a level dollar amount over a period of 30 years.

Financial statements for the Other Post-Employment Benefits Plan are presented below:

**City of Overland Park  
Other Post-Employment Benefits Trust  
Statement of Plan Net Position  
For the Year Ended December 31, 2012**

**Assets**

Cash and cash equivalents	\$ 26,213
Equities	2,107,919
Mutual Funds	921,053
<b>Total assets</b>	<u>3,055,185</u>

**Net Position**

Held in trust for OPEB benefits	<u>\$ 3,055,185</u>
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City of Overland Park, Kansas

Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

**City of Overland Park  
Other Post-Employment Benefits Trust  
Statement in Changes in Plan Net Position  
For the Year Ended December 31, 2012**

<b>Investment Earnings</b>	
Net increase in fair value of investments	\$ 162,427
Interest	<u>73,217</u>
<b>Total investment earnings</b>	<u>235,644</u>
Total additions	<u>235,644</u>
<b>Deductions</b>	
Administrative expenses	<u>9,442</u>
<b>Change in net position</b>	226,202
Net position-beginning of the year	<u>2,828,983</u>
Net position-end of the year	<u>\$ 3,055,185</u>

**F. Pending Pronouncements**

GASB Statement No. 61, The Financial Reporting Entity: Omnibus, issued November 2010 will be effective for the City beginning with its year ending December 31, 2013. The requirements of this Statement result in financial reporting entity financial statements being more relevant by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading, to exclude, the amendments to the criteria for blending improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic. For primary governments that are business-type activities reporting in a single column, the guidance for reporting blended component units allows users to better distinguish between the primary government and its component units by requiring condensed combining information to be included in the notes to the financial statements. Lastly, the requirements for reporting equity interests in component units help ensure that primary government financial statements do not understate their financial position and provide for more consistent and understandable display of those equity interests.

#### **IV. Other Information (Continued)**

GASB Statement No. 67, Financial Reporting for Pension Plans, issued June 2012, will be effective for the City beginning with its year ending December 31, 2014. This Statement replaces the requirements of GASB Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and GASB Statement No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. This Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. This Statement enhances note disclosures and required supplementary information for both defined benefit and defined contribution pension plans. This Statement also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year required supplementary information schedules.

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, issued June 2012, will be effective for the City beginning with its year ending December 31, 2015. This Statement replaces the requirements of GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, and GASB Statement No. 50, Pension Disclosures, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.



City of Overland Park, Kansas

Notes to Basic Financial Statements

**IV. Other Information (Continued)**

**G. Fund Balance**

GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* establishes criteria for classifying fund balance into specifically defined classifications and clarifies definitions for governmental fund types.

The classifications of fund balances by opinion unit are as follows:

	General	One-Eighth Cent Sales Tax - Street Improvement	Stormwater Utility	Street Improvement	Debt Service	Nonmajor Other Governmental Funds	Total Governmental Funds
<b>Fund Balances:</b>							
<b>Restricted</b>							
Public Works	\$ -	\$ 2,298,032	\$ 1,882,013	\$ -	\$ -	\$ 3,665,777	\$ 7,845,822
Community Development	-	-	-	-	-	262,884	262,884
Public Safety	-	-	-	-	-	405,287	405,287
Debt Service	-	-	-	-	250,000	344,206	594,206
General Government	-	-	-	-	-	1,344,564	1,344,564
Other Purposes	-	-	-	-	-	2,091,320	2,091,320
<b>Total restricted</b>	-	2,298,032	1,882,013	-	250,000	8,114,038	12,544,083
<b>Committed</b>							
General Government	12,479,807	-	-	-	-	-	12,479,807
<b>Total committed</b>	12,479,807	-	-	-	-	-	12,479,807
<b>Assigned</b>							
Capital projects	-	-	-	-	-	6,337,486	6,337,486
Other purposes	2,152,114	-	61,020	-	-	-	2,213,134
<b>Total assigned</b>	2,152,114	-	61,020	-	-	6,337,486	8,550,620
<b>Unassigned</b>							
	23,222,648	-	-	(379,961)	-	(16,119)	22,826,568
<b>Total fund balances</b>	<b>\$ 37,854,569</b>	<b>\$ 2,298,032</b>	<b>\$ 1,943,033</b>	<b>\$ (379,961)</b>	<b>\$ 250,000</b>	<b>\$ 14,435,405</b>	<b>\$ 56,401,078</b>

The City adopted Resolution No. 3915 which establishes Fiscal Policy for the City in March 2012. In this resolution it identifies the City's minimum fund balance.

The City's targeted general fund unrestricted fund balance is 30% of the subsequent fiscal year's budgeted Operating and contingency expenditures. The target amount expressed is a goal and may fluctuate from year-to-year in the normal course of Operations. This funding level includes allocations for the following:

- *Emergency Response* - provides the financial capacity to ensure the continuation of essential public services during and after emergencies resulting from natural and man-made disasters. This reservation shall be classified as assigned.

City of Overland Park, Kansas

Notes to Basic Financial Statements

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**IV. Other Information (Continued)**

- *Stabilization* - provides financial resources protecting against the need to reduce service levels or raise taxes due to adverse financial or economic circumstances, and allows the City to take advantage of unplanned extraordinary opportunities. This reservation shall be classified as unassigned.
- *Working Capital* - provides funding to ensure adequate resources to deliver essential public services during all periods in the City's annual revenue and expenditure cycle. This reservation shall be classified as unassigned.

The minimum target of the unrestricted fund balance at the end of the five-year financial planning period is 15%.

If it is anticipated at the completion of any fiscal year that the projected or estimated amount of unrestricted fund balance will be less than the minimum established target, then the City Manager shall prepare and submit in conjunction with the five-year financial plan a plan for the expenditures or expense reduction and/or revenue increases necessary to restore the minimum target amount within the five-year planning period.

**H. Subsequent Event**

In May 2013, the City issued \$7,000,000 of general obligation bonds for street and thoroughfare improvements, street lightening system, and bike-hike trails. In addition, \$8,045,000 of general obligation refunding bonds and \$16,650,000 of general obligation advance refunding bonds.

**I. Restatement**

As a result of the adoption of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the beginning net position of the business-type activities and OPDC fund was restated as follows:

	Business-Type Activities	OPDC Enterprise Fund
Net position (deficit) at December 31, 2011, as previously reported	\$ (34,281,399)	\$ (39,101,080)
Bond issuance costs previously reported as assets	(4,185,283)	(4,185,283)
Net position (deficit) at December 31, 2011, as restated	<u>\$ (38,466,682)</u>	<u>\$ (43,286,363)</u>

**City of Overland Park, Kansas  
Overland Park Police Department Retirement Plan  
Required Supplementary Information**

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**Schedule of Funding Progress:**

Actuarial Year Ended January 1	Net Assets Available for Benefits (A)	Actuarial Liability (B)	Unfunded Accrued Actuarial Liability	Annual Covered Payroll	Funded Ratio (A)/(B)	UAAL as a Percentage of Covered Payroll
2007	\$45,313,738	\$45,313,738	\$ -	\$12,559,788	100.0%	0.0%
2008	48,930,926	47,858,043	1,072,883	13,171,080	102.2%	8.1%
2009	46,051,746	51,546,508	5,494,762	14,208,624	89.3%	38.7%
2010	48,648,966	56,819,137	8,170,171	14,606,976	85.6%	55.9%
2011	53,436,677	61,814,742	8,378,065	14,370,036	86.4%	58.3%
<b>2012</b>	<b>57,009,891</b>	<b>66,982,772</b>	<b>9,972,881</b>	<b>14,223,804</b>	<b>85.1%</b>	<b>70.1%</b>

Note: The actuarial years began January 1.

The Plan's funding method is the aggregate actuarial cost method. Beginning in 2008, because the aggregate method does not identify or separately amortize unfunded actuarial liabilities, information about the Plan's funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and the information presented is intended to serve as a surrogate for the funded status and funding progress of the Plan.

Contributions were made in accordance with actuarially determined contribution requirements.

**Schedule of Employer Contributions:**

Fiscal Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net Pension Obligation
12/31/07	\$ 1,378,945	100%	\$ 189,589
12/31/08	1,366,203	95	195,369
12/31/09	2,560,246	94	417,386
12/31/10	2,888,754	94	544,729
12/31/11	2,919,829	97	613,153
<b>12/31/12</b>	<b>3,088,500</b>	<b>97</b>	<b>693,438</b>

City of Overland Park, Kansas  
Overland Park Fire Department Retirement Plan  
Required Supplementary Information

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**Schedule of Funding Progress:**

Actuarial Year Ended January 1	Net Assets Available for Benefits (A)	Actuarial Liability (B)	Unfunded Accrued Actuarial Liability	Annual Covered Payroll	Funded Ratio (A)/(B)	UAAL as a Percentage of Covered Payroll
2007	\$ 13,859,287	\$ 13,859,287	\$ -	\$ 9,181,380	100%	-
2008	16,071,505	25,639,692	9,568,187	9,401,544	63%	102%
2009	16,093,944	27,635,349	11,541,405	9,649,308	58%	120%
2010	17,399,742	28,876,490	11,476,748	9,527,292	60%	120%
2011	17,286,409	28,691,067	11,404,658	9,567,912	60%	119%
2012	<b>18,873,848</b>	<b>31,148,140</b>	<b>12,274,292</b>	<b>9,185,832</b>	61%	<b>134%</b>

The Plan's funding method is the aggregate actuarial cost method. Beginning in 2008, because the aggregate method does not identify or separately amortize unfunded actuarial liabilities, information about the Plan's funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose and the information presented is intended to serve as a surrogate for the unfunded status and funding progress of the Plan.

**Schedule of Employer Contributions:**

Fiscal Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net Pension Obligation
12/31/07	\$ 1,810,574	94%	\$ 175,218
12/31/08	2,252,441	95	180,233
12/31/09	2,481,988	95	503,016
12/31/10	2,492,071	94	639,302
12/31/11	2,493,213	96	709,876
<b>12/31/12</b>	<b>2,511,142</b>	<b>96</b>	<b>789,005</b>

City of Overland Park

Other Postemployment Benefit Plan  
Required Supplementary Information

**Schedule of Funding Progress:**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percent of Covered Payroll ((b-a)/a)
1/1/2009	\$ 2,569,892	\$ 18,637,493	\$ 16,067,601	13.8%	\$ 60,069,676	26.7%
1/1/2010	2,902,640	18,637,493	15,734,853	15.5%	59,478,539	26.5%
<b>1/1/2011</b>	<b>2,828,983</b>	<b>19,046,800</b>	<b>16,217,817</b>	<b>14.9%</b>	<b>55,300,195</b>	<b>29.3%</b>

The information presented in the required supplementary information above was determined as part of the actuarial valuation as of December 31, 2011. Additional information follows:

1. The cost method used to determine the ARC is the projected unit credit method.
2. Economic assumptions are as follows: 4.5 percent investment rate of return; health care cost trend rate of 9 percent for medical claims and 10.5 percent for prescriptions, reduced by decrements to an ultimate rate of 5 percent after five years.
3. The amortization method is level dollar.
4. The initial inflation rate assumptions for medical and dental are 7.10 percent and 5.00 percent, respectively.

**Schedule of Employer Contributions:**

Year	Annual Required Contribution (ARC)	Net Employer Contributions	Percentage Contributed	End of Year Net OPEB Obligation
2010	\$2,026,643	\$291,206	14.37%	\$3,334,960
2011	1,775,100	217,493	12.25%	4,846,718
<b>2012</b>	<b>1,775,100</b>	<b>219,074</b>	<b>12.34%</b>	<b>6,336,112</b>

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# Nonmajor Governmental Funds

## Special Revenue Funds

### **Special Street and Highway Fund**

To account for costs relating to the repair and maintenance of the City's streets and highways. Financing is derived from the City's share of the state gasoline taxes. State law restricts the use of these funds to street and highway expenditures.

### **Special Park and Recreation Fund**

To account for parks and recreation expenditures funded from monies received from the state liquor tax. State law requires that such funds be used for the purchase, establishment, maintenance or expansion of park and recreational services programs and facilities.

### **Special Alcohol Control Fund**

To account for expenditures for alcohol rehabilitation programs funded from monies received from the state liquor tax. State law requires that such funds be used for alcohol rehabilitation programs.

### **Transient Guest Tax Fund**

To account for revenue received from a 9 percent transient guest tax with its use restricted for expenditures relating to tourism and convention activities; revenue received from 4 percent of the transient guest tax with its use restricted to capital expenditures relating to tourism and convention activities and also the operation of the convention center; revenue received from 2 percent of the transient guest tax with its use restricted to promoting tourism within the City.

### **Street Improvement Escrow Fund**

To account for monies from developers for street improvements.

### **TIF/CID Financing Initiatives Fund**

To account for ad valorem monies received from the increased assessed values of the Tax Increment Financing (TIF) districts and Community Improvement District (CID) and its sales activities.

### **Federal and State Grants Fund**

To account for revenues and expenditures of various grant programs of the City. These grants have been combined under this heading because they are exempt from the legal requirement of having adopted budgets.

**Fire Memorial Fund**

To account for small scholarships to Explorer Scouts who want to pursue a career in the fire service.

**Downtown Business Improvement District Fund**

To account for service fees collected for the Downtown Business Improvement District.

**Parks and Recreation Fund**

To account for donations provided by the public for Legacy of Greenery, Children's Farmstead, and Overland Park Arts Commission.

**Nuse Act Fund**

To account for monies received from insurance companies or property owners on unsafe structures or public nuisances that are dangerous to the general public. The City either uses the proceeds to make the premises safe and secure or, upon proof of repairs or rebuilding, makes payment of the proceeds to the insured party. There was no activity in the current year.

**Westlinks Land Acquisition Fund**

To account for the accumulation of resources for the acquisition of the Westlinks Golf Course land.

**Mayor's Heat and Light Fund**

To account for funds contributed for the purpose of assisting low-income individuals in paying utility bills.

**Art in the Woods Fund**

To account for donations received from the public for the presentation of an art show.

**Special Law Enforcement Fund**

To account for monies received from the sale of forfeited property or money in accordance with Kansas State Statute KSA 65-4171 and City Ordinance LET-1811.

**Jack Sanders Memorial Fund**

To account for donations received from the public for the W. Jack Sanders Award. This award will be given annually to a citizen who demonstrated an outstanding commitment to the welfare and future well-being of Overland Park.



# Nonmajor Governmental Funds

## Capital Projects Funds

### **Drainage Improvements Fund**

To account for the financing and construction of drainage improvement projects.

### **Parks Acquisition and Development Fund**

To account for the financing and construction of park development projects.

### **Public Building Improvements Fund**

To account for the financing and construction of municipal building improvement projects.

### **Traffic Signals Fund**

To account for the financing and construction of traffic signal projects.

### **Street Lights Fund**

To account for the financing and construction of street light projects.

### **Public Equipment Fund**

To account for the financing and acquisition of public equipment.

**City of Overland Park  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2012**

	<b>Special Revenue Funds</b>			
	<b>Special Street and Highway</b>	<b>Special Park and Recreation</b>	<b>Special Alcohol Control</b>	<b>Transient Guest Tax</b>
<b>Assets</b>				
Cash, cash equivalents and investments	\$ -	\$ 106,188	\$ 1,344,564	\$ 1,748,898
Receivables	-	-	-	791,597
Gas tax receivable	1,099,370	-	-	-
Transient guest tax receivable, restricted	-	-	-	2,339,772
Due from other governments	-	-	-	-
Other current assets	-	-	-	550,279
<b>Total assets</b>	<b>\$ 1,099,370</b>	<b>\$ 106,188</b>	<b>\$ 1,344,564</b>	<b>\$ 5,430,546</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,116,595
Contracts payable	-	-	-	-
Due to other funds	999,799	-	-	-
Unearned revenue	-	-	-	1,878,425
<b>Total liabilities</b>	<b>999,799</b>	<b>-</b>	<b>-</b>	<b>2,995,020</b>
Deferred Inflows of Resources unavailable revenue - other	-	-	-	-
Fund Balances (Deficits):				
Restricted	99,571	106,188	1,344,564	2,435,526
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	99,571	106,188	1,344,564	2,435,526
Total liabilities and fund balances	<b>\$ 1,099,370</b>	<b>\$ 106,188</b>	<b>\$ 1,344,564</b>	<b>\$ 5,430,546</b>

*Continued on next page.*

**Special Revenue Funds**

<b>Street Improvement Escrow</b>	<b>TIF/CID Financing Initiatives</b>	<b>Federal and State Grants</b>	<b>Fire Memorial</b>
\$ 3,566,206	\$ -	\$ 77,175	\$ 7,159
-	-	825	-
-	-	-	-
-	-	-	-
-	29,623	139,985	-
-	-	-	-
<u>\$ 3,566,206</u>	<u>\$ 29,623</u>	<u>\$ 217,985</u>	<u>\$ 7,159</u>
\$ -	\$ -	\$ 2,905	\$ -
-	19,733	-	-
-	26,009	140,810	-
-	-	53,156	7,159
-	45,742	196,871	7,159
-	-	-	-
3,566,206	-	21,114	-
-	-	-	-
-	(16,119)	-	-
<u>3,566,206</u>	<u>(16,119)</u>	<u>21,114</u>	<u>-</u>
<u>\$ 3,566,206</u>	<u>\$ 29,623</u>	<u>\$ 217,985</u>	<u>\$ 7,159</u>

**City of Overland Park  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
December 31, 2012**

	<b>Special Revenue Funds</b>			
	<b>Downtown Business Improvement District</b>	<b>Parks and Recreation</b>	<b>Westlinks Land Acquisition</b>	<b>Art in the Woods</b>
<b>Assets</b>				
Cash, cash equivalents and investments	\$ 35,699	\$ 137,536	\$ 9,903	\$ 9,257
Receivables	-	-	-	-
Gas tax receivable	-	-	-	-
Transient guest tax receivable	-	-	-	-
Due from other governments	-	-	-	-
Other current assets	-	-	-	-
<b>Total assets</b>	<b>\$ 35,699</b>	<b>\$ 137,536</b>	<b>\$ 9,903</b>	<b>\$ 9,257</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	35,699	-	-	-
<b>Total liabilities</b>	<b>35,699</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deferred Inflows of Resources unavailable revenue - other	-	-	-	-
Fund Balances (Deficits):				
Restricted	-	137,536	9,903	9,257
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	-	137,536	9,903	9,257
Total liabilities and fund balances	<b>\$ 35,699</b>	<b>\$ 137,536</b>	<b>\$ 9,903</b>	<b>\$ 9,257</b>

**Special Revenue Funds**

<b>Special Law Enforcement</b>	<b>Jack Sanders Memorial</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 377,541	\$ 6,632	\$ 7,426,758
-	-	792,422
-	-	1,099,370
-	-	2,339,772
-	-	169,608
-	-	550,279
<b>\$ 377,541</b>	<b>\$ 6,632</b>	<b>\$ 12,378,209</b>
\$ -	\$ -	\$ 1,119,500
-	-	19,733
-	-	1,166,618
-	-	1,974,439
-	-	4,280,290
-	-	-
377,541	6,632	8,114,038
-	-	-
-	-	(16,119)
<b>377,541</b>	<b>6,632</b>	<b>8,097,919</b>
<b>\$ 377,541</b>	<b>\$ 6,632</b>	<b>\$ 12,378,209</b>

**City of Overland Park  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
December 31, 2012**

	<b>Capital Projects</b>			
	<b>Drainage Improvements</b>	<b>Park Acquisition &amp; Development</b>	<b>Public Building</b>	<b>Traffic Signals</b>
<b>Assets</b>				
Cash, cash equivalents and investments	\$ 2,354,639	\$ 559,721	\$ 1,335,666	\$ 728,253
Receivables	-	-	-	-
Gas tax receivable	-	-	-	-
Transient guest tax receivable	-	-	-	-
Due from other governments	812,313	-	-	-
Other current assets	-	-	-	-
Total assets	\$ 3,166,952	\$ 559,721	\$ 1,335,666	\$ 728,253
 <b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	424,489	99,172	60,837	15,026
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	424,489	99,172	60,837	15,026
Deferred Inflows of Resources unavailable revenue - other	694,520	-	-	-
 <b>Fund Balances:</b>				
Restricted	-	-	-	-
Assigned	2,047,943	460,549	1,274,829	713,227
Unassigned	-	-	-	-
Total fund balances	2,047,943	460,549	1,274,829	713,227
Total liabilities and fund balances	\$ 3,166,952	\$ 559,721	\$ 1,335,666	\$ 728,253

**Capital Projects**

<b>Street Lights</b>	<b>Public Equipment</b>	<b>Total Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 126,203	\$ 1,798,028	\$ 6,902,510	\$ 14,329,268
-	-	-	792,422
-	-	-	1,099,370
-	-	-	2,339,772
-	-	812,313	981,921
-	-	-	550,279
<u>\$ 126,203</u>	<u>\$ 1,798,028</u>	<u>\$ 7,714,823</u>	<u>\$ 20,093,032</u>

\$ -	\$ -	\$ -	\$ 1,119,500
12,678	70,615	682,817	702,550
-	-	-	1,166,618
-	-	-	1,974,439
<u>12,678</u>	<u>70,615</u>	<u>682,817</u>	<u>4,963,107</u>

-	-	694,520	694,520
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-	-	-	8,114,038
113,525	1,727,413	6,337,486	6,337,486
-	-	-	(16,119)
<u>113,525</u>	<u>1,727,413</u>	<u>6,337,486</u>	<u>14,435,405</u>
<u>\$ 126,203</u>	<u>\$ 1,798,028</u>	<u>\$ 7,714,823</u>	<u>\$ 20,093,032</u>

**City of Overland Park**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2012**

	<b>Special Revenue Funds</b>			
	<b>Special Street and Highway</b>	<b>Special Park and Recreation</b>	<b>Special Alcohol Control</b>	<b>Transient Guest Tax</b>
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Charges for services	-	-	-	7,203,172
Licenses and permits	-	-	-	-
Transient guest tax	-	-	-	7,772,500
Use of money	-	-	-	321,125
Intergovernmental	4,494,272	1,074,444	1,080,782	-
Contributions	-	-	-	-
Capital / Operating Grants	-	-	-	-
Total revenues	<u>4,494,272</u>	<u>1,074,444</u>	<u>1,080,782</u>	<u>15,296,797</u>
<b>Expenditures</b>				
Current:				
General government	-	-	726,750	6,823,104
Public safety	-	-	68,630	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Planning and development services	-	-	-	-
Capital improvements	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>795,380</u>	<u>6,823,104</u>
Excess of revenues over (under) expenditures	<u>4,494,272</u>	<u>1,074,444</u>	<u>285,402</u>	<u>8,473,693</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	8,050,994
Transfers out	(5,000,000)	(1,000,000)	-	(13,959,376)
Total other financing sources (uses)	<u>(5,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(5,908,382)</u>
Net change in fund balances	(505,728)	74,444	285,402	2,565,311
Fund balances (deficits) at beginning of year	605,299	31,744	1,059,162	(129,785)
Fund balances (deficits) at end of year	<u>\$ 99,571</u>	<u>\$ 106,188</u>	<u>\$ 1,344,564</u>	<u>\$ 2,435,526</u>

*Continued on next page.*



**Special Revenue Funds**

<b>Street Improvement Escrow</b>	<b>TIF/CID Financing Initiatives</b>	<b>Federal and State Grants</b>	<b>Fire Memorial</b>
\$ -	\$ 158,813	\$ -	\$ -
-	16,856	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
754,467	20,000	-	-
-	32,959	4,586,295	-
<u>754,467</u>	<u>228,628</u>	<u>4,586,295</u>	<u>-</u>
-	-	-	-
-	-	436,178	135
151,244	211,890	8,266	-
-	-	-	-
-	-	329,532	-
-	-	-	-
<u>151,244</u>	<u>211,890</u>	<u>773,976</u>	<u>135</u>
<u>603,223</u>	<u>16,738</u>	<u>3,812,319</u>	<u>(135)</u>
-	-	-	-
(9,673)	(64)	(3,824,174)	-
<u>(9,673)</u>	<u>(64)</u>	<u>(3,824,174)</u>	<u>-</u>
593,550	16,674	(11,855)	(135)
2,972,656	(32,793)	32,969	135
<u>\$ 3,566,206</u>	<u>\$ (16,119)</u>	<u>\$ 21,114</u>	<u>\$ -</u>

**City of Overland Park**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)**  
**Nonmajor Governmental Funds (continued)**  
**For the Year Ended December 31, 2012**

	Special Revenue Funds		
	Downtown Business Improvement District	Parks and Recreation	Westlinks Land Acquisition
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ -
Sales taxes	-	-	-
Charges for services	-	-	-
Licenses and permits	105,310	-	-
Transient guest tax	-	-	-
Use of money	-	-	456
Intergovernmental	-	-	-
Contributions	-	12,572	-
Capital / Operating Grants	-	-	-
Total revenues	105,310	12,572	456
<b>Expenditures</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Parks and recreation	-	1,231	-
Planning and development services	105,310	-	-
Capital improvements	-	-	-
Total expenditures	105,310	1,231	-
Excess of revenues over (under) expenditures	-	11,341	456
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	11,341	456
Fund balances (deficits) at beginning of year	-	126,195	9,447
Fund balances (deficits) at end of year	\$ -	\$ 137,536	\$ 9,903

*continued on next page.*

**Special Revenue Funds**

<b>Mayor's Heat and Light</b>	<b>Art in the Woods</b>	<b>Special Law Enforcement</b>	<b>Jack Sanders Memorial</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 158,813
-	-	-	-	16,856
-	2,701	-	-	7,205,873
-	-	-	-	105,310
-	-	-	-	7,772,500
-	57	2,118	43	323,799
-	-	-	-	6,649,498
-	-	-	-	787,039
-	-	229,078	-	4,848,332
-	2,758	231,196	43	27,868,020
-	-	-	-	7,549,854
-	-	55,002	-	559,945
-	-	-	-	371,400
-	-	-	-	1,231
28	-	-	-	434,870
-	-	-	-	-
28	-	55,002	-	8,917,300
(28)	2,758	176,194	43	18,950,720
-	-	-	-	8,050,994
-	-	-	-	(23,793,287)
-	-	-	-	(15,742,293)
(28)	2,758	176,194	43	3,208,427
28	6,499	201,347	6,589	4,889,492
\$ -	\$ 9,257	\$ 377,541	\$ 6,632	\$ 8,097,919

**City of Overland Park**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)**  
**Nonmajor Governmental Funds (continued)**  
**For the Year Ended December 31, 2012**

	<b>Capital Projects</b>			
	<b>Drainage Improvements</b>	<b>Park Acquisition &amp; Development</b>	<b>Public Buildings</b>	<b>Traffic Signals</b>
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Transient guest tax	-	-	-	-
Use of money	-	77	67	-
Intergovernmental	-	-	-	-
Contributions	-	-	68,655	-
Capital / Operating Grants	1,362,238	172,409	11,790	155,066
<b>Total revenues</b>	<b>1,362,238</b>	<b>172,486</b>	<b>80,512</b>	<b>155,066</b>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	1,354,664	-	-
Planning and development services	-	-	-	-
Capital improvements	3,787,646	-	731,623	705,912
<b>Total expenditures</b>	<b>3,787,646</b>	<b>1,354,664</b>	<b>731,623</b>	<b>705,912</b>
Excess of revenues over (under) expenditures	(2,425,408)	(1,182,178)	(651,111)	(550,846)
<b>Other financing sources (uses)</b>				
Transfers in	2,689,388	858,690	583,973	463,337
Transfers out	(354,539)	(142,022)	(134,376)	(162,859)
<b>Total other financing sources (uses)</b>	<b>2,334,849</b>	<b>716,668</b>	<b>449,597</b>	<b>300,478</b>
Net change in fund balances	(90,559)	(465,510)	(201,514)	(250,368)
Fund balances (deficits) at beginning of year	2,138,502	926,059	1,476,343	963,595
Fund balances (deficits) at end of year	<b>\$ 2,047,943</b>	<b>\$ 460,549</b>	<b>\$ 1,274,829</b>	<b>\$ 713,227</b>

**Capital Projects**

<b>Street Lights</b>	<b>Public Equipment</b>	<b>Total Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ -	\$ 158,813
-	-	-	16,856
-	-	-	7,205,873
-	-	-	105,310
-	-	-	7,772,500
-	-	144	323,943
-	-	-	6,649,498
-	428,435	497,090	1,284,129
-	-	1,701,503	6,549,835
-	428,435	2,198,737	30,066,757
-	2,742,883	2,742,883	10,292,737
-	-	-	559,945
-	-	-	371,400
-	-	1,354,664	1,355,895
-	-	-	434,870
86,660	-	5,311,841	5,311,841
86,660	2,742,883	9,409,388	18,326,688
(86,660)	(2,314,448)	(7,210,651)	11,740,069
130,102	1,936,141	6,661,631	14,712,625
(28,405)	(32,518)	(854,719)	(24,648,006)
101,697	1,903,623	5,806,912	(9,935,381)
15,037	(410,825)	(1,403,739)	1,804,688
98,488	2,138,238	7,741,225	12,630,717
\$ 113,525	\$ 1,727,413	\$ 6,337,486	\$ 14,435,405

**City of Overland Park**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Special Street and Highway Fund**  
**For the Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Budgetary</b>	
			<b>Basis</b>	<b>Final Budget</b>
<b>Revenues:</b>				
Operating grants	\$ 4,675,000	\$ 4,675,000	\$ 4,494,272	\$ (180,728)
Use of money	5,000	5,000	-	(5,000)
<b>Total revenues</b>	<b>4,680,000</b>	<b>4,680,000</b>	<b>4,494,272</b>	<b>(185,728)</b>
<b>Expenditures:</b>				
Current, public works	470,000	470,000	-	470,000
<b>Total expenditures</b>	<b>470,000</b>	<b>470,000</b>	<b>-</b>	<b>470,000</b>
<b>Revenues over expenditures</b>	<b>4,210,000</b>	<b>4,210,000</b>	<b>4,494,272</b>	<b>284,272</b>
<b>Other financing sources (uses):</b>				
Transfer (to) from other funds:				
Capital Projects Funds	(5,000,000)	(5,000,000)	(5,000,000)	-
<b>Total other financing sources (uses)</b>	<b>(5,000,000)</b>	<b>(5,000,000)</b>	<b>(5,000,000)</b>	<b>-</b>
Revenues and other financing sources over (under) expenditures and other financing uses	(790,000)	(790,000)	(505,728)	284,272
Fund balances at beginning of year	790,000	790,000	605,299	(184,701)
Fund balances at end of year	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 99,571</b>	<b>\$ 99,571</b>

**City of Overland Park**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Special Park and Recreation Fund**  
**For the Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Budgetary</b>	
			<b>Basis</b>	<b>Final Budget</b>
<b>Revenues:</b>				
Operating grants	\$ 1,100,000	\$ 1,100,000	\$ 1,074,444	\$ (25,556)
Use of money	5,000	5,000	-	(5,000)
<b>Total revenues</b>	<u>1,105,000</u>	<u>1,105,000</u>	<u>1,074,444</u>	<u>(30,556)</u>
<b>Expenditures:</b>				
Current, parks and recreation	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues over expenditures</b>	<u>1,105,000</u>	<u>1,105,000</u>	<u>1,074,444</u>	<u>(30,556)</u>
<b>Other financing sources (uses):</b>				
Transfer (to) from other funds:				
Special Revenue Funds	-	-	-	-
Capital Projects Funds	(1,250,000)	(1,250,000)	(1,000,000)	250,000
<b>Total other financing sources (uses)</b>	<u>(1,250,000)</u>	<u>(1,250,000)</u>	<u>(1,000,000)</u>	<u>250,000</u>
Revenues and other financing sources over (under) expenditures and other financing uses	(145,000)	(145,000)	74,444	219,444
Fund balances at beginning of year	145,000	145,000	31,744	(113,256)
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,188</u>	<u>\$ 106,188</u>

**City of Overland Park**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Special Alcohol Control Fund**  
**For the Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Budgetary</b>	
			<b>Basis</b>	<b>Final Budget</b>
<b>Revenues:</b>				
Operating grants	\$ 1,100,000	\$ 1,100,000	\$ 1,080,782	\$ (19,218)
Use of money	5,000	5,000	-	(5,000)
<b>Total revenues</b>	<u>1,105,000</u>	<u>1,105,000</u>	<u>1,080,782</u>	<u>(24,218)</u>
<b>Expenditures:</b>				
Current:				
General Government	2,150,000	2,150,000	726,750	1,423,250
Public Safety	-	-	68,630	(68,630)
<b>Total expenditures</b>	<u>2,150,000</u>	<u>2,150,000</u>	<u>795,380</u>	<u>1,354,620</u>
<b>Revenues over (under) expenditures</b>	<u>(1,045,000)</u>	<u>(1,045,000)</u>	<u>285,402</u>	<u>1,330,402</u>
<b>Other financing sources (uses):</b>				
Transfer (to) from other funds:	-	-		
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	(1,045,000)	(1,045,000)	285,402	1,330,402
Fund balances at beginning of year	1,045,000	1,045,000	1,059,162	14,162
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,344,564</u>	<u>\$ 1,344,564</u>



**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Transient Guest Tax Sub-Funds - Reserve Fund**  
**For the Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<b>Actual Amounts Budgetary Basis</b>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Transient Guest Tax	\$ 7,620,000	\$ 7,620,000	\$ 7,772,500	\$ 152,500
Use of money	5,000	5,000	1,672	(3,328)
<b>Total revenues</b>	<u>7,625,000</u>	<u>7,625,000</u>	<u>7,774,172</u>	<u>149,172</u>
<b>Expenditures:</b>				
Current:				
General Government	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues over expenditures</b>	<u>7,625,000</u>	<u>7,625,000</u>	<u>7,774,172</u>	<u>149,172</u>
<b>Other financing sources (uses):</b>				
Transfer (to) from other funds:				
Special Revenue Funds	(7,625,000)	(7,625,000)	(7,620,493)	4,507
<b>Total other financing sources (uses)</b>	<u>(7,625,000)</u>	<u>(7,625,000)</u>	<u>(7,620,493)</u>	<u>4,507</u>
Revenues and other financing sources over (under) expenditures and other uses	-	-	153,679	153,679
Fund balances at beginning of year	-	-		-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 153,679</u>
<b>Reconciliation to GAAP Basis:</b>				
Activities reported within the Transient Guest Tax - Capital Fund,				
Transient Guest Tax - Operating Fund				
			7,522,625	
			(6,823,105)	
			1,712,112	
			<u>2,565,311</u>	
Fund balance (deficit) at beginning of year				(129,785)
Fund balance at end of year			<u>\$ 2,435,526</u>	

**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Transient Guest Tax Sub-Funds - Capital Fund**  
**For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	
<b>Revenues:</b>				
Charges for services	\$ -	\$ -	\$ 7,203,172	\$ 7,203,172
Use of money	1,115	1,115	319,453	318,338
<b>Total revenues</b>	<u>1,115</u>	<u>1,115</u>	<u>7,522,625</u>	<u>7,521,510</u>
<b>Expenditures:</b>				
Current:				
General Government	106,115	106,115	5,165,373	(5,059,258)
<b>Total expenditures</b>	<u>106,115</u>	<u>106,115</u>	<u>5,165,373</u>	<u>(5,059,258)</u>
<b>Revenues over (under) expenditures</b>	<u>(105,000)</u>	<u>(105,000)</u>	<u>2,357,252</u>	<u>2,462,252</u>
<b>Other financing sources (uses):</b>				
Transfer (to) from other funds:				
Debt Service Fund	(6,188,885)	(6,188,885)	(6,338,882)	(149,997)
Capital Projects Funds	-	-	-	-
Soccer Fund	-	-	-	-
Transient Guest Tax Funds	6,293,885	6,293,885	6,393,262	99,377
<b>Total other financing sources (uses)</b>	<u>105,000</u>	<u>105,000</u>	<u>54,380</u>	<u>(50,620)</u>
Revenues and other financing sources over (under) expenditures and other uses	-	-	2,411,632	2,411,632
Fund balances at beginning of year	-	-		-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 2,411,632</u>
Reconciliation to GAAP Basis:				
Activities reported within the Transient Guest Tax - Reserve Fund,				
Transient Guest Tax - Operating Fund				
			7,774,172	
			(1,657,732)	
			<u>(5,962,761)</u>	
			2,565,311	
Fund balance (deficit) at beginning of year			<u>(129,785)</u>	
Fund balance at end of year			<u>\$ 2,435,526</u>	

**City of Overland Park**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Transient Guest Tax Sub-Funds - Operating Fund**  
**For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	
<b>Revenues:</b>				
Use of money	\$ 670	\$ 670	\$ -	(670)
<b>Total revenues</b>	<u>670</u>	<u>670</u>	<u>-</u>	<u>(670)</u>
<b>Expenditures:</b>				
Current:				
General Government	1,695,000	1,695,000	1,657,732	37,268
<b>Total expenditures</b>	<u>1,695,000</u>	<u>1,695,000</u>	<u>1,657,732</u>	<u>37,268</u>
<b>Revenues over (under) expenditures</b>	<u>(1,694,330)</u>	<u>(1,694,330)</u>	<u>(1,657,732)</u>	<u>36,598</u>
<b>Other financing sources (uses):</b>				
Transfer (to) from other funds:				
Transient Guest Tax Fund	1,693,330	1,693,330	1,657,732	(35,598)
Transient Guest Tax Capital Fund	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>1,693,330</u>	<u>1,693,330</u>	<u>1,657,732</u>	<u>(35,598)</u>
Revenues and other financing sources over (under) expenditures and other uses	(1,000)	(1,000)	-	(1,000)
Fund balances at beginning of year	1,000	1,000	-	1,000
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Activities reported within the Transient Guest Tax - Reserve Fund,				
Transient Guest Tax - Capital Fund				
			15,296,797	
			(5,165,373)	
			<u>(7,566,113)</u>	
			2,565,311	
			<u>(129,785)</u>	
Fund balance (deficit) at beginning of year			<u>\$ 2,435,526</u>	
Fund balance at end of year			<u>-</u>	

**City of Overland Park**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Debt Service Fund**  
**For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	
<b>Revenues:</b>				
Special Assessment tax	\$ 506,980	\$ 506,980	\$ 525,414	\$ 18,434
Use of money	6,431	6,431	741	(5,690)
<b>Total revenues</b>	<b>513,411</b>	<b>513,411</b>	<b>526,155</b>	<b>12,744</b>
<b>Expenditures:</b>				
Debt Service	24,750,000	24,750,000	24,074,904	675,096
<b>Total expenditures</b>	<b>24,750,000</b>	<b>24,750,000</b>	<b>24,074,904</b>	<b>675,096</b>
<b>Revenues over (under) expenditures</b>	<b>(24,236,589)</b>	<b>(24,236,589)</b>	<b>(23,548,749)</b>	<b>687,840</b>
<b>Other financing sources (uses):</b>				
Transfer (to) from other funds:				
General Fund	17,543,256	17,543,256	17,103,890	(439,366)
Special Revenue Funds	6,593,333	6,593,333	6,593,330	(3)
Capital Project Funds	-	-	1,529	1,529
<b>Total other financing sources (uses)</b>	<b>24,136,589</b>	<b>24,136,589</b>	<b>23,698,749</b>	<b>(437,840)</b>
Revenues and other financing sources over (under) expenditures and other financing uses	(100,000)	(100,000)	150,000	250,000
Fund balances at beginning of year	100,000	100,000	100,000	-
Fund balances at end of year	\$ -	\$ -	\$ 250,000	\$ 250,000

**City of Overland Park**  
**Schedule of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**Budgetary Basis**  
**Downtown Business Improvement District Fund**  
**For the Year Ended December 31, 2012**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	
			<b>Budgetary</b>	<b>Final Budget</b>
			<b>Basis</b>	
<b>Revenues:</b>				
Use of money	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Licenses and permits	109,000	109,000	105,310	(3,690)
<b>Total revenues</b>	<b>110,000</b>	<b>110,000</b>	<b>105,310</b>	<b>(4,690)</b>
<b>Expenditures:</b>				
Current:				
Planning and development services	110,000	110,000	105,310	4,690
<b>Total expenditures</b>	<b>110,000</b>	<b>110,000</b>	<b>105,310</b>	<b>4,690</b>
<b>Revenues over expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

**City of Overland Park**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2012**

	<u>Golf Course</u>	<u>Soccer Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and investments	\$ 609,113	\$ 321,476	\$ 930,589
Receivables, net	-	19,615	19,615
Inventory	155,253	-	155,253
<b>Total current assets</b>	<u>764,366</u>	<u>341,091</u>	<u>1,105,457</u>
Noncurrent assets:			
Capital assets:			
Land	1,425,200	-	1,425,200
Other capital assets, net of depreciation	2,626,295	-	2,626,295
<b>Total capital assets</b>	<u>4,051,495</u>	<u>-</u>	<u>4,051,495</u>
<b>Total assets</b>	<u>\$ 4,815,861</u>	<u>\$ 341,091</u>	<u>\$ 5,156,952</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	\$ 82,765	\$ 1,107	\$ 83,872
Accrued payroll	119,539	30,947	150,486
Accrued interest payable	210	-	210
Unearned revenue	-	8,780	8,780
Bonds payable	21,036	-	21,036
<b>Total current liabilities</b>	<u>223,550</u>	<u>40,834</u>	<u>264,384</u>
Long-term liabilities			
Accrued compensated absences	46,466	10,139	56,605
<b>Total long term liabilities</b>	<u>46,466</u>	<u>10,139</u>	<u>56,605</u>
<b>Total liabilities</b>	<u>\$ 270,016</u>	<u>\$ 50,973</u>	<u>\$ 320,989</u>
<b>Net Position</b>			
Net investment in capital assets	\$ 4,030,459	\$ -	\$ 4,030,459
Unrestricted	515,386	290,118	805,504
<b>Total net position</b>	<u>\$ 4,545,845</u>	<u>\$ 290,118</u>	<u>\$ 4,835,963</u>

**City of Overland Park**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2012**

	<u>Golf Course</u>	<u>Soccer Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Operating revenues:</b>			
Charges for services	\$ 5,125,017	\$ 1,286,692	\$ 6,411,709
Other reimbursements	1,556	169,327	170,883
<b>Total operating revenues</b>	<u>5,126,573</u>	<u>1,456,019</u>	<u>6,582,592</u>
<b>Operating expenses:</b>			
Soccer operations	-	1,086,509	1,086,509
Golf course operations	4,729,880	-	4,729,880
Depreciation	332,378	-	332,378
<b>Total operating expenses</b>	<u>5,062,258</u>	<u>1,086,509</u>	<u>6,148,767</u>
<b>Operating income</b>	<u>64,315</u>	<u>369,510</u>	<u>433,825</u>
<b>Nonoperating revenues and (expenses):</b>			
Interest earned on investments	3,680	-	3,680
Interest expense on long term debt	(1,489)	-	(1,489)
<b>Total nonoperating revenue</b>	<u>2,191</u>	<u>-</u>	<u>2,191</u>
<b>Income before transfer</b>	66,506	369,510	436,016
Transfers in	83,266	-	83,266
Transfers out	<u>(299,700)</u>	<u>(203,300)</u>	<u>(503,000)</u>
Change in net position	(149,928)	166,210	16,282
Total net position-beginning of year	<u>4,695,773</u>	<u>123,908</u>	<u>4,819,681</u>
Total net position-end of year	<u>\$ 4,545,845</u>	<u>\$ 290,118</u>	<u>\$ 4,835,963</u>

**City of Overland Park**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2012**

	<u>Golf Course</u>	<u>Soccer Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Cash flows from operating activities</b>			
Cash received from customers	\$ 5,125,017	1,271,117	\$ 6,396,134
Cash received from other reimbursements	1,556	169,327	170,883
Cash payments for personal services	(2,313,440)	(473,535)	(2,786,975)
Cash payments for contractual services and accounts payable	(2,564,715)	(610,965)	(3,175,680)
<b>Net cash provided by operating activities</b>	<u>248,418</u>	<u>355,944</u>	<u>604,362</u>
<b>Cash flows from noncapital financing activities</b>			
Transfers (to)/from other funds	(216,434)	(203,300)	(419,734)
<b>Net cash (used in) noncapital financing activities</b>	<u>(216,434)</u>	<u>(203,300)</u>	<u>(419,734)</u>
<b>Cash flows from capital and related financing activities</b>			
Principal paid on capital debt	(42,914)	-	(42,914)
Interest paid on capital debt	(1,918)	-	(1,918)
Purchases of capital assets	(300,877)	-	(300,877)
<b>Net cash (used in) capital and related financing activities</b>	<u>(345,709)</u>	<u>-</u>	<u>(345,709)</u>
<b>Cash flows from investing activities</b>			
Interest on investments	3,680	-	3,680
<b>Net cash provided by investing activities</b>	<u>3,680</u>	<u>-</u>	<u>3,680</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(310,045)	152,644	(157,401)
Cash and cash equivalents-beginning of the year	919,158	168,832	1,087,990
Cash and cash equivalents-end of the year	<u>\$ 609,113</u>	<u>\$ 321,476</u>	<u>\$ 930,589</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income	\$ 64,315	369,510	\$ 433,825
Adjustments to reconcile operating income to net cash provided by operating activities:			
(Increase) in accounts receivable	-	(5,827)	(5,827)
(Increase) in inventory	(155,253)	-	(155,253)
Increase in accrued payroll	6,734	3,731	10,465
(Decrease) in unearned revenue	-	(9,748)	(9,748)
Increase (decrease) in accounts payable and compensated absences	244	(1,722)	(1,478)
Depreciation expense	332,378	-	332,378
<b>Net cash provided by operating activities</b>	<u>\$ 248,418</u>	<u>\$ 355,944</u>	<u>\$ 604,362</u>



**City of Overland Park**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**December 31, 2012**

	<b>Workers'</b>	<b>Medical</b>	
	<b>Compensation</b>	<b>Imprest</b>	<b>Total</b>
		<b>Plan</b>	
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ -	\$ 4,162,138	\$ 4,162,138
Receivables, net	13,586	-	13,586
<b>Total current assets</b>	<u>13,586</u>	<u>4,162,138</u>	<u>4,175,724</u>
Noncurrent Assets:			
Cash and cash equivalents - restricted	1,730,524	120,637	1,851,161
<b>Total assets</b>	<u>\$ 1,744,110</u>	<u>\$ 4,282,775</u>	<u>\$ 6,026,885</u>
<b>Liabilities</b>			
Accounts payable	\$ 250	\$ 226,783	\$ 227,033
Unpaid claims	939,669	479,000	1,418,669
<b>Total current liabilities</b>	<u>939,919</u>	<u>705,783</u>	<u>1,645,702</u>
<b>Net Position</b>			
Restricted for worker's compensation claims	\$ 804,191	\$ -	\$ 804,191
Restricted for employee medical claim allocations	-	120,637	120,637
Unassigned	-	3,456,355	3,456,355
<b>Total net position</b>	<u>\$ 804,191</u>	<u>\$ 3,576,992</u>	<u>\$ 4,381,183</u>

**City of Overland Park**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended December 31, 2012**

	<b>Workers'</b>	<b>Medical</b>	
	<b>Compensation</b>	<b>Imprest</b>	<b>Total</b>
		<b>Plan</b>	
<b>Operating revenues:</b>			
Charges for services	\$ -	\$ 8,919,499	\$ 8,919,499
Other	-	4,274	4,274
<b>Total operating revenues</b>	<b>-</b>	<b>8,923,773</b>	<b>8,923,773</b>
<b>Operating expenses:</b>			
Claims paid	-	8,105,705	8,105,705
Contractual services	265,758	-	265,758
<b>Total operating expenses</b>	<b>265,758</b>	<b>8,105,705</b>	<b>8,371,463</b>
<b>Operating income (loss)</b>	<b>(265,758)</b>	<b>818,068</b>	<b>552,310</b>
<b>Nonoperating revenues:</b>			
Interest	9,170	26,561	35,731
<b>Total nonoperating revenue</b>	<b>9,170</b>	<b>26,561</b>	<b>35,731</b>
Transfers from other funds	527,400	-	527,400
<b>Change in net position</b>	<b>270,812</b>	<b>844,629</b>	<b>1,115,441</b>
Total net position-beginning of year	533,379	2,732,363	3,265,742
Total net position-end of year	<b>\$ 804,191</b>	<b>\$ 3,576,992</b>	<b>\$ 4,381,183</b>

**City of Overland Park**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2012**

	<b>Workers' Compensation</b>	<b>Medical Imprest Plan</b>	<b>Total</b>
<b>Cash flows from operating activities</b>			
Cash received from customers	\$ -	\$ 8,919,499	\$ 8,919,499
Cash received from other reimbursements	(5,045)	79,558	74,513
Claims paid	-	(8,105,705)	(8,105,705)
Cash payments for contractual services and accounts payable	(550,566)	(176,389)	(726,955)
<b>Net cash provided by (used in) operating activities</b>	<b>(555,611)</b>	<b>716,963</b>	<b>161,352</b>
<b>Cash flows from noncapital financing activities</b>			
Transfer from other funds	527,400	-	527,400
<b>Cash flows from investing activities</b>			
Interest on investments	9,170	26,561	35,731
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(19,041)</b>	<b>743,524</b>	<b>724,483</b>
Cash and cash equivalents-beginning of the year	1,749,565	3,539,251	5,288,816
Cash and cash equivalents-end of the year	<u>\$ 1,730,524</u>	<u>\$ 4,282,775</u>	<u>\$ 6,013,299</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ (265,758)	\$ 818,068	\$ 552,310
Adjustments to reconcile operating income/(loss) to net cash provided by (used in) operating activities:			
(Increase) decrease in accounts receivable	(5,045)	75,284	70,239
(Decrease) in accounts payable and claims payable	(284,808)	(176,389)	(461,197)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (555,611)</b>	<b>\$ 716,963</b>	<b>\$ 161,352</b>

**City of Overland Park**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2012**

**Employee Retirement Plans**

	<b>Municipal Employees Pension Plan</b>	<b>Police Department Retirement Plan</b>	<b>Fire Department Retirement Plan</b>	<b>Other Post-Employment Benefits Trust</b>	<b>Total</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 1,000	\$ 1,955,414	\$ 617,466	\$ 26,213	\$ 2,600,093
Investments in equities	-	36,773,125	12,916,924	2,107,919	51,797,968
Investments in mutual funds	45,734,985	17,573,715	6,141,663	921,053	70,371,416
Investments in co-mingled trust fund	-	13,315,646	4,652,954	-	17,968,600
Interest receivable	-	-	-	-	-
Sales tax receivable	-	-	-	-	-
Special assessment receivable	-	-	-	-	-
Total assets	<u>\$ 45,735,985</u>	<u>\$ 69,617,900</u>	<u>\$ 24,329,007</u>	<u>\$ 3,055,185</u>	<u>\$ 142,738,077</u>
<b>Liabilities</b>					
Due to State	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other entities	-	-	-	-	-
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Net Position</b>					
Held in trust for pension benefits and other purposes	<u>\$ 45,735,985</u>	<u>\$ 69,617,900</u>	<u>\$ 24,329,007</u>	<u>\$ 3,055,185</u>	<u>\$ 142,738,077</u>

<u>Private-Purpose Trust</u>	<u>Agency Funds</u>			
<u>Tomahawk Cemetery</u>	<u>State License</u>	<u>CMB State Stamp</u>	<u>Transportation Development Districts</u>	<u>Total</u>
\$ 3,321	\$ 37,987	\$ 650	\$ 68,066,530	\$ 68,105,167
-	-	-	-	-
-	-	-	-	-
-	-	-	21,622	21,622
-	-	-	470,910	470,910
-	-	-	12,591,000	12,591,000
<u>\$ 3,321</u>	<u>\$ 37,987</u>	<u>\$ 650</u>	<u>\$ 81,150,062</u>	<u>\$ 81,188,699</u>
\$ -	\$ 37,987	\$ 650	\$ -	\$ 38,637
-	-	-	81,150,062	81,150,062
<u>\$ -</u>	<u>\$ 37,987</u>	<u>\$ 650</u>	<u>\$ 81,150,062</u>	<u>\$ 81,188,699</u>
<u>\$ 3,321</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Overland Park**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2012**

	Employee Retirement Plans					Private-Purpose Trust
	Municipal Employees Pension Plan	Police Department Retirement Plan	Fire Department Retirement Plan	Other Post-Employment Benefits Trust	Total	Tomahawk Cemetery
<b>Additions</b>						
Contributions:						
Employer	\$ 2,127,778	\$ 2,977,104	\$ 2,418,226	\$ -	\$ 7,523,108	\$ -
Plan members	121,229	-	-	-	121,229	-
<b>Total contributions</b>	<b>2,249,007</b>	<b>2,977,104</b>	<b>2,418,226</b>	<b>-</b>	<b>7,644,337</b>	<b>-</b>
<b>Investment earnings:</b>						
Net increase in fair value of investments	2,719,570	6,730,156	2,258,848	162,427	11,871,001	-
Interest	-	-	-	73,217	73,217	47
Dividends	1,306,412	1,577,175	533,753	-	3,417,340	-
<b>Total investment earnings</b>	<b>4,025,982</b>	<b>8,307,331</b>	<b>2,792,601</b>	<b>235,644</b>	<b>15,361,558</b>	<b>47</b>
<b>Total additions</b>	<b>6,274,989</b>	<b>11,284,435</b>	<b>5,210,827</b>	<b>235,644</b>	<b>23,005,895</b>	<b>47</b>
<b>Deductions</b>						
Benefits	1,525,813	1,768,523	1,582,529	-	4,876,865	377
Administrative expenses	65,144	331,182	133,325	9,442	539,093	-
<b>Total deductions</b>	<b>1,590,957</b>	<b>2,099,705</b>	<b>1,715,854</b>	<b>9,442</b>	<b>5,415,958</b>	<b>377</b>
<b>Change in net position</b>	<b>4,684,032</b>	<b>9,184,730</b>	<b>3,494,973</b>	<b>226,202</b>	<b>17,589,937</b>	<b>(330)</b>
Net position-beginning of the year	41,051,953	60,433,170	20,834,034	2,828,983	125,148,140	3,651
Net position-end of the year	\$ 45,735,985	\$ 69,617,900	\$ 24,329,007	\$ 3,055,185	\$ 142,738,077	\$ 3,321

**City of Overland Park**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2012**

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
<b>State License Fund</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 37,198	\$ 422,634	\$ 421,845	\$ 37,987
<b>Total assets</b>	<u>\$ 37,198</u>	<u>\$ 422,634</u>	<u>\$ 421,845</u>	<u>\$ 37,987</u>
<b>Liabilities</b>				
Due to State	\$ 37,198	\$ 422,634	\$ 421,845	\$ 37,987
<b>Total liabilities</b>	<u>\$ 37,198</u>	<u>\$ 422,634</u>	<u>\$ 421,845</u>	<u>\$ 37,987</u>
<b>CMB State Stamp Fund</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,050	\$ 2,100	\$ 2,500	\$ 650
<b>Total assets</b>	<u>\$ 1,050</u>	<u>\$ 2,100</u>	<u>\$ 2,500</u>	<u>\$ 650</u>
<b>Liabilities</b>				
Due to State	\$ 1,050	\$ 2,100	\$ 2,500	\$ 650
<b>Total liabilities</b>	<u>\$ 1,050</u>	<u>\$ 2,100</u>	<u>\$ 2,500</u>	<u>\$ 650</u>
<b>Transportation Development Districts</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 7,278,447	\$ 65,319,514	\$ 4,531,431	\$ 68,066,530
Interest receivable	31,547	-	9,925	21,622
Sales tax receivable	478,667	-	7,757	470,910
Special assessment receivable	13,945,000	-	1,354,000	12,591,000
<b>Total Assets</b>	<u>\$ 21,733,661</u>	<u>\$ 65,319,514</u>	<u>\$ 5,903,113</u>	<u>\$ 81,150,062</u>
<b>Liabilities</b>				
Due to other entities	\$ 21,733,661	\$ 65,319,514	\$ 5,903,113	\$ 81,150,062
<b>Total Liabilities</b>	<u>\$ 21,733,661</u>	<u>\$ 65,319,514</u>	<u>\$ 5,903,113</u>	<u>\$ 81,150,062</u>
<b>Totals - All Agency Funds</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 7,316,695	\$ 65,744,248	\$ 4,955,776	\$ 68,105,167
Interest receivable	31,547	-	9,925	21,622
Sales tax receivable	478,667	-	7,757	470,910
Special assessment receivable	13,945,000	-	1,354,000	12,591,000
<b>Total assets</b>	<u>\$ 21,771,909</u>	<u>\$ 65,744,248</u>	<u>\$ 6,327,458</u>	<u>\$ 81,188,699</u>
<b>Liabilities</b>				
Due to State	\$ 38,248	\$ 424,734	\$ 424,345	\$ 38,637
Due to other entities	21,733,661	65,319,514	5,903,113	81,150,062
<b>Total liabilities</b>	<u>\$ 21,771,909</u>	<u>\$ 65,744,248</u>	<u>\$ 6,327,458</u>	<u>\$ 81,188,699</u>

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## City of Overland Park, Kansas

### Statistical Section Contents

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The statistical section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the City's overall financial health.

Contents	Page
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	115 - 121
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and sales tax.	122 - 129
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	130 - 134
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	135 - 136
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	137 - 141

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year. The City implemented GASB 34 in fiscal year 2000; schedules presenting government-wide information include information beginning in that year.

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City of Overland Park, Kansas

Net Position by Component  
2003 to 2012 Inclusive  
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental activities</b>										
Net investment in capital assets	\$ 653,249,935	\$ 679,824,168	\$ 726,486,865	\$ 744,712,780	\$ 796,834,669	\$ 838,954,105	\$ 862,840,022	\$ 868,805,471	\$ 865,820,612	\$ 887,503,877
Restricted	12,839,199	12,557,560	13,365,083	12,971,720	9,185,006	7,796,704	6,103,477	5,671,256	3,761,989	4,835,240
Unrestricted	90,860,577	109,531,345	102,689,737	125,552,447	109,471,761	84,095,798	93,283,853	42,118,676	41,843,620	41,856,980
Total governmental activities net position	\$ 756,949,711	\$ 801,913,073	\$ 842,541,685	\$ 883,236,947	\$ 915,491,436	\$ 930,846,607	\$ 962,227,352	\$ 916,595,403	\$ 911,426,221	\$ 934,196,097
<b>Business-type activities</b>										
Net investment in capital assets	\$ 5,717,626	\$ 5,426,307	\$ 4,925,394	\$ 5,088,271	\$ (38,973,273)	\$ (38,348,039)	\$ (44,979,383)	\$ (46,616,213)	\$ (48,314,692)	\$ (48,109,010)
Restricted					\$ 11,829,275	10,962,295	15,136,992	15,596,664	16,272,483	15,827,405
Unrestricted	2,264,857	2,246,318	948,885	871,735	(1,868,833)	(5,136,080)	(8,375,248)	(1,284,250)	(2,239,190)	(6,879,350)
Total business-type activities net position	\$ 7,982,483	\$ 7,672,625	\$ 5,874,279	\$ 5,960,006	\$ (29,012,831)	\$ (32,521,824)	\$ (38,217,639)	\$ (32,303,799)	\$ (34,281,399)	\$ (39,160,955)
<b>Primary government</b>										
Net investment in capital assets	\$ 658,967,561	\$ 685,250,475	\$ 731,412,259	\$ 749,801,051	\$ 757,861,396	\$ 800,606,066	\$ 817,860,639	\$ 822,189,258	\$ 817,505,920	\$ 839,394,867
Restricted	12,839,199	12,557,560	13,365,083	12,971,720	21,014,281	18,758,999	21,240,469	21,267,920	20,034,472	20,662,645
Unrestricted	93,125,434	111,777,663	103,638,622	126,424,182	107,602,928	78,959,718	84,908,605	40,834,426	39,604,430	34,977,630
Total primary government net position	\$ 764,932,194	\$ 809,585,698	\$ 848,415,964	\$ 889,196,953	\$ 886,478,605	\$ 898,324,783	\$ 924,009,713	\$ 884,291,604	\$ 877,144,822	\$ 895,035,142

Notes:

1. Until 2007, the OPDC was reported as a discretely presented component unit. Starting in 2007, the OPDC is blended as a business-type activity.

City of Overland Park, Kansas

Changes in Net Position  
2003 to 2012 Inclusive  
(accrual basis of accounting)

	2003			2004		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
<b>Program Expenses</b>						
General government	\$ 25,111,864	\$ -	\$ 25,111,864	\$ 28,164,218	\$ -	\$ 28,164,218
Public safety	39,887,112	-	39,887,112	39,310,424	-	39,310,424
Public works	37,322,880	-	37,322,880	29,658,347	-	29,658,347
Parks and recreation	3,544,483	-	3,544,483	7,598,869	-	7,598,869
Planning and development services	7,589,776	-	7,589,776	7,467,617	-	7,467,617
Golf course	-	4,430,488	4,430,488	-	3,221,272	3,221,272
Soccer Complex	-	-	-	-	-	-
OPDC	-	-	-	-	-	-
Interest on long-term debt	5,122,636	-	5,122,636	6,020,817	-	6,020,817
<b>Total expenses</b>	<b>118,578,751</b>	<b>4,430,488</b>	<b>123,009,239</b>	<b>118,220,292</b>	<b>3,221,272</b>	<b>121,441,564</b>
<b>Program Revenues</b>						
Charges for services						
General government	4,722,114	-	4,722,114	6,680,832	-	6,680,832
Public safety	6,246,487	-	6,246,487	6,279,300	-	6,279,300
Public works	-	-	-	2,554,593	-	2,554,593
Parks and recreation	1,645,462	-	1,645,462	1,619,044	-	1,619,044
Planning and development services	4,358,428	-	4,358,428	2,081,731	-	2,081,731
Golf course	-	3,139,007	3,139,007	-	3,116,231	3,116,231
Soccer Complex	-	-	-	-	-	-
OPDC	-	-	-	-	-	-
Operating grants and contributions	8,122,378	-	8,122,378	7,839,056	-	7,839,056
Capital grants and contributions	14,211,251	-	14,211,251	16,784,464	-	16,784,464
<b>Total program revenues</b>	<b>39,306,120</b>	<b>3,139,007</b>	<b>42,445,127</b>	<b>43,839,020</b>	<b>3,116,231</b>	<b>46,955,251</b>
<b>Net Program (Expense)/Revenue</b>	<b>(79,272,631)</b>	<b>(1,291,481)</b>	<b>(80,564,112)</b>	<b>(74,381,272)</b>	<b>(105,041)</b>	<b>(74,486,313)</b>
<b>General Revenues and Other Changes in Net Position</b>						
Property taxes	17,374,680	-	17,374,680	21,199,331	-	21,199,331
Sales taxes	40,129,807	-	40,129,807	49,715,501	-	49,715,501
Franchise taxes	7,419,307	-	7,419,307	7,608,442	-	7,608,442
Transient Guest tax	4,599,005	-	4,599,005	5,074,734	-	5,074,734
Unrestricted grants and contributions	19,252,273	-	19,252,273	30,268,231	-	30,268,231
Unrestricted investment earnings	1,316,550	22,574	1,339,124	1,604,055	38,403	1,642,458
Miscellaneous	4,040,655	325	4,040,980	3,631,072	48	3,631,120
Transfers	130,868	(130,868)	-	243,268	(243,268)	-
Change in Accounting Principle	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
<b>Total general revenues</b>	<b>94,263,145</b>	<b>(107,969)</b>	<b>94,155,176</b>	<b>119,344,634</b>	<b>(204,817)</b>	<b>119,139,817</b>
<b>Change in net position</b>	<b>\$ 14,990,514</b>	<b>\$ (1,399,450)</b>	<b>\$ 13,591,064</b>	<b>\$ 44,963,362</b>	<b>\$ (309,858)</b>	<b>\$ 44,653,504</b>

1. Until 2007, the OPDC was reported as a discretely presented component unit. Starting in 2007, the OPDC is blended as a business-type activity.
2. Soccer operations began in 2009.

2005			2006			2007		
Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
\$ 28,807,249	\$ -	\$ 28,807,249	\$ 29,879,905	\$ -	\$ 29,879,905	\$ 36,943,654	\$ -	\$ 36,943,654
40,286,583	-	40,286,583	44,908,532	-	44,908,532	47,273,509	-	47,273,509
38,442,364	-	38,442,364	51,212,148	-	51,212,148	28,790,295	-	28,790,295
8,346,809	-	8,346,809	9,475,350	-	9,475,350	16,442,762	-	16,442,762
7,581,825	-	7,581,825	7,770,019	-	7,770,019	10,002,078	-	10,002,078
-	4,519,130	4,519,130	-	2,913,521	2,913,521	-	3,211,521	3,211,521
-	-	-	-	-	-	-	-	-
-	-	-	-	28,803,215	28,803,215	-	28,832,171	28,832,171
5,257,130	-	5,257,130	6,742,211	-	6,742,211	5,783,380	-	5,783,380
128,721,960	4,519,130	133,241,090	149,988,165	31,716,736	181,704,901	145,235,678	32,043,692	177,279,370
7,991,550	-	7,991,550	8,190,363	-	8,190,363	8,389,023	-	8,389,023
6,269,146	-	6,269,146	6,508,366	-	6,508,366	6,208,095	-	6,208,095
5,850,944	-	5,850,944	3,047,785	-	3,047,785	3,776,951	-	3,776,951
1,731,283	-	1,731,283	2,039,467	-	2,039,467	2,682,574	-	2,682,574
2,332,949	-	2,332,949	2,641,223	-	2,641,223	2,827,457	-	2,827,457
-	2,900,146	2,900,146	-	3,211,226	3,211,226	-	3,108,064	3,108,064
-	-	-	-	-	-	-	-	-
-	-	-	-	23,465,341	23,465,341	-	24,376,480	24,376,480
9,269,860	-	9,269,860	8,101,081	-	8,101,081	8,346,095	-	8,346,095
20,861,577	-	20,861,577	20,005,204	-	20,005,204	19,142,983	-	19,142,983
54,307,309	2,900,146	57,207,455	50,533,489	26,676,567	77,210,056	51,373,178	27,484,544	78,857,722
(74,414,651)	(1,618,984)	(76,033,635)	(99,454,676)	(5,040,169)	(104,494,845)	(93,862,500)	(4,559,148)	(98,421,648)
21,924,513	-	21,924,513	22,712,457	-	22,712,457	23,920,260	-	23,920,260
51,280,569	-	51,280,569	53,217,375	-	53,217,375	52,089,560	-	52,089,560
8,057,700	-	8,057,700	8,011,548	-	8,011,548	9,074,658	-	9,074,658
5,375,037	-	5,375,037	5,874,961	-	5,874,961	7,252,916	-	7,252,916
21,675,068	-	21,675,068	22,189,002	-	22,189,002	22,229,400	-	22,229,400
3,236,428	73,569	3,309,997	6,637,939	628,502	7,266,441	6,655,642	844,905	7,500,547
3,240,948	69	3,241,017	4,005,730	3,974	4,009,704	4,619,653	239,514	4,859,167
253,000	(253,000)	-	263,100	(263,100)	-	274,900	(274,900)	-
-	-	-	-	-	-	-	-	-
-	-	-	2,554,212	-	2,554,212	-	-	-
115,043,263	(179,362)	114,863,901	125,466,324	369,376	125,835,700	126,116,989	809,519	126,926,508
\$ 40,628,612	\$ (1,798,346)	\$ 38,830,266	\$ 26,011,648	\$ (4,670,793)	\$ 21,340,855	\$ 32,254,489	\$ (3,749,629)	\$ 28,504,860

(Continued on next page)

City of Overland Park, Kansas

Changes in Net Position  
2003 to 2012 Inclusive  
(accrual basis of accounting)

	2008			2009		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
<b>Program Expenses</b>						
General government	\$ 30,999,814	\$ -	\$ 30,999,814	\$ 34,770,572	\$ -	\$ 34,770,572
Public safety	51,058,659	-	51,058,659	51,060,017	-	51,060,017
Public works	52,708,940	-	52,708,940	56,463,561	-	56,463,561
Parks and recreation	9,250,525	-	9,250,525	8,896,868	-	8,896,868
Planning and development services	9,036,680	-	9,036,680	8,791,716	-	8,791,716
Golf course	-	3,274,422	3,274,422	-	3,040,711	3,040,711
Soccer Complex	-	-	-	-	667,718	667,718
OPDC	-	25,273,123	25,273,123	-	24,309,086	24,309,086
Interest on long-term debt	7,555,180	-	7,555,180	7,468,030	-	7,468,030
<b>Total expenses</b>	<b>160,609,798</b>	<b>28,547,545</b>	<b>189,157,343</b>	<b>167,450,764</b>	<b>28,017,515</b>	<b>195,468,279</b>
<b>Program Revenues</b>						
Charges for services						
General government	8,298,492	-	8,298,492	7,265,883	-	7,265,883
Public safety	7,222,235	-	7,222,235	7,938,795	-	7,938,795
Public works	2,251,968	-	2,251,968	817,546	-	817,546
Parks and recreation	3,937,131	-	3,937,131	4,509,488	-	4,509,488
Planning and development services	2,656,583	-	2,656,583	2,164,578	-	2,164,578
Golf course	-	3,207,324	3,207,324	-	3,275,900	3,275,900
Soccer complex	-	-	-	-	431,974	431,974
OPDC	-	21,711,249	21,711,249	-	18,501,762	18,501,762
Operating grants and contributions	7,606,680	-	7,606,680	10,002,980	-	10,002,980
Capital grants and contributions	20,708,723	-	20,708,723	51,357,736	-	51,357,736
<b>Total program revenues</b>	<b>52,681,812</b>	<b>24,918,573</b>	<b>77,600,385</b>	<b>84,057,006</b>	<b>22,209,636</b>	<b>106,266,642</b>
<b>Net Program (Expense)/Revenue</b>	<b>(107,927,986)</b>	<b>(3,628,972)</b>	<b>(111,556,958)</b>	<b>(83,393,758)</b>	<b>(5,807,879)</b>	<b>(89,201,637)</b>
<b>General Revenues and Other Changes in Net Position</b>						
Property taxes	24,981,393	-	24,981,393	25,525,763	-	25,525,763
Sales taxes	48,833,515	-	48,833,515	43,864,652	-	43,864,652
Franchise taxes	9,662,788	-	9,662,788	9,434,467	-	9,434,467
Transient Guest tax	8,197,767	-	8,197,767	6,782,124	-	6,782,124
Unrestricted grants and contributions	20,548,004	-	20,548,004	20,408,525	-	20,408,525
Unrestricted investment earnings	5,960,755	194,348	6,155,103	1,297,849	9,305	1,307,154
Miscellaneous	4,849,248	175,318	5,024,566	7,316,549	247,333	7,563,882
Transfers	249,687	(249,687)	-	144,574	(144,574)	-
Change in Accounting Principle	-	-	-	-	-	-
Prior Period Adjustment	14,683,614	-	14,683,614	-	-	-
<b>Total general revenues</b>	<b>137,966,771</b>	<b>119,979</b>	<b>138,086,750</b>	<b>114,774,503</b>	<b>112,064</b>	<b>114,886,567</b>
<b>Change in net position</b>	<b>\$ 30,038,785</b>	<b>\$ (3,508,993)</b>	<b>\$ 26,529,792</b>	<b>\$ 31,380,745</b>	<b>\$ (5,695,815)</b>	<b>\$ 25,684,930</b>

2010			2011			2012		
Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
\$ 32,651,928	\$ -	\$ 32,651,928	\$ 34,805,867	\$ -	\$ 34,805,867	\$ 24,165,599	\$ -	\$ 24,165,599
49,296,357	-	49,296,357	49,874,733	-	49,874,733	49,093,933	-	49,093,933
58,956,143	-	58,956,143	61,229,121	-	61,229,121	57,384,226	-	57,384,226
14,743,711	-	14,743,711	4,530,531	-	4,530,531	18,644,475	-	18,644,475
7,919,968	-	7,919,968	7,084,275	-	7,084,275	7,219,292	-	7,219,292
-	2,865,160	2,865,160	-	3,073,047	3,073,047	-	5,063,747	5,063,747
-	965,025	965,025	-	1,012,289	1,012,289	-	1,086,509	1,086,509
-	24,603,609	24,603,609	-	25,473,353	25,473,353	-	25,123,892	25,123,892
9,177,523	-	9,177,523	6,355,197	-	6,355,197	6,619,907	-	6,619,907
172,745,630	28,433,794	201,179,424	163,879,724	29,558,689	193,438,413	163,127,432	31,274,148	194,401,580
7,552,961	-	7,552,961	9,533,064	-	9,533,064	7,684,975	-	7,684,975
7,424,157	-	7,424,157	6,927,966	-	6,927,966	7,135,360	-	7,135,360
508,665	-	508,665	654,081	-	654,081	1,682,704	-	1,682,704
4,836,764	-	4,836,764	4,971,524	-	4,971,524	5,001,565	-	5,001,565
1,978,793	-	1,978,793	2,514,905	-	2,514,905	3,222,746	-	3,222,746
-	3,171,584	3,171,584	-	2,869,736	2,869,736	-	5,125,017	5,125,017
-	1,135,085	1,135,085	-	1,168,226	1,168,226	-	1,286,692	1,286,692
-	18,009,544	18,009,544	-	19,890,341	19,890,341	-	19,681,243	19,681,243
10,736,837	-	10,736,837	13,704,711	-	13,704,711	14,637,360	-	14,637,360
16,143,063	-	16,143,063	12,858,126	-	12,858,126	23,595,514	-	23,595,514
49,181,240	22,316,213	71,497,453	51,164,377	23,928,303	75,092,680	62,960,224	26,092,952	89,053,176
(123,564,390)	(6,117,581)	(129,681,971)	(112,715,347)	(5,630,386)	(118,345,733)	(100,167,208)	(5,181,196)	(105,348,404)
24,200,005	-	24,200,005	23,010,679	-	23,010,679	34,073,454	-	34,073,454
39,713,882	-	39,713,882	46,553,901	-	46,553,901	47,715,776	-	47,715,776
9,952,518	-	9,952,518	10,386,572	-	10,386,572	10,295,175	-	10,295,175
6,734,429	-	6,734,429	7,451,593	-	7,451,593	7,772,500	-	7,772,500
19,451,231	7,732,856	27,184,087	20,870,906	-	20,870,906	23,129,956	-	23,129,956
864,073	30,586	894,659	519,540	30,316	549,856	765,462	118,887	884,349
5,782,561	249,271	6,031,832	2,149,841	225,603	2,375,444	3,211,320	341,477	3,552,797
(4,018,708)	4,018,708	-	(3,396,867)	3,396,867	-	(4,026,559)	4,026,559	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
102,679,991	12,031,421	114,711,412	107,546,165	3,652,786	111,198,951	122,937,084	4,486,923	127,424,007
\$ (20,884,399)	\$ 5,913,840	\$ (14,970,559)	\$ (5,169,182)	\$ (1,977,600)	\$ (7,146,782)	\$ 22,769,876	\$ (694,273)	\$ 22,075,603

City of Overland Park, Kansas

Fund Balances, Governmental Funds  
2003 to 2012 Inclusive  
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Fund</b>										
Unreserved	\$ 39,591,033	\$ 51,953,978	\$ 55,981,651	\$ 58,747,831	\$ 64,324,828	\$ 50,963,727	\$ 40,755,433	\$ -	\$ -	\$ -
Reserved	1,242,911	1,295,748	1,914,845	2,901,003	3,166,661	1,802,009	1,009,899	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	1,000,000	150,000	12,479,807
Assigned	-	-	-	-	-	-	-	1,450,310	717,147	2,152,114
Unassigned	-	-	-	-	-	-	-	40,097,712	31,341,222	23,222,648
<b>Total General Fund</b>	<b>\$ 40,833,944</b>	<b>\$ 53,249,726</b>	<b>\$ 57,896,496</b>	<b>\$ 61,648,834</b>	<b>\$ 67,491,489</b>	<b>\$ 52,765,736</b>	<b>\$ 41,765,332</b>	<b>\$ 42,548,022</b>	<b>\$ 32,208,369</b>	<b>\$ 37,854,569</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 5,363,027	\$ 6,360,265	\$ 7,274,024	\$ 6,764,908	\$ 3,456,115	\$ 3,654,934	\$ 9,824,185	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special Revenue Funds	31,411,896	33,806,329	38,924,888	33,653,753	26,693,048	26,107,863	19,723,462	-	-	-
Capital Project Funds	6,750,268	16,985,529	4,584,566	23,985,559	64,587,482	18,674,979	6,765,804	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	10,097,318	11,858,078	12,544,083
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	11,099,765	12,505,889	6,398,506
Unassigned	-	-	-	-	-	-	-	(2,671,526)	(353,105)	(396,080)
<b>Total Other Governmental Funds</b>	<b>\$ 43,525,191</b>	<b>\$ 57,152,123</b>	<b>\$ 50,783,478</b>	<b>\$ 64,404,220</b>	<b>\$ 94,736,645</b>	<b>\$ 48,437,776</b>	<b>\$ 36,313,451</b>	<b>\$ 18,525,557</b>	<b>\$ 24,010,862</b>	<b>\$ 18,546,509</b>



**City of Overland Park, Kansas**

**Changes in Fund Balances, Governmental Funds  
2003 to 2012 Inclusive  
(modified accrual basis of accounting)**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Taxes	\$ 69,522,799	\$ 83,598,008	\$ 86,637,823	\$ 89,816,341	\$ 92,337,394	\$ 85,135,463	\$ 85,607,006	\$ 80,600,834	\$ 87,402,745	\$ 99,856,905
Charges for services	8,410,719	9,707,984	10,492,878	11,164,077	12,716,100	13,200,875	14,376,084	13,644,861	14,989,713	14,249,902
Licenses and permits	4,739,634	5,072,962	8,188,291	5,692,920	6,604,408	4,905,313	2,986,929	2,489,098	3,172,139	4,907,224
Fines and penalties	3,949,734	4,111,777	4,854,018	4,699,087	4,362,854	5,178,643	5,964,523	5,541,388	4,883,935	4,712,719
Use of money	935,441	1,121,114	2,707,183	4,101,891	5,270,229	5,156,829	1,074,848	603,702	427,185	677,553
Intergovernmental	21,485,723	23,184,519	25,978,041	24,032,495	22,636,544	17,965,366	24,848,190	18,754,471	15,510,655	24,214,122
Contributions	3,530,230	3,592,057	3,540,439	3,304,752	2,987,678	2,724,184	2,901,453	2,713,610	2,871,966	3,168,509
Capital/operating grants	5,158,411	5,226,633	6,993,167	8,546,088	8,859,981	8,709,935	12,808,300	8,489,644	9,206,761	10,464,448
Grants/contributions not restricted to specific programs	17,811,203	19,919,037	21,281,752	21,743,404	21,807,960	20,136,314	19,716,141	19,089,260	21,650,738	22,569,980
	<u>135,543,894</u>	<u>155,534,091</u>	<u>170,673,592</u>	<u>173,101,055</u>	<u>177,583,148</u>	<u>163,112,922</u>	<u>170,283,474</u>	<u>151,926,868</u>	<u>160,115,837</u>	<u>184,821,362</u>
Current:										
General government	24,413,727	25,770,169	29,283,479	29,683,001	31,323,369	32,467,888	32,354,100	29,362,717	30,962,422	27,813,092
Public safety	37,614,041	38,770,938	41,488,682	45,080,100	47,762,364	49,797,425	48,984,474	49,144,598	49,533,008	48,246,523
Public works	13,242,777	13,519,930	13,851,469	14,428,802	16,588,475	17,155,557	19,343,226	16,160,730	15,421,911	14,902,074
Parks and recreation	5,968,252	5,734,311	6,407,790	7,098,040	7,898,671	8,876,872	8,650,001	9,677,522	10,718,555	10,637,063
Planning & development services	7,260,401	7,363,160	7,376,140	7,823,080	9,957,240	9,046,227	8,501,741	7,643,592	6,905,488	7,043,239
Capital improvements	42,774,406	39,246,966	60,581,058	67,126,130	79,886,249	85,876,249	82,048,182	46,133,339	31,966,101	47,368,661
Debt service										
Principal	9,499,951	10,489,750	10,984,750	12,234,643	12,245,000	16,185,000	19,460,000	16,322,876	16,768,038	17,227,086
Interest	5,251,807	5,235,173	5,229,310	5,445,505	5,438,284	7,232,013	7,435,173	7,511,920	7,553,688	6,847,818
Bond Issuance costs	-	-	-	-	-	-	275,368	122,046	125,600	-
	<u>146,025,362</u>	<u>146,130,397</u>	<u>175,202,678</u>	<u>188,919,301</u>	<u>211,099,652</u>	<u>226,637,231</u>	<u>227,052,265</u>	<u>182,079,340</u>	<u>169,954,811</u>	<u>180,085,556</u>
	<u>(10,481,468)</u>	<u>9,403,694</u>	<u>(4,529,086)</u>	<u>(15,818,246)</u>	<u>(33,516,504)</u>	<u>(63,524,309)</u>	<u>(56,768,791)</u>	<u>(30,152,472)</u>	<u>(9,838,974)</u>	<u>4,735,806</u>
Proceeds of general obligation bonds	14,930,000	16,120,000	-	34,573,440	64,365,000	-	26,845,000	13,450,000	8,490,000	-
Refunding bonds issued	2,133,202	12,800,000	-	909,000	-	-	3,864,910	-	6,665,000	-
Payment to refunded bond escrow agent									(6,762,856)	-
Issuance: Premium or (Discount)	(2,445,049)	(12,524,246)	-	-	1,051,684	-	726,472	361,375	389,349	-
Transfers in	45,221,851	46,642,295	71,815,732	69,355,817	80,469,170	70,685,050	68,694,888	55,884,574	68,341,542	71,542,775
Transfers out	<u>(45,090,983)</u>	<u>(46,399,029)</u>	<u>(71,562,733)</u>	<u>(71,646,930)</u>	<u>(76,194,270)</u>	<u>(68,185,363)</u>	<u>(68,550,314)</u>	<u>(60,303,282)</u>	<u>(72,138,409)</u>	<u>(76,096,734)</u>
	<u>14,749,021</u>	<u>16,639,020</u>	<u>252,999</u>	<u>33,191,327</u>	<u>69,691,584</u>	<u>2,499,687</u>	<u>31,580,956</u>	<u>9,392,667</u>	<u>4,984,626</u>	<u>(4,553,959)</u>
Prior period adjustment	3,615,481	-	-	2,554,212	-	-	-	-	-	-
Change in accounting principle	-	-	-	-	-	-	-	-	-	-
	<u>3,615,481</u>	<u>-</u>	<u>-</u>	<u>2,554,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund Balance	<u>\$ 7,883,034</u>	<u>\$ 26,042,714</u>	<u>\$ (4,276,087)</u>	<u>\$ 19,927,293</u>	<u>\$ 36,175,080</u>	<u>(61,024,622)</u>	<u>(25,187,835)</u>	<u>(20,759,805)</u>	<u>(4,854,348)</u>	<u>181,847</u>
Debt service as a percentage of noncapital expenditures	<u>14.3%</u>	<u>14.7%</u>	<u>14.1%</u>	<u>14.5%</u>	<u>13.5%</u>	<u>17%</u>	<u>19%</u>	<u>18%</u>	<u>21%</u>	<u>17%</u>

City of Overland Park, Kansas

Tax Revenues by Source, Governmental Funds  
2003 to 2012 Inclusive

Fiscal Year	Property	Sales	Franchise	Transient Guest	Total
2003	17,374,680	40,129,807	7,419,307	4,599,005	69,522,799
2004	21,199,331	49,715,501	7,608,442	5,074,734	83,598,008
2005	21,924,515	51,280,570	8,057,700	5,375,038	86,637,823
2006	22,712,457	53,217,375	8,011,548	5,874,961	89,816,341
2007	23,920,260	52,089,560	9,074,658	7,252,916	92,337,393
2008	24,981,393	42,293,515	9,662,788	8,197,767	85,135,463
2009	25,525,763	43,864,652	9,434,467	6,782,124	85,607,006
2010	24,200,005	39,713,882	9,952,518	6,734,429	80,600,834
2011	23,010,679	46,553,901	10,386,572	7,451,593	87,402,745
2012	34,073,454	47,715,776	10,295,175	7,772,500	99,856,905

City of Overland Park, Kansas

Assessed Value and Estimated True Value of All Taxable Property  
2003 to 2012 Inclusive

Year <sup>1</sup>	Residential	Commercial	Utilities	Personal	Total	Total	Estimated	Assessed
	Property	Property		Property	Assessed	Direct		True
					Value	Tax	Value <sup>2</sup>	% of True
						Rate		Value
2003	1,241,158,778	840,849,829	81,635,542	152,167,203	2,315,811,352	9.057	14,274,073,151	11.5
2004	1,330,672,234	857,598,531	81,213,795	147,792,353	2,417,276,913	9.037	15,089,867,636	11.5
2005	1,380,177,133	916,670,513	71,605,300	145,188,962	2,513,641,908	9.037	16,030,576,350	11.5
2006	1,470,595,710	1,009,717,834	72,443,002	158,052,713	2,710,809,259	8.889	16,926,142,573	11.5
2007	1,554,818,982	1,094,197,370	71,359,647	138,221,462	2,858,597,461	8.832	17,987,917,006	11.5
2008	1,604,166,754	1,099,823,336	66,183,496	102,502,433	2,872,676,019	8.852	18,616,651,182	11.5
2009	1,577,347,738	1,030,714,341	60,981,621	80,732,514	2,749,776,214	8.890	18,408,397,169	11.5
2010	1,552,266,319	919,732,941	57,733,658	65,290,086	2,595,023,004	8.876	17,668,097,559	11.5
2011	1,564,486,489	954,017,837	55,742,400	59,012,772	2,633,259,498	12.814	17,870,068,978	11.5
2012	1,580,739,016	967,270,510	49,821,564	50,540,129	2,648,371,219	12.769	18,028,416,539	11.5

<sup>1</sup> Indicates assessment year and year of levy. Represents basis for the following budget year.

<sup>2</sup> Residential real estate is assessed at 11.5% of its fair market value, commercial property at 25%, and all other property at rates between 12% to 30%.

**City of Overland Park, Kansas**

**Direct and Overlapping Property Tax Rates  
2003 to 2012 Inclusive**

<b>Year<sup>1</sup></b>	<b>General</b>	<b>Fire Service</b>	<b>Storm Water</b>	<b>Total City</b>	<b>County</b>	<b>Junior College</b>	<b>Other Misc. District<sup>2</sup></b>	<b>Shawnee Mission School District<sup>3</sup></b>	<b>Blue Valley School District<sup>3</sup></b>	<b>Olathe School District<sup>3</sup></b>
2003	3.319	4.746	0.992	9.057	16.381	9.432	5.319	37.774	63.360	64.166
2004	3.313	4.735	0.989	9.037	16.041	9.438	5.323	42.655	61.387	69.177
2005	3.313	4.735	0.989	9.037	17.922	8.960	5.241	49.748	63.329	68.173
2006	3.259	4.657	0.973	8.889	17.949	8.872	5.250	51.980	60.700	65.180
2007	3.238	4.627	0.967	8.832	17.985	8.749	5.257	52.008	59.503	64.343
2008	3.245	4.638	0.969	8.852	17.767	8.768	5.398	52.094	61.127	66.913
2009	3.259	4.658	0.973	8.890	17.716	8.784	5.497	55.318	65.079	66.900
2010	3.254	4.651	0.971	8.876	17.748	8.799	5.508	57.192	71.049	72.917
2011	7.262	4.593	0.959	12.814	17.700	8.872	5.488	56.135	72.828	69.924
2012	11.814	-	0.955	12.769	17.717	8.785	5.493	55.766	72.027	69.618

<sup>1</sup> The year shown is the year in which taxes are levied for collection in the following fiscal year.

<sup>2</sup> Includes Johnson County Parks and Recreation District and library.

<sup>3</sup> Overlapping rates are those of local and county governments that apply to property owners with the City of Overland Park. Not all overlapping rates apply to all property owners. The rates for Shawnee Mission School District, Blue Valley School District and Olathe School District only apply to approximately 50%, 40%, and 10%, respectively of all property owners.

Source: Johnson County

City of Overland Park, Kansas

Principal Taxpayers  
2012 and 2003

Taxpayer	Type of Business	2012			2003		
		Assessed Valuation	Rank	Percentage of Total <sup>1</sup> Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Corporate Woods, LLC	Office Park/Hotel	\$53,123,999	1	1.80%			
Oak Park Mall, LLC	Shops and malls	43,039,969	2	1.50%			
Mept Lighton Plaza LLC	Office Bldg/Real Estate	13,522,752	3	0.50%			
Central Tennessee Hospital	Hospital	11,710,245	4	0.40%			
Privitera Realty Holdings	Office Bldg/Real Estate	9,945,031	5	0.30%			
Lions Gate N/S Associates, LLC	Real estate	7,612,195	6	0.30%			
EHD Holdings, LLC	Real estate	7,538,751	7	0.30%			
Midwest Division-OPRMC, LLC	Hospital	7,174,681	8	0.20%			
CRP-2 Holdings, LLC	Real estate	7,162,253	9	0.20%			
CRP-2 Commerce Plaza, LLC	Real estate	<u>6,807,752</u>	10	0.20%			
Knickerbocker Properties, Inc.	Office park/hotel				54,647,410	1	2.1%
Oak Park Mall, LLC	Shops and malls				33,477,062	2	1.3%
Sprint	Telecommunications				16,694,563	3	0.7%
ASP Lighton, LLC	Office building/real estate				14,819,402	4	0.6%
AMLI Residential Properties	Real estate				12,304,518	5	0.5%
Carl J Privitera	Real estate				12,075,451	6	0.5%
Yellow Corporation	Trucking/Shipping				10,931,449	7	0.4%
OP Regional Medical Center	Hospital				9,201,700	8	0.4%
FP Office, Inc	Real estate				8,783,078	9	0.3%
Parkprop	Real estate				8,130,425	10	0.3%
Total		<u>167,637,628</u>		<u>5.7%</u>	<u>181,065,058</u>		<u>7.1%</u>

Source: Johnson County

<sup>1</sup>Vehicles included

**City of Overland Park, Kansas**

**Property Tax Levies and Collections  
2003 to 2012 Inclusive**

<b>Year<sup>1</sup></b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percentage Current Tax Collections</b>	<b>Prior Years Tax Collected<sup>2</sup></b>	<b>Total Tax Collection</b>	<b>Percentage Total Collection to Current Levy</b>
2003	17,490,753	17,137,949	97.98	236,731	17,374,680	99.34
2004	20,974,303	20,908,035	99.68	291,296	21,199,331	101.07
2005	21,844,930	21,612,001	98.93	312,514	21,924,515	100.36
2006	22,715,783	22,516,352	99.12	196,105	22,712,457	99.99
2007	24,096,385	23,721,863	98.45	198,397	23,920,260	99.27
2008	25,247,135	24,812,853	98.28	168,540	24,981,393	98.95
2009	25,428,930	25,117,573	98.78	408,190	25,525,763	100.38
2010	24,445,509	24,026,057	98.28	176,811	24,202,868	99.01
2011	23,033,426	22,642,564	98.30	368,115	23,010,679	99.90
2012	33,742,590	33,305,974	98.71	767,480	34,073,454	100.98

<sup>1</sup> The year shown is the year in which collections were received. The levy or assessment is certified to the county the previous year.

<sup>2</sup> Negative collection amount is the result of a County authorized refund to taxpayers determined through the protested tax levy appeal process.

Source: City Finance Department

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**City of Overland Park, Kansas**

**Taxable Sales by Category  
2003 to 2012 Inclusive**

	<b>2003</b>	<b>2004</b>	<b>2005</b>
Utilities	368,471,800	383,305,900	389,215,215
Depart. Stores - Inelastic	254,452,000	306,391,000	337,845,018
Restaurants	296,950,500	330,707,800	337,016,099
Depart. Stores - Elastic	\$ 459,463,600	\$ 447,827,200	\$ 422,608,474
Grocery Stores	262,237,000	255,321,500	258,707,343
Car Dealers, Rental, Leasing	339,872,600	303,939,200	297,305,717
Construction & Home Repair	140,527,900	206,474,000	214,782,659
Clothing & Shoe Stores	174,382,000	195,075,400	206,967,545
Specialty Stores	155,199,000	152,348,100	154,565,336
Computer & Office Supplies	144,957,200	155,516,800	143,515,336
All Others	667,178,400	735,262,700	726,050,277
<b>Total</b>	<b>\$ 3,263,692,000</b>	<b>\$ 3,472,169,600</b>	<b>\$ 3,488,579,019</b>
City direct sales tax rate	1.125%	1.125%	1.125%

Source:  
City Finance Department



**City of Overland Park, Kansas**

**Taxable Sales by Category  
2003 to 2012 Inclusive**

<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
423,202,417	423,662,800	460,676,600	448,298,800	469,999,810	482,044,167	475,656,503
374,353,361	389,879,100	401,855,500	407,804,600	408,772,529	429,875,478	463,700,901
342,740,855	360,584,700	353,675,600	342,089,200	352,879,946	376,751,115	397,332,565
\$ 412,898,884	\$ 406,444,900	\$ 389,874,000	357,063,400	354,721,432	348,056,103	317,338,628
268,344,278	257,702,700	281,011,200	273,918,600	282,803,716	299,673,667	310,720,386
274,774,164	259,666,100	222,650,300	187,333,500	197,173,895	212,101,508	239,480,009
239,382,560	232,234,700	217,203,300	183,593,200	192,744,591	249,920,863	218,951,534
206,488,107	197,010,000	196,369,300	188,148,100	194,451,364	198,262,094	194,936,280
154,538,282	146,516,800	129,131,300	120,626,200	120,800,136	128,466,943	137,550,327
138,795,324	130,722,500	103,793,600	102,390,300	99,108,735	104,093,855	110,922,669
778,584,493	796,020,500	762,480,400	690,114,600	702,026,537	746,721,870	768,694,629
<b>\$ 3,614,102,725</b>	<b>\$ 3,600,444,800</b>	<b>\$ 3,518,721,100</b>	<b>\$ 3,301,380,500</b>	<b>\$ 3,375,482,691</b>	<b>\$ 3,575,967,663</b>	<b>\$ 3,635,284,431</b>
1.125%	1.125%	1.125%	1.125%	1.125%	1.125%	1.125%

**City of Overland Park, Kansas**  
**Direct and Overlapping Sales Tax Rates**  
**2003 to 2012 Inclusive**

<b>Year</b>	<b>General</b>	<b>Street Improvement</b>	<b>Total City</b>	<b>County</b>
2003	1.000%	0.125%	1.125%	0.850%
2004	1.000%	0.125%	1.125%	1.100%
2005	1.000%	0.125%	1.125%	1.100%
2006	1.000%	0.125%	1.125%	1.100%
2007	1.000%	0.125%	1.125%	1.100%
2008	1.000%	0.125%	1.125%	1.100%
2009	1.000%	0.125%	1.125%	1.225%
2010	1.000%	0.125%	1.125%	1.225%
2011	1.000%	0.125%	1.125%	1.225%
2012	1.000%	0.125%	1.125%	1.225%

Source: City Finance Department

**City of Overland Park, Kansas**

**Ratios of Outstanding Debt  
2003 to 2012 Inclusive**

Year	Governmental Activities			Business-Type Activities		Revenue	Other	Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>2</sup>
	General Obligation	Special Assessment	Capital Leases	General Obligation	Capital Leases					
2003	107,428,400	16,507,650	-	1,308,950	318,442	-	-	125,563,442	1.7%	778
2004	115,261,841	15,242,709	-	1,085,450	262,508	-	-	131,852,508	1.7%	806
2005	106,375,879	13,088,764	-	920,357	203,418	-	-	120,588,418	1.5%	728
2006	132,350,147	11,524,853	-	690,000	-	-	-	144,565,000	1.7%	862
2007 <sup>3</sup>	184,455,324	11,539,676	-	585,000	400,852	111,725,000	1,501,449	310,207,301	3.4%	1,821
2008	170,780,549	9,029,451	-	475,000	275,653	111,725,000	1,607,093	293,892,746	3.0%	1,703
2009	185,120,952	5,938,958	-	355,090	142,217	111,195,000	1,715,945	304,468,162	3.3%	1,741
2010	181,745,788	6,441,246	-	177,965	-	110,595,000	2,021,240	300,981,239	3.2%	1,736
2011	174,206,112	5,604,938	-	63,950	-	109,890,000	2,132,232	291,897,232	2.9%	1,668
2012	157,809,089	4,774,875	-	21,036	-	108,875,000	2,046,775	273,526,775	2.6%	1,526

<sup>1</sup> Until 2002, the Golf Course Activity was reported in the General Fund.

<sup>2</sup> For Personal Income data, see personal income chart on the bottom of this page.

<sup>3</sup> Until 2007, the Overland Park Development Corporation was presented as a discretely presented component unit.

Source: City Finance Department

**City of Overland Park**

**Personal Income  
2003 to 2012 Inclusive**

Year	Johnson County Personal Income <sup>1</sup>	Johnson County Population <sup>2</sup>	Overland Park Population <sup>2</sup>	Population as a % of Johnson Co. Population	Overland Park Personal Income
2003	21,807,727,000	486,730	161,423	33.2%	7,232,487,653
2004	23,266,071,000	496,571	163,677	33.0%	7,668,834,272
2005	24,171,193,000	505,769	165,548	32.7%	7,911,700,122
2006	26,741,852,000	516,381	167,657	32.5%	8,682,462,524
2007	28,458,590,000	526,096	170,345	32.4%	9,214,627,204
2008	30,802,101,000	534,989	172,601	32.3%	9,937,537,846
2009	28,303,211,000	542,777	174,907	32.2%	9,120,559,136
2010	29,372,416,000	544,719	173,372	31.8%	9,348,589,836
2011	31,271,376,000	552,222	175,018	31.7%	9,910,966,395
2012 <sup>3</sup>	32,866,216,000	559,913	179,236	32.0%	10,520,936,451

<sup>1</sup> U.S. Department of Commerce Bureau of Economic Analysis

<sup>2</sup> Department of Planning and Development Services

<sup>3</sup> 2012 Jo. Co. Personal Income is estimated based on prior years' growth.

**City of Overland Park, Kansas**

**Ratios of Net General Bonded Debt Outstanding  
2003 to 2012 Inclusive**

<b>Year</b>	<b>Net General Bonded Debt<sup>1</sup></b>	<b>Assessed Valuation<sup>1</sup></b>	<b>Debt as a Percentage of Assessed Valuation</b>	<b>Population<sup>2</sup></b>	<b>Debt Per Capita</b>
2003	108,737,350	2,315,811,352	4.7%	161,423	678
2004	116,347,291	2,417,276,913	4.8%	163,677	716
2005	107,296,235	2,513,641,908	4.3%	165,548	652
2006	133,040,147	2,710,809,259	4.9%	167,657	800
2007	185,040,321	2,858,597,461	6.5%	170,345	1,095
2008	171,255,549	2,872,676,019	6.0%	172,601	1,000
2009	185,476,042	2,749,776,214	6.7%	174,907	1,068
2010	181,923,753	2,595,023,004	7.0%	173,372	1,049
2011	174,270,062	2,633,259,498	6.6%	175,018	996
2012	157,830,125	2,648,371,219	6.0%	179,236	881

Sources:

<sup>1</sup> City Finance Department

<sup>2</sup> Department of Planning and Development Services

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**City of Overland Park, Kansas**

**Ratios of General Bonded Debt Outstanding and Legal Debt Margin  
2003 to 2012 Inclusive**

	<u>2003</u>	<u>2004</u>	<u>2005</u>
Assessed Valuation	2,315,811,352	2,417,276,913	2,513,641,908
Assessed Valuation on Motor Vehicles	<u>236,982,038</u>	<u>245,582,290</u>	<u>251,829,226</u>
Total Assessed Valuation	2,552,793,390	2,662,859,203	2,765,471,134
General obligation bonded Indebtedness	125,245,000	131,590,000	120,385,000
Temporary Indebtedness	<u>-</u>	<u>-</u>	<u>-</u>
Total Indebtedness	125,245,000	131,590,000	120,385,000
Legal debt limit <sup>1</sup>	<u>765,838,017</u>	<u>798,857,761</u>	<u>829,641,340</u>
Legal debt margin	<u>640,593,017</u>	<u>667,267,761</u>	<u>709,256,340</u>
Legal debt margin as a percentage of the debt limit	83.65%	83.53%	85.49%

<sup>1</sup> According to Kansas law, the debt limitation is 30% of assessed valuation. Prior to July 1, 1997, the debt limit was determined by dividing the amount of indebtedness authorized for such taxing entity in 1988 by the assessed valuation in 1989.

Source: City Finance Department

**City of Overland Park, Kansas**

**Ratios of General Bonded Debt Outstanding and Legal Debt Margin  
2003 to 2012 Inclusive**

<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
2,710,809,259	2,858,597,461	2,872,676,019	2,749,776,214	2,595,023,004	2,633,259,498	2,648,371,219
260,025,293	262,242,638	262,440,854	257,293,054	248,634,631	248,660,175	249,851,773
2,970,834,552	3,120,840,099	3,135,116,873	3,007,069,268	2,843,657,635	2,881,919,673	2,898,222,992
157,030,000	196,580,000	180,285,000	191,415,000	188,365,000	179,875,000	162,605,000
-	-	-	-	-	-	-
157,030,000	196,580,000	180,285,000	191,415,000	188,365,000	179,875,000	162,605,000
891,250,366	936,252,030	940,535,062	902,120,780	853,097,291	864,575,902	869,466,898
734,220,366	739,672,030	760,250,062	710,705,780	664,732,291	684,700,902	706,861,898
82.38%	79.00%	80.83%	78.78%	77.92%	79.20%	81.30%

**City of Overland Park, Kansas**

**Statement of Direct and Overlapping Debt  
as of December 31, 2012**

	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>City of Overland Park Share of Debt</b>
Overlapping debt			
Blue Valley Unified School District	\$ 363,444,600	66.20%	240,600,325
Olathe Unified School District	320,832,747	13.76%	44,146,586
Shawnee Mission Unified School District	205,666,364	30.69%	63,119,007
Spring Hill Unified School District	209,715,620	2.74%	5,746,208
Johnson County	293,672,376	34.64%	101,728,111
Johnson County Parks and Recreation District	3,028,580	34.64%	1,049,100
Johnson County Fire #2	2,515,458	21.40%	538,308
Total overlapping debt			<u>456,927,645</u>
Direct debt			
Bonded debt:			
General obligation debt			\$ 157,830,125
Special assessment			4,774,875
Total general obligation bonded debt			<u>162,605,000</u>
Temporary note debt			<u>-</u>
Total direct debt			<u>162,605,000</u>
Combined direct and overlapping debt			<u>\$ 619,532,645</u>
Total net general obligation and overlapping debt			<u>\$ 614,757,770</u>

Source: City Finance Department



**City of Overland Park, Kansas**

**Demographic and Economic Statistics  
2003 to 2012 Inclusive**

<b>Year</b>	<b>Population</b>	<b>Personal Income<sup>1</sup></b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate<sup>2</sup></b>
2003	161,423	7,232,487,653	44,805	5.3%
2004	163,677	7,668,834,272	46,853	5.1%
2005	165,548	7,911,700,122	47,791	4.7%
2006	167,657	8,682,462,524	51,787	4.2%
2007	170,345	9,214,627,204	54,094	4.0%
2008	172,601	9,937,537,846	57,575	4.5%
2009	174,907	9,120,559,136	52,145	7.0%
2010	173,372	9,348,589,836	53,922	6.6%
2011	175,018	9,910,966,395	56,628	5.9%
2012	179,236	10,520,936,451	58,699	5.1%

<sup>1</sup> Derived from the personal income for Johnson County provided by the  
U.S. Department of Commerce Bureau of Economic Analysis

<sup>2</sup> Kansas Labor Information Center

**City of Overland Park, Kansas**

**Principal Employers  
2012 and 2002**

<u><b>Taxpayer</b></u>	<b>2012</b>			<b>2002</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employees</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employees</b>
Sprint/Nextel	8,000	1	8.6%	18,000	1	21.4%
Shawnee Mission School District	3,224	2	3.5%	2,877	2	3.4%
Black & Veatch Engineering Consultants	2,970	3	3.2%	1,350	4	1.6%
Johnson County Community College	2,784	4	3.0%			
Blue Valley School District	2,758	5	3.0%	2,525	3	3.0%
OptumRx	2,600	6	2.8%			
CenturyLink	1,800	7	1.9%			
YRC Freight	1,140	8	1.2%			
Overland Park Regional Medical Center	1,100	9	1.2%	1,030	5	1.2%
City of Overland Park	1,001	10	1.1%			
<b>Total</b>	<b>27,377</b>		<b>29.3%</b>	<b>25,782</b>		<b>30.6%</b>

Source:

Kansas Labor Information Center

Overland Park Chamber of Commerce (List of top employers and employees number for 2010)

City of Overland Park, Kansas

Full-time Equivalent City Government Employees by Function/Program  
2003 to 2012 Inclusive

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government										
Mayor and Council	13	13	13	13	13	13	13	13	13	13
City Manager's Office/Communications	9	9	8	9	9	9	9	9	8	7
Information Technology	35	32	34	34	35	37	37	37	33	32
Municipal Court	27	26	26	28	28	28	28	28	26	25
Law	15	14	12	12	12	13	14	14	13	12
Finance, Budget and Administration	28	28	27	27	26	26	25	24	19	19
Human Resources	18	15	15	17	17	17	17	16	14	13
Public Safety										
Police	270	275	293	302	311	319	317	316	308	300
Fire <sup>1</sup>	-	148	146	155	155	159	158	158	155	154
Public Works	131	128	128	129	131	132	136	136	132	128
Parks and Recreation	52	61	57	61	63	64	69	66	55	56
Planning and Development	109	87	86	88	89	89	87	84	68	67
Total	<u>707</u>	<u>836</u>	<u>845</u>	<u>875</u>	<u>889</u>	<u>906</u>	<u>910</u>	<u>901</u>	<u>844</u>	<u>826</u>

Source: City Budgets

<sup>1</sup> Overland Park Fire Department became a City Department in August 2003.

**City of Overland Park, Kansas**  
**Operating Indicators by Function/Program**  
**2003 to 2012 Inclusive**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public Safety										
Police										
DUI Charges	619	917	989	841	802	876	879	882	655	648
Parking Violations	2,287	2,060	1,868	1,686	1,688	1,162	1,187	701	635	540
Traffic Tickets	34,753	32,873	36,041	36,840	34,891	41,085	43,076	46,362	36,478	33,948
Alarm calls	7,033	6,532	6,220	6,402	6,328	6,148	5,645	5,326	6,412	5,260
Fire <sup>1</sup>										
Fire calls		3,641	3,627	3,455	3,508	3,488	3,200	3,393	3,403	3,395
EMS calls		9,984	11,610	12,314	12,062	12,836	13,476	14,380	15,284	15,452
Parks & Recreation										
Recreational program participants	16,334	18,051	18,415	19,160	22,533	58,111	89,280	91,474	86,491	**NA
Pool participants	242,266	157,640	207,885	213,121	190,646	174,221	170,246	181,354	177,794	176,464
Planning and Development										
Building permits	4,508	4,150	4,107	4,282	3,742	3,468	3,250	3,279	3,508	3,662
Plans Reviewed	2,039	4,960	5,028	3,975	3,747	3,092	2,609	2,704	3,360	2,305
Solid Waste permits	111	100	84	116	113	123	104	114	103	130
Sign and special event permits	1,209	1,150	1,178	1,159	1,153	1,129	1,048	1,149	1,235	1,295
Pool permits	386	348	365	393	356	408	415	422	428	403
Convention Center <sup>2</sup>										
Events	406	420	439	451	388	333	280	285	341	357
Attendance	286,990	386,667	339,630	309,494	314,957	328,852	287,751	251,021	235,097	290,255

<sup>1</sup> Overland Park Fire Department became a City department in August 2003.

<sup>2</sup> The Convention Center opened in late 2002.

The Parks & Recreation department is no longer tracking the number of recreational program participants.

**City of Overland Park, Kansas**

**Capital Asset Statistics by Function/Program  
2003 to 2012 Inclusive**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Public Works										
Streets (miles)	1,630	1,650	1,680	1,736	1,704	1,811	1,853	1,866	1,878	1,901
Streetlights	N/A	10,200	12,156	12,488	12,940	13,664	13,832	14,345	14,536	14,545
Traffic Signals	227	229	236	243	244	252	253	255	258	258
Stormsewers (miles)	N/A	394	422	581	593	593	627	630	638	661
Parks and Recreation										
Park Acreage	1,393	1,441	1,430	1,440	1,450	1,450	1,450	1,460	1,460	1,450
Parks	81	81	82	83	83	83	83	83	83	83
Police Department										
Automobiles	35	37	37	38	40	44	39	41	41	39
Police Stations	3	3	3	3	4	4	4	4	4	4

Source: City of Overland Park Employees

City of Overland Park, Kansas  
SCHEDULE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS  
As of 12/31/12

Company	Interest Rate	Interest Payment Date	Date Issued	Maturity Date	Serial Payment	Payment Date Year	Authorized & Issued	Outstanding Amount
Black & Veatch Series 2009	4.00%	July 1st & Jan 1st	07/01/09	07/01/2019	Term 7/1/2019		\$60,000,000	\$60,000,000
Black and Veatch Series 2012	4.00%	Dec 1st	12/27/2012	12/01/2022			\$21,317,112.71	21,317,110.00
					2,131,711.00	2013		
					2,131,711.00	2014		
					2,131,711.00	2015		
					2,131,711.00	2016		
					2,131,711.00	2017		
					2,131,711.00	2018		
					2,131,711.00	2019		
					2,131,711.00	2020		
					2,131,711.00	2021		
					2,131,711.00	2022		
Sprint/United Mgmt Co Project Series 1997	7%	December 1	12/17/97	12/01/37	Term payment on Dec 1, 2037		\$57,000,000	\$57,000,000
Series 1998	6.825%	December 1	12/23/98	12/01/38	Term payment on Dec 1, 2038		\$130,524,076	\$130,524,076
Series 1999	7.79%	December 1	12/15/99	12/01/39	Term payment on Dec 1, 2039		\$238,550,830	\$238,550,830
Series 2000	8.55%	December 1	12/22/00	12/01/40	Term payment on Dec 1, 2040		\$260,159,876	\$260,159,876
Series 2001	7.75%	December 1	12/12/01	12/01/41	Term payment on Dec 1, 2041		\$228,000,000	\$228,000,000
Series 2002	10%	December 1	12/18/02	12/01/42	Term payment on Dec 1, 2042		\$57,000,000	\$57,000,000
Series 2003	7.45%	December 1	12/17/03	12/01/43	Term payment on Dec 1, 2043		\$48,000,000	\$48,000,000
Universal Underwriters Group Project	7.86%	15th of the month	12/29/98	02/15/19			\$28,285,000	\$18,304,022
					\$1,228,667.04	2013		
					\$1,328,599.44	2014		
					\$1,436,872.44	2015		
					\$1,553,643.75	2016		
					\$1,680,718.90	2017		
					\$1,817,550.48	2018		
					\$9,257,969.92	2019		
Prescription Solutions Series 2005	7.25%	December 15	12/28/05	12/15/15			\$3,795,354.32	\$900,000.00
					\$300,000.00	2013		
					\$300,000.00	2014		
					\$300,000.00	2015		

City of Overland Park, Kansas  
SCHEDULE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS  
As of 12/31/12

Company	Interest Rate	Interest Payment Date	Date Issued	Maturity Date	Serial Payment	Payment Date Year	Authorized & Issued	Outstanding Amount
Prescription Solutions Series 2007	7.25%	December 15	08/13/2007	12/15/2017			\$15,071,012.99	\$ 9,138,009.68
					\$ 1,577,042.43	2013		
					\$ 1,691,378.01	2014		
					\$ 1,814,002.91	2015		
					\$ 1,945,518.13	2016		
\$ 2,110,068.20	2017							
K City, LLC, US Bank Series 2006	6%	March 15 June 15 September 15 December 15	09/18/2006	12/31/2016			\$29,980,000	\$27,259,440
					\$537,150.46	2013		
					\$570,111.92	2014		
					\$605,096.00	2015		
\$25,547,081.48	2016							
TKCC XCVI, LLC,	5%	December 26	12/22/2006	12/26/2016			\$30,500,000	\$12,200,000
					\$3,050,000.00	2013		
					\$3,050,000.00	2014		
					\$3,050,000.00	2015		
\$3,050,000.00	2016							
<b>Total</b>							<b>\$1,168,353,364</b>	

Source: IRB transcript

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