

City of Overland Park, Kansas

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2019

City of Overland Park, Kansas

Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2019

Principal Officials

Mayor

Carl Gerlach

Council President

Terry Happer Scheier

City Council

Logan Heley

Curt Skoog

Paul Lyons

David White

Jim Kite

Fred Spears

Gina Burke

John Thompson

Faris Farassati

Rick Collins

Chris Newlin

City Manager

Bill Ebel

Prepared by Department of Finance

David M. Scott, Chief Financial Officer

Mark Fehling, Senior Accountant

Debbie Scarborough, Accountant II

City of Overland Park, Kansas

Table of Contents

Introductory Section

Title page	i
Table of Contents	ii - iii
Letter of transmittal	iv - xi
City organizational chart	xii
Certificate of achievement for excellence in financial reporting	xiii

Financial Section

Report of independent auditors	1 - 3
Management's discussion and analysis	4 -14
Basic financial statements:	
Government-wide financial statements:	
Statement of net position	15
Statement of activities	16 - 17
Fund financial statements:	
Balance sheet - governmental funds	18 - 19
Reconciliation of the balance sheet of governmental funds to the statement of net position	20
Statement of revenues, expenditures and changes in fund balances - governmental funds	21 - 22
Reconciliation of the statement of revenues, expenditures and changes in fund balances - governmental funds to the statement of activities	23
Statement of revenues, expenditures and changes in fund balances - budget and actual - budgetary basis - major funds:	
General fund	24 - 25
One-eighth cent sales tax for street improvement fund	26
Stormwater utility fund	27
Combined transient guest tax fund	28
Statement of net position - proprietary funds	29
Statement of revenues, expenses and changes in fund net position - proprietary funds	30
Statement of cash flows - proprietary funds	31
Statement of fiduciary net position - fiduciary funds	32
Statement of changes in fiduciary net position - fiduciary funds	33
Notes to the basic financial statements	34 - 105
Required supplementary information:	
Police department retirement plan:	
Schedule of changes in the City's net pension liability and related ratios	106 - 107
Schedule of employer contributions and money-weighted rate of return	108
Notes to required supplementary information	109
Fire department retirement plan:	
Schedule of changes in the City's net pension liability and related ratios	110 - 111
Schedule of employer contributions and money-weighted rate of return	112
Notes to required supplementary information	113
Kansas public employees retirement system (KPERs):	
Schedule of the City's proportionate share of the net pension liability	114
Schedule of employer contributions	114
Notes to required supplementary information	115 - 116
KPERs other postemployment benefits plan (OPEB)	117
Other postemployment benefits plan (OPEB)	118 - 120

City of Overland Park, Kansas

Table of Contents

Nonmajor governmental funds	121 - 123
Combining and individual fund statements and schedules:	
Combining balance sheet - nonmajor governmental funds	124 - 128
Combining statement of revenues, expenditures and changes in fund balances (deficits) nonmajor governmental funds	129 - 134
Statements of revenues, expenditures and changes in fund balances (deficits) - budget and actual - budgetary basis - nonmajor funds:	
Special street and highway fund	135
Special park and recreation fund	136
Special alcohol control fund	137
Special tax financing fund	138
Downtown business improvement district fund	139
Debt service fund	140
Combining statement of net position - nonmajor enterprise funds	141
Combining statement of revenues, expenses and changes in fund net position - nonmajor enterprise funds	142
Combining statement of cash flows - nonmajor enterprise funds	143
Combining statement of net position - internal service funds	144
Combining statement of revenues, expenses and changes in fund net position - internal service funds	145
Combining statement of cash flows - internal service funds	146
Combining statement of fiduciary net position - fiduciary funds	147 - 148
Combining statement of changes in fiduciary net position - fiduciary funds	149 - 150

Statistical Section

Table of Contents	151
Net position by component	152 - 153
Changes in net position	154 - 157
Fund balances, governmental funds	158 - 159
Changes in funds balances, governmental funds	160 - 161
Tax revenues by source, governmental funds	162
Assessed value and estimated true value of all taxable property	163
Direct and overlapping property tax rates	164
Principal taxpayers	165
Property tax levies and collections	166
Special assessment levies and collections	166
Taxable sales by category	167 - 168
Direct and overlapping sales tax rates	169
Ratios of outstanding debt	170
Personal income	170
Ratios of net general bonded debt outstanding	171
Ratios of general bonded debt outstanding and legal debt margin	172 - 173
Statement of direct and overlapping debt	174
Demographic and economic statistics	175
Principal employers	176
Full-time equivalent City government employees by function/program	177 - 178
Operating indicators by function/program	179 - 180
Capital asset statistics by function/program	181
Schedule of economic development revenue bonds	182 - 183



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City Hall • 8500 Santa Fe Drive

Overland Park, Kansas 66212
www.opkansas.org

June 24, 2020

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, 2019.

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.

The audit firm of Allen, Gibbs & Houlik, L.C. has issued an unmodified ("clean") opinion on the City of Overland Park's financial statements for the year ended December 31, 2019. The independent auditors' report is located at 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 75.7 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 traffic infrastructure 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 which is 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 an expanding 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 continues to earn it national distinction as one of the best places to live; in 2019 Wallethub ranked the City No.1 in the nation as the Best Cities to Raise a Family, No. 2 Best Cities for First-Time Homebuyers and No. 3 for the Best Real Estate Markets. Money magazine ranked the City No. 2 in the nation as the Best Places to Live in the Midwest.

The population of the City continues to experience moderate growth. At more than 196,000 residents, Overland Park is the second largest city in the state of Kansas and is 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 220,000. 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 2019 was 2.8%, which was the less than the state of Kansas rate of 3.3%, and significantly less than the national rate of 3.7%.

Overland Park has long relied on conservative fiscal assumptions in its operating budget, five-year capital plans and rolling five-year fiscal forecast providing the City a long-term view to maintain a positive future financial outlook. The City continues to have considerable economic development and strong gains in residential building permits. The City's assessed valuation of \$3.67 billion increased by 6.0% for 2019. During 2019 there was in public and private investments, over \$700 million in construction valuation added in new construction. Retail sales are expected to moderate going forward, reflecting a continued shift of sales to online platforms. In 2019 combined sales and use tax revenues was flat in comparison to 2018, with retail sales decreasing 1.4% and compensating use tax increasing 4.0%. Overland Park continues to receive an "AAA" bond-rating status from the nation's three top bond rating agencies. The triple-A status is a distinction only shared by a handful of communities in the nation.

2019 Major Initiatives for the Year

Based on citizens' survey results, the 2019 Budget was developed to address concerns in priority areas (such as infrastructure management) and maintain the high level of service that currently exists (such as public safety). In addition to match evolving and expanding community needs with the City's limited resources, the City continued to systematically examine operations and focus on the allocation of resources to provide essential community services within existing resources.

Operating Budget. The number of full-time equivalent (FTE) employees in the 2019 budget is 1,084 (936 full-time and 148 part-time), a 22 FTE increase from 2018.

In 2019, the Police Department enhanced student safety and provided additional relationship-building opportunities between the police and adolescents, by adding three school resource positions to expand into additional middle schools within the City. In addition, one investigations technician was added to allow commissioned officer resources to be redirected away from administrative duties. The school crossing guard program transitioned from utilizing part-time city employees to a contracted service that allows more police officers to remain dedicated to their primary service mission. One additional police dispatcher position to address increasing call volume and activity.

The Fire Department budget provided additional resources to enhance services and maximize outcomes with the addition of one fire data analyst position. This position improved the analysis of fire and medical calls, enabling the adjustment of programs and services to increase effectiveness and efficiency. In addition one fire inspector position was added to reduce the average time between fire inspections of commercial structures inspection cycle to closer to an 18-month timeframe.

Additional funding was allocated in Municipal Court to provide support and assistance to individuals dealing with drug dependency. As with much of the nation, Overland Park has seen a substantial increase in instance of opioid-related medical emergencies and crime. One additional probation officer was added to reduce caseloads per each officer to allow more in-depth support and services.

To support of recreational amenities and opportunities, five positions were added. These positions support of the maintenance and operations of Parks and Recreation amenities in a high-quality manner including in the Deanna Rose Children's Farmstead, the Matt Ross Community Center, the Overland Park Golf Course complex and the Overland Park Arboretum and Botanical Gardens.

The City started live streaming and recording of City Council, Goal Area Committee, Committee of the Whole and Planning Commission meetings. Three additional IT professionals were added to support the City's information technology (IT) infrastructure to support IT systems critical to governmental operations and service delivery.

The addition of one full-time Digital Communications Specialist position was added to increase the City's proactive community outreach, allowing expanded diversity in social media outlets used to promote communications with various segments of the City's population.

Operational enhancements were included in the 2019 Budget to support the City's Capital Improvement and Maintenance programs. These included adding two construction specialists dedicated to the City's curb repair and replacement program, while one right-of-way inspector was added to allow for better management of utility infrastructure placed in the City's right-of-way. In addition, one facilities construction manager was added to provide oversight and management of remediation, repair and remodeling projects for facilities.

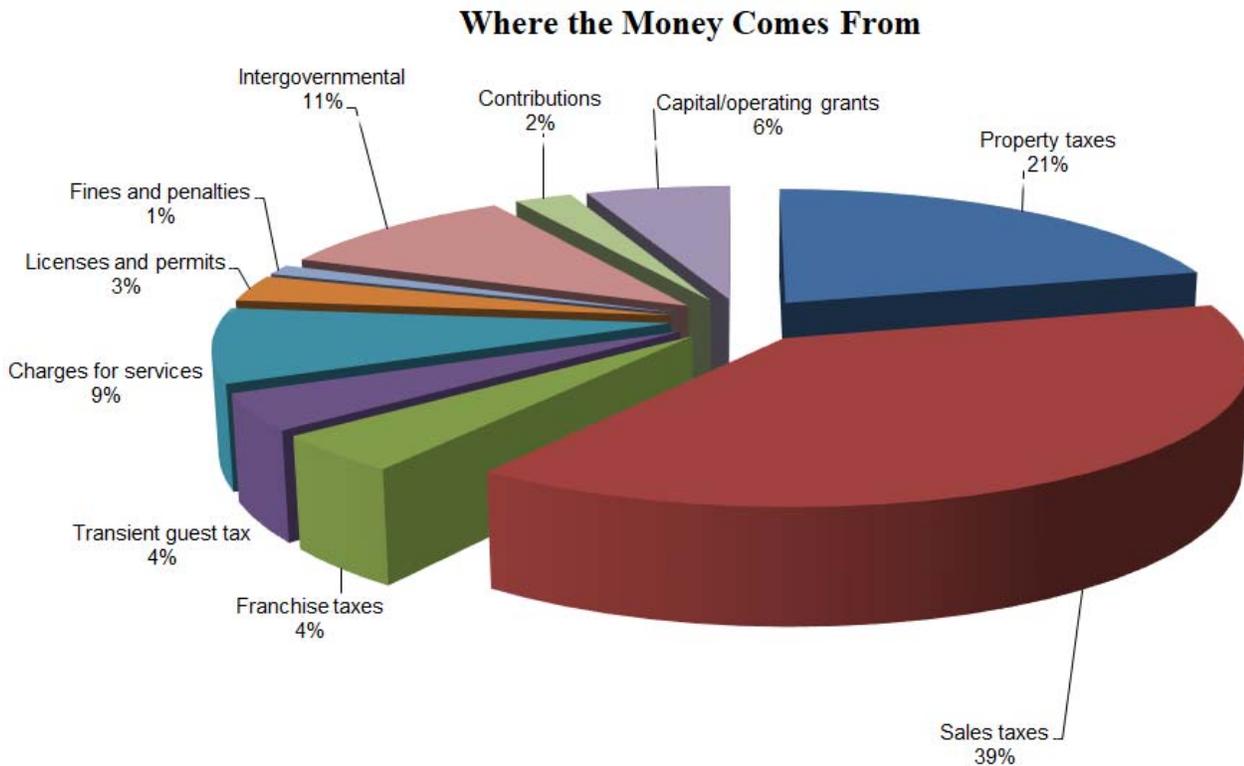
Capital Investments in Transportation Infrastructure, Public Facilities and Technology. The City's five-year capital improvements plan (CIP) was developed to prioritize capital improvement needs. During 2019, approximately \$46.8 million was spent on strategic investments in technology, facilities and infrastructure. These projects included:

- Storm Drainage Improvements
- Thoroughfare Improvements - Metcalf: 159th to 167th
- Thoroughfare Improvements - Quivira Road: 151st to 159th
- Neighborhood Street Reconstruction Improvements

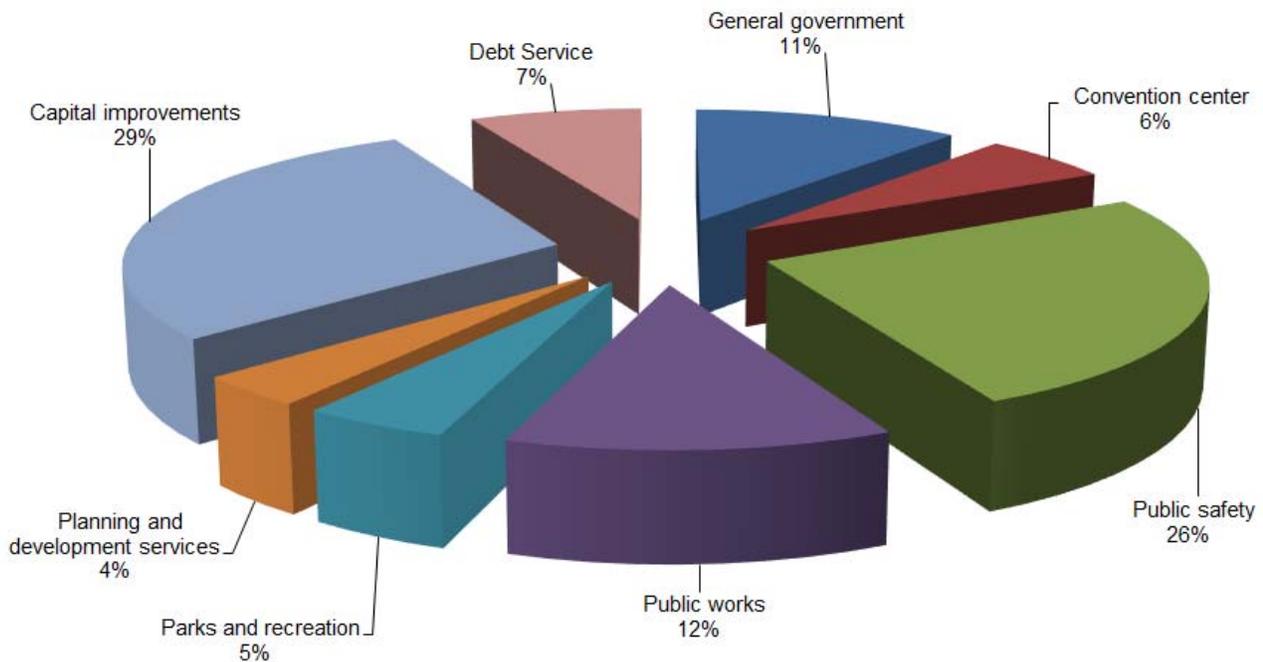
- Skyes/Lady Clubhouse & Parking
- Centralized Fleet Facility
- Santa Fe Commons Park Improvements

Maintenance of Quality Infrastructure and Public Facilities. Infrastructure maintenance expenditures during 2019 were approximately \$23.3 million, dedicated to repair, renovation, rehabilitation, or replacement of city infrastructure including streets, traffic management, storm water, facilities, and public parks.

The following charts depict the actual sources and uses of the City’s financial resources for 2019:



Where the Money Goes



Outlook for 2020

The City celebrated its 60th anniversary of incorporation on May 20, 2020. A variety of events and initiatives are planned during the year including: parties in different parks where neighbors can come together for yard games, music and enjoying snacks; planting 6,000 trees; encourage the community to participate in various events throughout the City of children activities, family fun, adults' night out and active recreation; a #OP60SelfieChallenge will be held consisting of exploring favorite City parks, monuments, and attractions, and snap some selfies, and share them on social media for a chance to win prizes.

This fall Shamrock Trading Corporation will open their first office tower - an eight-story, 250,000-square-foot structure along with a nearly 700-space first stage of the project's parking garage at the northeast corner of 95th Street and Metcalf Avenue. This office tower design includes hands-free fixtures for bathroom facilities and drinking fountains, plus low-touch, high-speed elevators, to address Covid-19 concerns. Shamrock plans to construct an overall 780,000 square feet corporate office campus at this location to accommodate its expected growth over the next decade.

Expansion of U.S. 69 Highway in Overland Park is the Kansas Department of Transportation top-rated highway project. The City and the State will conduct a study to determine the financial feasibility of widening U.S. 69 from four to six lanes from 103rd to 151st streets; the preliminary cost estimate is \$300 million. To pay for a portion of the design, construction and maintenance costs the highway, the two additional lanes would be toll lanes. These new lanes would be tolled electronically and drivers would be encouraged to pay the toll in order to bypass rush hour back-ups.

COVID-19

Coronavirus will have a significant financial and operational impact on the City during 2020. Estimated potential loss of revenue is up to \$25 million dollars from reduced sales tax, transient guest tax, property tax, recreational fees and development fees collections. Action taken to offset this lost revenue included:

- Furloughed 200 part-time community center employees while the community centers were closed for 12 weeks.
- Hiring freeze for all vacant positions.
- Reduction of 5% of operating expenditures in each department.
- Delay and reduction of employee compensation plan.
- Elimination or delay of approximately \$10 million of public works and recreation capital and maintenance programs schedule for 2020.
- Reduction of the planned 2020 equipment replacement.

Operational changes due the coronavirus included:

- Videoconferencing of City Council, Planning Commission and City Council Committee meetings during the lockdown period.
- Retrofitting of City offices to reassure both employees and the public of their safety while conducting city business.
- Weekly heavy-duty cleaning of all city buildings communal work areas using electrostatic disinfecting machine along with employees regularly disinfecting their work stations.
- Allowing employees working from home if their jobs duties could be performed from home.
- Closing or delaying opening of various City's Parks and Recreation facilities for up to 12 weeks.
- The City's five outdoor pools will not open for the 2020 season.

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

As a vital and growing city, Overland Park considers it a priority to construct, maintain and improve infrastructure. The City's capital improvements and maintenance needs for a five-year period are reviewed and updated annually. The maintenance program included in the City's five-year maintenance addresses significant repairs to, renovation or rehabilitation of, or 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 Resolution 4215. This fiscal policy establishes 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. The purpose of this policy is 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, and
- 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 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, 2018. 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 2019 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.

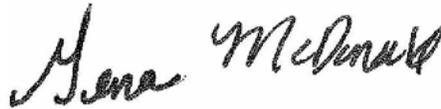
The City also receives GFOA's Distinguished Budget Presentation Award annually. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization. The City has been a recipient of GFOA Award for Distinguished Budget Presentation for its annual appropriated budget since 1995.

Many individuals contributed to 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,

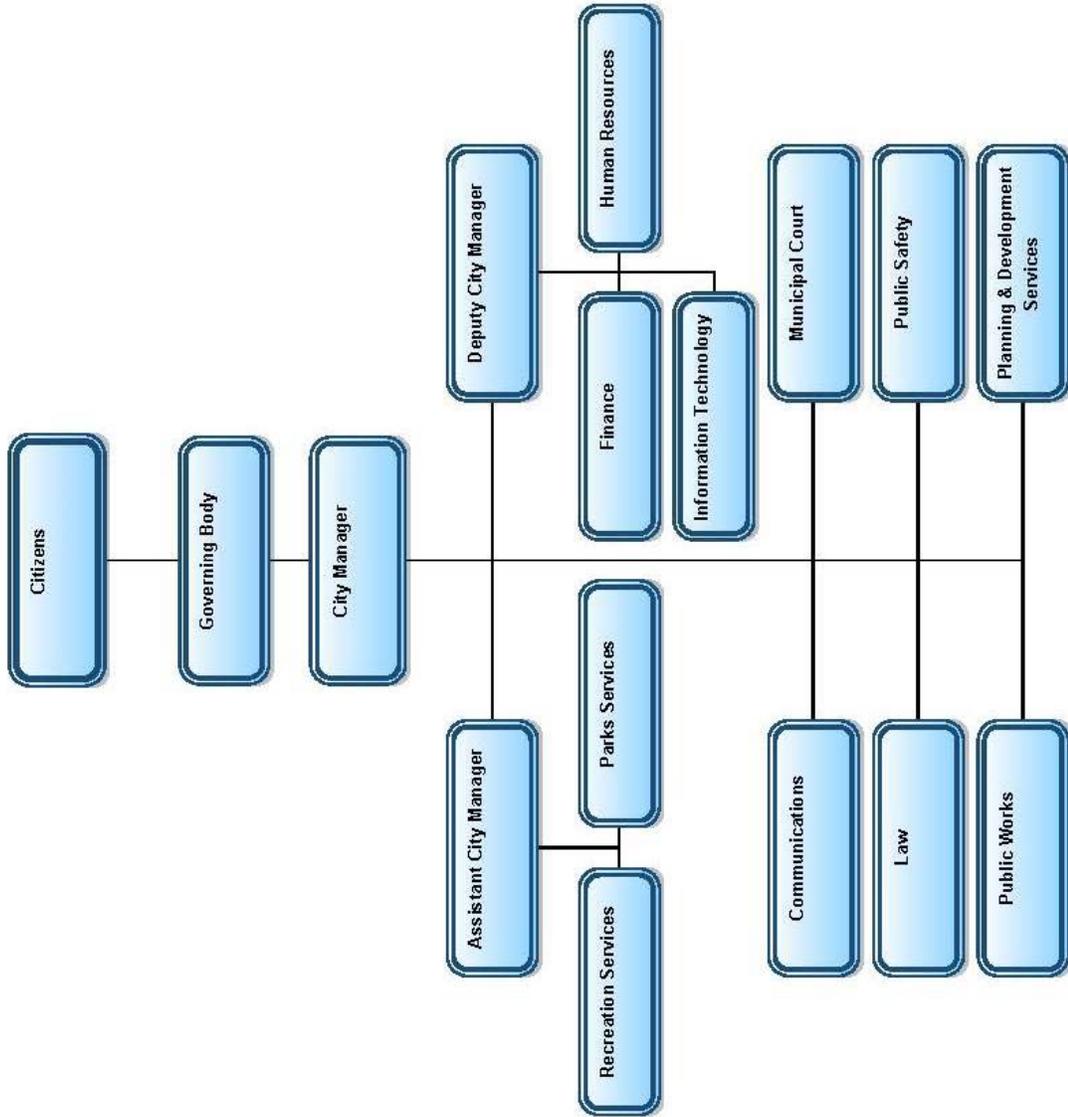


David M. Scott
Chief Financial Officer



Gena McDonald
Assistant Chief Financial Officer

CITY OF OVERLAND PARK, KANSAS ORGANIZATIONAL CHART





Government Finance Officers Association

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, 2018

Christopher P. Morill

Executive Director/CEO

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Council
City of 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 (City), as of and for the year ended December 31, 2019, 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. (Hotel), which is included within the financial statements of the Overland Park Development Corporation, a major enterprise fund of the City. The Hotel represents 61 percent and 100 percent, respectively, of the assets and revenues of the Overland Park Development Corporation and 52 percent and 60 percent, respectively, of the assets and 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 the 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, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Overland Park Development Corporation and the Overland Park Convention Center, which is included in the Transient Guest Tax Fund, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Overland Park Development Corporation and the Overland Park Convention Center. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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.

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, 2019 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note IV.I. to the financial statements, in 2019, the City adopted GASB Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents 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 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's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections listed in the table of contents 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 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, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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

In accordance with Government Auditing Standards, we have also issued our report dated June 24, 2020 on our consideration of the City's 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 solely 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 the effectiveness of the City's 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's internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

June 24, 2020
Wichita, Kansas

CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis Year Ended December 31, 2019

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, 2019. 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 \$9,087,225 (or 0.9%) while the net position of our business-type activities increased by \$13,046,020 (or 33.8%).
- A prior period adjustment of \$9,105,041 increased beginning net position of the City's governmental activities related to the implementation of GASB Statement No. 84, *Fiduciary Activities*.
- During the year, the City generated \$250.1 million in revenues for governmental activities, \$24.4 million more than the \$225.7 million in governmental activities expenses.
- The City's sales tax revenue collections in 2019 increased 12.3% over 2018 collections. The majority of this increase was due to the implementation of GASB Statement No. 84, *Fiduciary Activities* and the inclusion of the transportation development district and community improvement district sales tax revenues within the special tax financing fund.
- The convention center generated excess revenues over expenses for the sixteenth consecutive 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, deferred outflows of resources, liabilities and deferred inflows of resources. Net position, the difference between assets, deferred outflows of resources and liabilities, and deferred inflows of resources 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 taxes and other general revenues 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, 2019

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-type 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-type 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 reconciliations that follow the fund financial statements detail 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 two internal service funds to account for its self-insurance activities: Workers' Compensation Fund and Medical Imprest Plan Fund. Additional self-insurance type activities are accounted for in the Special Liability Defense Fund and Risk Management Reserve Fund, which 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 third parties. 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 (MEPP) fund, the Police Department Retirement Plan (PDRP) fund, the Overland Park Fire Department Retirement Plan (OPFDRP) fund and the Other Post-Employment Benefit (OPEB) Trust fund. The pension and other postemployment benefit trust funds are reported as employee benefit trust funds. 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, 2019

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 participation in the Kansas Public Employees Retirement System (KPERS), along with the City's single employer plans: PDRP, OPFDRP and OPEB, 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:

	Governmental Activities		Business-type Activities	
	2018	2019	2018	2019
Current and other assets	\$ 245,713,507	\$ 253,134,463	\$ 17,955,164	\$ 31,066,604
Capital assets	1,055,878,527	1,057,507,677	46,407,692	52,023,589
Total assets	1,301,592,034	1,310,642,140	64,362,856	83,090,193
Deferred outflows	24,829,380	13,531,651	4,198,111	3,367,561
Long-term liabilities	182,110,633	154,945,950	95,532,302	103,876,418
Other liabilities	41,121,427	38,036,279	11,584,702	8,631,353
Total liabilities	223,232,060	192,982,229	107,117,004	112,507,771
Deferred inflows	52,663,271	62,473,213	-	-
Net position:				
Net investment in capital assets	958,584,349	963,408,403	(46,193,619)	(49,752,860)
Restricted	29,859,784	43,347,958	14,655,079	27,663,053
Unrestricted	62,081,950	61,961,988	(7,017,497)	(3,390,210)
Total net position	\$ 1,050,526,083	\$ 1,068,718,349	\$ (38,556,037)	\$ (25,480,017)

CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis Year Ended December 31, 2019

Governmental Activities

The City ended 2019 with positive net position. Several of the items fluctuated significantly between 2018 and 2019.

- Current and Other Assets - This category increased 3.0% from 2018 primarily due to increases in taxes receivable and amounts due from other governments.
- Long-term Liabilities - Outstanding general obligation debt decreased due to regularly scheduled bond payments and net pension liability related to the City's defined benefit plans and net other post employment benefit liability decreased based on the most recent actuarial valuations.

Business-type Activities

- The City's golf course operations ended 2019 with positive net position of \$11.2 million an increase of \$7.3 million in total net position in 2019 as compared to 2018. This was primarily due to capital contributions of \$7.7 million related to the newly constructed clubhouse, which was constructed within the park acquisition and development fund.
- The Overland Park Development Corporation ended 2019 with negative net position of \$37,533,295, an increase of 12.7% from 2018.

CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis Year Ended December 31, 2019

Statement of Activities

The table below shows the condensed revenues, expenses and the change in net position for 2018 and 2019.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>
Revenues:				
Program revenues:				
Charges for services	\$ 35,967,797	\$ 36,317,816	\$ 29,920,373	\$ 30,368,772
Operating grants and contributions	13,312,831	13,349,166	-	-
Capital grants and contributions	17,220,534	16,383,525	-	-
General revenues:				
Property taxes	48,141,036	51,647,711	-	-
Sales taxes	84,070,609	94,386,244	-	-
Other taxes	21,893,980	20,771,425	-	-
Other	13,949,567	17,280,637	627,813	590,695
Total revenues	234,556,354	250,136,524	30,548,186	30,959,467
Expenses:				
General Government	37,194,085	41,256,139	-	-
Public safety	64,204,885	62,180,782	-	-
Public works	85,907,137	103,985,984	-	-
Parks and recreation	9,568,574	6,321,333	-	-
Planning and development	8,322,989	9,022,570	-	-
Golf course	-	-	4,877,598	5,826,952
Soccer complex	-	-	1,069,958	1,128,641
OP Development Corporation	-	-	26,585,524	26,314,556
Interest on long-term debt	2,627,247	2,925,789	-	-
Total expenses	207,824,917	225,692,597	32,533,080	33,270,149
Revenues over (under) expenses	26,731,437	24,443,927	(1,984,894)	(2,310,682)
Transfers	(3,695,162)	(15,356,702)	3,695,162	15,356,702
Increase (decrease) in net position	23,036,275	9,087,225	1,710,268	13,046,020
Net position, January 1, as previously reported	1,029,150,078	1,050,526,083	(40,266,305)	(38,556,037)
Prior period adjustment	(1,660,270)	9,105,041	-	-
Net position, January 1 restated	1,027,489,808	1,059,631,124	(40,266,305)	(38,556,037)
Net position, December 31	\$ 1,050,526,083	\$ 1,068,718,349	\$ (38,556,037)	\$ (25,510,017)

Governmental Activities

Several of the revenue and expense categories fluctuated between 2018 and 2019, as explained below.

- Capital Grants/Contributions - Contributions decreased compared to the prior year due to several large building projects which received reimbursement in 2018.
- Franchise Taxes - Tax revenue decreased due to credits issued by a local utility company in early 2019 as a result of a merger and the tax cuts and jobs act.
- Property Taxes - The 7.3% increase in property taxes is due to an increase in the assessed valuation of 6.0%. The Table below compares the mill levy for 2018 through 2019.

CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis
Year Ended December 31, 2019

	2017 Levy to support 2018 Budget	2018 Levy to support 2019 Budget
General fund	12.603	12.604
Stormwater utility	<u>0.962</u>	<u>0.962</u>
 Total mill levy	 <u>13.565</u>	 <u>13.566</u>

The City's assessed valuation experienced a 6.0% increase over the previous year, as shown in the following chart. This increase was driven by a 6.1% increase in real estate valuation.

Changes in Assessed Valuation: 2018 to 2019

	2017 Valuation to support 2018 Budget	2018 Valuation to support 2019 Budget	Increase / (Decrease) over prior year	% Change
Real estate	\$ 3,388,066,579	\$ 3,595,288,479	\$ 207,221,900	6.1%
Personal	27,075,749	25,876,735	(1,199,014)	-4.4%
Utilities	<u>47,618,197</u>	<u>48,111,211</u>	<u>493,014</u>	<u>1.0%</u>
 Total	 <u>\$ 3,462,760,525</u>	 <u>\$ 3,669,276,425</u>	 <u>\$ 206,515,900</u>	 6.0%

- Other taxes - Transient guest taxes increased by 1.2% due to higher occupancy percentages and average daily room rates.
- General Government Expense - This expense category was higher in 2019 due to higher pension related charges.

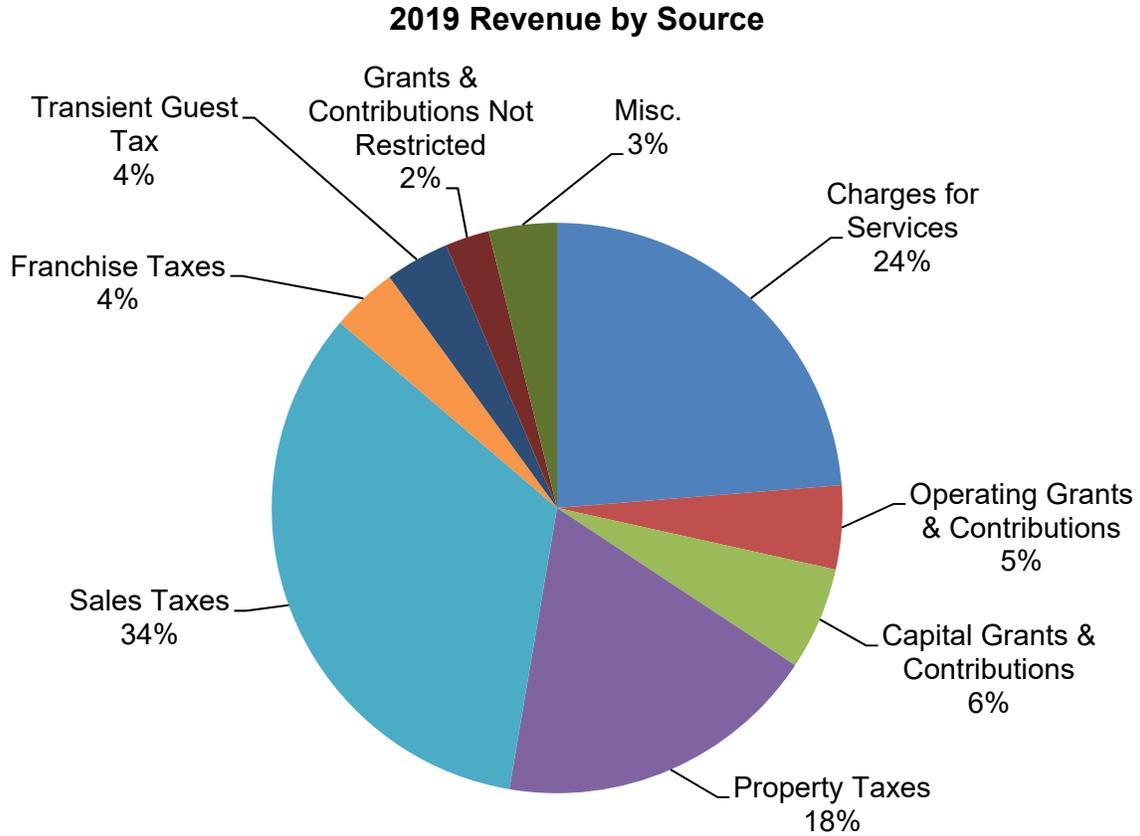
Business-type Activities

- Charges for Services - This category was higher due primarily to an increase in operating revenue in the golf course fund due to the opening of the new clubhouse.

CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis
Year Ended December 31, 2019

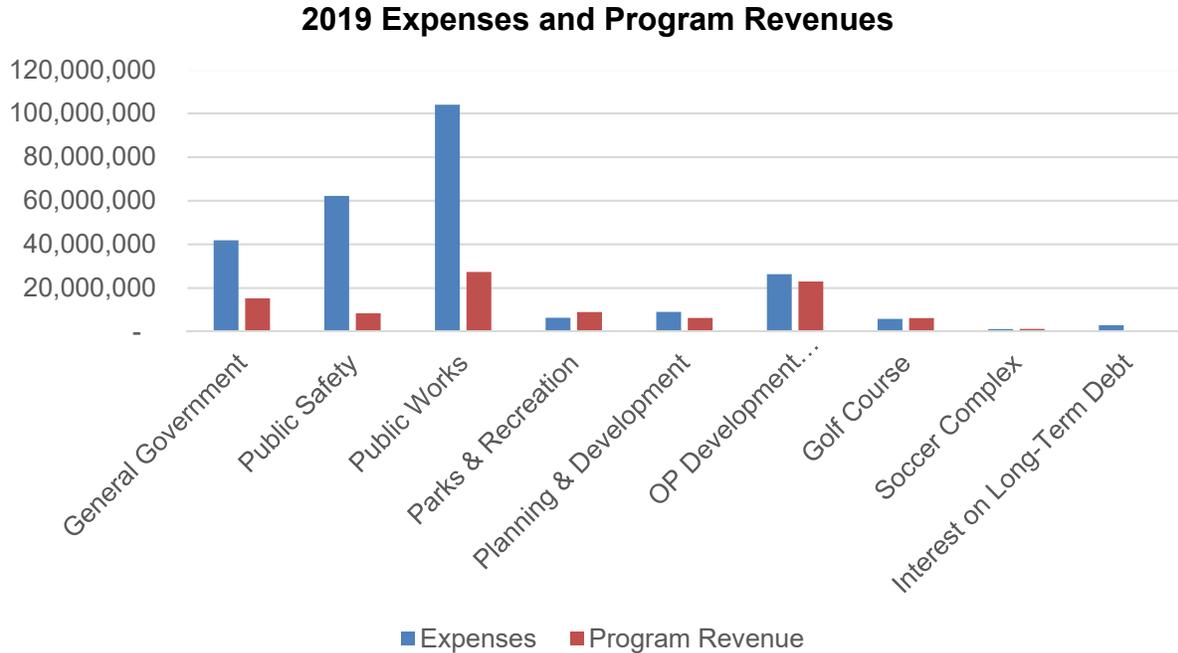
The following graph depicts the composition of 2019 primary government revenues as presented in the Statement of Activities.



CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis
Year Ended December 31, 2019

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



The total cost of services for 2019 was \$259.0 million; however, \$96.4 million was funded by users directly benefiting from the services or by other organizations through grants and contributions. The remaining \$162.6 million of these services were paid by the City's taxpayers primarily through property taxes and sales taxes.

Analysis of the Fund Financial Statements

Governmental Fund Balance at December 31, 2019								
	General	One-eighth Cent Sales Tax - Street Improvement	Stormwater Utility	Combined Transient Guest Tax Fund	Street Improvement	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:								
Restricted	\$ 9,630	\$ 3,445,202	\$ 4,420,759	\$ 2,002,103	\$ -	\$ 250,000	\$ 26,949,439	\$ 37,077,133
Assigned	42,077,867	-	-	-	21,468,692	-	22,189,547	85,736,106
Unassigned	51,595,228	-	-	-	-	-	(61,618)	51,533,610
Total fund balances	\$ 93,682,725	\$ 3,445,202	\$ 4,420,759	\$ 2,002,103	\$ 21,468,692	\$ 250,000	\$ 49,077,368	\$ 174,346,849

Governmental Fund Balance at December 31, 2018								
	General	One-eighth Cent Sales Tax - Street Improvement	Stormwater Utility	Combined Transient Guest Tax Fund	Street Improvement	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:								
Restricted	\$ -	\$ 1,179,968	\$ 3,603,297	\$ 2,681,074	\$ -	\$ 250,000	\$ 16,560,905	\$ 24,275,244
Assigned	46,869,009	-	-	-	21,410,064	-	31,292,776	99,571,849
Unassigned	47,078,171	-	-	-	-	-	(718,556)	46,359,615
Total fund balances	\$ 93,947,180	\$ 1,179,968	\$ 3,603,297	\$ 2,681,074	\$ 21,410,064	\$ 250,000	\$ 47,135,125	\$ 170,206,708

CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis Year Ended December 31, 2019

Overall, the City's major funds experienced an 2.4 percent increase in fund balance as a result of 2019 operations. The One-eighth Cent Sales Tax-Street Improvement Fund increased due to decreased transfers to capital projects. The Stormwater Utility Fund experienced an increase due to a 25% increase in the stormwater utility fee to create a curb repair and replacement program. The General Fund, Combined Transient Guest Tax Fund, Street Improvement Fund and Debt Service Fund were all stable compared to 2018.

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.

Budgetary Highlights

The legally adopted budget for the General Fund was not amended during 2019, however the following were amended by the City Council during 2019.

	<u>Adopted 2019 Expenditures</u>	<u>Amended 2019 Expenditures</u>
Amended Fund		
Bond and Interest	\$ 17,450,000	\$ 18,100,000
Golf Course	6,640,000	7,600,000

In addition, 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.

CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis
Year Ended December 31, 2019

Category	Explanation
Fines and Penalties	Revenues from this category decreased by 20% compared to the prior year due to a 33% decrease in total cases filed, primarily as a result of a reduction in hazardous and non-hazardous traffic violations.
Use of Money	This category increased due to a favorable interest rate environment in 2019.
Public Safety	The police and fire departments had various unfilled positions during the year which contributed to this category underspending their budget.
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.

Capital Asset and Debt Administration

Capital Assets

The total amount invested in capital assets for the City at December 31, 2019, was \$1,057,507,677 net of accumulated depreciation. This represents an increase of 0.15% over the 2018 total, which is attributed to an increase in major additions over previous years. The following chart breaks down the City's capital asset balance into the various categories of assets.

	Governmental Activities		Business-type Activities	
	2018	2019	2018	2019
Land	\$ 32,222,730	\$ 34,048,482	\$ 1,425,200	\$ 1,425,200
Construction in progress	14,933,075	28,809,043	-	-
Land improvements	16,285,605	14,201,632	-	-
Building and improvements - City	76,210,237	73,050,381	1,315,343	8,836,297
Building and improvements - OPDC	-	-	38,539,539	37,658,495
OPCC capital assets	607,977	526,392	-	-
Equipment - City	12,370,793	15,407,927	105,119	232,936
Equipment - OPDC	-	-	5,022,491	3,870,661
Infrastructure	903,248,110	891,463,820	-	-
	\$ 1,055,878,527	\$ 1,057,507,677	\$ 46,407,692	\$ 52,023,589

CITY OF OVERLAND PARK, KANSAS

Management's Discussion and Analysis Year Ended December 31, 2019

Major additions to capital assets during the year included:

Infrastructure - 2019 streets	\$ 11,459,838
Infrastructure - 2019 residential streets	2,734,815
Infrastructure - 2019 storm drainage	236,905
Public buildings	5,369,459
Parks facilities	4,808,177
Total	<u>\$ 24,609,194</u>

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, 2019 totaled \$95,580,000 of which 100% is considered net direct tax supported debt. This balance represents a 12.9% decrease over the 2018 balance. This decrease is due to the impact of regularly scheduled debt payments of \$14,095,000.

For the past 32 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 sixteenth 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 2019 fiscal year is as follows:

	<u>Total Amount</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Debt Per Capita</u>
Total bonded debt	\$ 95,580,000	0.026	\$486.10

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.

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CITY OF OVERLAND PARK, KANSAS

Statement of Net Position
December 31, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets:			
Cash, cash equivalents and investments	\$ 157,576,802	\$ 3,095,068	\$ 160,671,870
Restricted cash, cash equivalents and investments	10,910,064	9,419,981	20,330,045
Taxes receivable	21,576,414	-	21,576,414
Accounts receivable	4,463,279	518,356	4,981,635
Due from other governments	2,490,531	-	2,490,531
Current property taxes receivable	52,313,500	-	52,313,500
Other current assets	598,286	360,127	958,413
Special assessments	183,455	-	183,455
Total current assets	250,112,331	13,393,532	263,505,863
Noncurrent Assets			
Special assessments	333,858	-	333,858
Restricted:			
Cash and cash equivalents	2,688,274	11,809,626	14,497,900
Investments	-	6,403,446	6,403,446
Capital assets:			
Land, improvements and construction in progress	62,857,525	1,425,200	64,282,725
Capital assets, net of depreciation	994,650,152	50,598,389	1,045,248,541
Total capital assets	1,057,507,677	52,023,589	1,109,531,266
Total noncurrent assets	1,060,529,809	70,236,661	1,130,766,470
Total assets	1,310,642,140	83,630,193	1,394,272,333
Deferred Outflows of Resources			
Deferred outflow from OPEB	323,376	-	323,376
Deferred outflow from pensions	12,225,538	-	12,225,538
Deferred charge on refunding	982,737	3,367,561	4,350,298
Total deferred outflows	13,531,651	3,367,561	16,899,212
Liabilities			
Accounts payable	5,445,388	3,934,254	9,379,642
Accrued expenses	3,825,885	2,113,425	5,939,310
Contracts payable	6,947,176	-	6,947,176
Unearned revenue	1,850,510	246,365	2,096,875
Long-term liabilities			
Due within one year	19,967,320	2,337,309	22,304,629
Due in more than one year	154,945,950	103,876,418	258,822,368
Total liabilities	192,982,229	112,507,771	305,490,000
Deferred Inflows of Resources:			
Deferred inflow from OPEB	3,218,349	-	3,218,349
Deferred inflow from pensions	6,914,793	-	6,914,793
Deferred revenue	52,340,071	-	52,340,071
Total deferred inflows	62,473,213	-	62,473,213
Net Position			
Net investment in capital assets	963,408,403	(49,752,860)	913,655,543
Restricted for:			
Debt service	-	9,432,080	9,432,080
Capital and other projects	6,549,703	18,200,973	24,750,676
Workers' compensation and medical claims	1,973,225	-	1,973,225
Street improvements	9,788,989	-	9,788,989
Other purposes	25,036,041	-	25,036,041
Unrestricted	61,961,988	(3,390,210)	58,571,778
Total net position	\$ 1,068,718,349	\$ (25,510,017)	\$ 1,043,208,332

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

CITY OF OVERLAND PARK, KANSAS

Statement of Activities
For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 41,256,139	\$ 14,151,402	\$ 1,060,080	\$ -
Public safety	62,180,782	4,530,120	3,723,549	94,769
Public works	103,985,984	7,087,799	5,304,554	14,904,541
Parks and recreation	6,321,333	5,668,094	1,918,182	1,384,215
Planning and development services	9,022,570	4,880,401	1,342,801	-
Interest on long-term debt	2,925,789	-	-	-
Total governmental activities	<u>225,692,597</u>	<u>36,317,816</u>	<u>13,349,166</u>	<u>16,383,525</u>
Business-type activities:				
Golf course	5,826,952	6,181,483	-	-
Soccer complex	1,128,641	1,230,981	-	-
OP Development Corporation	26,314,556	22,956,308	-	-
Total business-type activities	<u>33,270,149</u>	<u>30,368,772</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 258,962,746</u>	<u>\$ 66,686,588</u>	<u>\$ 13,349,166</u>	<u>\$ 16,383,525</u>

General revenues:
 Property tax
 Sales tax
 Franchise tax
 Transient guest tax
 Grants and contributions not restricted to specific programs
 Unrestricted investment earnings
 Miscellaneous
 Transfers
 Total general revenues and transfers

Change in net position

Net position, beginning, as previously reported
 Prior period adjustment
 Net position, beginning, restated
 Net position, ending

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

Net (Expense) Revenue and Changes in Net Position
Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (26,044,657)	\$ -	\$ (26,044,657)
(53,832,344)	-	(53,832,344)
(76,689,090)	-	(76,689,090)
2,649,158	-	2,649,158
(2,799,368)	-	(2,799,368)
(2,925,789)	-	(2,925,789)
<u>(159,642,090)</u>	<u>-</u>	<u>(159,642,090)</u>
-	354,531	354,531
-	102,340	102,340
-	(3,358,248)	(3,358,248)
<u>-</u>	<u>(2,901,377)</u>	<u>(2,901,377)</u>
<u>(159,642,090)</u>	<u>(2,901,377)</u>	<u>(162,543,467)</u>
51,647,711	-	51,647,711
94,386,244	-	94,386,244
10,556,093	-	10,556,093
10,215,332	-	10,215,332
7,018,104	-	7,018,104
5,402,869	257,836	5,660,705
4,859,664	332,859	5,192,523
(15,356,702)	15,356,702	-
<u>168,729,315</u>	<u>15,947,397</u>	<u>184,676,712</u>
<u>9,087,225</u>	<u>13,046,020</u>	<u>22,133,245</u>
1,050,526,083	(38,556,037)	1,011,970,046
9,105,041	-	9,105,041
<u>1,059,631,124</u>	<u>(38,556,037)</u>	<u>1,021,075,087</u>
<u>\$ 1,068,718,349</u>	<u>\$ (25,510,017)</u>	<u>\$ 1,043,208,332</u>

CITY OF OVERLAND PARK, KANSAS

Balance Sheet
Governmental Funds
December 31, 2019

	<u>General</u>	<u>One-Eighth Cent Sales Tax - Street Improvement</u>	<u>Stormwater Utility</u>
Assets			
Cash, cash equivalents and investments	\$ 80,846,420	\$ 2,488,638	\$ 4,474,119
Restricted cash, cash equivalents and investments	-	-	-
Taxes receivable	15,457,524	1,131,513	-
Accounts receivable	3,659,227	-	-
Due from other funds	597,836	-	-
Due from other governments	48,633	-	-
Current property taxes receivable	48,605,209	-	3,708,291
Other current assets	-	-	-
Special assessments			
Current	-	-	-
Noncurrent	-	-	-
Total assets	<u>\$ 149,214,849</u>	<u>\$ 3,620,151</u>	<u>\$ 8,182,410</u>
Liabilities			
Accounts payable	\$ 4,186,976	\$ 174,949	\$ 7,129
Accrued expenditures	2,563,858	-	46,231
Contracts payable	-	-	-
Due to other funds	-	-	-
Unearned revenue	50,967	-	-
Total liabilities	<u>6,801,801</u>	<u>174,949</u>	<u>53,360</u>
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	48,631,780	-	3,708,291
Unavailable revenue - special assessments	-	-	-
Unavailable revenue - other	98,543	-	-
Total deferred inflows	<u>48,730,323</u>	<u>-</u>	<u>3,708,291</u>
Fund Balance			
Restricted	9,630	3,445,202	4,420,759
Assigned	42,077,867	-	-
Unassigned	51,595,228	-	-
Total fund balance	<u>93,682,725</u>	<u>3,445,202</u>	<u>4,420,759</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 149,214,849</u>	<u>\$ 3,620,151</u>	<u>\$ 8,182,410</u>

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

Combined Transient Guest Tax	Street Improvement	Debt Service	Other Governmental Funds	Total
\$ 1,065,107	\$ 21,022,805	\$ 250,000	\$ 41,509,845	\$ 151,656,934
-	1,716,003	-	9,194,061	10,910,064
2,656,633	-	-	2,330,744	21,576,414
463,646	-	-	13,630	4,136,503
-	-	-	-	597,836
-	1,983,265	-	458,633	2,490,531
-	-	-	-	52,313,500
598,286	-	-	-	598,286
-	-	183,455	-	183,455
-	-	333,858	-	333,858
<u>\$ 4,783,672</u>	<u>\$ 24,722,073</u>	<u>\$ 767,313</u>	<u>\$ 53,506,913</u>	<u>\$ 244,797,381</u>
\$ 1,038,454	\$ -	\$ -	\$ 56,204	\$ 5,463,712
-	-	-	-	2,610,089
-	3,228,099	-	3,719,077	6,947,176
-	-	-	597,836	597,836
1,743,115	-	-	56,428	1,850,510
<u>2,781,569</u>	<u>3,228,099</u>	<u>-</u>	<u>4,429,545</u>	<u>17,469,323</u>
-	-	-	-	52,340,071
-	-	517,313	-	517,313
-	25,282	-	-	123,825
<u>-</u>	<u>25,282</u>	<u>517,313</u>	<u>-</u>	<u>52,981,209</u>
2,002,103	-	250,000	26,949,439	37,077,133
-	21,468,692	-	22,189,547	85,736,106
-	-	-	(61,618)	51,533,610
<u>2,002,103</u>	<u>21,468,692</u>	<u>250,000</u>	<u>49,077,368</u>	<u>174,346,849</u>
<u>\$ 4,783,672</u>	<u>\$ 24,722,073</u>	<u>\$ 767,313</u>	<u>\$ 53,506,913</u>	<u>\$ 244,797,381</u>

CITY OF OVERLAND PARK, KANSAS

**Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
December 31, 2019**

Fund balances - total governmental funds \$ 174,346,849

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. 1,057,507,677

Certain items, which result in a consumption of net position applicable to a future reporting period, are recognized as deferred outflows of resources in the statement of net position.

Deferred outflows - OPEB	\$ 323,376	
Deferred outflows - KPERS	10,917,625	
Deferred outflows - Police & Fire	1,307,913	
Deferred charge on refunding	<u>982,737</u>	13,531,651

Other long-term assets are not available to pay for current period expenditures and therefore, are reported as unavailable revenue in the governmental funds. 641,138

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

Bonds payable	(95,580,000)	
Accrued interest payable	(1,215,796)	
Premium on bonds payable	(10,402,724)	
Accrued compensated absences	(8,789,483)	
Capital lease payable	(9,351)	
Net pension liability - KPERS	(41,997,581)	
Net pension liability - Police & Fire	(5,020,947)	
Net OPEB liability - City plan	(9,853,129)	
Total OPEB liability - KPERS D&D	<u>(1,290,654)</u>	(174,159,665)

Certain items, which result in an acquisition of net position applicable to a future reporting period, are recognized as deferred inflows of resources in the statement of net position.

Deferred inflows - OPEB	(3,218,349)	
Deferred inflows - KPERS	(908,481)	
Deferred inflows - Police & Fire	<u>(6,006,312)</u>	(10,133,142)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position. 6,983,841

Net position of the governmental activities \$ 1,068,718,349

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

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CITY OF OVERLAND PARK, KANSAS

Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds
For the Year Ended December 31, 2019

	General	One-Eighth Cent Sales Tax - Street Improvement	Stormwater Utility
Revenues			
Property tax	\$ 46,351,923	\$ -	\$ 3,594,487
Sales tax	77,647,262	6,182,921	-
Franchise tax	10,556,093	-	-
Transient guest tax	-	-	-
Charges for services	7,222,548	-	4,939,016
Licenses and permits	7,405,695	-	-
Fines and penalties	2,885,785	-	-
Use of money	4,397,117	53,313	227,069
Intergovernmental	8,861,867	-	687,387
Contributions	1,958,070	-	-
Capital and operating grants	-	-	-
Total revenues	<u>167,286,360</u>	<u>6,236,234</u>	<u>9,447,959</u>
Expenditures			
Current:			
General government	22,494,870	-	-
Public safety	60,894,829	-	-
Public works	14,917,256	-	3,390,477
Parks and recreation	11,310,038	-	-
Planning and development services	8,078,248	-	-
Capital improvements	-	-	-
Debt service:			
Principal retirement	3,389	-	-
Interest on long-term debt	-	-	-
Total expenditures	<u>117,698,630</u>	<u>-</u>	<u>3,390,477</u>
Excess (deficiency) of revenues over (under) expenditures	<u>49,587,730</u>	<u>6,236,234</u>	<u>6,057,482</u>
Other financing sources (uses)			
Issuance of capital lease	12,740	-	-
Transfers in	2,125,656	-	1,032,762
Transfers out	(52,000,353)	(3,971,000)	(6,272,782)
Total other financing sources (uses)	<u>(49,861,957)</u>	<u>(3,971,000)</u>	<u>(5,240,020)</u>
Net change in fund balances	<u>(274,227)</u>	<u>2,265,234</u>	<u>817,462</u>
Fund balances, beginning of year, as previously reported	93,947,180	1,179,968	3,603,297
Prior period adjustment	9,772	-	-
Fund balances, beginning of year, restated	<u>93,956,952</u>	<u>1,179,968</u>	<u>3,603,297</u>
Fund balances, end of year	<u>\$ 93,682,725</u>	<u>\$ 3,445,202</u>	<u>\$ 4,420,759</u>

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

Combined Transient Guest Tax	Street Improvement	Debt Service	Other Governmental Funds	Total
\$ -	\$ -	\$ -	\$ 1,701,301	\$ 51,647,711
-	-	-	10,556,061	94,386,244
-	-	-	-	10,556,093
10,215,332	-	-	-	10,215,332
13,742,318	-	-	5,570	25,909,452
-	-	-	88,802	7,494,497
-	-	-	-	2,885,785
5,828	-	9,414	548,826	5,241,567
-	7,441,141	-	8,566,338	25,556,733
-	232,444	152,975	3,808,324	6,151,813
-	-	-	4,464,186	4,464,186
<u>23,963,478</u>	<u>7,673,585</u>	<u>162,389</u>	<u>29,739,408</u>	<u>244,509,413</u>
15,526,221	-	-	3,144,776	41,165,867
-	-	-	1,280,343	62,175,172
-	-	-	11,346,912	29,654,645
-	-	-	64,267	11,374,305
-	-	-	806,027	8,884,275
-	37,907,448	-	32,208,617	70,116,065
-	-	14,095,000	-	14,098,389
-	-	3,932,634	-	3,932,634
<u>15,526,221</u>	<u>37,907,448</u>	<u>18,027,634</u>	<u>48,850,942</u>	<u>241,401,352</u>
<u>8,437,257</u>	<u>(30,233,863)</u>	<u>(17,865,245)</u>	<u>(19,111,534)</u>	<u>3,108,061</u>
-	-	-	-	12,740
4,721,373	30,945,150	17,865,245	21,306,785	77,996,971
(13,837,601)	(652,659)	-	(9,348,277)	(86,082,672)
<u>(9,116,228)</u>	<u>30,292,491</u>	<u>17,865,245</u>	<u>11,958,508</u>	<u>(8,072,961)</u>
<u>(678,971)</u>	<u>58,628</u>	<u>-</u>	<u>(7,153,026)</u>	<u>(4,964,900)</u>
2,681,074	21,410,064	250,000	47,135,125	170,206,708
-	-	-	9,095,269	9,105,041
<u>2,681,074</u>	<u>21,410,064</u>	<u>250,000</u>	<u>56,230,394</u>	<u>179,311,749</u>
<u>\$ 2,002,103</u>	<u>\$ 21,468,692</u>	<u>\$ 250,000</u>	<u>\$ 49,077,368</u>	<u>\$ 174,346,849</u>

CITY OF OVERLAND PARK, KANSAS

**Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental
Funds to the Statement of Activities
For the Year Ended December 31, 2019**

Net change in fund balances - total governmental funds \$ (4,964,900)

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	\$ 2,733,981	
Expenditures for capital assets	40,537,556	
Less current year depreciation	(41,232,367)	
Disposal of capital assets	<u>(410,020)</u>	1,629,150

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.

Accrued interest on bonds payable	(22,906)	
Pension expense	(5,114,527)	
OPEB expense	548,795	
Compensated absences	<u>(269,720)</u>	(4,858,358)

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	122,727	
Capital grants	<u>(479,943)</u>	(357,216)

Proceeds from the issuance of long-term debt provide current financial resources to governmental funds, but issuing debt increase long-term liabilities in the statement of net position.

Capital leases	<u>(12,740)</u>	(12,740)
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Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

14,098,389

The amortization of bond premiums and discounts affects long-term liabilities in the statement of net position, but does not provide or consume current financial resources in governmental funds.

1,183,377

Deferred refunding costs reduce current financial resources of governmental funds but do not decrease long-term liabilities in the statement of net position.

(153,626)

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

2,523,149

Changes in net position of the governmental activities \$ 9,087,225

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

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CITY OF OVERLAND PARK, KANSAS

Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual - Budgetary Basis
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Property tax	\$ 46,460,000	\$ 46,460,000	\$ 46,351,924	\$ (108,076)
Sales tax	77,060,000	77,060,000	77,647,262	587,262
Franchise tax	10,877,000	10,877,000	10,556,093	(320,907)
Charges for services	5,921,250	5,921,250	7,222,548	1,301,298
Licenses and permits	9,140,750	9,140,750	7,405,695	(1,735,055)
Fines and penalties	4,187,000	4,187,000	2,885,785	(1,301,215)
Use of money	1,000,000	1,000,000	2,820,201	1,820,201
Intergovernmental	9,112,000	9,112,000	8,861,367	(250,633)
Contributions	1,737,000	1,737,000	1,903,489	166,489
Total revenues	165,495,000	165,495,000	165,654,364	159,364
Expenditures				
Current:				
General government				
Mayor and council	448,850	540,904	462,049	78,855
Economic development	652,680	772,680	731,703	40,977
Emergency management	285,282	285,266	247,487	37,779
City manager	1,123,497	1,187,065	1,288,544	(101,479)
Communications	654,838	724,413	698,409	26,004
Information technology	6,658,457	6,681,590	6,434,169	247,421
Facilities management	4,003,426	4,122,277	3,792,058	330,219
Municipal court	3,233,840	3,214,814	2,822,865	391,949
Law	1,810,537	1,810,992	1,727,000	83,992
Finance and accounting	1,651,496	1,654,004	1,596,452	57,552
City clerk	824,955	823,011	680,598	142,413
Human resources	2,091,804	2,128,394	2,278,206	(149,812)
Payroll	501,118	496,294	476,644	19,650
City wide contingency	4,000,000	2,583,894	-	2,583,894
Total general government	27,940,780	27,025,598	23,236,184	3,789,414
Public safety				
Police				
Police administration	3,352,580	3,130,960	3,210,894	(79,934)
Tactical operations	22,644,776	22,191,427	21,035,635	1,155,792
Special services bureau	13,285,794	13,470,903	12,035,414	1,435,489
Total police	39,283,150	38,793,290	36,281,943	2,511,347
Fire				
Fire services	743,000	743,000	873,559	(130,559)
Administration	1,461,931	1,463,900	1,409,791	54,109
Operations	17,617,282	17,469,132	17,072,875	396,257
Prevention	846,086	839,329	843,331	(4,002)
Support services	669,265	674,487	527,575	146,912
Training	1,002,811	993,254	949,333	43,921
Merriam fire operations	2,663,999	2,656,810	2,432,845	223,965
Total fire	25,004,374	24,839,912	24,109,309	730,603
Total public safety	64,287,524	63,633,202	60,391,252	3,241,950
Public works				
Public works administration	909,472	906,060	850,531	55,529
Street engineering and construction	3,190,053	3,127,347	3,018,293	109,054
Traffic services	1,948,425	1,904,235	1,826,996	77,239
Traffic maintenance	3,432,385	3,419,205	3,449,641	(30,436)
Public works maintenance	4,661,884	5,186,234	4,787,596	398,638
Fleet maintenance	1,082,370	1,075,916	1,119,733	(43,817)
Total public works	15,224,589	15,618,997	15,052,790	566,207

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

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Parks and recreation				
Parks and forestry	\$ 3,917,416	\$ 4,186,543	\$ 3,946,172	\$ 240,371
Arboretum/ botanical garden	1,032,901	1,243,663	1,103,236	140,427
Leisure services	1,082,916	1,120,702	1,132,207	(11,505)
Community centers	1,867,652	1,863,121	1,742,325	120,796
Farmstead	2,226,070	2,217,317	2,061,755	155,562
Aquatics	1,336,884	1,334,498	1,315,712	18,786
Total parks and recreation	<u>11,463,839</u>	<u>11,965,844</u>	<u>11,301,407</u>	<u>664,437</u>
Planning and development services				
Planning and development	2,365,584	2,358,184	2,468,869	(110,685)
Community services	2,710,735	2,666,158	2,066,708	599,450
Building safety	2,586,492	2,540,441	2,365,085	175,356
Engineering services	1,280,457	1,258,302	1,050,905	207,397
Strategic planning	-	8,500	6,393	2,107
Total planning and development services	<u>8,943,268</u>	<u>8,831,585</u>	<u>7,957,960</u>	<u>873,625</u>
Total expenditures	<u>127,860,000</u>	<u>127,075,226</u>	<u>117,939,593</u>	<u>9,135,633</u>
Excess of revenues over expenditures	<u>37,635,000</u>	<u>38,419,774</u>	<u>47,714,771</u>	<u>9,294,997</u>
Other financing sources (uses):				
Transfers (to) from other funds:				
Special revenue funds	150,000	150,000	150,000	-
Golf course fund	150,000	150,000	150,000	-
Soccer complex fund	(11,500,000)	(11,500,000)	(12,248,445)	(748,445)
Debt service fund	(100,000)	(100,000)	(105,872)	(5,872)
Capital project funds	(69,965,000)	(70,749,775)	(30,143,398)	40,606,377
Equipment reserve funds	(770,000)	(770,000)	(1,000,000)	(230,000)
Total other financing sources (uses)	<u>(82,035,000)</u>	<u>(82,819,775)</u>	<u>(43,197,715)</u>	<u>39,622,060</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (44,400,000)</u>	<u>\$ (44,400,001)</u>	<u>4,517,056</u>	<u>\$ 48,917,057</u>
Reconciliation to GAAP basis:				
Activity reported within general fund subfunds:				
County courthouse sales tax fund			(794,181)	
Capital improvement fund			(5,175,166)	
Equipment reserve fund			(803,055)	
Facility maintenance reserve fund			500,000	
Special street improvement fund			(47,100)	
Special liability defense fund			1,874	
Risk management reserve fund			(311,151)	
Excise tax fund			888,824	
Self insurance fund			47,335	
Sanders trust fund			155	
Tomahawk cementery fund			(297)	
Change in encumbrances			<u>901,479</u>	
Fund balances, beginning of year, previously reported			93,947,180	
Prior period adjustment			<u>9,772</u>	
Fund balances, beginning of year, restated			<u>93,956,952</u>	
Fund balances, end of year			<u>\$ 93,682,725</u>	

CITY OF OVERLAND PARK, KANSAS

Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual - Budgetary Basis
One-Eighth Cent Sales Tax - Street Improvement
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Sales tax	\$ 6,143,000	\$ 6,143,000	\$ 6,182,921	\$ 39,921
Use of money	22,000	22,000	53,313	31,313
Total revenues	<u>6,165,000</u>	<u>6,165,000</u>	<u>6,236,234</u>	<u>71,234</u>
Excess of revenues over expenditures	<u>6,165,000</u>	<u>6,165,000</u>	<u>6,236,234</u>	<u>71,234</u>
Other financing sources (uses):				
Transfers (to) from other funds:				
General fund	(150,000)	(150,000)	(150,000)	-
Capital project funds	(6,180,000)	(6,180,000)	(3,821,000)	2,359,000
Total other financing sources (uses)	<u>(6,330,000)</u>	<u>(6,330,000)</u>	<u>(3,971,000)</u>	<u>2,359,000</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(165,000)</u>	<u>(165,000)</u>	<u>2,265,234</u>	<u>2,430,234</u>
Fund balances, beginning of year	<u>165,000</u>	<u>165,000</u>	<u>1,179,968</u>	<u>1,014,968</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,445,202</u>	<u>\$ 3,445,202</u>

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

CITY OF OVERLAND PARK, KANSAS

Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual - Budgetary Basis
Stormwater Utility
For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property tax	\$ 3,585,000	\$ 3,585,000	\$ 3,594,487	\$ 9,487
Charges for services	5,285,000	5,285,000	4,939,016	(345,984)
Use of money	32,000	32,000	227,069	195,069
Intergovernmental	683,000	683,000	687,387	4,387
Total revenues	<u>9,585,000</u>	<u>9,585,000</u>	<u>9,447,959</u>	<u>(137,041)</u>
Expenditures				
Current:				
Public works	7,030,000	7,030,000	3,424,918	3,605,082
Total expenditures	<u>7,030,000</u>	<u>7,030,000</u>	<u>3,424,918</u>	<u>3,605,082</u>
Excess of revenues over expenditures	<u>2,555,000</u>	<u>2,555,000</u>	<u>6,023,041</u>	<u>3,468,041</u>
Other financing sources (uses):				
Transfers (to) from other funds:				
Capital project funds	(4,580,000)	(4,580,000)	(5,257,234)	(677,234)
Internal service funds	(25,000)	(25,000)	(24,500)	500
Equipment reserve funds	(125,000)	(125,000)	41,714	166,714
Total other financing sources (uses)	<u>(4,730,000)</u>	<u>(4,730,000)</u>	<u>(5,240,020)</u>	<u>(510,020)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(2,175,000)</u>	<u>(2,175,000)</u>	<u>783,021</u>	<u>2,958,021</u>
Reconciliation to GAAP basis:				
Encumbrances			<u>34,441</u>	
Fund balances, beginning of year	<u>2,175,000</u>	<u>2,175,000</u>	<u>3,603,297</u>	<u>1,428,297</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,420,759</u>	<u>\$ 4,386,318</u>

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

CITY OF OVERLAND PARK, KANSAS

Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual - Budgetary Basis
Combined Transient Guest Tax
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Transient guest tax	\$ 10,700,000	\$ 10,700,000	\$ 10,215,332	\$ (484,668)
Charges for services	-	-	13,742,318	13,742,318
Use of money	19,900	14,200	5,828	(8,372)
Total revenues	<u>10,719,900</u>	<u>10,714,200</u>	<u>23,963,478</u>	<u>13,249,278</u>
Expenditures				
Current:				
General government	3,705,000	3,355,000	15,526,221	(12,171,221)
Total expenditures	<u>3,705,000</u>	<u>3,355,000</u>	<u>15,526,221</u>	<u>(12,171,221)</u>
Excess of revenues over expenditures	<u>7,014,900</u>	<u>7,359,200</u>	<u>8,437,257</u>	<u>1,078,057</u>
Other financing sources (uses):				
Transfers (to) from other funds:				
General fund	5,000,000	4,150,000	4,721,373	571,373
Capital project funds	(5,970,000)	(4,535,000)	-	4,535,000
Debt service fund	(5,405,000)	(5,340,000)	(5,339,699)	301
Overland Park Development Corporation	(7,134,200)	(7,134,200)	(8,497,902)	(1,363,702)
Transient guest tax funds	34,300	-	-	-
Convention Center Operations	900,000	900,000	-	(900,000)
Total other financing sources (uses)	<u>(12,574,900)</u>	<u>(11,959,200)</u>	<u>(9,116,228)</u>	<u>2,842,972</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(5,560,000)</u>	<u>(4,600,000)</u>	<u>(678,971)</u>	<u>3,921,029</u>
Fund balances, beginning of year	<u>5,560,000</u>	<u>4,600,000</u>	<u>2,681,074</u>	<u>(1,918,926)</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,002,103</u>	<u>\$ 2,002,103</u>

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

CITY OF OVERLAND PARK, KANSAS

Statement of Net Position - Proprietary Funds
December 31, 2019

	OPDC	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Combined Internal Service Funds
Assets				
Current Assets:				
Cash, cash equivalents and investments	\$ 1,287,566	\$ 1,807,502	\$ 3,095,068	\$ 5,919,868
Investments, restricted, current portion	9,419,981	-	9,419,981	-
Accounts receivable	515,090	3,266	518,356	326,776
Inventory	80,389	215,800	296,189	-
Other current assets	63,938	-	63,938	-
Total current assets	<u>11,366,964</u>	<u>2,026,568</u>	<u>13,393,532</u>	<u>6,246,644</u>
Long-term Assets				
Restricted:				
Cash and cash equivalents	11,809,626	-	11,809,626	2,688,274
Investments	6,403,446	-	6,403,446	-
Capital assets:				
Land, improvements and construction in progress	-	1,425,200	1,425,200	-
Capital assets, net of depreciation	41,529,156	9,069,233	50,598,389	-
Total capital assets	<u>41,529,156</u>	<u>10,494,433</u>	<u>52,023,589</u>	<u>-</u>
Total long-term assets	<u>59,742,228</u>	<u>10,494,433</u>	<u>70,236,661</u>	<u>2,688,274</u>
Total assets	<u>71,109,192</u>	<u>12,521,001</u>	<u>83,630,193</u>	<u>8,934,918</u>
Deferred Outflows of Resources				
Deferred charge on refunding	3,367,561	-	3,367,561	-
Total deferred outflows	<u>3,367,561</u>	<u>-</u>	<u>3,367,561</u>	<u>-</u>
Liabilities				
Current Liabilities:				
Accounts payable	3,909,580	24,674	3,934,254	190,649
Accrued expenses	1,635,361	27,739	1,663,100	-
Accrued interest payable	450,325	-	450,325	-
Unearned revenue	-	246,365	246,365	-
Claims payable	-	-	-	1,760,428
Accrued compensated absences	-	74,784	74,784	-
Bonds payable	2,235,000	-	2,235,000	-
Capital lease obligation	-	27,525	27,525	-
Total current liabilities	<u>8,230,266</u>	<u>401,087</u>	<u>8,631,353</u>	<u>1,951,077</u>
Long-term liabilities				
Accrued compensated absences	-	38,127	38,127	-
Bonds payable	102,822,976	-	102,822,976	-
Capital lease obligation	-	58,509	58,509	-
Ground lease obligation	956,806	-	956,806	-
Total long-term liabilities	<u>103,779,782</u>	<u>96,636</u>	<u>103,876,418</u>	<u>-</u>
Total liabilities	<u>112,010,048</u>	<u>497,723</u>	<u>112,507,771</u>	<u>1,951,077</u>
Net Position (Deficit)				
Net investment in capital assets	(60,161,259)	10,408,399	(49,752,860)	-
Restricted for:				
Debt service	9,432,080	-	9,432,080	-
Capital and other projects	18,200,973	-	18,200,973	-
Workers' compensation claims	-	-	-	1,544,421
Employee medical claim allocations	-	-	-	428,804
Unrestricted	(5,005,089)	1,614,879	(3,390,210)	5,010,616
Total net position (deficit)	<u>\$ (37,533,295)</u>	<u>\$ 12,023,278</u>	<u>\$ (25,510,017)</u>	<u>\$ 6,983,841</u>

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

CITY OF OVERLAND PARK, KANSAS

Statement of Revenues, Expenses and Changes in
Fund Net Position - Proprietary Funds
For the Year Ended December 31, 2019

	OPDC	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Combined Internal Service Funds
Operating Revenues:				
Charges for services	\$ 22,956,308	\$ 7,412,464	\$ 30,368,772	\$ 14,833,839
Other reimbursements	101,775	241,257	343,032	5,309
Total operating revenues	<u>23,058,083</u>	<u>7,653,721</u>	<u>30,711,804</u>	<u>14,839,148</u>
Operating Expenses:				
Claims paid	-	-	-	12,818,358
Contractual services	-	-	-	82,943
Soccer operations	-	1,128,641	1,128,641	-
Golf course operations	-	5,599,347	5,599,347	-
OPDC operations	17,295,700	-	17,295,700	-
Depreciation	3,116,267	227,605	3,343,872	-
Total operating expenses:	<u>20,411,967</u>	<u>6,955,593</u>	<u>27,367,560</u>	<u>12,901,301</u>
Operating income (loss)	<u>2,646,116</u>	<u>698,128</u>	<u>3,344,244</u>	<u>1,937,847</u>
Nonoperating Revenue (Expense):				
Interest earned on investments	228,522	29,314	257,836	161,302
Capital contributions	-	7,695,001	7,695,001	-
Gain (loss) on disposal of assets	-	1,592	1,592	-
Miscellaneous income (expense)	(11,765)	-	(11,765)	-
Interest and amortization on long-term debt	(5,902,589)	-	(5,902,589)	-
Total nonoperating revenue (expense)	<u>(5,685,832)</u>	<u>7,725,907</u>	<u>2,040,075</u>	<u>161,302</u>
Income (loss) before transfers	<u>(3,039,716)</u>	<u>8,424,035</u>	<u>5,384,319</u>	<u>2,099,149</u>
Transfers in	8,497,902	20,999	8,518,901	424,000
Transfers out	-	(857,200)	(857,200)	-
Change in net position	5,458,186	7,587,834	13,046,020	2,523,149
Net position, beginning	(42,991,481)	4,435,444	(38,556,037)	4,460,692
Net position, ending	<u>\$ (37,533,295)</u>	<u>\$ 12,023,278</u>	<u>\$ (25,510,017)</u>	<u>\$ 6,983,841</u>

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

CITY OF OVERLAND PARK, KANSAS

Statement of Cash Flows - Proprietary Funds For the Year Ended December 31, 2019

	OPDC	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Combined Internal Service Funds
Cash flows from operating activities				
Receipts from customers	\$ 23,603,743	\$ 7,440,024	\$ 31,043,767	\$ 14,525,466
Other receipts	-	241,257	241,257	5,309
Claims paid	-	-	-	(13,531,006)
Payments to employees for salaries and benefits	-	(3,526,542)	(3,526,542)	-
Payments to suppliers and service providers	(18,259,447)	(3,279,899)	(21,539,346)	99,916
Net cash provided by (used in) operating activities	<u>5,344,296</u>	<u>874,840</u>	<u>6,219,136</u>	<u>1,099,685</u>
Cash flows from noncapital financing activities				
Transfers from other funds	8,497,902	20,999	8,518,901	424,000
Transfers to other funds	-	(857,200)	(857,200)	-
Net cash provided by (used in) noncapital financing activities	<u>8,497,902</u>	<u>(836,201)</u>	<u>7,661,701</u>	<u>424,000</u>
Cash flows from capital and related financing activities				
Revenue bond proceeds	10,743,283	-	10,743,283	-
Principal paid on capital debt	(3,445,000)	(31,079)	(3,476,079)	-
Interest and trust fees paid on capital debt	(4,870,872)	-	(4,870,872)	-
Acquisition and construction of capital assets	(1,083,393)	(64,262)	(1,147,655)	-
Net cash provided by (used in) capital and related financing activities	<u>1,344,018</u>	<u>(95,341)</u>	<u>1,248,677</u>	<u>-</u>
Cash flows from investing activities				
Interest and dividends received	205,578	29,314	234,892	161,302
Purchase of restricted investments	(15,531,650)	-	(15,531,650)	-
Proceeds from sale of investments	10,868,588	1,592	10,870,180	-
Net cash provided by (used in) investing activities	<u>(4,457,484)</u>	<u>30,906</u>	<u>(4,426,578)</u>	<u>161,302</u>
Net increase (decrease) in cash and cash equivalents	10,728,732	(25,796)	10,702,936	1,684,987
Cash and cash equivalents, beginning	2,368,460	1,833,298	4,201,758	6,923,155
Cash and cash equivalents, ending	<u>\$ 13,097,192</u>	<u>\$ 1,807,502</u>	<u>\$ 14,904,694</u>	<u>\$ 8,608,142</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income	\$ 2,646,116	\$ 698,128	\$ 3,344,244	\$ 1,937,847
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in accounts receivable	545,660	(3,108)	542,552	(308,373)
(Increase) decrease in inventory	(777)	(102,455)	(103,232)	-
(Increase) decrease in other current assets	45,734	-	45,734	-
Increase (decrease) in accounts payable	(20,961)	10,083	(10,878)	182,859
Increase (decrease) in accrued expenses	161,354	13,919	175,273	-
Increase (decrease) in unearned revenue	-	30,668	30,668	-
Increase (decrease) in claims payable	-	-	-	(712,648)
Increase (decrease) in subordinated asset and property management fee payable	(1,149,097)	-	(1,149,097)	-
Depreciation expense	3,116,267	227,605	3,343,872	-
Net cash provided by (used in) operating activities	<u>\$ 5,344,296</u>	<u>\$ 874,840</u>	<u>\$ 6,219,136</u>	<u>\$ 1,099,685</u>
Schedule of non-cash investing and financing activities:				
Change in fair value of investments	\$ 34,944	\$ -	\$ 34,944	\$ -
Capital contributions	-	7,695,001	7,695,001	-

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

CITY OF OVERLAND PARK, KANSAS

Statement of Fiduciary Net Position - Fiduciary Funds
December 31, 2019

	Employee Benefit	
	Trust Funds	Custodial Funds
	<u> </u>	<u> </u>
Assets		
Cash and cash equivalents	\$ 3,795,978	\$ 27,918
Investments:		
Equity securities	48,784,178	-
Mutual funds	157,378,742	-
Real estate investment trust	9,578,150	-
Corporate bonds	11,463,258	-
U.S. government securities	10,773,764	-
Total assets	<u>241,774,070</u>	<u>27,918</u>
 Liabilities		
Due to other entities	<u>-</u>	<u>27,918</u>
Total liabilities	<u>-</u>	<u>27,918</u>
 Net Position		
Held in trust for pension and OPEB benefits and other purposes	<u>241,774,070</u>	<u>-</u>
Total net position	<u>\$ 241,774,070</u>	<u>\$ -</u>

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

CITY OF OVERLAND PARK, KANSAS

Statement of Changes in Fiduciary Net
Position - Fiduciary Funds
For the Year Ended December 31, 2019

	Employee Benefit Trust Funds	Private- Purpose Trust Funds	Custodial Funds
Additions			
Contributions:			
Employer	\$ 6,305,266	\$ -	\$ -
Plan members	61,464	-	-
Total contributions	<u>6,366,730</u>	<u>-</u>	<u>-</u>
Investment earnings:			
Net increase in fair value of investments	32,268,808	-	-
Interest	917,112	-	-
Dividends	5,745,963	-	-
Total investment earnings	<u>38,931,883</u>	<u>-</u>	<u>-</u>
Collections for other governments	-	-	407,338
Total additions	<u>45,298,613</u>	<u>-</u>	<u>407,338</u>
Deductions			
Benefits	7,840,756	-	-
Administrative expenses	406,681	-	-
Payments to other governments	-	-	407,338
Total deductions	<u>8,247,437</u>	<u>-</u>	<u>407,338</u>
Change in net position	<u>37,051,176</u>	<u>-</u>	<u>-</u>
Net position, beginning, as previously reported	204,722,894	2,762	-
Prior period adjustment	-	(2,762)	-
Net position, beginning, as restated	<u>204,722,894</u>	<u>-</u>	<u>-</u>
Net position, ending	<u>\$ 241,774,070</u>	<u>\$ -</u>	<u>\$ -</u>

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

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies

A. Reporting entity

The City of Overland Park, Kansas (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: general government, public safety, public works, parks and recreation and planning and development services.

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 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.

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 and custodial funds.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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 pension and 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, including all taxes, 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.

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 operating 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.

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 and renewed in October 2013.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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 used to fund the operations, maintenance, capital improvements and debt service of the City's stormwater management program.

Combined Transient Guest Tax Fund: To account for revenue received from a nine percent transient guest tax with its use restricted for three separate legal funds that account for expenditures relating to tourism and convention activities; revenue received from four percent of the transient guest tax is restricted to capital expenditures relating to tourism and convention activities and the operation of the convention center; revenue received from two percent of the transient guest tax is restricted to promoting tourism within the City.

Capital Projects Fund:

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

Debt Service Fund:

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.

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.

In applying the susceptible to accrual concept under the modified accrual basis, revenues 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 eligibility requirements have been satisfied. Property taxes, though measurable, are recognized during 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.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. However, principal and interest on general long-term debt as well as compensated absences, pension and OPEB contributions and claims and judgments 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 OPDC operations, 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.

The internal service funds account for payment of judgments, claims, uninsured losses for 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 and custodial funds are prepared using economic resources measurement focus and the accrual basis of accounting.

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.

The custodial 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 CMB 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.

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 amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

C. 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 postemployment benefit trust funds, for the purpose of increasing revenue through investment activities. Each fund's portion of this pool is displayed on the balance sheet or statement of net position, 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 four years. The average yield on maturing investments during the year was 1.99% percent and the amount of investment revenue earned was \$5,432,183. The investment revenue is equivalent to a 1.474 mill property tax.

The City's investments are reported at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same - that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between the market and participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. See Note III.B. for additional information regarding fair value measures.

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 and the proprietary fund type statement of net position.

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 acquisition value on the date donated. Only capital assets with a value of \$500 or more are capitalized by the City, whereas costs incurred for repairs and maintenance are expensed as incurred.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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

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

Vacation and Sick Leave

Vacation time accrues on a bi-weekly basis and is available to all regular full-time and certain part-time employees of the City in varying annual amounts depending upon the length of service. Employees are allowed to accumulate and carry forward a maximum of two times the annual rate 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 forfeited by employees.

Sick leave benefits accrue, with no maximum accumulation, to all regular full-time employees of the City, at the rate of 3.70 hours biweekly and at a maximum accrual of 96 hours annually. Certain part-time employees accrue sick leave 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:

Years of Service	Percent of Accumulated Unused Sick Leave Which is Compensated
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.

Ground Lease Obligation

The City owns the land upon which the convention center hotel is located and leases the land to the Overland Park Development Corporation pursuant to the terms of a Ground Lease dated December 1, 2000. The Ground Lease terminates upon the earlier of: (1) repayment of the Revenue Bond obligations due January 2031, or (2) December 1, 2060.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

The amount reported as a ground lease obligation, on the statement of net position (deficit) of \$956,806 as of December 31, 2019, represents the amount of lease expense in excess of amounts to be paid. The amount of lease payments due to the City of \$3,169,000 as of December 31, 2019 is included within accounts payable on the statement of net position (deficit).

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.

Long-term debt is reported as a liability in the government-wide statements and proprietary fund type statement of net position. The long-term debt consists primarily of bonds payable, net pension liabilities, net OPEB liability 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. Bond issuance costs are reported as an expense during the period in which they are incurred.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. Rather, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period in which the debt is issued. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as an other financing source while discounts on debt issuances are reported as an other financing use. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions and OPEB

The net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Kansas Public Employees' Retirement System (KPERs) and additions to/deductions from KPERs' fiduciary net position have been determined on the same basis as they are reported by KPERs. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Overland Park Police Department Retirement Plan (PDRP) and the Overland Park Fire Department Retirement Plan (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. 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's general fund.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

Other Post Employment Benefit (OPEB) financial statements are prepared using the accrual basis of accounting. Contributions from the City are recognized when made. Since the OPEB trust was established in 2008, all OPEB related plan benefits have been paid by the City's general fund and not from the OPEB trust fund. OPEB investments are reported at fair value. 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's general fund.

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.
- *Committed* - amounts with a purpose formally imposed by resolution by the Governing Body of the City, binding unless modified or rescinded by resolution of 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. Fiscal Policy Resolution 3915 authorizes the City Manager to assign fund balance.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

- *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:

- a. *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.
- b. *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 Overland Park Development Corporation bond indentures consists of \$9,432,080 restricted for debt service and \$18,200,973 restricted for capital and other projects. Net position restricted through enabling legislation consists of \$9,788,989 for street improvements, \$6,549,703 restricted for capital improvements at the City's convention center and \$1,973,225 for workers' compensation and medical claims.
- c. *Unrestricted net position* - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

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 to and from 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."

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

Interfund Transfers

Permanent reallocations 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 of Resources and Unearned Revenue

In addition to assets, the statement of net 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) until then. The City has three items that qualify for reporting in this category. The first 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 using the straight-line method which approximates the effective interest method. The second deferred outflow item consists of unamortized items not yet recognized in pension expense and contributions from the City after the measurement date but before the end of the City's reporting period. The third deferred outflow item consists of unamortized items not yet recognized in OPEB expense.

In addition to liabilities, the statement of net position or balance sheet 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. Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, special assessments and other receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the City's government-wide statement of net position, only the property tax revenues remain a deferred inflow of resources and will be reported as revenue during the year for which they are levied.

The City's government-wide statements also include pension and OPEB related deferred inflows, which represent the unamortized items not yet recognized in pension expense and unamortized items not yet recognized in OPEB expense.

Unearned revenue arises when resources are received by the City before it has a legal claim to them. In subsequent periods when the City has a legal claim to the resources, revenue is recognized.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

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 the 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.

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 may not exceed the total budgeted expenditures for the cost center without proper justification. 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 budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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. All unencumbered appropriations (legal budget expenditure authority) lapse at the end of the year.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

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

Street Improvement Escrow	Westlinks Land Acquisition
Federal and State Grants	Art in the Woods
Parks and Recreation	Special Law Enforcement

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 \$37,533,295. This deficit will decrease in future years as the debt is paid down. The Federal and State Grants fund, a nonmajor special revenue fund, had a deficit fund balance of \$61,618. This fund balance deficit will decrease as reimbursements from granting agencies are received.

In the General Fund: City Manager exceeded its budget by \$101,479 due to reorganization and the addition of an Assistant to the City Manager position and a part-time intern. Human Resources exceeded their budget by \$149,812 due to increases in pension administrative costs and applicant testing costs. Police Administration exceeded its budget by \$79,934 due to an increase in overtime costs resulting from numerous vacant positions during the year. Fire Services exceeded its budget by \$130,559 due to increased costs to Johnson County Fire District #2. OPFD - Prevention exceeded its budget by \$4,002 due to increases in the costs of commodities. Public Works Traffic Maintenance exceeded its budget by \$30,436 resulting from increased maintenance activities. Public Works Fleet Maintenance exceeded its budget by \$43,817 due to increased maintenance work and snow removal activities. Leisure Services exceeded its budget by \$11,505 because of a retirement payout. Planning and Development exceeded its budget by \$110,685 due to increases in commodities costs and a retirement payout.

In the Combined Transient Guest Tax fund: the City does not budget for the gross amounts of the Convention Center activity that is recognized in this fund, only the net difference in revenues over (under) expenditures within the Transient Guest Tax Capital Fund.

In the Special Tax Financing Fund there were more special financing project expenditures than anticipated when the budget was developed and existing special financing projects generated more revenues than anticipated.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Outstanding Encumbrances

Outstanding encumbrances at year-end are reported as assigned fund balance unless they specifically meet the requirements to be committed or restricted:

	<u>Encumbrances</u>
Major Governmental Funds:	
General	\$ 3,738,185
Stormwater Utility	254,913
Total	<u>\$ 3,993,098</u>

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:

	<u>Expenditures / Encumbrances Non-GAAP Basis</u>	<u>Add: 2018 Encumbrances</u>	<u>Less: 2019 Encumbrances</u>	<u>Reporting Purposes Non-General Fund Expenditures</u>	<u>Expenditures GAAP Basis</u>
General Fund	\$ 117,939,593	\$ 2,836,706	\$ 3,738,185	\$ 660,516	\$ 117,698,630
Stormwater Utility Fund	3,424,918	220,472	254,913	-	3,390,477
Special Alcohol Funds	1,458,176	11,623	-	-	1,469,799
	<u>Fund Balance Non-GAAP Basis</u>	<u>Add: 2019 Encumbrances</u>	<u>Fund Balance GAAP Basis</u>		
General Fund	\$ 89,944,540	\$ 3,738,185	\$ 93,682,725		
Stormwater Utility Fund	4,165,846	254,913	4,420,759		
Special Alcohol Funds	4,069,667	-	4,069,667		

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, 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 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 deferred inflows of resources on the balance sheets of the appropriate funds.

Property taxes are recognized as revenue in the government-wide and governmental fund financial statements in the year intended to be financed by those taxes in accordance with provisions of GASB Statement No. 33 and GASB Statement 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.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

D. Tax Abatements

Property and Sales Tax Abatements: The City of Overland Park (City) approves property and sales tax abatements pursuant to and subject to the terms of, K.S.A 79-201a. *Second*, as amended and K.S.A. 12-1740 to 12-1749d, inclusive, as amended (Economic Development Revenue Bond Act or EDRB Act). The purpose of the EDRB Act is to promote, stimulate and develop the general welfare and economic prosperity of the state of Kansas. Cities are authorized by the EDRB Act to issue economic development revenue bonds, the proceeds of which shall be used for the purpose of paying all or part of the cost of purchasing, acquiring, constructing, reconstructing, improving, equipping, furnishing, repairing, enlarging or remodeling facilities for agricultural, commercial, hospital, industrial, natural resources, recreational development and manufacturing purposes. The EDRB Act defines the term facility to include a site and the necessary site preparation, structures, easements, rights-of-way and appurtenances necessary and convenient to the particular type of facility being financed.

The City's issuance of economic development revenue bonds (EDRBs) is guided by City policy Resolution No. 4251, which identifies the following objectives to be achieved when using EDRBs for a proposed project:

- a. Promoting the City as a center for corporate headquarters and regional office for major local, regional and national firms.
- b. Attracting businesses which will substantially enhance the economic climate of the City and increase or maintain the job market therein.
- c. Promoting economic development and job creation through the construction or renovation of Class A office space.
- d. Leveraging private investment that, in the opinion of the Governing Body, is in the best interest of the City.
- e. Promoting redevelopment projects or economic development projects which implement the intent of this Policy and other adopted City policies regarding land use, density, and design and to meet the highest development standards as outlined in the City's development process, design guidelines, and ordinances.
- f. Encouraging private investment in the redevelopment of property that will have a significant economic impact on the City.
- g. Promoting development of mixed-use developments within the City.
- h. Utilizing EDRBs as a public policy tool that will enable the City to shape the appearance, character and functionality of the community in ways that may not have happened without public investment.

Applications for issuance of EDRBs for a proposed project are subject to review by the City's Finance, Administration and Economic Development Committee and approval of a Resolution of Intent to issue EDRBs adopted by the City Council.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Property tax abatements are authorized by and subject to the terms of, K.S.A 79-201a, Second, which provides that facilities financed pursuant to the EDRB Act, upon issuance of the EDRBs, may be exempt from real property taxation for a period of ten calendar years after the calendar year in which the revenue bonds are issued, subject to compliance with provisions of the EDRB Act and approval by the Kansas Board of Tax Appeals (BOTA).

City Policy Resolution No. 2765 provides that the City will consider granting a tax abatement based on direct economic benefit to the City through advancement of its economic development goals, including the creation of additional jobs and the stimulation of additional private investment. In accordance with Resolution No. 2675 and as required by the EDRB Act, before a tax exemption incentive is granted, a cost-benefit analysis report examining the costs and benefits to the public of the proposed tax exemption is prepared. In addition, prior to granting any tax abatement the City provides a public hearing notice and the City Council conducts a public hearing to consider the abatement. All tax abatements approved by the City are subject to a payment-in-lieu-of-taxes agreement (PILOT Agreement) between the City and the beneficiary of the EDRBs and property tax abatement. All PILOT Agreements include provisions for cancellation of the abatement and recapture of previously abated taxes tied to project-specific thresholds regarding retention and/or creation of jobs. In addition to a PILOT Agreement, the City executes other agreements including City fee ownership or lease of the property for economic development purposes and a lease agreement between the City and the entity or entities occupying the project and receiving the benefit of the property tax abatement. Upon application for tax abatement, BOTA reviews compliance with the EDRB Act and provides an order authorizing the county appraiser to implement the tax abatement and PILOT Agreement.

A sales tax exemption (abatement) on construction materials and services is authorized for facilities financed pursuant to the EDRB Act and in accordance with K.S. A. 79-3606.

In addition to projects approved for a property tax abatement, Resolution No. 4251 provides for consideration of the issuance of EDRBs for the purpose of enabling a project to obtain only a sales tax exemption certificate on the purchase of building materials, labor and/or personal property. This consideration includes, but is not limited to, whether a project achieves the objectives of Resolution No. 4251 and/or is included in a tax increment financing district (TIF), transportation development district (TDD), or community improvement district (CID).

A project exemption certificate (PEC) may be obtained from the Kansas Department of Revenue (KDOR) after City Council approval of a Resolution of Intent to issued EDRBs for a project. The PEC enables contractors for a project to purchase materials, equipment and where applicable, labor, exempt from sales taxes. Although the PEC provides for a sales tax exemption at the time of purchase, the sales tax is owed unless and until the EDRBs are issued prior to completion of the project. After EDRBs are issued, purchases are recorded by a trustee for each EDRB issue (Trustee) when payments or reimbursements are made for project costs. The timing for issuance of the EDRBs is determined by the developer for each project.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

For the fiscal year ending December 31, 2019, the City abated ad valorem property taxes as follows:

Project Name	Black & Veatch 112 th & Lamar
Project Description	Corporate Headquarters for global engineering, consulting, and construction company
EDRB Issue Date	07/02/2009; supplemental issue 12/27/2012
Abatement %	65.5% of ad valorem property taxes
2019 Abated Amount	\$124,016
Project Commitment	Retention of 2,300 employees
Recapture Provisions	If the number of retained employees is fewer than 2,070, the abatement for the following year is reduced proportionally by the average number of employees compared to 2,300 employees. If the number of retained employees is fewer than 1,800, the abatement for the following year is cancelled.

Project Name	Nall Corporate Centre I - 11100 Nall Ave
Project Description	Corporate headquarters for Netsmart, a medical technology company (formerly, Teva, pharmaceutical company)
EDRB Issue Date	09/30/2013
Abatement %	50% of ad valorem property taxes
2019 Abated Amount	\$37,672
Project Commitment	400 full-time equivalent employees with an average salary of \$100,000
Recapture Provisions	If the annual average salary is less than \$80,000 per year, abatement reduced to 37.5% for the following year; Cancellation of abatement for following tax year if the number of employees is fewer than 240; a portion of previously abated taxes are recaptured if the number of employees is fewer than 200.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Project Name	OPX - 115 th & Glenwood
Project Description	Renovation of 680,000 s.f. facility to Class A office, with 201,600 s.f. to be leased by Black & Veatch. Facilitated retention of Black & Veatch's Infrastructure, Telecommunications, Federal, Management and Environmental practices not located at its 112 th & Lamar headquarters.
EDRB Issue Date	12/31/2015
Abatement %	14.7% of ad valorem property taxes; 50% of s.f. occupied by Black & Veatch
2019 Abated Amount	\$26,945
Project Commitment	Retention of 737 employees
Recapture Provisions	If the number of retained employees is fewer than 700 the abatement for the following year is reduced proportionally by the average number of employees compared to 700 employees. If the number of retained employees is fewer than 600, the abatement for the following year is cancelled and a portion of previously abated taxes are recaptured.

Project Name	Nall Corporate Centre II - Mariner Project - 5700 W. 112 th Street
Project Description	Mariner Corporate Headquarters (in 90,000 s.f. of 150,00 s.f. Office)
EDRB Issue Date	12/20/2016
Abatement %	30% of ad valorem property taxes
2019 Abated Amount	\$21,157
Project Commitment	110 full-time equivalent employees with an average salary of \$85,000
Recapture Provisions	Cancellation of abatement for following tax year if the number of employees is fewer than 100; a portion of previously abated taxes are recaptured if the number of employees is fewer than 90.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Project Name	Tower Properties - 6601 College Boulevard
Project Description	Digital Evolution Group Headquarters (in 33,780 s.f. of 99,000 s.f. Office)
EDRB Issue Date	10/12/2017
Abatement %	17.1% of ad valorem property taxes
2019 Abated Amount	\$5,376
Project Commitment	Relocation and retention of 155 full-time equivalent employees with an average salary of \$75,760.
Recapture Provisions	If the number of employees is fewer than 155 or annual compensation is less than \$70,000 the abatement is reduced to 8.5% and a portion of previously abated taxes are recaptured.

Sales tax amounts exempted on project purchases related to the outstanding EDRBs during the fiscal year ending December 31, 2019 are as follows:

Project Name	Promontory NE corner of 91st and Metcalf (Phase 1A)
Project Description	Redevelopment of property and construction of a Mixed-use Residential and Retail Facility.
EDRB Issue Date	12/18/2017
2019 Exempted Sales Tax	\$99,198
Project Commitment	Development of Mixed-Use, Residential and Retail project.
Recapture Provisions	None.

Project Name	Avenue 82
Project Description	Redevelopment of property and construction of an Office Facility, Downtown Overland Park
EDRB Issue Date	03/14/2019
2019 Exempted Sales Tax	\$83,250 (Based on estimated value of materials for project.)
Project Commitment	Redevelopment and Construction of an Office Facility
Recapture Provisions	None.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Project Name	Edison OP
Project Description	Redevelopment of property and construction of a mixed- use Restaurant/Retail and Office Facility, Downtown Overland Park
EDRB Issue Date	07/31/2019
2019 Exempted Sales Tax	\$36,247 (Based on estimated value of materials for project.)
Project Commitment	Redevelopment and Construction of an Office Facility
Recapture Provisions	None.

Project Name	Jack Stack (Ritz Charles Redevelopment)
Project Description	Redevelopment of a Banquet Center for Catering, Banquet and Jack Stack Corporate Headquarters Facility.
EDRB Issue Date	07/31/2019
2019 Exempted Sales Tax	\$39,375 (Based on estimated value of materials for project.)
Project Commitment	Completion of Project
Recapture Provisions	None.

Project Name	Regency Park
Project Description	Shopping Center Renovation
EDRB Issue Date	09/13/19
2019 Exempted Sales Tax	\$67,768
Project Commitment	Completion of Project
Recapture Provisions	None.

Project Name	City Place Corporate Centre III - Wellsky Corporate Headquarters
Project Description	Office Building Construction
EDRB Issue Date	11/12/19
2019 Exempted Sales Tax	\$74,007 (Based on estimated value of materials for project.)
Project Commitment	Completion of Project
Recapture Provisions	None.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Project Name	Novel Place
Project Description	Construction of a Senior Living Facility, 95th & Metcalf
EDRB Issue Date	02/27/20
2019 Exempted Sales Tax	\$20,267
Project Commitment	Completion of project.
Recapture Provisions	None.

Sales Tax and Revenue Bonds: Pursuant to K.S.A. 12 17,160 et seq., as amended (STAR Bond Act) cities are authorized to issue special obligation “sales tax and revenue” bonds (STAR Bonds) for specific development projects.

The STAR Bond Act requires creation of a district (STAR Bond Project District). Creation of a Star Bond Project District can only be established after an finding by Secretary (Secretary) of the Kansas Department of Commerce that a proposed STAR Bond Project District plan is eligible for STAR Bond financing in accordance with the provisions of the STAR Bond Act and Kansas Administrative Regulations. The City must also provide notice of and conduct a public hearing on the creation of a STAR Bond Project District. The Governing Body must also pass an ordinance making findings and establishing a STAR Bond Project District.

Authorization of eligible STAR Bond project expenses is accomplished through the adoption of a STAR Bond Project Plan which can only be approved after completion of a feasibility study, providing notice of and conducting a public hearing on the project plan, approval by a two-thirds vote of the Governing Body and approval by the Secretary. Additionally, a STAR Bond Project Plan approved by the City is subject to a development agreement (STAR Bond Project Development Agreement) between the City and the developer/beneficiary of a STAR Bond project. A STAR Bond Project Development Agreement entered into by the City includes performance milestones and provisions assuring that the STAR Bond project is delivered as represented.

STAR Bonds issued under the STAR Bond Act may be used to pay for costs specifically provided in the STAR Bond Act including property acquisition, site preparation, infrastructure improvements, a museum, a multi-sport athletic facility, related soft costs, bond issuance and costs of financing. The STAR Bonds are payable from incremental State and local sales and compensating use taxes generated from retail projects constructed within the redevelopment district.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

For the fiscal year ending December 31, 2019, incremental sales taxes have been applied to STAR Bond projects as follows:

Project Name	Prairiefire STAR Bond - Phase 1
Project Description	Mixed-use development consisting of retail, restaurants, entertainment and Museum of Prairiefire featuring American Museum of Natural History exhibits.
Approved Amount	100% of incremental sales taxes generated within the Prairiefire STAR Bond Project District.
2019 Sales taxes applied to Bonds	\$512,617
Project Commitment	Construction of the Mixed-Use development.
Recapture Provisions	None. Incremental sales taxes are pledged to Prairiefire Sales Tax Special Obligation Revenue Bonds, Series 2012.

Tax Increment Financing

The City approves tax increment financing (TIF) for projects pursuant to and subject to the terms of K.S.A. 12 1770 et seq., as amended (TIF Act). The TIF Act authorizes the City to assist in the development and redevelopment of eligible areas within and without the City in order to promote, stimulate and develop the general and economic welfare of the State of Kansas and its communities. The Governing Body recognizes that tax increment financing is an appropriate tool to utilize in order avoid and/or reverse declining property values which, if left undeveloped, will have a greater potential impact of lowering the tax base for the City and other taxing jurisdictions.

The TIF Act authorizes the City to apply the incremental increase in ad valorem property tax and other tax revenues to reimburse eligible project expenses. The incremental increase is from a base established upon creation of a redevelopment district (as described below). The tax increment may be used to finance certain project expenditures which are defined in the TIF Act. Tax increment revenues are available for a period of twenty years from the date of approval of a TIF project plan (as described below).

Approval of TIF financing is also subject to City policy Resolution No. 4201 which provides that the City will consider use of TIF when a project meets the requirements of the TIF Act and advances the goals outlined in the policy as follows:

- a. To leverage private investment and finance eligible improvements that, in the opinion of the Governing Body, are in the best interest of the City and promote redevelopment efforts which implement the intent of this policy and other adopted City policies regarding land use, density, and design, and to meet the highest development standards as outlined in the City’s development process, design guidelines, and ordinances.
- b. As a public policy tool that will enable the City to shape the appearance, character and functionality of the community in ways that may not have happened without public assistance.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

- c. To promote successful economic development and job creation in the City.
- d. To promote successful development of mixed-use developments within the City.
- e. To promote the successful development of Class A commercial office space in the City without regard to location.
- f. To encourage private investment and development or redevelopment of property:
 - 1) Within Downtown Overland Park;
 - 2) Within a Vision Metcalf node;
 - 3) Within the Vision Metcalf corridor;
 - 4) Along Shawnee Mission Parkway within City limits;
 - 5) Within the boundaries of an adopted planning study calling for redevelopment.
- g. Although it is the intent of the Governing Body that TIF projects are most appropriately used in the above referenced areas, the Governing Body may consider projects located in any area determined by the Governing Body, at its sole discretion, to be a project which would significantly impact the economic vitality of the City.

The TIF Act and Resolution No. 4201 require creation of a redevelopment district (District). A District can only be established after completion of an eligibility study (as defined in the TIF Act), providing notice of and conducting a public hearing, and a finding by the Governing Body that the area of the proposed Redevelopment District meets criteria outlined in the TIF Act.

Authorization of eligible TIF project expenses is accomplished through the adoption of a Project Plan. A Project Plan can only be established after completion of a feasibility study, providing notice of and conducting a public hearing on the project plan, and approval by a two-thirds vote of the Governing Body. Additionally, all Project Plans approved by the City are subject to a development agreement (Development Agreement) between the City and the developer/beneficiary of the TIF. All Development Agreements entered into by the City include performance milestones and provisions assuring that the redevelopment project is delivered as represented. The agreements also provide for payment of an annual administrative fee, which has been deducted from the tax increment.

For the fiscal year ending December 31, 2019, the City applied incremental revenues to TIF projects as follows:

Project Name	Cherokee South Redevelopment - SWC 95th Street and Antioch Road
Project Description	Redeveloped Shopping Center anchored by a Walgreens drugstore.
Approved TIF	100% of ad valorem property tax increment and 50% of incremental sales taxes
2019 Amount	\$69,028
Project Commitment	Redevelopment of shopping center.
Recapture Provisions	None.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Project Name	Valley View Redevelopment - SEC 95th Street and Antioch Road
Project Description	Redeveloped Shopping Center anchored by a HyVee Grocery store.
Approved TIF	100% of ad valorem property tax increment and incremental sales taxes
2019 Amount	\$455,225
Project Commitment	Redevelopment of shopping center.
Recapture Provisions	None.

Project Name	InterUrban Lofts - SW Corner of 79th Street and Conser in Downtown OP
Project Description	Mixed-Use Multi-Family Residential and Office Redevelopment
Approved TIF	100% of ad valorem property tax increment
2019 Amount	\$10,459
Project Commitment	Completion of Mixed-Use project
Recapture Provisions	None.

Project Name	Avenue 80 - SE Corner of 80th Street and Metcalf Avenue in Downtown OP
Project Description	Mixed-Use Multi-Family Residential, Retail and Office Redevelopment
Approved TIF	100% of ad valorem property tax increment
2019 Amount	\$42,013
Project Commitment	Completion of Mixed-Use project
Recapture Provisions	None.

Project Name	Promontory - NE Corner of 91st Street and Metcalf Avenue
Project Description	Mixed-Use Multi-Family Residential and Retail Redevelopment
Approved TIF	94% of ad valorem property tax increment
2019 Amount	\$34,063
Project Commitment	Completion of Mixed-Use project
Recapture Provisions	None.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Project Name	The Vue - SE Corner of 80th Street and Marty Street in Downtown OP
Project Description	Mixed-Use Multi-Family Residential and Retail Redevelopment
Approved TIF	100% of ad valorem property tax increment
2019 Amount	\$4,829
Project Commitment	Completion of Mixed-Use project
Recapture Provisions	None.

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.

Fair Value Measurements: The City categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input: Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 input: Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

Level 3 input: Inputs that are unobservable for the asset or liability which are typically based upon the City's own assumptions as there is little, in any, related market activity.

Hierarchy: The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs: If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

For the City, the following fair value techniques were utilized in measuring the fair value of its investments:

U.S. Government agency securities (including TVA): U.S. Government securities are reported at fair value based on bullet (noncall) spread scale for each issuer for maturities going out to 40 years. These spreads represent credit risk and are obtained from the new issue market, secondary trading, and dealer quotes.

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 City requires compliance with state statute for the collateralization of all deposits. Financial institutions are required to pledge or assign, for the City's benefit, securities with a market value equal to at least 105% of the amount of the City's total deposits. As of December 31, 2019, the City had deposits totaling \$35,373,211 with assets pledged as collateral with a fair value of \$64,331,604.

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 requires that all investment transactions be settled delivery versus payment and held in the City's name by an independent third party safekeeping agent. As of December 31, 2019, Overland Park Development Corporation (OPDC) had approximately \$1,220,000 of bank deposits that were uninsured and uncollateralized. OPDC's combined cash equivalent and investment balance of \$27,633,053 was fully secured.

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.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

<u>Maturity Range</u>	<u>Target Percentage of Portfolio</u>
Short-term (12 months or less maturity)	Up to 50%
Core Portfolio (Maximum 48 month maturity)	Up to 75%

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>		<u>Fair Value Hierarchy Level</u>
		<u>Less Than 1 Year</u>	<u>1-4 Years</u>	
Investment recorded at fair value:				
FFCB	\$ 20,146,860	\$ 8,058,720	\$ 12,088,140	2
FHLB	27,603,587	17,468,667	10,134,920	2
FHLMC	8,300,667	8,300,667	-	2
FNMA	31,936,377	11,689,177	20,247,200	2
TVA	4,097,800	-	4,097,800	2
U.S. Treasury Notes	45,085,600	17,535,415	27,550,185	1
U.S. Treasury Strips	12,723	-	12,723	1
Investment recorded at costs:				
Certificates of Deposit	12,000,000	4,000,000	8,000,000	N/A
Money Market Accounts	739,168	739,168	-	N/A
Overnight Sweep	23,267,000	23,267,000	-	N/A
Overland Park Development Corporation:				
Investment recorded at fair value:				
U.S. Treasury Notes	14,124,267	7,720,821	6,403,446	1
FNMA	1,699,160	1,699,160	-	1
	<u>\$ 189,013,209</u>	<u>\$ 100,478,795</u>	<u>\$ 88,534,414</u>	

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.

As stated above, the City's investment options are limited by state statute, which inherently reduces credit risk. However, 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.

<u>Investment class</u>	<u>Limit</u>
Collateralized Certificates of Deposit	100%
Repurchase agreements	40
U.S. Treasury securities	100
U.S. Agency securities	80
Kansas Municipal Investment Pool	100
Money Market Funds	25

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

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
FHLB	AAA	AA+	14.60%
FHLMC	AAA	AA+	4.39
FNMA	AAA	AA+	16.90
FFCB	AAA	AA+	10.66
TVA	AAA	AA+	2.17

Municipal Employees Pension Plan's investments with associated maturities:

Investment Type	Fair Value	Fair Value Hierarchy Level
Investment recorded at fair value:		
Stable Value Fund	\$ 13,129,564	1
Mutual Funds	<u>55,169,224</u>	1
	<u>\$ 68,298,788</u>	

Overland Park Police Department Retirement Plan's investments with associated maturities:

Investment Type	Fair Value	Weighted Avg. Maturity (years)	Fair Value Hierarchy Level
Investment recorded at fair value:			
U.S. Treasury/Agency Securities	\$ 7,272,492	6.32	1
Mutual Funds	54,404,847	n/a	1
Equities	33,713,080	n/a	1
Corporate Obligations	<u>7,765,182</u>	5.51	2
Total Investment recorded at fair value:	<u>103,155,601</u>		
Investments recored at NAV:			
Real Estate Funds	<u>6,490,771</u>	N/A	
Total Investment recorded at NAV:	<u>6,490,771</u>		
	<u>\$ 109,646,372</u>		

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

Overland Park Fire Department Retirement Plan’s investments with associated maturities:

Investment Type	Fair Value	Weighted Avg. Maturity (years)	Fair Value Hierarchy Level
Investment recorded at fair value:			
U.S. Treasury/Agency Securities	\$ 3,501,272	6.32	1
Mutual Funds	24,625,015	n/a	1
Equities	15,071,098	n/a	1
Corporate Obligations	3,698,076	5.51	2
Total Investment recorded at fair value:	<u>46,895,461</u>		
Investments recorded at NAV:			
Real Estate Funds	<u>2,614,340</u>	N/A	
Total Investment recorded at NAV:	<u>2,614,340</u>		
	<u>\$ 49,509,801</u>		

The fair values of certain investments of PDRP and OPFDRP are established by using the net asset value (NAV) per share (or its equivalent), such as member units or an ownership interest in partners’ capital to which a proportionate share of net assets is attributed. The NAV provided by the investee is measured as of the City’s calendar year end and is not categorized with the fair value hierarchy.

The PDRP and OPFDRP invest in one real estate fund. This fund makes strategic property acquisition primarily in the U.S. As part of the valuation process, independent appraisers value properties on an annual basis (at a minimum). The fund is valued at NAV quarterly. The fund allows withdrawals once per quarter subject to “available cash” as determined by a pool trustee with 30 days advance written notice. As of December 31, 2019, the PDRP and OPFDRP had no unfunded commitments to the real estate fund.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

Governmental activities	Balance January 1, 2019	Additions	Transfers / Disposals	Balance, December 31, 2019
Assets not being depreciated:				
Land	\$ 32,222,730	\$ 1,825,752	\$ -	\$ 34,048,482
Construction in progress	14,933,075	21,921,574	(8,045,606)	28,809,043
Total	<u>47,155,805</u>	<u>23,747,326</u>	<u>(8,045,606)</u>	<u>62,857,525</u>
Assets being depreciated:				
Land improvements	40,928,671	-	-	40,928,671
Building and improvements	130,070,943	7,806	-	130,078,749
OPCC capital assets	5,053,276	431,557	(79,924)	5,404,909
Equipment	62,727,358	8,413,185	(4,895,763)	66,244,780
Infrastructure	1,412,269,712	18,704,752	-	1,430,974,464
Capitalized lease equipment	47,511	12,517	(47,511)	12,517
Total	<u>1,651,097,471</u>	<u>27,569,817</u>	<u>(5,023,198)</u>	<u>1,673,644,090</u>
Accumulated depreciation				
Land improvements	(24,643,066)	(2,083,973)	-	(26,727,039)
Building and improvements	(53,860,706)	(3,167,662)	-	(57,028,368)
OPCC capital assets	(4,445,299)	(511,288)	78,070	(4,878,517)
Equipment	(50,359,534)	(4,975,695)	4,487,597	(50,847,632)
Infrastructure	(509,021,602)	(30,489,042)	-	(539,510,644)
Capitalized lease equipment	(44,542)	(4,707)	47,511	(1,738)
Total	<u>(642,374,749)</u>	<u>(41,232,367)</u>	<u>4,613,178</u>	<u>(678,993,938)</u>
Total capital assets being depreciated, net	<u>1,008,722,722</u>	<u>(13,662,550)</u>	<u>(410,020)</u>	<u>994,650,152</u>
Governmental activities capital assets, net	<u>\$ 1,055,878,527</u>	<u>\$ 10,084,776</u>	<u>\$ (8,455,626)</u>	<u>\$ 1,057,507,677</u>
Business-type activities				
Assets not being depreciated:				
Land	\$ 1,425,200	\$ -	\$ -	\$ 1,425,200
Construction in progress	-	-	-	-
Total	<u>1,425,200</u>	<u>-</u>	<u>-</u>	<u>1,425,200</u>
Assets being depreciated:				
Land improvements	6,920,077	-	-	6,920,077
Building and improvements	67,354,667	8,456,483	(329,994)	75,481,156
Equipment	23,341,871	368,296	(35,812)	23,674,355
Capitalized lease equipment	532,626	133,397	(265,392)	400,631
Total	<u>98,149,241</u>	<u>8,958,176</u>	<u>(631,198)</u>	<u>106,476,219</u>
Accumulated depreciation				
Land improvements	(6,920,077)	-	-	(6,920,077)
Building and improvements	(27,507,803)	(1,808,554)	329,994	(28,986,363)
Equipment	(18,214,481)	(1,510,796)	37,405	(19,687,872)
Capitalized lease equipment	(524,388)	(24,522)	265,392	(283,518)
Total	<u>(53,166,749)</u>	<u>(3,343,872)</u>	<u>632,791</u>	<u>(55,877,830)</u>
Total capital assets being depreciated, net	<u>44,982,492</u>	<u>5,614,304</u>	<u>1,593</u>	<u>50,598,389</u>
Business-type activities capital assets, net	<u>\$ 46,407,692</u>	<u>\$ 5,614,304</u>	<u>\$ 1,593</u>	<u>\$ 52,023,589</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

The following schedule presents 2019 Depreciation charges by function:

Governmental Activities:	
General government	\$ 3,882,483
OP Convention Center	511,288
Public safety	2,824,581
Public works	28,171,172
Parks and recreation	2,754,205
Planning and development services	101,730
Soccer Complex	2,218,571
Public equipment	768,337
Total depreciation - governmental activities	<u>\$ 41,232,367</u>
Business-type activities:	
Golf course	\$ 227,605
Overland Park Development Corporation	3,116,267
Total depreciation - business-type activities	<u>\$ 3,343,872</u>

D. Capital Projects Authorized

At December 31, 2019, capital projects authorizations compared to expenditures from inception are as follows:

	Project Authorizations	Project Expenditure December 31, 2019
Street improvements	\$ 244,973,467	\$ 54,820,923
Drainage improvements	29,215,000	4,139,738
Municipal building improvements	39,980,000	9,253,184
Equipment	14,395,000	9,511,626
Street lighting	1,761,500	48,439
Traffic signals	986,000	627,183
Park and recreation improvements	48,273,130	12,359,053
Total	<u>\$ 379,584,097</u>	<u>\$ 90,760,146</u>

The capital projects will be funded through various sources, including the City funds and bond issues and leverage sources including federal, state and private funding.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

E. Interfund Receivables/Payables

Interfund receivable/payable balances at December 31, 2019, are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Governmental Funds:		
General	\$ 597,836	\$ -
Non-major Funds:		
Special Revenue:		
Special Tax Financing	-	(220,717)
Federal/State Grants	-	(377,119)
	<u> </u>	<u> </u>
Total	<u>\$ 597,836</u>	<u>\$ (597,836)</u>

The interfund loans were made to cover cash flow deficiencies of the fund. This amount is expected to be repaid shortly after the end of the fiscal year as resources become available.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

F. Interfund Transfers

All of the significant interfund transfers in 2019 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, 2019 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General	\$ 2,125,656	\$ 52,000,353
1/8th Cent Sales Tax	-	3,971,000
Stormwater Utility	1,032,762	6,272,782
Combined Transient Guest Tax	4,721,373	13,837,601
Street Improvement	30,945,150	652,659
Debt Service	17,865,245	-
	<u>56,690,186</u>	<u>76,734,395</u>
Non-major Governmental Funds:		
Special Revenue	20,430	7,727,508
Capital Projects	21,286,355	1,620,769
	<u>21,306,785</u>	<u>9,348,277</u>
Major Enterprise Funds:		
OPDC	8,497,902	-
Non-major Enterprise Funds:		
Enterprise Fund - Golf Course	-	727,700
Enterprise Fund - Soccer	20,999	129,500
	<u>20,999</u>	<u>857,200</u>
Internal Service Funds:		
Worker's Compensation	424,000	-
Imprest Medical Plan	-	-
	<u>424,000</u>	<u>-</u>
Total	<u>\$ 86,939,872</u>	<u>\$ 86,939,872</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

G. Long-Term Liabilities

The following is a summary of liability transactions of the City for the year ended December 31, 2019:

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 109,675,000	\$ -	\$ 14,095,000	\$ 95,580,000	\$ 12,145,000
Premium on bonds	11,586,101	-	1,183,377	10,402,724	-
Employee compensated absences	8,519,763	6,119,652	5,849,932	8,789,483	5,849,932
Capital lease	-	12,740	3,389	9,351	2,987
Claims payable	2,828,785	13,419,968	14,279,352	1,969,401	1,969,401
Net pension liability	58,451,699	22,101,318	33,534,489	47,018,528	-
Net OPEB - City plan	12,331,153	1,941,031	4,419,055	9,853,129	-
Total OPEB liability - KPERS D&D	1,403,439	191,721	304,506	1,290,654	-
Total	<u>\$ 204,795,940</u>	<u>\$ 43,786,430</u>	<u>\$ 73,669,100</u>	<u>\$ 174,913,270</u>	<u>\$ 19,967,320</u>
Business-type activities:					
Revenue bonds - OPDC	\$ 95,920,000	\$ 90,065,000	\$ 95,920,000	\$ 90,065,000	\$ 2,235,000
Premium on bonds	879,422	14,373,927	260,373	14,992,976	-
Employee compensated absences	104,498	83,197	74,784	112,911	74,784
Capital lease	-	117,113	31,079	86,034	27,525
Ground lease obligation	993,607	-	36,801	956,806	-
Subordinated asset and property management fee payable	1,149,097	-	1,149,097	-	-
Total	<u>\$ 99,046,624</u>	<u>\$ 104,639,237</u>	<u>\$ 97,472,134</u>	<u>\$ 106,213,727</u>	<u>\$ 2,337,309</u>

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

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

General Obligation Bonds

General obligation bonds payable consist of the following serial bonds:

Governmental Activities - General Obligation Bonds	Date Issued	Maturity Date	Outstanding Interest Rates	Balance December 31, 2019
Storm drainage	09/16/10	09/01/11 - 09/01/20	2.13	\$ 122,389
Street improvement	09/16/10	09/01/11 - 09/01/20	2.13	1,222,611
Street improvement	06/01/11	09/01/12 - 09/01/21	3.00	1,690,000
Street improvement	06/01/11	09/01/11 - 09/01/24	3.00-3.38	1,930,000
Parks and recreation	06/20/13	09/01/14 - 09/01/23	4.00	195,799
Storm drainage	06/20/13	09/01/14 - 09/01/23	4.00	9,637
Street lights	06/20/13	09/01/14 - 09/01/23	4.00	646,138
Street improvement	06/20/13	09/01/14 - 09/01/23	4.00	1,708,426
Public building	06/20/13	09/01/13 - 09/01/23	4.00	439,500
Storm drainage	06/20/13	09/01/13 - 09/01/23	4.00	26,472
Street improvement	06/20/13	09/01/13 - 09/01/23	4.00	1,369,028
Parks and recreation	06/20/13	09/01/13 - 09/01/25	4.00	5,691,522
Street improvement	06/20/13	09/01/13 - 09/01/25	4.00	2,318,478
Street improvement	10/14/15	09/01/16 - 09/01/25	3.00-3.50	5,101,894
Public building	10/14/15	09/01/16 - 09/01/25	3.00-3.50	399,031
Parks and recreation	10/14/15	09/01/16 - 09/01/35	3.00-3.50	969,075
Public building	10/14/15	09/01/16 - 09/01/35	3.00-3.50	4,265,000
Street improvement	10/14/15	09/01/16 - 09/01/27	2.00-4.00	665,107
Parks and recreation	10/14/15	09/01/16 - 09/01/27	2.00-4.00	13,669,893
Public building	09/14/16	09/01/17 - 09/01/30	2.50-5.00	27,500,000
Parks and recreation	10/11/17	09/01/20 - 09/01/29	3.00-4.00	2,766,931
Street improvement	10/11/17	09/01/20 - 09/01/29	3.00-4.00	1,158,069
Parks and recreation	12/05/18	09/01/19 - 09/01/28	5.00	2,630,912
Storm drainage	12/05/18	09/01/19 - 09/01/28	5.00	210,473
Street improvement	12/05/18	09/01/19 - 09/01/28	5.00	4,055,219
Parks and recreation	12/05/18	09/01/19 - 09/01/38	5.00	3,785,226
Public building	12/05/18	09/01/19 - 09/01/38	5.00	11,033,170
Total General Obligation Bonds				\$ 95,580,000

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

The annual requirements to amortize the general obligation bonds at December 31, 2019, including interest payments, are as follows:

Year Ending December 31,	Governmental Activities		Total Primary Government Debt Service
	General Obligation Bonds Principal	Interest	
2020	\$ 12,145,000	\$ 3,725,461	\$ 15,870,461
2021	10,870,000	3,274,580	14,144,580
2022	10,085,000	2,866,680	12,951,680
2023	10,050,000	2,461,780	12,511,780
2024	9,120,000	2,052,000	11,172,000
2025-2029	31,560,000	5,506,450	37,066,450
2030-2034	8,320,000	1,655,388	9,975,388
2035-2039	3,430,000	404,525	3,834,525
	<u>\$ 95,580,000</u>	<u>\$21,946,864</u>	<u>\$ 117,526,864</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, 2019, the statutory limit for the City was \$1,254,671,608 providing a debt margin of \$1,159,091,608.

Overland Park Development Corporation - Revenue Bonds:

In January 2001, the Overland Park Development Corporation (OPDC or Corporation) 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 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 2001 Bonds were refunded and replaced by the 2007A and 2007B Revenue Bonds.

During the year ended December 31, 2019, the City forgave and canceled the repayment of any and all amounts representing Available TGT Revenues provided by the City for the payment of debt service on the Series 2000 Bonds and Series 2007 Bonds that may have been deemed to be a debt pursuant to the Series 2007 Indenture or any other document relating to the Series 2000 Bonds or Series 2007 Bonds. Any obligation of the Corporation which may have existed under the Series 2007 Indenture to repay such amounts ceased to be a liability of the Corporation as of the date of forgiveness by the City, which was recorded as a gain on forgiveness of debt service support payable in the statement of revenues, expenses and changes in net position (deficit) for the year ended December 31, 2019.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

On November 1, 2019, the Corporation refunded the Series 2007 Bonds with proceeds of the Corporation's Improvement and Refunding Revenue Bonds, Series 2019 (Overland Park Convention Center Hotel) (Series 2019 Bonds) pursuant to the Trust Indenture dated as of November 1, 2019 (Series 2019 Indenture) by and between the Corporation and the Trustee. The Series 2019 Trust Indenture does not contain a provision comparable to that described above relating to the use of moneys in the Corporation Reserve Fund to repay Available TGT Revenues provided by the City for the payment of debt service on the Series 2000 Bonds and Series 2007 Bonds.

The Corporation issued \$90,065,000 of Series 2019 Bonds with an average interest rate of 4.90%, to advance refund \$92,475,000 relating to outstanding Series 2007A and 2007B Revenue Bonds (collectively, 2007 Series Bonds) with average interest rates of 4.88% and 4.75%, respectively. The net proceeds of \$83,258,339 were used to purchase U.S. Government securities (after payment of \$1,220,642 in underwriting fees, insurance and other issuance costs). Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2007 Series Bonds. As a result, the 2007 Series Bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position (Deficit) as of December 31, 2019.

The refunding of the Series 2007A and 2007B Revenue Bonds on November 1, 2019 created a difference between the reacquisition price and the net carrying amount of the old debt of \$3,434,197. This difference, reported net of Revenue Bonds payable in the Statement of Net Position (Deficit), is being charged to operations through March 1, 2049 using the effective interest method. The Corporation completed the advance refunding to reduce its total debt service payments by \$20,389,160 over 25 years and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$14,636,102. During the year ended December 31, 2019, \$66,636 of amortization was recognized in the Statement of Revenue, Expenses and Changes in Net Position (Deficit).

Pursuant to the Series 2019 Trust Indenture, \$15,000,000 was deposited into the Corporation's Construction Fund to be used for the Hotel Improvements Project. The Series 2019 Trust Indenture also states \$3,709,515 from the City TGT Fund shall be deposited into the TGT Revenues Subaccount of the Debt Service Account of the Debt Service Fund. This amount is recorded as a contribution in the Statements of Revenues, Expenses, and Changes in Net Position (Deficit) for the year ended December 31, 2019.

The Series 2019 Bonds are special, limited obligations of the Corporation secured by (1) net operating revenues of the Hotel, (2) the Ground Lease, (3) a mortgage on the Corporation's leasehold interest in the Hotel, granted by the Corporation in favor of the Bond Trustee, (4) the fee mortgage on the City's fee interest in the Hotel Site granted by the City in favor of the Bond Trustee, (5) a portion of the City's TGT Revenues, and (6) 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 2019 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 2019 Bonds shall be subject to redemption prior to maturity at the option of the Corporation at the current principal balance of the Series 2019 Bonds plus accrued and unpaid interest at the date fixed for redemption.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

In accordance with the Series 2019 Trust Indenture, the City may request reimbursement from the Trustee from funds in the Corporation Reserve Fund, if any, for Available TGT Revenues paid to the Trustee which have been used to pay debt service on the Bonds and to make up any deficiency in the Debt Service Account, the Debt Service Reserve Fund or the Redemption Account.

The annual requirements to amortize the revenue bonds at December 31, 2019, including interest payments, are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 2,235,000	\$ 900,650	\$ 3,135,650
2021	1,400,000	3,513,200	4,913,200
2022	1,455,000	3,457,200	4,912,200
2023	1,520,000	4,248,750	5,768,750
2024	1,605,000	4,172,750	5,777,750
2025-2029	9,335,000	19,576,500	28,911,500
2030-2034	11,985,000	16,990,500	28,975,500
2035-2039	15,395,000	13,670,000	29,065,000
2040-2044	19,760,000	9,406,000	29,166,000
2045-2049	25,375,000	3,933,000	29,308,000
	<u>\$ 90,065,000</u>	<u>\$ 79,868,550</u>	<u>\$ 169,933,550</u>

The Series 2019 Bonds require a reserve in the amount equal of \$5,738,375, representing the least of: (1) 10% of the stated principal amount of the bonds, (2) the maximum annual principal and interest requirements, or (3) 125% of the average annual principal and interest requirements. The total reserves for these covenants as of December 31, 2019 was \$9,432,080.

Pursuant to the Debt Service Support Agreement, the City has agreed to make a specified portion of its annual revenue from its Transient Guest Tax available for the payment of debt service subject to annual appropriation. Under Section 5.19(c) of the Indenture agreement, the City may, in its sole discretion, request reimbursement from the Corporation for previously paid Transient Guest Tax funds. The City also agreed that all current and prior amounts paid by the City to the Corporation are forgiven, except for amount, if any, requested to be repaid under Section 5.19(c) of the Indenture. The bonds are payable through 2049. The hotel net revenues and the transient guest tax are projected to range from \$12 million to \$25 million annually. The total principal and interest remaining to be paid on the bonds is \$169,933,550 as of December 31, 2019. Principal and interest paid for the year ended December 31, 2019 and total hotel operating income were \$8,303,872 and \$2,646,116, respectively.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

Subordinated Asset and Property Management Fee Payable

Management fees of \$1,087,127 were owed to Starwood/Sheraton for the years ended December 31, 2019. Effective November 2019, retroactively applied to April 1, 2019, and for a 19-year period ending on November 30, 2038, 4% of monthly gross revenues are due to Sheraton Operating Corporation. Prior to April 1, 2019, management fees were figured on a base fee adjusted annually by the CPI Index. Eighty percent (80%) of the management fee was unsubordinated and twenty percent (20%) was subordinated during operating years ended December 31, 2004 through December 31, 2007 and no portion is to be subordinated for the remainder of the Hotel Operating Agreement. Subordinated amounts owed to Starwood/Sheraton were non-interest bearing obligations to be repaid only after certain other obligations have been repaid.

On November 1, 2019, the Hotel Operating Agreement with Sheraton Operating Corporation was modified and released the obligation to pay the subordinated management fee recorded for the years ended December 31, 2004 through December 31, 2007, respectively. Due to the dismissal of the subordinated management fee and change in agreement, the Hotel recognized \$1,010,857 of other income during the year ended December 31, 2019.

Base asset management fees (adjusted annually by the CPI Index) of \$203,639 were owed to Hospitality Investors, LLC for the year ended December 31, 2019. Effective January 1, 2019 and for a five year term ending on December 31, 2023, 0.9% of gross revenues generated during the twelve months of the calendar year are due to Hospitality Investors, LLC (new manager).

Special Obligation Debt

The City has issued long-term debt instruments to finance economic development activities within certain eligible taxing districts, including Community Improvement Districts (CID) and Transportation Development Districts (TDD). These debt obligations include sales tax revenue bonds, special assessment bonds and sales tax special obligation revenue bonds (STAR bonds) and are to be repaid from additional sales tax or special assessments levied within the districts.

Neither the City nor any political subdivision thereof is obligated in any manner for the repayment of these bonds. Accordingly, the special obligation bonds are not included in City's balance sheet. Amounts of such special obligation debt outstanding as of December 31, 2019 are summarized in the following table:

	Sales Tax Bonds	Special Assessment Bonds	STAR Bonds	Total
Series 2012 Prairiefire Star	\$ -	\$ -	\$ 64,860,000	\$ 64,860,000
Series 2012A Prairiefire CID	3,600,000	-	-	3,600,000
Series 2012B Prairiefire CID	10,515,000	-	-	10,515,000
Series 2014 Quivira 95 CID	1,233,975	-	-	1,233,975
Series 2014 City Place CID	-	5,180,000	-	5,180,000
Series 2017 Oak Park Mall TDD	8,390,000	-	-	8,390,000
	<u>\$ 23,738,975</u>	<u>\$ 5,180,000</u>	<u>\$ 64,860,000</u>	<u>\$ 93,778,975</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

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 repayment of the bonds. Accordingly, the bonds are not reported as a liability in the accompanying financial statements.

As of December 31, 2019, there were 16 issues of industrial revenue bonds outstanding with an aggregate original issue amount totaling \$326,216,031 and an aggregate principal balance outstanding of \$283,254,562.

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 (\$50,000 for the perils of windstorm and hail) 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 \$450,000 per accident, not to exceed a two-year aggregate stop-loss of \$2,818,623 for accidents occurring during calendar years 2019 and 2020. 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.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

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 health care benefits in the Medical Imprest Plan fund, an internal service fund.

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 \$1,544,421 and \$5,439,420 respectively, as of December 31, 2019. 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 accounts payable in the General Fund for the Special Liability Defense and Risk Management sub-funds was \$208,973 as of December 31, 2019, based on claims considered matured and represent claims against current financial resources.

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 2018 and 2019 were as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
January 1 to December 31, 2018				
Special Liability Defense	\$ 330,970	\$ 170,481	\$ (182,041)	\$ 319,410
Risk Management	11,180	379,152	(354,032)	36,300
Worker's Compensation	1,228,149	744,128	(641,201)	1,331,076
Medical Imprest	1,300,000	13,813,407	(13,971,407)	1,142,000
Total	<u>\$ 2,870,299</u>	<u>\$ 15,107,168</u>	<u>\$ (15,148,681)</u>	<u>\$ 2,828,786</u>
January 1 to December 31, 2019				
Special Liability Defense	\$ 319,410	\$ 117,805	\$ (245,942)	\$ 191,273
Risk Management	36,300	400,862	(419,462)	17,700
Worker's Compensation	1,331,076	82,943	(434,591)	979,428
Medical Imprest	1,142,000	12,818,358	(13,179,358)	781,000
Total	<u>\$ 2,828,786</u>	<u>\$ 13,419,968</u>	<u>\$ (14,279,353)</u>	<u>\$ 1,969,401</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

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 (KPERS) except commissioned police officers who are covered by the Overland Park Police Department Retirement Plan (PDRP) and firefighters and emergency medical technicians who are covered by the Overland Park Fire Department Retirement Plan (OPFDRP). 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:

	KPERS	PDRP	OPFDRP	Total
Net Pension Liability	\$41,997,581	\$ 1,811,085	\$3,209,862	\$47,018,528
Deferred Outflows of Resources	10,917,625	912,832	395,081	12,225,538
Deferred Inflows of Resources	(908,481)	(4,192,970)	(1,813,342)	(6,914,793)
Pension Expense	8,552,671	3,755,045	1,472,031	13,779,747

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, 2019, there were 552 plan members. Plan members are not required to contribute to the plan, but may elect to contribute up to 10% of their post-tax annual compensation. The City is required to contribute 10% of annual covered payroll for Tier 1 participants and 4% of annual covered payroll for Tier 2 participants. Actual member and City contributions were \$61,464 and \$2,209,634, respectively, for the year ended December 31, 2019. This plan provides for vesting of City contributions at the rate of 10% increase per year up to 100% with participants vested at 40% after one year in the plan. Participants contributions are immediately fully vested. Plan benefits provisions and contribution are established by City of Overland Park Ordinance and may be amended by the

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

City Council. No separate publicly available report is prepared for the MEPP. Forfeitures by employees who leave employment before ten years of service are used to reduce City contributions. There were no forfeitures used to pay administrative expenses or to reduce City contributions during the fiscal year ending December 31, 2019. There were no employer liabilities outstanding as of December 31, 2019.

Financial statements for the MEPP are presented below:

City of Overland Park, Kansas

Municipal Employees Pension Plan Statement of Plan Net Position December 31, 2019

Assets	
Cash and cash equivalents	\$ 1,000
Investments in mutual funds	68,298,788
Total assets	<u>68,299,788</u>
Net Position	
Held in trust for pension benefits	<u>\$ 68,299,788</u>

City of Overland Park, Kansas

Municipal Employees Pension Plan Statement of Changes in Plan Net Position Year Ended December 31, 2019

Additions	
Contributions	
Employer	\$ 2,209,634
Plan members	61,464
Total contributions	<u>2,271,098</u>
Investment earnings:	
Net decrease in fair value of investments	9,550,621
Dividends	1,916,478
Total investment earnings	<u>11,467,099</u>
Total additions	<u>13,738,197</u>
Deductions	
Benefits	<u>2,299,613</u>
Change in net position	11,438,584
Net position - beginning of the year	<u>56,861,204</u>
Net position - end of the year	<u>\$ 68,299,788</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

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

<u>Type</u>	<u>Percent of Total</u>
ICMA Plus	19.21%
Baird Core Plus Bond Inst	8.10
Vanguard 500 Index Admiral	8.09
Fidelity Growth Company	7.31
Vanguard Growth Index Admiral	5.57
American Funds Europacific Growth	5.12

The investment policy for the MEPP allows investments in several investment vehicles, including mutual funds of common stock, fixed income securities and balanced funds. The majority of the assets are invested in mutual 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 one fixed income investment, the Baird Core Plus Bond Mutual Fund which invests solely in bonds. Mutual funds are not subject to interest rate risk given they have no maturity dates. The average maturity length of bonds within the Baird Core Plus Bond Mutual Fund is 7.35 years. The investment is not rated by Moody's or S&P.

Kansas Public Employees Retirement System (Defined Benefit Pension Plan)

Plan Description: The City participates in a cost-sharing multiple-employer pension plan as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The pension plan is administered by the Kansas Public Employees Retirement System (KPERs), a body corporate and an instrumentality of the State of Kansas. KPERs provides retirement benefits, life insurance, disability income benefits and death benefits to the following statewide pension groups under on plan, as provided by K.S.A. 74, article 49:

- Public employees, which include:
 - State/School employees
 - Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once selected.

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), by calling 1-888-275-5737 or by visiting the KPERs website at www.kpers.org.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Benefits: Benefits are established by statute and may only be changed by the Legislature. Members (except Police and Firemen) with ten or more years of credited service may retire as early as age 55 (Police and Firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement age is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85 "points" (Police and Firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service).

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas. For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions: Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation for each of the three state wide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

The actuarially determined employer contribution rates and the statutory contribution rates for City employees (not including the 1.00% contribution rate for the Death and Disability Program) are 8.89%. For Police and Firemen, these rates are 22.13%. Member contribution rates as a percentage of eligible compensation for the year ended December 31, 2019 are 6.0% for City employees and 7.15% for Police and Firemen.

Contributions to the pension plan from the City were \$3,127,294 for KPERS and \$2,426,767 for KP&F for the year ended December 31, 2019.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Employer Allocations: Although KPERS administrators one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of June 30, 2019 were based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the years ended June 30, 2019. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2019, the City's Local Government proportion was 1.648687%, which was an increase of 0.018621% from its proportion measured at June 30, 2018. At June 30, 2019, the City's Police and Firemen proportion was 1.873224%, which was an increase of 0.135643% from its proportion measured at June 30, 2018.

Net Pension Liability: At December 31, 2019, the City reported a liability of \$23,038,296 for its proportionate share of the Local Government collective net pension liability and \$18,959,285 for its proportionate share of the Police & Firemen collective net pension liability, for a total net pension liability of \$41,997,581.

Actuarial Assumptions: The collective net pension liability was measured by KPERS as of June 30, 2019, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019, using the following actuarial assumptions:

Actuarial cost method	Entry-Age Normal
Price inflation	2.75 percent
Wage inflation	3.50 percent
Salary increases, including wage increases	3.50 to 12.00 percent, including price inflation
Long-term rate of return, net of investment expense, and including price inflation	7.75 percent

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using scale MP 2016.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2013, through December 31, 2015. The experience study is dated November 18, 2016.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated November 18, 2016, are summarized in the following table:

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
Global equity	47.00%	6.85%
Fixed income	13.00	1.25
Yield driven	8.00	6.55
Real return	11.00	1.71
Real estate	11.00	5.05
Alternatives	8.00	9.85
Short-term investments	2.00	(0.25)
Total	<u>100.00%</u>	

Discount Rate: The discount rate used by KPERS to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the KPERS' Board of Trustees for this group may not increase by more than the statutory cap. The statutory cap for the state fiscal year 2019 was 1.2%. The local employers are currently contributing the full actuarial contribution rate. Employers contribute the full actuarial determined rate for KP&F. The expected employer actuarial contribution rate was modeled for future years for these groups, assuming all actuarial assumptions are met in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Sensitivity Analysis: The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Local Government	\$ 34,408,177	\$ 23,038,296	\$ 13,527,597
Police & Fireman	<u>26,904,902</u>	<u>18,959,285</u>	<u>12,307,532</u>
Total	<u>\$ 61,313,079</u>	<u>\$ 41,997,581</u>	<u>\$ 25,835,129</u>

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources: For the year ended December 31, 2019, the City recognized pension expense of \$8,552,671, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. There were no employer liabilities to KPERS outstanding as of December 31, 2019.

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to Local Government pensions from the following sources:

	Deferred Outflows of	Deferred Inflows of Resources
Difference between actual and expected plan experience	\$ 50,430	\$ 580,201
Net difference between projected and actual earnings on pension plan investments	542,020	-
Changes in assumptions	704,134	46,694
Changes in proportion	602,674	225,455
Contributions made subsequent to the measurement date	1,609,700	-
Total	<u>\$ 3,508,958</u>	<u>\$ 852,350</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to Police & Firemen pensions from the following sources:

	Deferred Outflows of	Deferred Inflows of Resources
Difference between actual and expected plan experience	\$ 1,071,080	\$ 35,139
Net difference between projected and actual earnings on pension plan investments	381,602	-
Changes in assumptions	671,615	20,992
Changes in proportion	3,995,874	-
Contributions made subsequent to the measurement date	1,288,496	-
Total	\$ 7,408,667	\$ 56,131

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Local Government	Police & Firemen
2020	748,162	2,731,680
2021	(59,515)	1,582,729
2022	176,970	1,171,366
2023	181,264	548,042
2024	27	30,223
Total	\$ 1,046,908	\$ 6,064,040

Deferred inflows and outflows of resources related to the difference between expected and actual plan experience, changes in assumptions, and changes in proportion are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of each measurement period. The deferred outflows of resources related to the difference between expected and actual earnings on pension plan investments is being amortized over a closed five-year period, as of the beginning of each measurement period.

The amounts reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ended December 31, 2020.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

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

City of Overland Park, Kansas

Overland Park Police Department Retirement Plan
Statement of Plan Net Position
December 31, 2019

Assets	
Cash and cash equivalents	\$ 2,870,748
Investment in real estate investment trust	6,490,771
Investment in mutual funds	54,404,847
Investment in corporate bonds	7,765,182
Investment in U.S. Treasury and government agencies	7,272,492
Investment in equities	<u>33,713,080</u>
Total assets	<u>112,517,120</u>
Net Position	
Held in trust for pension benefits	<u>\$ 112,517,120</u>

City of Overland Park, Kansas

Overland Park Police Department Retirement Plan
Statement of Changes in Plan Net Position
Year Ended December 31, 2019

Additions	
Contributions	
Employer	<u>\$ 1,837,012</u>
Investment earnings:	
Net decrease in fair value of investments	14,825,793
Dividends and interest	<u>3,104,454</u>
Total investment earnings	<u>17,930,247</u>
Total additions	<u>19,767,259</u>
Deductions	
Benefits	4,498,477
Administrative expense	<u>277,022</u>
Total deductions	<u>4,775,499</u>
Change in net position	14,991,760
Net position - beginning of the year	<u>97,525,360</u>
Net position - end of the year	<u>\$ 112,517,120</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Plan Description: The PDRP is a single-employer defined benefit pension plan administered by the City 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 in the accompanying basic financial statements as a pension trust fund, a fiduciary fund type. No separate publicly available report is prepared for the PDRP.

Membership Data:

Membership in the PDRP comprised of the following at December 31, 2019:

Active employees	131
Vested terminated employees	112
Retired participants and beneficiaries	<u>60</u>
	<u>303</u>

Benefits Provided: Membership in the PDRP is granted to all full-time police officers, hired prior to January 1, 2011 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 January 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.

Contributions: In 2019, employees did not make contributions to the PDRP. The City contributions, authorized by the City Council, for fiscal year 2019 were \$1,837,012. This contribution was made in accordance with contribution requirements determined by an actuarial valuation of the PDRP at January 1, 2019. The City’s contribution was for normal cost plus interest.

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, September 9, 2002, and September 11, 2006 and may be amended by the City Council. On January 1, 2011 the PDRP was restated to freeze new participants from joining the plan.

Investments: 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 eight money managers and a mutual fund to invest the assets of the plan. All but three of the money managers invest the assets in stocks. One money manager invests at least 80% of its assets in bonds of governments, government related entities and government agencies globally. Another money manager invests in fixed income securities including treasuries, agencies and agency guaranteed mortgage pass through investments. Another money manager invests in a real estate trust fund. Pertinent information related to this investment is presented below. The investments of the OPDRP were not exposed to custodial credit risk.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

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

<u>Type</u>	<u>Percent of Total</u>
Templeton Global Total Return Bond Fund	14.19%
Vanguard Russell 1000 Growth Index	14.22
American Century Emerging Markets	10.06
American Euro Pacific Growth Fund	9.98
Bailard Real Estate Investment Trust	5.63

Pension Liability:

Total pension liability	\$ 114,328,205
Fiduciary net position	112,517,120
Net pension liability	<u>1,811,085</u>
Fiduciary net position as a % of total pension liability	98.42%
Covered payroll	10,881,684
Net pension liability as a % of covered payroll	16.64%

The total pension liability was determined by an actuarial valuation as of the measurement date, December 31, 2019, calculated based on the discount rate and actuarial assumptions below.

Discount Rate	7.00%
Long-term expected rate of return, net of investment expense	7.00%
Municipal bond rate	N/A

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Actuarial Assumptions:

Valuation date	December 31, 2019
Measurement date	December 31, 2019
Inflation	2.20%
Salary increases including inflation	4.00%
Mortality	RP-2014 Employees and Healthy Annuitant with generational projection per Scale MP-2017
Actuarial cost method	Entry Age Normal

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2013 through January 1, 2018, dated March 22, 2018.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

The components of net pension liability at December 31, 2019 were as follows:

Changes in Net Pension Liability	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Pension (b)	Net Pension Liability (a) - (b)
Balance as of December 31, 2018	\$ 108,539,303	\$ 97,525,360	\$ 11,013,943
Changes in the year:			
Service cost	881,386	-	881,386
Interest on total pension liability	7,504,664	-	7,504,664
Effect of economic/demographic gains or losses	1,901,329	-	1,901,329
Benefit payments	(4,498,477)	(4,498,477)	-
Employer contributions	-	1,837,012	(1,837,012)
Net investment income	-	17,653,225	(17,653,225)
Balance as of December 31, 2019	<u>\$ 114,328,205</u>	<u>\$ 112,517,120</u>	<u>\$ 1,811,085</u>

Long-term expected Rate of Return: The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of December 31, 2019.

Assets Class	Target Allocation	Long-term Expected Arithmetic Real Rate of Return	Long-term Expected Geometric Real Rate of Return
U.S. Core Fixed Income	15.00%	1.56%	1.47%
Global Bonds	15.00	0.42	0.16
U.S. Small Caps	10.00	5.64	3.82
U.S. Large Growth	14.00	4.85	3.38
U.S. Large Value	21.00	4.35	3.28
Foreign Developed Equity	10.00	5.94	4.45
Emerging Markets Equity	10.00	8.03	5.28
Private Real Estate Property	5.00	3.84	3.13

For the year ended December 31, 2019, the annual money weighted rate of return on plan investments, net of pension plan investment expense was 18.4%. The money weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Sensitivity Analysis: The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percent higher (8.00%) than the current rate.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Total Pension Liability	\$ 125,588,362	\$ 114,328,205	\$ 104,859,236
Fiduciary Net Pension	<u>112,517,120</u>	<u>112,517,120</u>	<u>112,517,120</u>
Net Pension Liability	<u>\$ 13,071,242</u>	<u>\$ 1,811,085</u>	<u>\$ (7,657,884)</u>

Pension Expense, Deferred Inflows and Outflows of Resources Related to Pension: For the year ended December 31, 2019, the City recognized pension expense of \$3,775,045 for the police pension plan. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected plan experience	\$ 912,832	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings	-	(4,192,970)
Total	<u>\$ 912,832</u>	<u>\$ (4,192,970)</u>

Amounts reported as deferred outflows and inflows of resources related to the police pension plan will be recognized in pension expense as follows:

Year Ended December 31,

2020	(574,288)
2021	(1,065,922)
2022	543,678
2023	<u>(2,183,606)</u>
Total	<u>\$ (3,280,138)</u>

Deferred outflows of resources related to the difference between expected and actual plan experience and change of assumption are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of each measurement period. The deferred inflows of resources related to the difference between expected and actual earnings on pension plan investments is being amortized over a closed five-year period, as of the beginning of each measurement period.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

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

City of Overland Park, Kansas

Overland Park Fire Department Retirement Plan
Statement of Plan Net Position
December 31, 2019

Assets

Cash and cash equivalents	\$ 923,540
Investment in mutual funds	24,625,015
Investment in equities	15,071,098
Investment in U.S. Treasury and government agencies	3,501,272
Investment in real estate investment trust	2,614,340
Investment in corporate bonds	3,698,076
Total assets	<u>50,433,341</u>

Net Position

Held in trust for pension benefits	<u>\$ 50,433,341</u>
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City of Overland Park, Kansas

Overland Park Fire Department Retirement Plan
Statement of Changes in Plan Net Position
Year Ended December 31, 2019

Additions

Contributions	
Employer	<u>\$ 1,558,620</u>
Investment earnings:	
Net decrease in fair value of investments	6,484,173
Dividends and interest	1,376,022
Total investment earnings	<u>7,860,195</u>
Total additions	<u>9,418,815</u>

Deductions

Benefits	1,042,666
Administrative expense	125,447
Total deductions	<u>1,168,113</u>

Change in net position 8,250,702

Net position - beginning of the year	<u>42,182,639</u>
Net position - end of the year	<u>\$ 50,433,341</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Plan Description: The OPFDRP is a single-employer defined benefit pension plan administered by the City 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 in the accompanying basic financial statements as a pension trust fund, a fiduciary fund type. No separate publicly available report is prepared for the OPFDRP.

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. On January 1, 2011 the OPFDRP was restated to freeze new participants from joining the plan.

Membership Data:

Membership in the OPFDRP was comprised of the following at December 31, 2019:

Active employees	97
Vested terminated employees	36
Retired participants and beneficiaries	<u>50</u>
	<u>183</u>

Benefits Provided: Membership in the OPFDRP is granted to all full-time firefighters and emergency medical technicians, hired prior to January 1, 2011, 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.

Contributions: In 2019, 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, 2019 were \$1,558,620. The City's contribution was for normal cost plus interest.

Investments: 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 eight money managers and a mutual fund to invest the assets of the plan. All but three of the money managers invest the assets in stocks. One money manager invests at least 80% of its assets in bonds of governments, government related entities and government agencies globally. Another money manager invests in fixed income securities including treasuries, agencies and agency guaranteed mortgage pass through investments. Another money manager invests in a real estate trust fund. Pertinent information related to this investment is presented below. The investments of the OPFDRP were not exposed to custodial credit risk.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

More than 5% of the City's Fire Department Retirement Plan's investments are invested the following:

<u>Type</u>	<u>Percent of Total</u>
Templeton Global Total Return Bond Fund	14.42%
Vanguard Russell 1000 Growth Index	14.33
American Century Emerging Markets	10.12
American Euro Pacific Growth Fund	10.09
Bailard Real Estate Investment Trust	5.06

Pension Liability:

Total pension liability	\$ 53,643,203
Fiduciary net position	50,433,341
Net pension liability	<u>3,209,862</u>
Fiduciary net position as a % of total pension liability	94.02%
Covered payroll	8,635,656
Net pension liability as a % of covered payroll	37.17%

The total pension liability was determined by an actuarial valuation as of the measurement date, December 31, 2019, calculated based on the discount rate and actuarial assumptions below.

Discount Rate	7.00%
Long-term expected rate of return, net of investment expense	7.00%
Municipal bond rate	N/A

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Actuarial Assumptions:

Valuation date	December 31, 2019
Measurement date	December 31, 2019
Inflation	2.20%
Salary increases including inflation	4.00%
Mortality	RP-2014 - Employees and Healthy Annuitant with generational projection per Scale MP-2017
Actuarial cost method	Entry Age Normal

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2013 through January 1, 2018, dated March 22, 2018.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

The components of net pension liability at December 31, 2019 were as follows:

Changes in Net Pension Liability	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Pension (b)	Net Pension Liability (a) - (b)
Balance as of December 31, 2018	\$ 50,181,664	\$ 42,182,639	\$ 7,999,025
Changes in the year:			
Service cost	723,876	-	723,876
Interest on total pension liability	3,527,511	-	3,527,511
Effect of economic/demographic gains or losses	252,818	-	252,818
Benefit payments	(1,042,666)	(1,042,666)	-
Employer contributions	-	1,558,620	(1,558,620)
Net investment income	-	7,734,748	(7,734,748)
	<u>\$ 53,643,203</u>	<u>\$ 50,433,341</u>	<u>\$ 3,209,862</u>
Balance as of December 31, 2019	\$ 53,643,203	\$ 50,433,341	\$ 3,209,862

Long-Term Expected Rate of Return: The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of December 31, 2019.

Assets Class	Target Allocation	Long-term Expected Arithmetic Real Rate of Return	Long-term Expected Geometric Real Rate of Return
U.S. Core Fixed Income	15.00%	1.56%	1.47%
Global Bonds	15.00	0.42	0.16
U.S. Small Caps	10.00	5.64	3.82
U.S. Large Growth	14.00	4.85	3.38
U.S. Large Value	21.00	4.35	3.28
Foreign Developed Equity	10.00	5.94	4.45
Emerging Markets Equity	10.00	8.03	5.28
Private Real Estate Property	5.00	3.84	3.13

For the year ended December 31, 2019, the annual money weighted rate of return on plan investments, net of pension plan investment expense was 18.26%. The money weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Sensitivity Analysis: The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percent higher (8.00%) than the current rate.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Total Pension Liability	\$ 60,034,093	\$ 53,643,203	\$ 48,300,807
Fiduciary Net Pension	<u>50,433,341</u>	<u>50,433,341</u>	<u>50,433,341</u>
Net Pension Liability	<u>\$ 9,600,752</u>	<u>\$ 3,209,862</u>	<u>\$ (2,132,534)</u>

Pension Expense and Deferred Inflows and Outflows of Resources Related to Pension: For the year ended December 31, 2019, the City recognized pension expense of \$1,472,031 for the fire pension plan. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected plan experience	\$ 191,948	\$ (18,896)
Changes in assumptions	203,133	-
Net difference between projected and actual earnings	-	(1,794,446)
Total	<u>\$ 395,081</u>	<u>\$ (1,813,342)</u>

Amounts reported as deferred outflows and inflows of resources related to the fire pension plan will be recognized in pension expense as follows:

Year Ended December 31,

2020	(341,015)
2021	(359,209)
2022	234,805
2023	<u>(952,842)</u>
Total	<u>\$ (1,418,261)</u>

Deferred outflows and inflows of resources related to the difference between expected and actual plan experience and changes of assumptions are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of each measurement period. The deferred inflows of resources related to the difference between expected and actual earnings on pension plan investments is being amortized over a closed five-year period, as of the beginning of each measurement period.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

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 four percent transient guest tax and the revenue generated by the facility for repayment.

Summary financial information for the Convention Center's operations as of and for the years ended December 31, 2019 and 2018 is presented below:

Condensed Balance Sheet as of December 31,		
	2019	2018
Assets		
Current assets	\$ 1,061,932	\$ 2,234,422
Non Current Assets		
Audio visual equipment	249,771	249,771
Less accumulated depreciation	(212,775)	(196,141)
	36,996	53,630
Total assets	1,098,928	2,288,052
Liabilities		
Current liabilities	1,038,379	1,591,039
Unearned revenue	1,302,625	1,149,098
Total liabilities	2,341,004	2,740,137
Net Position	\$ (1,242,076)	\$ (452,085)

Condensed Statement of Revenue, Expenses and Changes in Net Position For the Year Ended December 31,		
	2019	2018
Operating revenue	\$ 13,742,318	\$ 12,141,898
Operating expense	12,895,847	11,618,957
Operating income	846,471	522,941
Owner's net cash received (paid)	(1,636,462)	476,990
Change in net position	(789,991)	999,931
Net position - beginning of the year	(452,085)	(1,452,016)
Net position - end of the year	\$ (1,242,076)	\$ (452,085)

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

E. Postemployment Benefits

KPERS Postemployment Benefit Plan (OPEB)

Plan Description: The City participates in an agent multiple-employer defined benefit other postemployment benefit (OPEB) plan (Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-4927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Benefits: Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60 percent (prior to January 1, 2006, 66 2/3 percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the member's previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Covered Employees: As of December 31, 2019, the following employees were covered by the benefit terms:

Active members	487
Disable members	<u>4</u>
	<u><u>491</u></u>

Total KPERS OPEB Liability: The City's total KPERS OPEB liability of \$1,290,654 reported as of December 31, 2019 was measured as of June 30, 2019 (the measurement date), and was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019, using the following actuarial assumptions:

Price inflation	2.75%
Payroll growth	3.00%
Salary increases, including wage increases	3.50% to 10.00%, including price inflation
Discount rate	3.50% (based on the Bond Buyer General Obligation 20-Year Municipal Bond Index as of the measurement date)

Mortality rates used for the death benefits were based on the RP-2014 Mortality tables, as appropriate, with adjustment for mortality improvements based on scale MP-2019.

The long-term disability incidence and claim termination rate assumptions that determined total OPEB liability as of June 30, 2019 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2015.

Changes in Total KPERS OPEB Liability:

Balance as of December 31, 2018	\$ 1,403,439
Changes in the year:	
Service cost	112,613
Interest on total OPEB liability	57,316
Effect of economic/demographic gains or losses	(233,786)
Effect of assumptions changes or inputs	21,792
Benefit payments	<u>(70,720)</u>
Balance as of December 31, 2019	<u><u>\$ 1,290,654</u></u>

Changes of Assumptions: Changes of assumptions and other inputs reflects the effects of changes in the discount rate each period. The discount rate decreased from 3.87% on June 30, 2018 to 3.50% on June 30, 2019.

Sensitivity Analysis: Healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS. Therefore, there is no sensitivity to a change in healthcare trend rates.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

The following presents the City's total KPERS OPEB liability calculated using the discount rate of 3.50%, as well as what the City's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50%) or 1 percentage point higher (4.50%) than the current rate:

	<u>1% Decrease (2.50%)</u>	<u>Current Discount Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
KPERS OPEB liability	\$ 1,349,921	\$ 1,290,654	\$ 1,321,908

KPERS OPEB Expense and Deferred Outflows and Inflows of Resources related to OPEB:
For the year ended December 31, 2019, the City recognized KPERS OPEB expense of \$99,788, which includes the changes in the total KPERS OPEB liability, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. At December 31, 2019, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between actual and expected experience	\$ -	\$ (518,198)
Changes in assumptions	19,552	(56,978)
Benefit payments subsequent to the measurement date	159,705	-
Total	<u>\$ 179,257</u>	<u>\$ (575,176)</u>

The \$159,705 in benefit payments made subsequent to the measurement date will be recognized as a reduction in the total OPEB liability for the year ended December 31, 2020. The remaining amounts currently reported as deferred outflows of resources and deferred inflows of resources related to KPERS OPEB will be recognized in KPERS OPEB expense as follows:

Year Ended December 31,

2020	\$ (70,141)
2021	(70,141)
2022	(70,141)
2023	(70,141)
2024	(70,141)
Thereafter	<u>(204,919)</u>
Total	<u>\$ (555,624)</u>

City of Overland Park Postemployment Benefit Plan (OPEB)

Plan Description: 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 the Other Post-Employment Benefit Trust fund (Trust) in the fiduciary fund type. A separate audit report is not prepared.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Benefits: Certain retired, former employees and certain former Governing Body members and their dependents are eligible to receive OPEB benefits including health, dental, vision and long-term care. To qualify retired employee must have terminated employment and former members of the Governing Body on or after July 1, 1988. Employees must have been employed by the City for not less than ten years and former members of the Governing Body had served not less than five years.

Eligible employees who retire and former Governing Body members who leave their elected position on or before December 31, 2010 are eligible to receive OPEB benefits indefinitely. Otherwise employees who retire and former Governing Body members who leave their elected position on or after January 1, 2011 are eligible to receive OPEB benefits until such person attains the age of 65 when such individual and their eligible dependents will no longer be eligible to receive OPEB benefits.

Eligible retired employees and former Governing Body members who elect coverage under the City's OPEB benefit plans shall be required to contribute to the cost of coverage through the payment of premiums. The City will subsidy the health care premium based on the cumulative years of service with the City on a sliding scale up to a maximum of 50% subsidy, all other OPEB benefits retired employees and former Governing Body members will be required to pay 100% of the cost of that benefit. There are no COLAs in the City's OPEB benefit plans.

An agreement and declaration of trust established the City's OPEB on December 19, 2007. City Resolution No. 4088 is the authority under which benefit terms are delineated and there have been three minor administrative amendments to this authorizing resolution.

Membership in the OPEB was comprised of the following at December 31, 2019:

Active employees	900
Retired participants	148
Retired participants spouse medical	<u>25</u>
	<u>1,073</u>

The City periodically makes contributions to the OPEB but is under no obligation to determine that the amounts received comply with the provisions of this trust fund or that this trust fund is adequate to provide the benefits stipulated in the trust fund. The City has paid all the OPEB related plan benefits outside the OPEB Trust funds since the establishment of this trust fund in 2007. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually. For the year ended December 31, 2019, the City contributed \$1,535,804.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Total OPEB liability	\$ 20,376,950
Fiduciary net position	10,523,821
Net OPEB liability	<u>9,853,129</u>
Fiduciary net position as a % of total OPEB liability	51.65%
Covered payroll	67,455,329
Net OPEB liability as a % of covered payroll	14.61%

The net OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Valuation date	December 31, 2019
Measurement date	December 31, 2019
Inflation	2.30%
Salary increases including inflation	4.00%
Mortality	Pub-2010 General/Safety Morality for Employees and Healthy Annuitant with generational projection per Scale MP-2019
Discount rate	6.00%
Health care cost trend rates	6.50% for 2020, gradually decreasing to an ultimate rate of 3.7% for 2074 and beyond
Actuarial cost method	Entry Age Normal

Changes in Net Pension Liability	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Pension (b)	Net OPEB Liability (a) - (b)
Balance as of December 31, 2018	\$ 20,484,844	\$ 8,153,691	\$ 12,331,153
Changes in the year:			
Service cost	708,680	-	708,680
Interest on total OPEB liability	1,232,351	-	1,232,351
Effect of economic/demographic gains or losses	(1,090,937)	-	(1,090,937)
Effect of assumption changes or inputs	(122,184)	-	(122,184)
Benefit payments	(835,804)	-	(835,804)
Employer contributions	-	700,000	(700,000)
Net investment income	-	1,670,130	(1,670,130)
	<u> </u>	<u> </u>	<u> </u>
Balance as of December 31, 2019	<u>\$ 20,376,950</u>	<u>\$ 10,523,821</u>	<u>\$ 9,853,129</u>

Long-term expected rate of return: The best estimate range for the long-term expected rate of return is determined by adding expected inflation to the expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions below are per Milliman's investment consulting practice as of December 31, 2019, and result in actuarial assumption of long-term expected rate of return of 6.0%.

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Assets Class	Target Allocation	Long-term Expected Arithmetic Real Rate of Return	Long-term Expected Geometric Real Rate of Return
US Core Fixed Income	30.00%	1.56%	1.47%
US Large Cap	65.00	4.33	3.23
US Real Estate (REITS)	5.00	4.95	3.33

Discount rate: The discount rate used to measure the total OPEB liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that employer contributions to the Trust have been limited to the average contributions made over the past 5 years. It also assumed that the City will continue to pay plan benefits outside of the OPEB Trust and that benefit payments are projected based on the actuarial assumptions used in the calculation of the total OPEB liability and the current plan provisions. Based on these assumptions and methods, the projection indicates that the Trust's fiduciary net position is projected to be depleted in 2057 and, as a result, the municipal bond index rate is used in the determination of the discount rate. The long-term rate of return of 6.0% on OPEB plan investments was applied to periods through 2057 and the municipal bond index rate, the Bond Buyer 20-Bond GO Index as of December 31, 2019, was applied to periods on and after 2058 to develop the discount rate. For the December 31, 2019 measurement date, the municipal bond index rate was 2.74%, resulting in a discount rate of 6.0%.

For the year ended December 31, 2019, the annual money-weighted rate of return on Plan investments, net of OPEB plan investment expense was 20.14%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Sensitivity Analysis: The following presents the net OPEB liability of the City, calculated using the discount rate of 6.0%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.0%) or 1 percent higher (7.0%) than the current rate.

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Total OPEB liability	\$ 22,219,775	\$ 20,376,950	\$ 18,734,888
Fiduciary net position	10,523,821	10,523,821	10,523,821
Net OPEB liability	<u>\$ 11,695,954</u>	<u>\$ 9,853,129</u>	<u>\$ 8,211,067</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

The following presents the net OPEB liability of the City, calculated using the current healthcare cost trend rates, as well as what the City's net OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percent higher than the current rate.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 18,462,577	\$ 20,376,950	\$ 22,612,915
Fiduciary net position	<u>10,523,821</u>	<u>10,523,821</u>	<u>10,523,821</u>
 Net OPEB liability	 <u>\$ 7,938,756</u>	 <u>\$ 9,853,129</u>	 <u>\$ 12,089,094</u>

OPEB Expense and Deferred Outflow and Inflows of Resources Related to OPEB: For the year ended December 31, 2019, the City recognized OPEB expense of \$982,931 for the OPEB pension plan. The City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (965,973)
Changes in assumptions	144,119	(973,655)
Net difference between projected and actual earnings	-	(703,545)
Total	<u>\$ 144,119</u>	<u>\$ (2,643,173)</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year Ended December 31,

2020	\$ (448,184)
2021	(448,186)
2022	(327,641)
2023	(482,878)
2024	(250,836)
Thereafter	<u>(541,329)</u>
Total	<u>\$ (2,499,054)</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Overland Park Other Post-Employment Benefits Trust

City of Overland Park, Kansas

Other Post-Employment Benefits Trust
Statement of Plan Net Position
December 31, 2019

Assets

Cash and cash equivalents	\$ 690
Investment in mutual funds	10,050,092
Investment in real estate investment trust	473,039
Total assets	<u>10,523,821</u>

Net Position

Held in trust for pension benefits	<u>\$ 10,523,821</u>
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City of Overland Park, Kansas

Other Post-Employment Benefits Trust
Statement of Changes in Plan Net Position
Year Ended December 31, 2019

Additions

Contributions	
Employer	<u>\$ 700,000</u>
Investment earnings:	
Net decrease in fair value of investments	1,408,222
Interest	266,120
Total investment earnings	<u>1,674,342</u>
Total additions	<u>2,374,342</u>

Deductions

Administrative expense	<u>4,212</u>
Total deductions	<u>4,212</u>

Change in net position 2,370,130

Net position - beginning of the year	<u>8,153,691</u>
Net position - end of the year	<u>\$ 10,523,821</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

F. New Pronouncements

The effect on the City's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

- GASB Statement No. 87, *Leases*, issued June 2018, establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the City must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments, and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties. The provisions of this statement were originally effective for financial statements for the City's fiscal year ending December 31, 2020 and now postponed until December 31, 2022 per GASB Statement No. 95.
- GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The provisions of this statement were originally effective for the financial statements for the City's fiscal year ending December 31, 2020 and now postponed until December 31, 2021 per GASB Statement No. 95.
- GASB Statement No. 92, *Omnibus 2020*, enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including: effective date of GASB 87 for interim financial reports; intra-entity transfers between primary governments and component unit pension or OPEB plans; applicability of Statements No. 73 and 74 for reporting assets accumulated for postemployment benefits; applicability of certain requirements of GASB 84 to postemployment benefit arrangements; measurement of asset retirement obligations in government acquisitions; reporting by public entity risk pools for amounts recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements in authoritative literature and terminology used related to derivative instruments. Certain provisions of this statement were effective upon issuance and did not impact the City's financial reporting, other provisions of this statement are were originally effective for financial statements for the City's fiscal year ending December 31, 2021 and now postponed until December 31, 2022.

CITY OF OVERLAND PARK, KANSAS

Notes to Basic Financial Statements

IV. Other Information (Continued)

- GASB Statement No. 93, *Replacement of Interbank Offered Rates*, provides guidance where some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)-most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The provisions of this statement were originally effective for financial statements for the City's fiscal year ending December 31, 2022 and now postponed until December 31, 2023 per GASB Statement No. 95.
- GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The effective dates of certain provisions contained in GASB Statement No. 87, *Leases*, are postponed by eighteen months.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides new accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs), which have become increasingly common among state and local governments in recent years. Statement 96 is based on the standards established in Statement 87, *Leases*. The new defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The guidance requires governments with SBITAs to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability (with an exception for short-term SBITAs, those with a maximum possible term of 12 months) and provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. The provisions of this statement will be effective for financial statements for the City's fiscal year ending December 31, 2023.

G. Subsequent Events

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended worldwide mitigation measures. The extent of COVID-19's effect on the City's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the City's operations. Additional information about the estimated economic impact and the City's response is included in the transmittal letter.

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CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

H. 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:

	<u>General</u>	<u>One-eighth Cent Sales Tax-Street Improvement</u>	<u>Stormwater Utility</u>
Fund Balance:			
Restricted:			
Highways and streets	\$ -	\$ 3,445,202	\$ -
Stormwater	9,630	-	4,420,759
Culture and recreation	-	-	-
Health and welfare	-	-	-
Public safety	-	-	-
Economic development	-	-	-
Debt service	-	-	-
Total restricted	<u>9,630</u>	<u>3,445,202</u>	<u>4,420,759</u>
Assigned:			
Highways and streets	17,929,672	-	-
Culture and recreation	506,247	-	-
Public safety	480,719	-	-
Economic development	400,000	-	-
Equipment	8,569,314	-	-
Facilities	7,503,476	-	-
Potential legal liability	3,528,751	-	-
Risk management losses	3,159,688	-	-
Total assigned	<u>42,077,867</u>	<u>-</u>	<u>-</u>
Unassigned	<u>51,595,228</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 93,682,725</u>	<u>\$ 3,445,202</u>	<u>\$ 4,420,759</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

Combined Transient Guest Tax Fund	Street Improvement	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 12,342,239	\$ 15,787,441
-	-	-	-	4,430,389
2,002,103	-	-	857,036	2,859,139
-	-	-	4,069,667	4,069,667
-	-	-	822,769	822,769
-	-	-	8,857,728	8,857,728
-	-	250,000	-	250,000
<u>2,002,103</u>	<u>-</u>	<u>250,000</u>	<u>26,949,439</u>	<u>37,077,133</u>
-	21,468,692	-	4,161,947	43,560,311
-	-	-	2,178,447	2,684,694
-	-	-	-	480,719
-	-	-	-	400,000
-	-	-	4,203,037	12,772,351
-	-	-	11,646,116	19,149,592
-	-	-	-	3,528,751
-	-	-	-	3,159,688
<u>-</u>	<u>21,468,692</u>	<u>-</u>	<u>22,189,547</u>	<u>85,736,106</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(61,618)</u>	<u>51,533,610</u>
<u>\$ 2,002,103</u>	<u>\$ 21,468,692</u>	<u>\$ 250,000</u>	<u>\$ 49,077,368</u>	<u>\$ 174,346,849</u>

CITY OF OVERLAND PARK, KANSAS

Notes to the Basic Financial Statements

IV. Other Information (Continued)

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.
- *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.

I. Prior Period Adjustment

As a result of the adoption of GASB Statement No. 84, *Fiduciary Activities*, the City reclassified various activities into different fund types to comply with the requirements of the new standard.

	<u>Governmental Activities</u>	<u>General Fund</u>	<u>Non-major Governmental Funds</u>	<u>Private-Purpose Trust</u>
Net position December 31, 2018, as previously reported	\$ 1,050,526,083	\$ 93,947,180	\$ 47,135,125	\$ 2,762
Prior period adjustment	9,105,041	9,772	9,095,269	(2,762)
Net position December 31, 2018, as restated	<u>\$ 1,059,631,124</u>	<u>\$ 93,956,952</u>	<u>\$ 56,230,394</u>	<u>\$ -</u>

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CITY OF OVERLAND PARK, KANSAS

Required Supplementary Information

Overland Park Police Department Retirement Plan

Schedule of Changes in the City's Net Pension Liability and Related Ratios:

	<u>2019</u>	<u>2018</u>
Total Pension Liability:		
Service cost	\$ 881,386	\$ 1,025,326
Interest on total pension liability	7,504,664	7,159,459
Effect of economic/demographic gains or losses	1,901,329	1,423,739
Effect of assumptions changes or inputs	-	-
Benefit payments	<u>(4,498,477)</u>	<u>(4,566,516)</u>
Net change in total pension liability	5,788,902	5,042,008
Total pension liability - beginning	<u>108,539,303</u>	<u>103,497,295</u>
Total pension liability - ending	<u>\$ 114,328,205</u>	<u>\$ 108,539,303</u>
Plan Fiduciary Net Position:		
Benefit payments	\$ (4,498,477)	\$ (4,566,516)
Employer contributions	1,837,012	1,426,376
Net investment income	17,653,225	(6,259,690)
Administrative expense	-	-
Net change in plan fiduciary net position	<u>14,991,760</u>	<u>(9,399,830)</u>
Plan fiduciary net position - beginning	<u>97,525,360</u>	<u>106,925,190</u>
Plan fiduciary net position - ending	<u>112,517,120</u>	<u>97,525,360</u>
City's net pension liability (asset) - ending	<u>\$ 1,811,085</u>	<u>\$ 11,013,943</u>
Plan fiduciary net position as a percentage of the total pension liability	98.42%	89.85%
Covered payroll	\$ 10,881,684	\$ 11,348,304
Net pension liability (asset) as a percentage of covered payroll	16.64%	97.05%

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

See Notes to Required Supplementary Information.

	2017	2016	2015	2014
	\$ 1,220,708	\$ 1,252,474	\$ 1,336,133	\$ 1,416,075
	6,930,133	6,213,861	6,414,049	6,021,877
	1,102,665	297,014	952,259	635,959
	1,134,580	-	-	-
	<u>(2,472,986)</u>	<u>(6,946,529)</u>	<u>(2,104,337)</u>	<u>(3,048,540)</u>
	7,915,100	816,820	6,598,104	5,025,371
	<u>95,582,195</u>	<u>94,765,375</u>	<u>88,167,271</u>	<u>83,141,900</u>
	<u><u>\$ 103,497,295</u></u>	<u><u>\$ 95,582,195</u></u>	<u><u>\$ 94,765,375</u></u>	<u><u>\$ 88,167,271</u></u>
	\$ (2,472,986)	\$ (6,946,529)	\$ (2,104,337)	\$ (3,048,540)
	1,554,536	1,840,326	1,925,620	2,432,920
	15,090,549	8,796,622	(827,865)	6,868,816
	<u>(326,993)</u>	<u>(365,266)</u>	<u>(245,896)</u>	<u>(288,650)</u>
	13,845,106	3,325,153	(1,252,478)	5,964,546
	<u>93,080,084</u>	<u>89,754,931</u>	<u>91,007,409</u>	<u>85,042,863</u>
	<u>106,925,190</u>	<u>93,080,084</u>	<u>89,754,931</u>	<u>91,007,409</u>
	<u><u>\$ (3,427,895)</u></u>	<u><u>\$ 2,502,111</u></u>	<u><u>\$ 5,010,444</u></u>	<u><u>\$ (2,840,138)</u></u>
	103.31%	97.38%	94.71%	103.22%
	\$ 11,808,972	\$ 12,188,856	\$ 13,054,068	\$ 13,335,300
	-29.03%	20.53%	38.38%	-21.30%

CITY OF OVERLAND PARK, KANSAS

Required Supplementary Information

Overland Park Police Department Retirement Plan

Schedule of Employer Contributions:

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a percentage of Covered Payroll
2010	\$ 2,931,814	\$ 2,761,411	\$ 170,403	\$ 14,370,036	19.22%
2011	2,919,289	2,818,625	100,664	14,223,804	19.82
2012	3,088,500	2,977,104	111,396	13,760,508	21.64
2013	3,314,770	3,202,600	112,170	13,584,204	23.58
2014	2,527,632	2,432,920	94,712	13,335,300	18.24
2015	2,001,495	1,925,620	75,875	13,054,068	14.75
2016	1,896,691	1,840,326	56,365	12,188,856	15.10
2017	1,601,481	1,554,536	46,945	11,808,972	13.16
2018	1,468,012	1,426,376	41,636	11,348,304	12.57
2019	1,890,277	1,837,012	53,265	10,881,684	16.88

Money-Weighted Rate of Return:

Fiscal Year Ending December 31,	Net Money- Weighted Rate of Return
2014	9.01%
2015	-1.03
2016	9.85
2017	15.67
2018	-5.96
2019	18.40

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

See Notes to Required Supplementary Information.

CITY OF OVERLAND PARK, KANSAS

Notes to Required Supplementary Information

Overland Park Police Department Retirement Plan

Actuarial Methods and Assumptions:

The following actuarial methods and assumptions were used in the December 31, 2019 valuation to determine the actuarially determined contribution.

Valuation timing	Actuarially determined contribution rates are calculated as of January 1 of the fiscal year in which the contributions are reported.
Actuarial cost method	Aggregate
Asset valuation method	Expected return method
Smoothing period	5 years
Corridor	20.00%
Inflation	2.20%
Salary increases including inflation	4.00%
Investment rate of return	7.00%
Cost of living adjustment	None
Retirement age	Normal retirement date or valuation date, if later
Turnover	Crocker-Sarason T5 Table
Mortality	RP-2014 Employees and Healthy Annuitants with generational projection per Scale MP-2017

CITY OF OVERLAND PARK, KANSAS

Required Supplementary Information

Overland Park Fire Department Retirement Plan

Schedule of Changes in the City's Net Pension Liability and Related Ratios:

	<u>2019</u>	<u>2018</u>
Total Pension Liability:		
Service cost	\$ 723,876	\$ 791,627
Interest on total pension liability	3,527,511	3,317,379
Effect of economic/demographic gains or losses	252,818	(44,092)
Effect of assumptions changes or inputs	-	-
Benefit payments	<u>(1,042,666)</u>	<u>(949,456)</u>
Net change in total pension liability	3,461,539	3,115,458
Total pension liability - beginning	<u>50,181,664</u>	<u>47,066,206</u>
Total pension liability - ending	<u>\$ 53,643,203</u>	<u>\$ 50,181,664</u>
Plan Fiduciary Net Position:		
Benefit payments	\$ (1,042,666)	\$ (949,456)
Employer contributions	1,558,620	1,588,720
Net investment income	7,734,748	(2,737,580)
Administrative expense	-	-
Net change in plan fiduciary net position	<u>8,250,702</u>	<u>(2,098,316)</u>
Plan fiduciary net position - beginning	<u>42,182,639</u>	<u>44,280,955</u>
Plan fiduciary net position - ending	<u>50,433,341</u>	<u>42,182,639</u>
City's net pension liability (asset) - ending	<u>\$ 3,209,862</u>	<u>\$ 7,999,025</u>
Plan fiduciary net position as a percentage of the total pension liability	94.02%	84.06%
Covered payroll	\$ 8,635,656	\$ 8,633,976
Net pension liability (asset) as a percentage of covered payroll	37.17%	92.65%

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

See Notes to Required Supplementary Information.

2017	2016	2015	2014
\$ 978,395	\$ 1,035,106	\$ 1,049,586	\$ 1,041,943
3,192,969	2,952,144	2,829,794	2,624,091
72,541	(407,361)	(357,038)	(278,269)
812,535	-	-	-
(2,069,350)	(773,899)	(454,581)	(658,108)
<u>2,987,090</u>	<u>2,805,990</u>	<u>3,067,761</u>	<u>2,729,657</u>
44,079,116	41,273,126	38,205,365	35,475,708
<u>\$ 47,066,206</u>	<u>\$ 44,079,116</u>	<u>\$ 41,273,126</u>	<u>\$ 38,205,365</u>
\$ (2,069,350)	\$ (773,899)	\$ (454,581)	\$ (658,108)
1,759,305	1,852,255	2,080,750	2,230,297
6,188,799	3,486,401	(461,956)	2,392,786
(150,279)	-	-	(114,791)
<u>5,728,475</u>	<u>4,564,757</u>	<u>1,164,213</u>	<u>3,850,184</u>
38,552,480	33,987,723	32,823,510	28,973,326
<u>44,280,955</u>	<u>38,552,480</u>	<u>33,987,723</u>	<u>32,823,510</u>
<u>\$ 2,785,251</u>	<u>\$ 5,526,636</u>	<u>\$ 7,285,403</u>	<u>\$ 5,381,855</u>
94.08%	87.46%	82.35%	85.91%
\$ 8,699,316	\$ 9,006,384	\$ 9,066,588	\$ 8,998,896
32.02%	61.36%	80.35%	59.81%

OVERLAND PARK, KANSAS

Required Supplementary Information

Overland Park Fire Department Retirement Plan

Schedule of Employer Contributions:

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a percentage of Covered Payroll
2010	\$ 2,492,071	\$ 2,339,445	\$ 152,626	\$ 9,567,912	24.45%
2011	2,493,213	2,404,502	88,711	9,185,832	26.18
2012	2,511,142	2,418,226	92,916	9,106,056	26.56
2013	2,412,884	2,328,048	84,836	8,947,896	26.02
2014	2,311,876	2,230,297	81,579	8,998,896	24.78
2015	2,158,678	2,080,750	77,928	9,066,588	22.95
2016	1,910,485	1,852,255	58,230	9,006,384	20.57
2017	1,812,367	1,759,305	53,062	8,699,316	20.22
2018	1,635,097	1,588,720	46,377	8,633,976	18.40
2019	1,604,116	1,558,620	45,496	8,635,656	18.05

Money-Weighted Rate of Return:

Fiscal Year Ending December 31,	Net Money- Weighted Rate of Return
2014	7.68%
2015	-1.37
2016	10.14
2017	15.66
2018	-6.15
2019	18.26

This schedule is intended to show a 10-year trend, Additional years will be reported as they become available.

See Notes to Required Supplementary Information.

CITY OF OVERLAND PARK, KANSAS

Notes to Required Supplementary Information

Overland Park Fire Department Retirement Plan

Actuarial Methods and Assumptions:

The following actuarial methods and assumptions were used in the December 31, 2019 valuation to determine the actuarially determined contribution.

Valuation timing	Actuarially determined contribution rates are calculated as of January 1 of the fiscal year in which the contributions are reported.
Actuarial cost method	Aggregate
Asset valuation method	Expected Return Method
Smoothing period	5 years
Corridor	20%
Inflation	2.20%
Salary increases including inflation	4.00%
Investment rate of return	7.00%
Cost of living adjustment	None
Retirement age	15% retire when first eligible for early retirement, 2% per year thereafter and 100% at age 55
Turnover	Crocker-Sarason T2 Table
Mortality	RP-2014 Employees and Healthy Annuitants with generational projection per Scale MP-2017

CITY OF OVERLAND PARK, KANSAS

Required Supplementary Information

Kansas Public Employees Retirement System (KPERs)

Schedule of the City's Proportionate Share of the Net Pension Liability:

	2019	2018	2017	2016	2015
City's proportion of the net pension liability					
KPERs (local group)	1.65%	1.63%	1.65%	1.60%	1.58%
KP&F (police and firemen)	1.87%	1.74%	1.51%	1.22%	0.93%
City's proportionate share of the net pension liability	\$ 41,997,581	\$ 39,438,731	\$ 38,093,703	\$ 36,185,308	\$ 27,536,729
City's covered payroll	40,361,762	38,047,333	37,030,604	33,244,034	28,036,253
City's proportionate share of the net pension liability as a percentage of its covered payroll	104.05%	103.66%	102.87%	108.85%	98.22%
Plan fiduciary net position as a percentage of the total pension liability	69.88%	68.88%	67.12%	65.10%	64.95%

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

The above information is as of the KPERs measurement date of June 30, 2019.

Schedule of Employer Contributions:

Fiscal Year Ending December 31,	Contractually Required Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a percentage of Covered Payroll
2010	\$ 1,875,545	\$ 1,875,545	\$ -	N/A	N/A
2011	1,893,771	1,893,771	-	N/A	N/A
2012	2,017,663	2,017,663	-	N/A	N/A
2013	2,196,770	2,196,770	-	N/A	N/A
2014	2,552,877	2,552,877	-	\$ 29,513,024	8.65%
2015	3,294,560	3,294,560	-	33,556,947	9.82
2016	3,778,833	3,778,833	-	34,271,353	11.03
2017	4,073,024	4,073,024	-	36,730,629	11.09
2018	4,665,469	4,665,469	-	39,017,135	11.96
2019	5,554,061	5,554,061	-	42,438,863	13.09

N/A – Information from this period is not available.

See Notes to Required Supplementary Information.

CITY OF OVERLAND PARK, KANSAS

Notes to Required Supplementary Information

Kansas Public Employees Retirement System (KPERs)

Changes in benefit terms: In the state fiscal year 2014, the KP&F group had a change in benefit terms. The Legislature increased this group's employee contributions to 7.15 percent and eliminated the reduction of employee contributions to 2.0 percent after 32 years of service. In addition, the maximum retirement benefit increased to 90 percent of final average salary (reached at 36 years of service). Before this change the maximum retirement benefit was limited to 80 percent of final average salary (reached at 32 years of service).

Effective January 1, 2014, KPERs 1 members' employee contribution rate increased to 5.0 percent and then on January 1, 2015, increase to 6.0 percent, with an increase in benefit multiplier to 1.85 percent for future years of service. For KPERs 2 members retired after July 1, 2012, the cost of living adjustment (COLA) is eliminated, but members will receive a 1.85 percent multiplier for all years of service.

January 1, 2015, the KPERs 3 cash balance plan became effective. Members enrolled in this plan are ones first employed in a KPERs covered position on or after January 1, 2015, or KPERs 1 or KPERs 2 members who left employment before vesting and returned to employment on or after January 1, 2015. The retirement benefit is an annuity based on the account balance at retirement.

For the state fiscal year 2017, the KP&F group had a change in benefit terms. The Legislature changed the duty-related death benefit for KP&F members to the greater of 50% of Final Average Salary and member's accrued retirement benefit under the 100% joint and survivor option, payable to the member's spouse. Including any benefits that may be due to child beneficiaries, the total monthly benefits may not exceed 90% of the member's Final Average Salary. Prior to this bill, the duty-related spousal death benefit for KP&F member was 50% of the Final Average Salary, and the maximum available to the family was 75% of the member's Final Average Salary.

For the state fiscal year 2017, the Legislature changed the working after retirement rules for members who retire on or after January 1, 2018. The key changes to the working after retirement rules were to lengthen the waiting period for KPERs members to return to work from 60 days to 180 days for members who retire before attaining age 62, remove the earnings limitation for all retirees and establish a single-employer contribution schedule for all retirees.

Changes in assumptions: As a result of the experience study completed in November 2016, there were several changes made to the actuarial assumptions and methods since the prior valuation. The changes that impact all groups were effective December 31, 2016 and include:

- The price inflation assumption was lowered from 3.00% to 2.75%.
- The investment return assumption was lowered from 8.00% to 7.75%.
- The general wage growth assumption was lowered from 4.00% to 3.50%.
- The payroll growth assumption was lowered from 4.00% to 3.00%.

CITY OF OVERLAND PARK, KANSAS

Notes to Required Supplementary Information

Kansas Public Employees Retirement System (KPERs)

Changes from the November 2016 experience study are listed below:

KPERs:

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERs groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups.
- The termination of employment assumption was increased for all three groups.
- The interest crediting rate assumption for KPERs 3 members was lowered from 6.50% to 6.25%.

KP&F:

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table with 1-year age set forward and the MP-2016, is used to anticipate future mortality improvements.
- The mortality assumption for disabled members was changed to the RP-2014 Disabled Lives Table (generational using MP-2016) with a 1-year age set forward.
- The active member mortality assumption was modified to the RP-2014 Employee Mortality Table with a 1-year age set forward with a 90% scaling factor.
- The retirement rates for Tier 1 were lowered and the ultimate assumed retirement age was changed from 63 to 65 for Tier 2.
- The termination of employment rates for Tier 2 were increased to better match the observed experience.

CITY OF OVERLAND PARK, KANSAS

Required Supplementary Information

KPERs Other Postemployment Benefit Plan (OPEB)

Schedule of Changes in the City's Total KPERs D&D OPEB Liability and Related Ratios:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability:			
Service cost	\$ 112,613	\$ 111,678	\$ 116,272
Interest on total OPEB liability	57,316	64,394	51,616
Effect of economic/demographic gains or losses	(233,786)	(388,657)	-
Effect of assumptions changes or inputs	21,792	(18,211)	(61,623)
Benefit payments	<u>(70,720)</u>	<u>(104,675)</u>	<u>(123,450)</u>
Net change in total OPEB liability	(112,785)	(335,471)	(17,185)
Total OPEB liability - beginning	<u>1,403,439</u>	<u>1,738,910</u>	<u>1,756,095</u>
Total OPEB liability - ending	<u>\$ 1,290,654</u>	<u>\$ 1,403,439</u>	<u>\$ 1,738,910</u>
Covered payroll	\$ 28,518,361	\$ 27,807,212	\$ 26,916,978
Total OPEB liability as a percentage of covered payroll	4.53%	5.05%	6.46%

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

There are no assets accumulated in the trust to pay related benefits.

Notes to Required Supplementary Information:

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period:

- The discount rate increased from 2.85% on June 30, 2016 to 3.58% on June 30, 2017.
- The discount rate increased from 3.58% on June 30, 2017 to 3.87% on June 30, 2018.
- The discount rate decreased from 3.87% on June 30, 2018 to 3.50% on June 30, 2019.

CITY OF OVERLAND PARK, KANSAS

Required Supplementary Information

Other Postemployment Benefits Plan (OPEB)

Schedule of Changes in the City's Total OPEB Liability and Related Ratios:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability:			
Service cost	\$ 708,680	\$ 829,264	\$ 767,357
Interest on OPEB liability	1,232,351	1,122,003	1,085,164
Effect of economic/demographic gains or losses	(1,090,937)	-	-
Effect of assumptions changes or inputs	(122,184)	(1,144,649)	227,264
Benefit payments	<u>(835,804)</u>	<u>(1,072,523)</u>	<u>(916,200)</u>
Net change in total OPEB liability	(107,894)	(265,905)	1,163,585
Total OPEB liability - beginning	<u>20,484,844</u>	<u>20,750,749</u>	<u>19,587,164</u>
Total OPEB liability - ending	<u>\$ 20,376,950</u>	<u>\$ 20,484,844</u>	<u>\$ 20,750,749</u>
Plan Fiduciary Net Position:			
Employer contributions	\$ 700,000	\$ 940,000	\$ 800,000
Net investment income	<u>1,670,130</u>	<u>(297,720)</u>	<u>970,856</u>
Net change in plan fiduciary net position	2,370,130	642,280	1,770,856
Plan fiduciary net position - beginning	<u>8,153,691</u>	<u>7,511,411</u>	<u>5,740,555</u>
Plan fiduciary net position - ending	<u>10,523,821</u>	<u>8,153,691</u>	<u>7,511,411</u>
City's net OPEB liability (asset) - ending	<u>\$ 9,853,129</u>	<u>\$ 12,331,153</u>	<u>\$ 13,239,338</u>
Plan fiduciary net position as a percentage of the total OPEB liability	51.65%	39.80%	36.20%
Covered payroll	\$ 67,455,329	\$ 64,349,650	\$ 63,200,000
Net OPEB liability (asset) as a percentage of covered payroll	14.61%	19.16%	20.95%

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

Notes to Required Supplementary Information:

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period:

- The discount rate increased from 5.93% on December 31, 2018 to 6.00% on December 31, 2019.

CITY OF OVERLAND PARK, KANSAS

Required Supplementary Information

Other Postemployment Benefits Plan (OPEB)

Schedule of Employer Contributions:

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a percentage of Covered Payroll
2008	\$ 1,621,457	\$ 1,617,825	\$ 3,632	\$ 55,425,177	2.92%
2009	2,026,347	291,206	1,735,141	60,069,676	0.48
2011	1,775,100	217,493	1,557,607	55,300,195	0.39
2013	1,781,600	551,918	1,229,682	54,196,418	1.02
2015	1,668,700	1,050,582	618,118	62,427,401	1.68
2016	1,668,700	1,530,147	138,553	62,427,404	2.45
2017	1,856,344	1,474,777	381,567	63,200,000	2.33
2018	1,639,358	2,012,523	(373,165)	64,349,650	3.13
2019	1,553,925	1,535,804	18,121	67,455,329	2.28

Money-Weighted Rate of Return:

Fiscal Year Ending December 31,	Net Money- Weighted Rate of Return
2017	16.52%
2018	-3.76
2019	20.14

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

See Notes to Required Supplementary Information.

CITY OF OVERLAND PARK, KANSAS

Notes to Required Supplementary Information

Other Postemployment Benefits Plan (OPEB)

Actuarial Methods and Assumptions Used for Funding Policy:

The following actuarial methods and assumptions were used in the December 31, 2019 valuation to determine the actuarially determined contribution.

Valuation timing	Actuarial valuations for funding purposes are performed biennially as of December 31.
Actuarial cost method	Entry-age normal
Discount rate	6.00%
Inflation	2.30%
Salary increases including inflation	4.00%
Investment rate of return	6.00%
Long-term expected rate of return	6.00%
Tax exempt municipal bond yield	2.74%
Mortality	Pub-2010 General/Safety Mortality for Employees and Health Annuitants. With generational projection per Scale MP-2019.
Health care cost trend rates	6.50% for 2020, gradually decreasing in an ultimate rate of 3.7 % for 2074 and beyond.

CITY OF OVERLAND PARK, KANSAS

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.

Street Improvement Escrow Fund

To account for monies from developers for street improvements.

Special Tax Financing Fund

To account for ad valorem monies received from the increased assessed values of the Tax Increment Financing (TIF) districts and its sales activities, the transportation development district (TDD) sales activities, and the community improvement district (CID) 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.

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.

Westlinks Land Acquisition Fund

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

CITY OF OVERLAND PARK, KANSAS

Nonmajor Governmental Funds

Special Revenue Funds

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.

CITY OF OVERLAND PARK, KANSAS

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, KANSAS

Combining Balance Sheet

Nonmajor Governmental Funds
December 31, 2019

	Special Revenue Funds		
	Special Street and Highway	Special Park and Recreation	Special Alcohol Control
Assets			
Cash, cash equivalents and investments	\$ 1,201,747	\$ 623,914	\$ 4,079,645
Restricted cash, cash equivalents and investments	-	-	-
Taxes receivable	1,351,503	-	-
Accounts receivable	-	-	-
Due from other governments	-	-	-
Total assets	2,553,250	623,914	4,079,645
Liabilities			
Accounts payable	-	-	9,978
Contracts payable	-	-	-
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	-	-	9,978
Fund Balance			
Restricted	2,553,250	623,914	4,069,667
Assigned	-	-	-
Unassigned	-	-	-
Total fund balance	2,553,250	623,914	4,069,667
Total liabilities and fund balance	\$ 2,553,250	\$ 623,914	\$ 4,079,645

Special Revenue Funds

Street Improvement Escrow	Special Tax Financing	Federal and State Grants	Downtown Business Improvement District	Parks and Recreation	Wetlands Land Acquisition
\$ 9,788,989	\$ 8,295,179	\$ 41,772	\$ 3,272	\$ 211,399	\$ 13,663
-	-	-	-	-	-
-	979,241	-	-	-	-
-	13,630	-	-	-	-
-	-	362,455	-	-	-
<u>9,788,989</u>	<u>9,288,050</u>	<u>404,227</u>	<u>3,272</u>	<u>211,399</u>	<u>13,663</u>
-	-	35,570	-	-	-
-	209,605	-	-	-	-
-	220,717	377,119	-	-	-
-	-	53,156	3,272	-	-
-	<u>430,322</u>	<u>465,845</u>	<u>3,272</u>	<u>-</u>	<u>-</u>
9,788,989	8,857,728	-	-	211,399	13,663
-	-	-	-	-	-
-	-	(61,618)	-	-	-
<u>9,788,989</u>	<u>8,857,728</u>	<u>(61,618)</u>	<u>-</u>	<u>211,399</u>	<u>13,663</u>
<u>\$ 9,788,989</u>	<u>\$ 9,288,050</u>	<u>\$ 404,227</u>	<u>\$ 3,272</u>	<u>\$ 211,399</u>	<u>\$ 13,663</u>

Continued on next page.

CITY OF OVERLAND PARK, KANSAS

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)
December 31, 2019

	Special Revenue Funds		
	Art in the Woods	Special Law Enforcement	Total Nonmajor Special Revenue Funds
Assets			
Cash, cash equivalents and investments	\$ 9,048	\$ 832,437	\$ 25,101,065
Restricted cash, cash equivalents and investments	-	-	-
Taxes receivable	-	-	2,330,744
Accounts receivable	-	-	13,630
Due from other governments	-	-	362,455
Total assets	9,048	832,437	27,807,894
Liabilities			
Accounts payable	988	9,668	56,204
Contracts payable	-	-	209,605
Due to other funds	-	-	597,836
Unearned revenue	-	-	56,428
Total liabilities	988	9,668	920,073
Fund Balance			
Restricted	8,060	822,769	26,949,439
Assigned	-	-	-
Unassigned	-	-	(61,618)
Total fund balance	8,060	822,769	26,887,821
Total liabilities and fund balance	\$ 9,048	\$ 832,437	\$ 27,807,894

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CITY OF OVERLAND PARK, KANSAS

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)
December 31, 2019

	Capital Projects Funds		
	Drainage Improvements	Park Acquisition & Development	Public Building Improvements
Assets			
Cash, cash equivalents and investments	\$ 4,123,634	\$ 3,062,202	\$ 3,837,161
Restricted cash, cash equivalents and investments	-	113,493	9,080,568
Taxes receivable	-	-	-
Accounts receivable	-	-	-
Due from other governments	96,178	-	-
Total assets	4,219,812	3,175,695	12,917,729
Liabilities			
Accounts payable	-	-	-
Contracts payable	352,674	997,248	1,271,613
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	352,674	997,248	1,271,613
Fund Balance			
Restricted	-	-	-
Assigned	3,867,138	2,178,447	11,646,116
Unassigned	-	-	-
Total fund balance	3,867,138	2,178,447	11,646,116
Total liabilities and fund balance	\$ 4,219,812	\$ 3,175,695	\$ 12,917,729

Capital Projects Funds

Traffic Signals	Street Lights	Public Equipment	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 297,664	\$ 69,741	\$ 5,018,378	\$ 16,408,780	\$ 41,509,845
-	-	-	9,194,061	9,194,061
-	-	-	-	2,330,744
-	-	-	-	13,630
-	-	-	96,178	458,633
<u>297,664</u>	<u>69,741</u>	<u>5,018,378</u>	<u>25,699,019</u>	<u>53,506,913</u>
-	-	-	-	56,204
25,660	46,936	815,341	3,509,472	3,719,077
-	-	-	-	597,836
-	-	-	-	56,428
<u>25,660</u>	<u>46,936</u>	<u>815,341</u>	<u>3,509,472</u>	<u>4,429,545</u>
-	-	-	-	26,949,439
272,004	22,805	4,203,037	22,189,547	22,189,547
-	-	-	-	(61,618)
<u>272,004</u>	<u>22,805</u>	<u>4,203,037</u>	<u>22,189,547</u>	<u>49,077,368</u>
<u>\$ 297,664</u>	<u>\$ 69,741</u>	<u>\$ 5,018,378</u>	<u>\$ 25,699,019</u>	<u>\$ 53,506,913</u>

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)

Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Special Revenue Funds		
	Special Street and Highway	Special Park and Recreation	Special Alcohol Control
Revenues			
Property tax	\$ -	\$ -	\$ -
Sales tax	-	-	-
Charges for services	-	-	-
Licenses and permits	-	-	-
Use of money	26,074	22,334	126,151
Intergovernmental	5,304,554	1,630,892	1,630,892
Contributions	-	-	-
Capital and operating grants	-	-	-
Total revenues	<u>5,330,628</u>	<u>1,653,226</u>	<u>1,757,043</u>
Expenditures			
Current:			
General government	-	-	1,097,873
Public safety	-	-	371,926
Public works	-	-	-
Parks and recreation	-	-	-
Planning and development services	-	-	-
Capital improvements	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,469,799</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,330,628</u>	<u>1,653,226</u>	<u>287,244</u>
Other financing sources (uses)			
Transfers in	-	20,430	-
Transfers out	(4,850,000)	(1,626,913)	-
Total other financing sources (uses)	<u>(4,850,000)</u>	<u>(1,606,483)</u>	<u>-</u>
Net change in fund balances	<u>480,628</u>	<u>46,743</u>	<u>287,244</u>
Fund balances, beginning of year, as previously reported	2,072,622	577,171	3,782,423
Prior period adjustment	-	-	-
Fund balances, beginning of year, restated	<u>2,072,622</u>	<u>577,171</u>	<u>3,782,423</u>
Fund balances, end of year	<u>\$ 2,553,250</u>	<u>\$ 623,914</u>	<u>\$ 4,069,667</u>

Special Revenue Funds

Street Improvement Escrow	Special Tax Financing	Federal and State Grants	Downtown Business Improvement District	Parks and Recreation
\$ -	\$ 1,701,301	\$ -	\$ -	\$ -
-	10,556,061	-	-	-
-	-	-	-	-
-	-	-	88,802	-
204,325	136,414	-	128	4,521
-	-	-	-	-
2,391,453	-	-	-	7,662
-	462,691	1,591,696	-	-
<u>2,595,778</u>	<u>12,856,467</u>	<u>1,591,696</u>	<u>88,930</u>	<u>12,183</u>
-	2,046,903	-	-	-
-	-	256,401	-	-
704,380	10,642,532	-	-	-
-	-	53,535	-	903
-	-	717,097	88,930	-
-	-	-	-	-
<u>704,380</u>	<u>12,689,435</u>	<u>1,027,033</u>	<u>88,930</u>	<u>903</u>
<u>1,891,398</u>	<u>167,032</u>	<u>564,663</u>	<u>-</u>	<u>11,280</u>
-	-	-	-	-
(628,380)	-	(600,000)	-	-
<u>(628,380)</u>	<u>-</u>	<u>(600,000)</u>	<u>-</u>	<u>-</u>
<u>1,263,018</u>	<u>167,032</u>	<u>(35,337)</u>	<u>-</u>	<u>11,280</u>
8,525,971	(411,583)	(26,281)	-	200,119
-	9,102,279	-	-	-
<u>8,525,971</u>	<u>8,690,696</u>	<u>(26,281)</u>	<u>-</u>	<u>200,119</u>
<u>\$ 9,788,989</u>	<u>\$ 8,857,728</u>	<u>\$ (61,618)</u>	<u>\$ -</u>	<u>\$ 211,399</u>

Continued on the next page.

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)

Nonmajor Governmental Funds (Continued)
For the Year Ended December 31, 2019

	Special Revenue Funds		
	Wetlands Land Acquistion	Art in the Woods	Special Law Enforcement
Revenues			
Property tax	\$ -	\$ -	\$ -
Sales tax	-	-	-
Charges for services	-	5,570	-
Licenses and permits	-	-	-
Use of money	1,013	539	27,327
Intergovernmental	-	-	-
Contributions	-	-	-
Capital and operating grants	-	-	98,514
Total revenues	1,013	6,109	125,841
Expenditures			
Current:			
General government	-	-	-
Public safety	-	-	652,016
Public works	-	-	-
Parks and recreation	-	9,829	-
Planning and development services	-	-	-
Capital improvements	-	-	-
Total expenditures	-	9,829	652,016
Excess (deficiency) of revenues over (under) expenditures	1,013	(3,720)	(526,175)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	(22,215)	-
Total other financing sources (uses)	-	(22,215)	-
Net change in fund balances	1,013	(25,935)	(526,175)
Fund balances, beginning of year, as previously reported	12,650	33,995	1,348,944
Prior period adjustment	-	-	-
Fund balances, beginning of year, restated	12,650	33,995	1,348,944
Fund balances, end of year	\$ 13,663	\$ 8,060	\$ 822,769

Special Revenue Funds

Jack Sanders Memorial	Total Nonmajor Special Revenue Funds
\$ -	\$ 1,701,301
-	10,556,061
-	5,570
-	88,802
-	548,826
-	8,566,338
-	2,399,115
-	2,152,901
-	<u>26,018,914</u>
-	-
-	3,144,776
-	1,280,343
-	11,346,912
-	64,267
-	806,027
-	-
-	<u>16,642,325</u>
-	-
-	<u>9,376,589</u>
-	-
-	20,430
-	<u>(7,727,508)</u>
-	<u>(7,707,078)</u>
-	-
-	<u>1,669,511</u>
7,010	16,123,041
<u>(7,010)</u>	<u>9,095,269</u>
-	25,218,310
<u>\$ -</u>	<u>\$ 26,887,821</u>

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CITY OF OVERLAND PARK, KANSAS

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)

Nonmajor Governmental Funds (Continued)
For the Year Ended December 31, 2019

	Capital Projects Funds		
	Drainage Improvements	Park Acquisition & Development	Public Building Improvements
Revenues			
Property tax	\$ -	\$ -	\$ -
Sales tax	-	-	-
Charges for services	-	-	-
Licenses and permits	-	-	-
Use of money	-	-	-
Intergovernmental	-	-	-
Contributions	-	644,790	764,419
Capital and operating grants	2,155,313	-	7,896
Total revenues	<u>2,155,313</u>	<u>644,790</u>	<u>772,315</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Parks and recreation	-	-	-
Planning and development services	-	-	-
Capital improvements	3,486,644	11,919,111	8,477,900
Total expenditures	<u>3,486,644</u>	<u>11,919,111</u>	<u>8,477,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,331,331)</u>	<u>(11,274,321)</u>	<u>(7,705,585)</u>
Other financing sources (uses)			
Transfers in	4,068,786	5,029,521	3,455,001
Transfers out	(653,095)	(439,942)	(211,136)
Total other financing sources (uses)	<u>3,415,691</u>	<u>4,589,579</u>	<u>3,243,865</u>
Net change in fund balances	<u>2,084,360</u>	<u>(6,684,742)</u>	<u>(4,461,720)</u>
Fund balances, beginning of year, as previously reported	1,782,778	8,863,189	16,107,836
Prior Period adjustment	-	-	-
Fund balances, beginning of year, restated	<u>1,782,778</u>	<u>8,863,189</u>	<u>16,107,836</u>
Fund balances, end of year	<u>\$ 3,867,138</u>	<u>\$ 2,178,447</u>	<u>\$ 11,646,116</u>

Capital Projects Funds

Traffic Signals	Street Lights	Public Equipment	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 1,701,301
-	-	-	-	10,556,061
-	-	-	-	5,570
-	-	-	-	88,802
-	-	-	-	548,826
-	-	-	-	8,566,338
-	-	-	1,409,209	3,808,324
-	148,076	-	2,311,285	4,464,186
<u>-</u>	<u>148,076</u>	<u>-</u>	<u>3,720,494</u>	<u>29,739,408</u>
-	-	-	-	3,144,776
-	-	-	-	1,280,343
-	-	-	-	11,346,912
-	-	-	-	64,267
-	-	-	-	806,027
340,555	48,439	7,935,968	32,208,617	32,208,617
<u>340,555</u>	<u>48,439</u>	<u>7,935,968</u>	<u>32,208,617</u>	<u>48,850,942</u>
<u>(340,555)</u>	<u>99,637</u>	<u>(7,935,968)</u>	<u>(28,488,123)</u>	<u>(19,111,534)</u>
655,000	168,047	7,910,000	21,286,355	21,306,785
(6,628)	-	(309,968)	(1,620,769)	(9,348,277)
<u>648,372</u>	<u>168,047</u>	<u>7,600,032</u>	<u>19,665,586</u>	<u>11,958,508</u>
<u>307,817</u>	<u>267,684</u>	<u>(335,936)</u>	<u>(8,822,537)</u>	<u>(7,153,026)</u>
(35,813)	(244,879)	4,538,973	31,012,084	47,135,125
-	-	-	-	9,095,269
<u>(35,813)</u>	<u>(244,879)</u>	<u>4,538,973</u>	<u>31,012,084</u>	<u>56,230,394</u>
<u>\$ 272,004</u>	<u>\$ 22,805</u>	<u>\$ 4,203,037</u>	<u>\$ 22,189,547</u>	<u>\$ 49,077,368</u>

CITY OF OVERLAND PARK, KANSAS

Schedule of Revenue, Expenditures and Changes in Fund
Balances - Budget and Actual - Budgetary Basis

Special Street and Highway Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Use of money	\$ 5,000	\$ 5,000	\$ 26,073	\$ 21,073
Intergovernmental	5,100,000	5,100,000	5,304,554	204,554
Total revenues	<u>5,105,000</u>	<u>5,105,000</u>	<u>5,330,627</u>	<u>225,627</u>
Expenditures				
Current:				
Public works	1,975,000	1,975,000	-	1,975,000
Total expenditures	<u>1,975,000</u>	<u>1,975,000</u>	<u>-</u>	<u>1,975,000</u>
Excess of revenues over expenditures	<u>3,130,000</u>	<u>3,130,000</u>	<u>5,330,627</u>	<u>2,200,627</u>
Other financing sources (uses):				
Transfers (to) from other funds:				
Capital project funds	(4,850,000)	(4,850,000)	(4,850,000)	-
Total other financing sources (uses)	<u>(4,850,000)</u>	<u>(4,850,000)</u>	<u>(4,850,000)</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,720,000)</u>	<u>(1,720,000)</u>	<u>480,627</u>	<u>2,200,627</u>
Fund balances, beginning of year	<u>1,720,000</u>	<u>1,720,000</u>	<u>2,072,623</u>	<u>352,623</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,553,250</u>	<u>\$ 2,553,250</u>

CITY OF OVERLAND PARK, KANSAS

Schedule of Revenue, Expenditures and Changes in Fund
Balances - Budget and Actual - Budgetary Basis

Special Park and Recreation Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Use of money	\$ 5,000	\$ 5,000	\$ 22,334	\$ 17,334
Intergovernmental	1,500,000	1,500,000	1,630,892	130,892
Total revenues	<u>1,505,000</u>	<u>1,505,000</u>	<u>1,653,226</u>	<u>148,226</u>
Excess of revenues over expenditures	<u>1,505,000</u>	<u>1,505,000</u>	<u>1,653,226</u>	<u>148,226</u>
Other financing sources (uses):				
Transfers (to) from other funds:				
Capital project funds	(1,875,000)	(1,875,000)	(1,606,483)	268,517
Total other financing sources (uses)	<u>(1,875,000)</u>	<u>(1,875,000)</u>	<u>(1,606,483)</u>	<u>268,517</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(370,000)</u>	<u>(370,000)</u>	<u>46,743</u>	<u>416,743</u>
Fund balances, beginning of year	<u>370,000</u>	<u>370,000</u>	<u>577,171</u>	<u>207,171</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 623,914</u>	<u>\$ 623,914</u>

CITY OF OVERLAND PARK, KANSAS

Schedule of Revenue, Expenditures and Changes in Fund
Balances - Budget and Actual - Budgetary Basis

Special Alcohol Control Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Use of money	\$ 10,000	\$ 10,000	\$ 126,150	\$ 116,150
Intergovernmental	1,500,000	1,500,000	1,630,892	130,892
Total revenues	<u>1,510,000</u>	<u>1,510,000</u>	<u>1,757,042</u>	<u>247,042</u>
Expenditures				
Current:				
General government	4,739,000	4,742,190	1,086,250	3,655,940
Public safety	361,000	357,810	371,926	(14,116)
Total expenditures	<u>5,100,000</u>	<u>5,100,000</u>	<u>1,458,176</u>	<u>3,641,824</u>
Excess of revenues over expenditures	<u>(3,590,000)</u>	<u>(3,590,000)</u>	<u>298,866</u>	<u>3,888,866</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(3,590,000)</u>	<u>(3,590,000)</u>	<u>298,866</u>	<u>3,888,866</u>
Reconciliation to GAAP basis:				
Encumbrances			<u>(11,623)</u>	
Fund balances, beginning of year	<u>3,590,000</u>	<u>3,590,000</u>	<u>3,782,424</u>	<u>192,424</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,069,667</u>	<u>\$ 4,081,290</u>

CITY OF OVERLAND PARK, KANSAS

Schedule of Revenue, Expenditures and Changes in Fund
Balances - Budget and Actual - Budgetary Basis

Special Tax Financing Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Property tax	\$ 1,250,000	\$ 1,250,000	\$ 1,202,130	\$ (47,870)
Sales tax	450,000	450,000	440,511	(9,489)
Capital and operating grants	300,000	300,000	404,796	104,796
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,047,437</u>	<u>47,437</u>
Expenditures				
Current:				
General government	2,000,000	2,000,000	2,046,903	(46,903)
Total expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,046,903</u>	<u>(46,903)</u>
Excess of revenues over expenditures	-	-	534	534
Revenues and other financing sources over (under) expenditures and other financing uses	-	-	534	534
Reconciliation to GAAP basis:				
Activity reported within economic development fund subfunds:				
Transportation Development Districts			145,995	
Community Improvement Districts			20,503	
Fund balances, beginning of year, previously reported			(411,583)	
Prior period adjustment			9,102,279	
Fund balances, beginning of year, restated	-	-	8,690,696	8,690,696
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,857,728</u>	<u>\$ 8,691,230</u>

CITY OF OVERLAND PARK, KANSAS

Schedule of Revenue, Expenditures and Changes in Fund
Balances - Budget and Actual - Budgetary Basis

Downtown Business Improvement District Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 105,000	\$ 105,000	\$ 88,802	\$ (16,198)
Use of money	5,000	5,000	128	(4,872)
Total revenues	<u>110,000</u>	<u>110,000</u>	<u>88,930</u>	<u>(21,070)</u>
Expenditures				
Current:				
Planning and development services	110,000	110,000	88,930	21,070
Total expenditures	<u>110,000</u>	<u>110,000</u>	<u>88,930</u>	<u>21,070</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF OVERLAND PARK, KANSAS

Schedule of Revenue, Expenditures and Changes in Fund
Balances - Budget and Actual - Budgetary Basis

Debt Service Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Use of money	\$ 5,000	\$ 5,000	\$ 9,414	\$ 4,414
Contributions	160,000	155,000	152,975	(2,025)
Total revenues	<u>165,000</u>	<u>160,000</u>	<u>162,389</u>	<u>2,389</u>
Expenditures				
Debit service:				
Principal retirement	13,450,000	13,900,000	14,095,000	(195,000)
Interest on long-term debt	3,600,000	3,855,000	3,932,634	(77,634)
Other debt service costs	400,000	345,000	-	345,000
Total expenditures	<u>17,450,000</u>	<u>18,100,000</u>	<u>18,027,634</u>	<u>72,366</u>
Excess of revenues over expenditures	<u>(17,285,000)</u>	<u>(17,940,000)</u>	<u>(17,865,245)</u>	<u>74,755</u>
Other financing sources (uses):				
Transfers (to) from other funds:				
General fund	11,500,000	12,250,000	12,248,445	(1,555)
Special revenue funds	5,340,000	5,340,000	5,339,700	(300)
Capital project funds	195,000	100,000	-	(100,000)
Enterprise funds	-	-	277,100	277,100
Total other financing sources (uses)	<u>17,035,000</u>	<u>17,690,000</u>	<u>17,865,245</u>	<u>175,245</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>250,000</u>
Fund balances, beginning of year	250,000	250,000	250,000	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Net Position

Nonmajor Enterprise Funds
December 31, 2019

	Golf Course	Soccer Complex	Total Nonmajor Enterprise Funds
Assets			
Current Assets:			
Cash, cash equivalents and investments	\$ 933,772	\$ 873,730	\$ 1,807,502
Accounts receivable	-	3,266	3,266
Inventory	215,800	-	215,800
Total current assets	1,149,572	876,996	2,026,568
Long-term Assets			
Capital assets:			
Land, improvements and construction in progress	1,425,200	-	1,425,200
Capital assets, net of depreciation	9,069,233	-	9,069,233
Total capital assets	10,494,433	-	10,494,433
Total long-term assets	10,494,433	-	10,494,433
Total assets	11,644,005	876,996	12,521,001
Liabilities			
Current Liabilities:			
Accounts payable	17,332	7,342	24,674
Accrued expenses	18,415	9,324	27,739
Unearned revenue	234,085	12,280	246,365
Accrued compensated absences	58,317	16,467	74,784
Capital lease obligation	27,525	-	27,525
Total current liabilities	355,674	45,413	401,087
Long-term Liabilities			
Accrued compensated absences	29,476	8,651	38,127
Capital lease obligation	58,509	-	58,509
Total long-term liabilities	87,985	8,651	96,636
Total liabilities	443,659	54,064	497,723
Net Position (Deficit)			
Net investment in capital assets	10,408,399	-	10,408,399
Unrestricted	791,947	822,932	1,614,879
Total net position (deficit)	\$ 11,200,346	\$ 822,932	\$ 12,023,278

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position

Nonmajor Enterprise Funds
For the Year Ended December 31, 2019

	<u>Golf Course</u>	<u>Soccer Complex</u>	<u>Total Nonmajor Enterprise Funds</u>
Operating Revenues:			
Charges for services	\$ 6,181,483	\$ 1,230,981	\$ 7,412,464
Other reimbursements	-	241,257	241,257
Total operating revenues	<u>6,181,483</u>	<u>1,472,238</u>	<u>7,653,721</u>
Operating Expenses:			
Soccer operations	-	1,128,641	1,128,641
Golf course operations	5,599,347	-	5,599,347
Depreciation	227,605	-	227,605
Total operating expenses:	<u>5,826,952</u>	<u>1,128,641</u>	<u>6,955,593</u>
Operating income (loss)	<u>354,531</u>	<u>343,597</u>	<u>698,128</u>
Nonoperating Revenue (Expense):			
Interest earned on investments	12,195	17,119	29,314
Capital contributions	7,695,001	-	7,695,001
Gain (loss) on disposal of assets	1,592	-	1,592
Total nonoperating revenue (expense)	<u>7,708,788</u>	<u>17,119</u>	<u>7,725,907</u>
Income (loss) before transfers	<u>8,063,319</u>	<u>360,716</u>	<u>8,424,035</u>
Transfers in	-	20,999	20,999
Transfers out	(727,700)	(129,500)	(857,200)
Change in net position	7,335,619	252,215	7,587,834
Net position, beginning	3,864,727	570,717	4,435,444
Net position, ending	<u>\$ 11,200,346</u>	<u>\$ 822,932</u>	<u>\$ 12,023,278</u>

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Cash Flows

Nonmajor Enterprise Funds
For the Year Ended December 31, 2019

	<u>Golf Course</u>	<u>Soccer Complex</u>	<u>Total Nonmajor Enterprise Funds</u>
Cash flows from operating activities			
Receipts from customers	\$ 6,212,151	\$ 1,227,873	\$ 7,440,024
Other receipts	-	241,257	241,257
Payments to employees for salaries and benefits	(2,987,736)	(538,806)	(3,526,542)
Payments to suppliers and service providers	<u>(2,700,589)</u>	<u>(579,310)</u>	<u>(3,279,899)</u>
Net cash provided by (used in) operating activities	<u>523,826</u>	<u>351,014</u>	<u>874,840</u>
Cash flows from noncapital financing activities			
Transfers from other funds	-	20,999	20,999
Transfers to other funds	<u>(727,700)</u>	<u>(129,500)</u>	<u>(857,200)</u>
Net cash provided by (used in) noncapital financing activities	<u>(727,700)</u>	<u>(108,501)</u>	<u>(836,201)</u>
Cash flows from capital and related financing activities			
Principal paid on capital debt	(31,079)	-	(31,079)
Acquisition and construction of capital assets	<u>(64,262)</u>	<u>-</u>	<u>(64,262)</u>
Net cash provided by (used in) capital and related financing activities	<u>(95,341)</u>	<u>-</u>	<u>(95,341)</u>
Cash flows from investing activities			
Interest and dividends received	12,195	17,119	29,314
Proceeds from sale of investments	<u>1,592</u>	<u>-</u>	<u>1,592</u>
Net cash provided by (used in) investing activities	<u>13,787</u>	<u>17,119</u>	<u>30,906</u>
Net increase (decrease) in cash and cash equivalents	(285,428)	259,632	(25,796)
Cash and cash equivalents, beginning	1,219,200	614,098	1,833,298
Cash and cash equivalents, ending	<u>\$ 933,772</u>	<u>\$ 873,730</u>	<u>\$ 1,807,502</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income	\$ 354,531	\$ 343,597	\$ 698,128
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
(Increase) decrease in accounts receivable	-	(3,108)	(3,108)
(Increase) decrease in inventory	(102,455)	-	(102,455)
Increase (decrease) in accounts payable	4,601	5,482	10,083
Increase (decrease) in accrued expenses	8,876	5,043	13,919
Increase (decrease) in unearned revenue	30,668	-	30,668
Depreciation expense	<u>227,605</u>	<u>-</u>	<u>227,605</u>
Net cash provided by (used in) operating activities	<u>\$ 523,826</u>	<u>\$ 351,014</u>	<u>\$ 874,840</u>
Schedule of non-cash investing and financing activities:			
Capital contributions	\$ 7,695,001	\$ -	\$ 7,695,001

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Net Position

Internal Service Funds

December 31, 2019

	<u>Workers'</u>	<u>Medical</u>	
	<u>Compensation</u>	<u>Imprest Plan</u>	<u>Total</u>
Assets			
Current Assets:			
Cash, cash equivalents and investments	\$ -	\$ 5,919,868	\$ 5,919,868
Accounts receivable	326,776	-	326,776
Total current assets	<u>326,776</u>	<u>5,919,868</u>	<u>6,246,644</u>
Long-term Assets			
Restricted:			
Cash and cash equivalents	2,259,470	428,804	2,688,274
Total long-term assets	<u>2,259,470</u>	<u>428,804</u>	<u>2,688,274</u>
Total assets	<u>2,586,246</u>	<u>6,348,672</u>	<u>8,934,918</u>
Liabilities			
Current Liabilities:			
Accounts payable	62,397	128,252	190,649
Claims payable	979,428	781,000	1,760,428
Total current liabilities	<u>1,041,825</u>	<u>909,252</u>	<u>1,951,077</u>
Total liabilities	<u>1,041,825</u>	<u>909,252</u>	<u>1,951,077</u>
Net Position (Deficit)			
Restricted for:			
Workers' compensation claims	1,544,421	-	1,544,421
Employee medical claim allocations	-	428,804	428,804
Unrestricted	-	5,010,616	5,010,616
Total net position (deficit)	<u>\$ 1,544,421</u>	<u>\$ 5,439,420</u>	<u>\$ 6,983,841</u>

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position

Internal Service Funds
For the Year Ended December 31, 2019

	Workers'	Medical	
	Compensation	Imprest Plan	Total
Operating Revenues:			
Charges for services	\$ -	\$ 14,833,839	\$ 14,833,839
Other reimbursements	-	5,309	5,309
Total operating revenues	<u>-</u>	<u>14,839,148</u>	<u>14,839,148</u>
Operating Expenses:			
Claims paid	-	12,818,358	12,818,358
Contractual services	82,943	-	82,943
Total operating expenses:	<u>82,943</u>	<u>12,818,358</u>	<u>12,901,301</u>
Operating income (loss)	<u>(82,943)</u>	<u>2,020,790</u>	<u>1,937,847</u>
Nonoperating Revenue (Expense):			
Interest earned on investments	46,754	114,548	161,302
Total nonoperating revenue (expense)	<u>46,754</u>	<u>114,548</u>	<u>161,302</u>
Income (loss) before transfers	<u>(36,189)</u>	<u>2,135,338</u>	<u>2,099,149</u>
Transfers in	424,000	-	424,000
Change in net position	387,811	2,135,338	2,523,149
Net position, beginning	1,156,610	3,304,082	4,460,692
Net position, ending	<u>\$ 1,544,421</u>	<u>\$ 5,439,420</u>	<u>\$ 6,983,841</u>

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Cash Flows

Internal Service Funds
For the Year Ended December 31, 2019

	Workers'	Medical	
	Compensation	Imprest Plan	Total
Cash flows from operating activities			
Receipts from customers	\$ (308,373)	\$ 14,833,839	\$ 14,525,466
Other receipts	-	5,309	5,309
Claims paid	(351,648)	(13,179,358)	(13,531,006)
Payments to suppliers and service providers	(23,416)	123,332	99,916
Net cash provided by (used in) operating activities	<u>(683,437)</u>	<u>1,783,122</u>	<u>1,099,685</u>
Cash flows from noncapital financing activities			
Transfers from other funds	424,000	-	424,000
Net cash provided by (used in) noncapital financing activities	<u>424,000</u>	<u>-</u>	<u>424,000</u>
Cash flows from investing activities			
Interest and dividends received	46,754	114,548	161,302
Net cash provided by (used in) investing activities	<u>46,754</u>	<u>114,548</u>	<u>161,302</u>
Net increase (decrease) in cash and cash equivalents	(212,683)	1,897,670	1,684,987
Cash and cash equivalents, beginning	2,472,153	4,451,002	6,923,155
Cash and cash equivalents, ending	<u>\$ 2,259,470</u>	<u>\$ 6,348,672</u>	<u>\$ 8,608,142</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income	\$ (82,943)	\$ 2,020,790	\$ 1,937,847
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
(Increase) decrease in accounts receivable	(308,373)	-	(308,373)
Increase (decrease) in accounts payable	59,527	123,332	182,859
Increase (decrease) in claims payable	(351,648)	(361,000)	(712,648)
Net cash provided by (used in) operating activities	<u>\$ (683,437)</u>	<u>\$ 1,783,122</u>	<u>\$ 1,099,685</u>

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Net Position

Fiduciary Funds
December 31, 2019

	Employee Benefit Trust Funds		
	Municipal Employees Pension Plan	Police Department Retirement Plan	Fire Department Retirement Plan
Assets			
Cash and cash equivalents	\$ 1,000	\$ 2,870,748	\$ 923,540
Investments:			
Equity securities	-	33,713,080	15,071,098
Mutual funds	68,298,788	54,404,847	24,625,015
Real estate investment trust	-	6,490,771	2,614,340
Corporate bonds	-	7,765,182	3,698,076
U.S. government securities	-	7,272,492	3,501,272
Total assets	<u>68,299,788</u>	<u>112,517,120</u>	<u>50,433,341</u>
Liabilities			
Due to other entities	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position			
Held in trust for pension benefits and other purposes	68,299,788	112,517,120	50,433,341
Total net position	<u>\$ 68,299,788</u>	<u>\$ 112,517,120</u>	<u>\$ 50,433,341</u>

Employee Benefit Trust Funds		Custodial Funds		
Other Post- Employment Benefits Trust	Total	State License	CMB State Stamp	Total
\$ 690	\$ 3,795,978	\$ 27,268	\$ 650	\$ 27,918
-	48,784,178	-	-	-
10,050,092	157,378,742	-	-	-
473,039	9,578,150	-	-	-
-	11,463,258	-	-	-
-	10,773,764	-	-	-
<u>10,523,821</u>	<u>241,774,070</u>	<u>27,268</u>	<u>650</u>	<u>27,918</u>
-	-	27,268	650	27,918
-	-	<u>27,268</u>	<u>650</u>	<u>27,918</u>
10,523,821	241,774,070	-	-	-
<u>\$ 10,523,821</u>	<u>\$ 241,774,070</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF OVERLAND PARK, KANSAS

Combining Statement of Changes in Fiduciary Net Position

Fiduciary Funds
For the Year Ended December 31, 2019

	Employee Benefit Trust Funds		
	Municipal Employees Pension Plan	Police Department Retirement Plan	Fire Department Retirement Plan
Additions			
Contributions:			
Employer	\$ 2,209,634	\$ 1,837,012	\$ 1,558,620
Plan members	61,464	-	-
Total contributions	<u>2,271,098</u>	<u>1,837,012</u>	<u>1,558,620</u>
Investment earnings:			
Net increase in fair value of investments	9,550,620	14,825,793	6,484,173
Interest	-	447,472	203,520
Dividends	1,916,479	2,656,982	1,172,502
Total investment earnings	<u>11,467,099</u>	<u>17,930,247</u>	<u>7,860,195</u>
Collections for other governments	-	-	-
Total additions	<u>13,738,197</u>	<u>19,767,259</u>	<u>9,418,815</u>
Deductions			
Benefits	2,299,613	4,498,477	1,042,666
Administrative expenses	-	277,022	125,447
Payments to other governments	-	-	-
Total deductions	<u>2,299,613</u>	<u>4,775,499</u>	<u>1,168,113</u>
Change in net position	<u>11,438,584</u>	<u>14,991,760</u>	<u>8,250,702</u>
Net position, beginning, as previously reported	56,861,204	97,525,360	42,182,639
Prior period adjustment	-	-	-
Net position, beginning, as restated	<u>56,861,204</u>	<u>97,525,360</u>	<u>42,182,639</u>
Net position, ending	<u>\$ 68,299,788</u>	<u>\$ 112,517,120</u>	<u>\$ 50,433,341</u>

Employee Benefit Trust Funds		Private- Purpose Trust Funds	Custodial Funds		
Other Post- Employment Benefits Trust	Total		State License Fund	CMB State Stamp Fund	Total
\$ 700,000	\$ 6,305,266	\$ -	\$ -	\$ -	\$ -
-	61,464	-	-	-	-
<u>700,000</u>	<u>6,366,730</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,408,222	32,268,808	-	-	-	-
266,120	917,112	-	-	-	-
-	5,745,963	-	-	-	-
<u>1,674,342</u>	<u>38,931,883</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	404,788	2,550	407,338
<u>2,374,342</u>	<u>45,298,613</u>	<u>-</u>	<u>404,788</u>	<u>2,550</u>	<u>407,338</u>
-	7,840,756	-	-	-	-
4,212	406,681	-	-	-	-
-	-	-	404,788	2,550	407,338
<u>4,212</u>	<u>8,247,437</u>	<u>-</u>	<u>404,788</u>	<u>2,550</u>	<u>407,338</u>
<u>2,370,130</u>	<u>37,051,176</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
8,153,691	204,722,894	2,762	-	-	-
-	-	(2,762)	-	-	-
<u>8,153,691</u>	<u>204,722,894</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 10,523,821</u>	<u>\$ 241,774,070</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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CITY OF OVERLAND PARK, KANSAS

Statistical Section

Table of Contents

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.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 152 -161

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenues sources, the property tax and sales tax. 162 - 169

Debt Capacity

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. 170 - 174

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 175 - 176

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to the services the City provides and the activities it performs. 177 - 183

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 being in that year.

CITY OF OVERLAND PARK, KANSAS

Net Position by Component
2010 to 2019 Inclusive
(accrual basis of accounting)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities				
Net investment in capital assets	\$ 868,805,471	\$ 865,820,612	\$ 887,503,877	\$ 898,706,264
Restricted	5,671,256	3,761,989	4,835,240	4,620,877
Unrestricted	42,118,676	41,843,620	41,856,980	57,282,547
Total governmental activities net position	<u>\$ 916,595,403</u>	<u>\$ 911,426,221</u>	<u>\$ 934,196,097</u>	<u>\$ 960,609,688</u>
Business-type activities				
Net investment in capital assets	\$ (46,616,213)	\$ (48,314,692)	\$ (48,109,010)	\$ (48,043,726)
Restricted	15,596,664	16,272,483	15,827,405	14,592,968
Unrestricted	(1,284,250)	(2,239,190)	(6,879,350)	(7,239,877)
Total business-type activities net position	<u>\$ (32,303,799)</u>	<u>\$ (34,281,399)</u>	<u>\$ (39,160,955)</u>	<u>\$ (40,690,635)</u>
Primary government				
Net investment in capital assets	\$ 822,189,258	\$ 817,505,920	\$ 839,394,867	\$ 850,662,538
Restricted	21,267,920	20,034,472	20,662,645	19,213,845
Unrestricted	40,834,426	39,604,430	34,977,630	50,042,670
Total primary government net position	<u>\$ 884,291,604</u>	<u>\$ 877,144,822</u>	<u>\$ 895,035,142</u>	<u>\$ 919,919,053</u>

2014	2015	2016	2017	2018	2019
\$ 912,516,846	\$ 921,477,236	\$ 941,269,540	\$ 949,192,740	\$ 958,584,349	\$ 963,408,403
4,767,379	6,088,172	7,623,174	8,983,036	29,859,784	43,347,958
66,027,156	47,576,157	68,979,829	70,974,302	62,081,950	61,961,988
<u>\$ 983,311,381</u>	<u>\$ 975,141,565</u>	<u>\$ 1,017,872,543</u>	<u>\$ 1,029,150,078</u>	<u>\$ 1,050,526,083</u>	<u>\$ 1,068,718,349</u>
\$ (49,081,594)	\$ (49,536,373)	\$ (49,137,285)	\$ (46,517,430)	\$ (46,193,619)	\$ (49,752,860)
15,879,957	16,689,167	16,713,151	14,297,585	14,655,079	27,633,053
(7,649,443)	(7,662,129)	(7,651,452)	(8,046,460)	(7,017,497)	(3,390,210)
<u>\$ (40,851,080)</u>	<u>\$ (40,509,335)</u>	<u>\$ (40,075,586)</u>	<u>\$ (40,266,305)</u>	<u>\$ (38,556,037)</u>	<u>\$ (25,510,017)</u>
\$ 863,435,252	\$ 871,940,863	\$ 892,132,255	\$ 902,675,310	\$ 912,390,730	\$ 913,655,543
20,647,336	22,777,339	24,336,325	23,280,621	44,514,863	70,981,011
58,377,713	39,914,028	61,328,377	62,927,842	55,064,453	58,571,778
<u>\$ 942,460,301</u>	<u>\$ 934,632,230</u>	<u>\$ 977,796,957</u>	<u>\$ 988,883,773</u>	<u>\$ 1,011,970,046</u>	<u>\$ 1,043,208,332</u>

CITY OF OVERLAND PARK, KANSAS

Changes in Net Position
2010 to 2019 Inclusive
(accrual basis of accounting)

	2010			2011		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Program Expenses						
General government	\$ 32,651,928	\$ -	\$ 32,651,928	\$ 34,805,867	\$ -	\$ 34,805,867
Public safety	49,296,357	-	49,296,357	49,874,733	-	49,874,733
Public works	58,956,143	-	58,956,143	61,229,121	-	61,229,121
Parks and recreation	14,743,711	-	14,743,711	4,530,531	-	4,530,531
Planning and development services	7,919,968	-	7,919,968	7,084,275	-	7,084,275
Golf course	-	2,865,160	2,865,160	-	3,073,047	3,073,047
Soccer complex	-	965,025	965,025	-	1,012,289	1,012,289
OPDC	-	24,603,609	24,603,609	-	25,473,353	25,473,353
Interest on long-term debt	9,177,523	-	9,177,523	6,355,197	-	6,355,197
Total expenses	<u>172,745,630</u>	<u>28,433,794</u>	<u>201,179,424</u>	<u>163,879,724</u>	<u>29,558,689</u>	<u>193,438,413</u>
Program Revenues						
Charges for services						
General government	7,552,961	-	7,552,961	9,533,064	-	9,533,064
Public safety	7,424,157	-	7,424,157	6,927,966	-	6,927,966
Public works	508,665	-	508,665	654,081	-	654,081
Parks and recreation	4,836,764	-	4,836,764	4,971,524	-	4,971,524
Planning and development services	1,978,793	-	1,978,793	2,514,905	-	2,514,905
Golf course	-	3,171,584	3,171,584	-	2,869,736	2,869,736
Soccer complex	-	1,135,085	1,135,085	-	1,168,226	1,168,226
OPDC	-	18,009,544	18,009,544	-	19,890,341	19,890,341
Operating grants and contributions	10,736,837	-	10,736,837	13,704,711	-	13,704,711
Capital grants and contributions	16,143,063	-	16,143,063	12,858,126	-	12,858,126
Total program revenues	<u>49,181,240</u>	<u>22,316,213</u>	<u>71,497,453</u>	<u>51,164,377</u>	<u>23,928,303</u>	<u>75,092,680</u>
Net Program (Expense)/Revenue	<u>(123,564,390)</u>	<u>(6,117,581)</u>	<u>(129,681,971)</u>	<u>(112,715,347)</u>	<u>(5,630,386)</u>	<u>(118,345,733)</u>
General Revenues and Other						
Changes in Net Position						
Property taxes	24,200,005	-	24,200,005	23,010,679	-	23,010,679
Sales taxes	55,281,334	-	55,281,334	63,728,195	-	63,728,195
Franchise taxes	9,952,518	-	9,952,518	10,386,572	-	10,386,572
Transient guest tax	6,734,429	-	6,734,429	7,451,593	-	7,451,593
Unrestricted grants and contributions	3,883,779	7,732,856	11,616,635	3,696,612	-	3,696,612
Unrestricted investment earnings	864,073	30,586	894,659	519,540	30,316	549,856
Miscellaneous	5,782,561	249,271	6,031,832	2,149,841	225,603	2,375,444
Transfers	(4,018,708)	4,018,708	-	(3,396,867)	3,396,867	-
Total general revenues	<u>102,679,991</u>	<u>12,031,421</u>	<u>114,711,412</u>	<u>107,546,165</u>	<u>3,652,786</u>	<u>111,198,951</u>
Change in net position	<u>\$ (20,884,399)</u>	<u>\$ 5,913,840</u>	<u>\$ (14,970,559)</u>	<u>\$ (5,169,182)</u>	<u>\$ (1,977,600)</u>	<u>\$ (7,146,782)</u>

2012			2013			2014		
Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
\$ 24,165,599	\$ -	\$ 24,165,599	\$ 33,886,609	\$ -	\$ 33,886,609	\$ 33,667,024	\$ -	\$ 33,667,024
49,093,933	-	49,093,933	52,990,718	-	52,990,718	53,242,437	-	53,242,437
57,384,226	-	57,384,226	64,904,183	-	64,904,183	70,727,581	-	70,727,581
18,644,475	-	18,644,475	17,417,818	-	17,417,818	16,626,507	-	16,626,507
7,219,292	-	7,219,292	7,405,840	-	7,405,840	7,290,665	-	7,290,665
-	5,063,747	5,063,747	-	4,690,459	4,690,459	-	4,632,459	4,632,459
-	1,086,509	1,086,509	-	1,166,832	1,166,832	-	1,045,236	1,045,236
-	25,123,892	25,123,892	-	25,737,078	25,737,078	-	26,511,937	26,511,937
6,619,907	-	6,619,907	6,135,643	-	6,135,643	5,536,611	-	5,536,611
<u>163,127,432</u>	<u>31,274,148</u>	<u>194,401,580</u>	<u>182,740,811</u>	<u>31,594,369</u>	<u>214,335,180</u>	<u>187,090,825</u>	<u>32,189,632</u>	<u>219,280,457</u>
7,684,975	-	7,684,975	9,524,146	-	9,524,146	10,649,111	-	10,649,111
7,135,360	-	7,135,360	6,374,371	-	6,374,371	6,821,522	-	6,821,522
1,682,704	-	1,682,704	4,201,669	-	4,201,669	3,925,162	-	3,925,162
5,001,565	-	5,001,565	5,305,233	-	5,305,233	5,544,556	-	5,544,556
3,222,746	-	3,222,746	3,863,441	-	3,863,441	3,337,946	-	3,337,946
-	5,125,017	5,125,017	-	4,704,503	4,704,503	-	4,810,474	4,810,474
-	1,286,692	1,286,692	-	1,264,057	1,264,057	-	1,198,683	1,198,683
-	19,681,243	19,681,243	-	21,238,907	21,238,907	-	22,925,782	22,925,782
14,637,360	-	14,637,360	17,224,618	-	17,224,618	12,285,677	-	12,285,677
23,595,514	-	23,595,514	31,255,566	-	31,255,566	31,400,727	-	31,400,727
<u>62,960,224</u>	<u>26,092,952</u>	<u>89,053,176</u>	<u>77,749,044</u>	<u>27,207,467</u>	<u>104,956,511</u>	<u>73,964,701</u>	<u>28,934,939</u>	<u>102,899,640</u>
<u>(100,167,208)</u>	<u>(5,181,196)</u>	<u>(105,348,404)</u>	<u>(104,991,767)</u>	<u>(4,386,902)</u>	<u>(109,378,669)</u>	<u>(113,126,124)</u>	<u>(3,254,693)</u>	<u>(116,380,817)</u>
34,073,454	-	34,073,454	34,286,336	-	34,286,336	34,479,648	-	34,479,648
66,735,712	-	66,735,712	69,688,058	-	69,688,058	72,698,227	-	72,698,227
10,295,175	-	10,295,175	10,867,642	-	10,867,642	10,983,769	-	10,983,769
7,772,500	-	7,772,500	8,442,580	-	8,442,580	9,396,742	-	9,396,742
4,110,020	-	4,110,020	5,079,115	-	5,079,115	5,905,391	-	5,905,391
765,462	118,887	884,349	518,050	93,487	611,537	294,988	75,860	370,848
3,211,320	341,477	3,552,797	5,102,429	184,883	5,287,312	4,831,870	255,570	5,087,440
(4,026,559)	4,026,559	-	(2,578,851)	2,578,851	-	(2,762,818)	2,762,818	-
<u>122,937,084</u>	<u>4,486,923</u>	<u>127,424,007</u>	<u>131,405,359</u>	<u>2,857,221</u>	<u>134,262,580</u>	<u>135,827,817</u>	<u>3,094,248</u>	<u>138,922,065</u>
<u>\$ 22,769,876</u>	<u>\$ (694,273)</u>	<u>\$ 22,075,603</u>	<u>\$ 26,413,592</u>	<u>\$ (1,529,681)</u>	<u>\$ 24,883,911</u>	<u>\$ 22,701,693</u>	<u>\$ (160,445)</u>	<u>\$ 22,541,248</u>

Continued on next page.

CITY OF OVERLAND PARK, KANSAS

Changes in Net Position
2010 to 2019 Inclusive
(accrual basis of accounting)
(Continued)

	2015			2016		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Program Expenses						
General government	\$ 33,678,644	\$ -	\$ 33,678,644	\$ 27,293,376	\$ -	\$ 27,293,376
Public safety	56,811,306	-	56,811,306	57,722,052	-	57,722,052
Public works	84,779,317	-	84,779,317	70,884,253	-	70,884,253
Parks and recreation	16,427,499	-	16,427,499	16,021,763	-	16,021,763
Planning and development services	7,818,756	-	7,818,756	7,591,220	-	7,591,220
Golf course	-	4,444,788	4,444,788	-	4,618,341	4,618,341
Soccer complex	-	1,155,103	1,155,103	-	1,143,200	1,143,200
OPDC	-	27,134,815	27,134,815	-	26,916,665	26,916,665
Interest on long-term debt	6,381,217	-	6,381,217	5,165,106	-	5,165,106
Total expenses	<u>205,896,739</u>	<u>32,734,706</u>	<u>238,631,445</u>	<u>184,677,770</u>	<u>32,678,206</u>	<u>217,355,976</u>
Program Revenues						
Charges for services						
General government	10,874,123	-	10,874,123	12,546,531	-	12,546,531
Public safety	7,458,653	-	7,458,653	6,758,079	-	6,758,079
Public works	3,086,611	-	3,086,611	4,025,281	-	4,025,281
Parks and recreation	5,516,395	-	5,516,395	5,805,366	-	5,805,366
Planning and development services	4,246,668	-	4,246,668	4,116,727	-	4,116,727
Golf course	-	5,004,110	5,004,110	-	5,133,118	5,133,118
Soccer complex	-	1,303,552	1,303,552	-	1,479,342	1,479,342
OPDC	-	23,503,118	23,503,118	-	23,108,630	23,108,630
Operating grants and contributions	14,115,047	-	14,115,047	14,374,807	-	14,374,807
Capital grants and contributions	34,752,883	-	34,752,883	30,614,490	-	30,614,490
Total program revenues	<u>80,050,380</u>	<u>29,810,780</u>	<u>109,861,160</u>	<u>78,241,281</u>	<u>29,721,090</u>	<u>107,962,371</u>
Net Program (Expense)/Revenue	<u>(125,846,359)</u>	<u>(2,923,926)</u>	<u>(128,770,285)</u>	<u>(106,436,489)</u>	<u>(2,957,116)</u>	<u>(109,393,605)</u>
General Revenues and Other						
Changes in Net Position						
Property taxes	36,981,306	-	36,981,306	40,265,868	-	40,265,868
Sales taxes	73,980,228	-	73,980,228	75,649,821	-	75,649,821
Franchise taxes	10,832,504	-	10,832,504	11,194,063	-	11,194,063
Transient guest tax	10,057,212	-	10,057,212	10,620,456	-	10,620,456
Unrestricted grants and contributions	6,154,392	-	6,154,392	6,573,688	-	6,573,688
Unrestricted investment earnings	238,184	28,864	267,048	1,186,221	135,487	1,321,708
Miscellaneous	5,185,716	270,560	5,456,276	6,614,611	318,117	6,932,728
Transfers	(2,966,247)	2,966,247	-	(2,937,262)	2,937,262	-
Total general revenues	<u>140,463,295</u>	<u>3,265,671</u>	<u>143,728,966</u>	<u>149,167,466</u>	<u>3,390,866</u>	<u>152,558,332</u>
Change in net position	<u>\$ 14,616,936</u>	<u>\$ 341,745</u>	<u>\$ 14,958,681</u>	<u>\$ 42,730,977</u>	<u>\$ 433,750</u>	<u>\$ 43,164,727</u>

2017			2018			2019		
Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
\$ 49,656,425	\$ -	\$ 49,656,425	\$ 37,194,085	\$ -	\$ 37,194,085	\$ 41,256,139	\$ -	\$ 41,256,139
58,038,441	-	58,038,441	64,204,885	-	64,204,885	62,180,782	-	62,180,782
68,511,282	-	68,511,282	85,907,136	-	85,907,136	103,985,984	-	103,985,984
17,794,295	-	17,794,295	9,568,574	-	9,568,574	6,321,333	-	6,321,333
8,221,070	-	8,221,070	8,322,990	-	8,322,990	9,022,570	-	9,022,570
-	4,825,928	4,825,928	-	4,877,598	4,877,598	-	5,826,952	5,826,952
-	1,152,573	1,152,573	-	1,069,958	1,069,958	-	1,128,641	1,128,641
-	26,675,475	26,675,475	-	26,585,524	26,585,524	-	26,314,556	26,314,556
4,070,522	-	4,070,522	2,627,246	-	2,627,246	2,925,789	-	2,925,789
<u>206,292,035</u>	<u>32,653,976</u>	<u>238,946,011</u>	<u>207,824,916</u>	<u>32,533,080</u>	<u>240,357,996</u>	<u>225,692,597</u>	<u>33,270,149</u>	<u>258,962,746</u>
11,852,201	-	11,852,201	11,500,017	-	11,500,017	14,151,402	-	14,151,402
6,439,641	-	6,439,641	5,711,060	-	5,711,060	4,530,120	-	4,530,120
3,958,969	-	3,958,969	8,570,025	-	8,570,025	7,087,799	-	7,087,799
5,517,015	-	5,517,015	5,347,398	-	5,347,398	5,668,094	-	5,668,094
4,831,180	-	4,831,180	4,839,297	-	4,839,297	4,880,401	-	4,880,401
-	5,411,137	5,411,137	-	5,217,864	5,217,864	-	6,181,483	6,181,483
-	1,425,046	1,425,046	-	1,253,015	1,253,015	-	1,230,981	1,230,981
-	21,826,642	21,826,642	-	23,449,494	23,449,494	-	22,956,308	22,956,308
16,609,863	-	16,609,863	13,312,831	-	13,312,831	13,349,166	-	13,349,166
12,316,736	-	12,316,736	17,220,533	-	17,220,533	16,383,525	-	16,383,525
<u>61,525,605</u>	<u>28,662,825</u>	<u>90,188,430</u>	<u>66,501,161</u>	<u>29,920,373</u>	<u>96,421,534</u>	<u>66,050,507</u>	<u>30,368,772</u>	<u>96,419,279</u>
<u>(144,766,430)</u>	<u>(3,991,151)</u>	<u>(148,757,581)</u>	<u>(141,323,755)</u>	<u>(2,612,707)</u>	<u>(143,936,462)</u>	<u>(159,642,090)</u>	<u>(2,901,377)</u>	<u>(162,543,467)</u>
45,924,148	-	45,924,148	48,141,036	-	48,141,036	51,647,711	-	51,647,711
80,497,614	-	80,497,614	84,070,609	-	84,070,609	94,386,244	-	94,386,244
10,954,292	-	10,954,292	11,799,672	-	11,799,672	10,556,093	-	10,556,093
10,291,899	-	10,291,899	10,094,308	-	10,094,308	10,215,332	-	10,215,332
6,888,064	-	6,888,064	6,694,452	-	6,694,452	7,018,104	-	7,018,104
1,009,033	61,671	1,070,704	2,534,192	239,785	2,773,977	5,402,869	257,836	5,660,705
8,735,126	314,648	9,049,774	4,720,923	388,028	5,108,951	4,859,664	332,859	5,192,523
(3,424,113)	3,424,113	-	(3,695,162)	3,695,162	-	(15,356,702)	15,356,702	-
<u>160,876,063</u>	<u>3,800,432</u>	<u>164,676,495</u>	<u>164,360,030</u>	<u>4,322,975</u>	<u>168,683,005</u>	<u>168,729,315</u>	<u>15,947,397</u>	<u>184,676,712</u>
<u>\$ 16,109,633</u>	<u>\$ (190,719)</u>	<u>\$ 15,918,914</u>	<u>\$ 23,036,275</u>	<u>\$ 1,710,268</u>	<u>\$ 24,746,543</u>	<u>\$ 9,087,225</u>	<u>\$ 13,046,020</u>	<u>\$ 22,133,245</u>

CITY OF OVERLAND PARK, KANSAS

Fund Balances, Governmental Funds
2010 to 2019 Inclusive
(modified accrual basis of accounting)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund				
Restricted	\$ -	\$ -	\$ -	\$ -
Committed	1,000,000	150,000	12,479,807	-
Assigned	1,450,310	717,147	2,152,114	20,444,438
Unassigned	40,097,712	31,341,222	23,222,648	29,019,142
Total General Fund	<u>\$ 42,548,022</u>	<u>\$ 32,208,369</u>	<u>\$ 37,854,569</u>	<u>\$ 49,463,580</u>
 All Other Governmental Funds				
Restricted	\$ 10,097,318	\$ 11,858,078	\$ 12,544,083	\$ 14,323,354
Assigned	11,099,765	12,505,889	6,398,506	10,564,215
Unassigned	(2,671,526)	(353,105)	(396,080)	(129,640)
Total Other Governmental Funds	<u>\$ 18,525,557</u>	<u>\$ 24,010,862</u>	<u>\$ 18,546,509</u>	<u>\$ 24,757,929</u>

2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,630
-	-	-	-	-	-
22,788,414	30,249,453	32,680,095	41,007,313	46,869,009	42,077,867
34,606,653	41,202,961	43,100,743	45,767,758	47,078,171	51,595,228
<u>\$ 57,395,067</u>	<u>\$ 71,452,414</u>	<u>\$ 75,780,838</u>	<u>\$ 86,775,071</u>	<u>\$ 93,947,180</u>	<u>\$ 93,682,725</u>
\$ 14,455,895	\$ 30,073,585	\$ 21,925,904	\$ 21,617,609	\$ 24,275,244	\$ 37,067,503
12,122,323	8,215,599	22,332,307	21,597,919	52,702,840	43,658,239
(20,852)	(4,311,715)	(318,190)	(367,769)	(718,556)	(61,618)
<u>\$ 26,557,366</u>	<u>\$ 33,977,469</u>	<u>\$ 43,940,021</u>	<u>\$ 42,847,759</u>	<u>\$ 76,259,528</u>	<u>\$ 80,664,124</u>

CITY OF OVERLAND PARK, KANSAS

Changes in Fund Balances, Governmental Funds
2010 to 2019 Inclusive
(modified accrual basis of accounting)

	2010	2011	2012	2013
Revenues				
Taxes	\$ 96,168,286	\$ 104,577,039	\$ 118,876,841	\$ 123,284,616
Charges for services	13,644,861	14,989,713	14,249,902	15,921,236
Licenses and permits	2,489,098	3,172,139	4,907,224	8,069,054
Fines and penalties	5,541,388	4,883,935	4,712,719	6,374,371
Use of money	603,702	427,185	677,553	409,297
Intergovernmental	18,754,471	15,510,655	24,214,122	23,783,770
Contributions	2,713,610	2,871,966	3,168,509	2,921,533
Capital/operating grants	8,489,644	9,206,761	10,464,448	14,853,321
Grants/contributions not restricted to specific programs	3,521,808	4,476,444	3,550,044	4,629,513
Total revenues	<u>151,926,868</u>	<u>160,115,837</u>	<u>184,821,362</u>	<u>200,246,711</u>
Expenditures				
Current:				
General government	29,362,717	30,962,422	27,813,092	31,124,944
Public safety	49,144,598	49,533,008	48,246,523	50,406,416
Public works	16,160,730	15,421,911	14,902,074	16,050,151
Parks and recreation	9,677,522	10,718,555	10,637,063	11,235,618
Planning & development services	7,643,592	6,905,488	7,043,239	7,204,341
Capital improvements	46,133,339	31,966,101	47,368,661	48,183,869
Debt service				
Principal	16,322,876	16,768,038	17,227,086	24,938,249
Interest	7,511,920	7,553,688	6,847,818	5,878,349
Bond Issuance costs	122,046	125,600	-	259,072
Total expenditures	<u>182,079,340</u>	<u>169,954,811</u>	<u>180,085,556</u>	<u>195,281,009</u>
Excess of revenues over (under) expend.	<u>(30,152,472)</u>	<u>(9,838,974)</u>	<u>4,735,806</u>	<u>4,965,702</u>
Other financing sources (uses)				
Proceeds of general obligation bonds	13,450,000	8,490,000	-	6,400,000
Refunding bonds issued	-	6,665,000	-	23,595,000
Payment to refunded bond escrow agent	-	(6,762,856)	-	(17,355,144)
Issuance: Premium or (Discount)	361,375	389,349	-	3,115,724
Capital lease issuance	-	-	-	-
Transfers in	55,884,574	68,341,542	71,542,775	84,383,677
Transfers out	(60,303,282)	(72,138,409)	(76,096,734)	(87,284,528)
Total other financing sources (uses)	<u>9,392,667</u>	<u>4,984,626</u>	<u>(4,553,959)</u>	<u>12,854,729</u>
Net change in Fund Balances	<u>\$ (20,759,805)</u>	<u>\$ (4,854,348)</u>	<u>\$ 181,847</u>	<u>\$ 17,820,431</u>
Debt service as a percentage of noncapital expenditures	16%	17%	22%	19%

1. The 2016 principal expense includes a current refunding of \$36,760,000. Excluding this refunding results in 11 percent debt service percentage.

2014	2015	2016	2017	2018	2019
\$ 127,558,386	\$ 131,851,250	\$ 137,730,208	\$ 147,667,953	\$ 154,105,625	\$ 166,805,380
16,589,591	15,114,325	16,930,292	16,619,790	22,643,407	25,909,452
7,264,894	7,335,774	8,145,012	8,793,207	9,389,053	7,494,497
6,821,522	7,458,653	6,758,079	6,439,641	3,903,997	2,885,785
421,087	732,719	984,458	779,880	2,428,083	5,241,567
25,590,162	28,975,889	18,552,982	18,385,546	25,342,973	25,556,733
2,073,354	3,741,982	4,038,434	3,914,597	5,003,127	6,151,813
8,150,274	11,796,968	15,166,141	8,158,312	5,108,950	4,464,186
5,431,092	5,778,988	5,998,556	5,884,712	-	-
<u>199,900,362</u>	<u>212,786,548</u>	<u>214,304,162</u>	<u>216,643,638</u>	<u>227,925,215</u>	<u>244,509,413</u>
31,925,566	35,018,955	37,680,257	41,559,339	36,481,484	41,165,867
50,726,779	53,105,346	55,100,510	57,329,186	58,448,389	62,175,172
17,262,338	17,546,537	18,104,290	17,980,517	17,428,884	29,654,645
11,590,611	11,780,743	12,729,332	15,979,068	10,849,191	11,374,305
7,177,506	7,584,841	7,402,165	7,930,486	8,126,923	8,884,275
46,168,458	59,769,837	44,406,457	41,786,092	60,727,363	70,116,065
15,966,750	17,500,000	52,850,000	20,167,407	12,950,000	14,098,389
5,597,236	5,097,369	4,856,220	4,080,472	3,465,614	3,932,634
-	494,825	213,537	71,443	154,817	-
<u>186,415,244</u>	<u>207,898,453</u>	<u>233,342,768</u>	<u>206,884,010</u>	<u>208,632,665</u>	<u>241,401,352</u>
13,485,118	4,888,095	(19,038,606)	9,759,628	19,292,550	3,108,061
-	16,125,000	-	-	23,245,000	-
-	20,685,000	31,590,000	3,925,000	-	-
-	(19,624,998)	-	-	-	-
-	2,423,089	5,451,844	502,356	2,966,490	-
-	47,511	-	-	-	12,740
84,512,455	81,531,446	91,789,365	103,388,023	80,006,484	77,996,971
(88,266,649)	(84,597,693)	(95,501,627)	(107,673,036)	(84,926,646)	(86,082,672)
<u>(3,754,194)</u>	<u>16,589,355</u>	<u>33,329,582</u>	<u>142,343</u>	<u>21,291,328</u>	<u>(8,072,961)</u>
<u>\$ 9,730,924</u>	<u>\$ 21,477,450</u>	<u>\$ 14,290,976</u>	<u>\$ 9,901,971</u>	<u>\$ 40,583,878</u>	<u>\$ (4,964,900)</u>

13%

13%

30% ⁽¹⁾

14%

10%

9%

CITY OF OVERLAND PARK, KANSAS

Tax Revenues by Source, Governmental Funds
2010 to 2019 Inclusive

Fiscal Year	Property	Sales	Franchise	Transient Guest	Total
2010	\$ 24,200,005	\$ 55,281,334	\$ 9,952,518	\$ 6,734,429	\$ 96,168,286
2011	23,010,679	63,728,195	10,386,572	7,451,593	104,577,039
2012	34,073,454	66,735,712	10,295,175	7,772,500	118,876,841
2013	34,286,336	69,688,058	10,867,642	8,442,580	123,284,616
2014	34,479,648	72,698,227	10,983,769	9,396,742	127,558,386
2015	36,981,306	73,980,228	10,832,504	10,057,212	131,851,250
2016	40,265,868	75,649,821	11,194,063	10,620,456	137,730,208
2017	45,924,148	80,497,614	10,954,292	10,291,899	147,667,953
2018	48,141,036	84,070,609	11,799,672	10,094,308	154,105,625
2019	51,647,711	94,386,244	10,556,093	10,215,332	166,805,380

CITY OF OVERLAND PARK, KANSAS

Assessed Value and Estimated True Value of All Taxable Property 2010 to 2019 Inclusive

Year ¹	Residential Property	Commercial Property ³	Utilities	Personal Property	Total Assessed Value	Total Direct Tax Rate	Estimated True Value ²	Assessed Value as a % of True Value
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	965,031,758	49,821,564	50,540,129	2,646,132,467	12.769	18,028,416,539	11.5
2013	1,607,185,424	974,973,317	48,792,426	42,360,367	2,673,311,534	12.833	18,226,510,939	11.5
2014	1,715,979,504	1,059,796,532	45,360,611	37,535,462	2,858,672,109	12.837	19,518,479,424	11.5
2015	1,806,537,524	1,152,602,128	45,207,918	32,045,274	3,036,392,844	12.848	20,738,862,613	11.5
2016	1,945,377,557	1,245,548,377	47,170,898	29,044,333	3,267,141,165	13.800	24,093,342,818 ⁴	11.5
2017	2,099,007,861	1,289,058,715	47,618,197	27,075,749	3,462,760,522	13.565	25,684,416,893 ⁴	11.5
2018	2,273,943,719	1,321,344,760	48,111,211	25,876,735	3,669,276,425	13.566	27,395,841,762 ⁴	11.5
2019	2,432,972,006	1,326,736,009	50,053,191	24,243,118	3,834,004,324	13.557	28,928,559,620	11.5

¹ Indicates assessment year and year of levy. Represents basis for the following budget year.

² 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%.

³ Indicates assessed valuation net of Tax Increment Financing District valuations

⁴ Includes tax-exempt property value.

Source: Johnson County Land Records Reports (Appraiser Department) 2019 Abstract Report

CITY OF OVERLAND PARK, KANSAS

Direct and Overlapping Property Tax Rates 2010 to 2019 Inclusive

Year ¹	General	Fire Service	Storm Water	Total City	County	Junior College	Other Misc. District ²	Shawnee Mission School District ³	Blue Valley School District ³	Olathe School District ³
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
2013	11.873	-	0.960	12.833	17.745	9.551	5.502	55.611	70.036	69.486
2014	11.875	-	0.959	12.834	17.764	9.461	5.506	55.911	67.939	67.868
2015	11.887	-	0.961	12.848	19.582	9.469	7.013	54.059	67.889	67.764
2016	12.839	-	0.961	13.800	19.590	9.473	7.017	54.940	66.255	67.774
2017	12.603	-	0.962	13.565	19.318	9.503	7.033	53.663	66.614	71.174
2018	12.604	-	0.962	13.566	19.024	9.266	6.989	52.427	64.999	70.665
2019	12.596	-	0.961	13.557	19.036	9.121	6.994	52.121	62.797	69.878

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

² Includes Johnson County Parks and Recreation District and library.

³ 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-Mill Levies on Tangible Assets

CITY OF OVERLAND PARK, KANSAS

Principal Taxpayers
2019 and 2010

Taxpayer	Type of Business	2019			2010		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation ¹	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
OPS-KC, LLC	Property Management	\$ 86,050,012	1	2.10%			
Oak Park Mall, LLC	Shops and malls	77,439,738	2	1.90%	\$ 42,084,260	2	1.50%
Corporate Woods, LLC	Communications	63,040,946	3	1.50%	54,180,020	1	1.90%
CBPK5 LP	Property Management	22,440,972	4	0.50%			
Midwest Division-OPRMC, LLC	Hospital	20,200,101	5	0.50%			
Mept Lighton Plaza LLC	Office Bldg/Real Estate	16,901,501	6	0.40%	13,267,752	3	0.50%
Privitera Realty Holdings	Office building/real estate	13,591,261	7	0.30%	10,801,335	5	0.40%
Central Tennessee Hospital	Hospital	13,566,160	8	0.30%	12,517,661	4	0.40%
Tower Properties Company	Property Management	13,128,002	9	0.30%			
Aspen Square, Inc.	Warehouse & Storage	11,991,754	10	0.30%			
Rubicon	Shops and malls				8,982,931	6	0.30%
EDH Holdings, LLC	Real Estate				8,048,250	7	0.30%
CRP-2 Commerce Plaza, LLC	Real Estate				7,857,750	8	0.30%
OP Regional Medical Center	Hospital				7,724,059	9	0.30%
CRP-2 Holdings, LLC	Real Estate				7,473,251	10	0.30%
Total		\$ 338,350,447		8.10%	\$ 172,937,269		6.20%

¹ Vehicles included

Source: Johnson County

CITY OF OVERLAND PARK, KANSAS

Property Tax Levies and Collections
2010 to 2019 Inclusive

Year¹	Total Tax Levy	Current Tax Collections	Percentage Current Tax Collections	Prior Years Tax Collected²	Total Tax Collection	Percentage Total Collection to Current Levy
2010	\$ 24,445,509	\$24,025,155	98.28%	\$ 176,811	\$24,201,966	99.00%
2011	23,033,426	22,595,452	98.10%	368,115	22,963,567	99.70%
2012	33,742,590	33,145,200	98.23%	767,480	33,912,680	100.50%
2013	33,817,054	33,476,986	98.99%	629,063	34,106,049	100.85%
2014	34,330,026	34,057,405	99.21%	240,107	34,297,512	99.91%
2015	36,746,059	36,313,470	98.82%	351,514	36,664,984	99.78%
2016	39,011,577	38,734,773	99.29%	1,172,847	39,907,620	102.30%
2017	45,176,852	44,782,764	99.13%	581,247	45,364,011	100.41%
2018	47,126,527	46,445,102	98.55%	746,491	47,191,593	100.14%
2019	49,975,737	49,057,740	98.16%	894,394	49,952,134	99.95%

Special Assessment Levies and Collections
2010 to 2019 Inclusive

Levy Year¹	Assessments Certified to County	Current Assessment Collections	Percentage Assessments Collected	Prior Years' Assessments Collected	Total Tax Collections	Percentage Total Collection to Current Levy
2010	\$ 2,391,091	\$ 2,386,007	99.79%	\$ 1,068	\$ 2,387,075	99.83%
2011	2,318,379	2,315,724	99.89%	9,685	2,325,409	100.30%
2012	1,689,148	1,683,944	99.69%	11,008	1,694,952	100.34%
2013	1,681,258	1,680,858	99.98%	20,773	1,701,631	101.21%
2014	1,687,294	1,686,878	99.98%	109	1,686,987	99.98%
2015	1,688,006	1,687,695	99.98%	470	1,688,165	100.01%
2016	2,140,707	2,135,280	99.75%	(3,444)	2,131,836	99.59%
2017	2,164,663	2,154,364	99.52%	15,990	2,170,354	100.26%
2018	904,157	904,157	100.00%	-	904,157	100.00%
2019	656,971	652,146	99.27%	-	652,146	99.27%

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

² Due to system limitations at the County, delinquent property taxes cannot be broken out by tax levy year and are reported in the year collected.

Source: City Finance Department

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CITY OF OVERLAND PARK, KANSAS

Taxable Sales by Category
2010 to 2019 Inclusive

	2010	2011	2012	2013
Car Dealers, Rental, Leasing	169,960,329	178,250,635	188,422,325	159,501,281
Clothing & Shoe Stores	150,342,268	155,700,356	154,104,659	137,133,114
Computer & Office Supplies	79,990,510	84,390,732	87,237,647	95,978,128
Construction & Home Repair	183,107,543	237,738,578	222,707,590	279,662,559
Depart. Stores - Elastic	329,736,442	322,535,625	294,570,002	201,718,737
Depart. Stores - Inelastic	375,860,313	395,412,870	425,879,284	437,717,959
Grocery Stores	250,091,217	265,072,723	275,071,286	285,016,550
Restaurants	317,460,089	339,095,793	357,991,389	367,591,851
Specialty Stores	109,287,100	116,543,966	126,562,408	241,361,052
Utilities	417,241,260	427,816,223	420,762,588	408,743,886
All Others	617,460,291	656,080,426	676,556,446	678,991,604
Total	<u>\$ 3,000,537,362</u>	<u>\$ 3,178,637,927</u>	<u>\$ 3,229,865,624</u>	<u>\$ 3,293,416,721</u>
City direct sales tax rate	1.125%	1.125%	1.125%	1.125%

Source: City Finance Department

2014	2015	2016	2017	2018	2019
168,221,281	191,607,132	188,171,324	185,383,977	192,191,972	176,786,400
153,176,948	173,019,519	170,074,476	160,146,094	160,829,657	156,073,511
105,832,495	97,461,426	89,965,392	94,171,988	104,191,328	125,574,489
263,901,262	266,586,229	268,010,543	296,195,218	304,149,984	321,847,822
257,979,759	245,234,714	225,389,263	219,010,215	221,821,686	198,974,489
405,613,356	417,213,046	427,133,346	427,594,676	458,161,977	438,272,889
302,469,276	303,382,128	321,798,667	324,637,636	306,678,331	310,081,067
384,134,629	404,785,892	420,776,523	428,608,604	432,972,914	463,953,956
202,242,967	188,644,326	210,357,429	201,759,028	206,196,905	209,793,600
420,047,036	415,435,862	440,782,436	481,278,365	483,768,583	385,811,378
718,290,801	740,947,660	776,094,167	802,448,888	819,428,865	809,919,200
<u>\$ 3,381,909,810</u>	<u>\$ 3,444,317,934</u>	<u>\$ 3,538,553,566</u>	<u>\$ 3,621,234,689</u>	<u>\$ 3,690,392,202</u>	<u>\$ 3,597,088,801</u>
1.125%	1.125%	1.125%	1.125%	1.125%	1.125%

CITY OF OVERLAND PARK, KANSAS

Direct and Overlapping Sales Tax Rates
2010 to 2019 Inclusive

Year	General	Street Improvement	Total City	County
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%
2013	1.000%	0.125%	1.125%	1.225%
2014	1.000%	0.125%	1.125%	1.225%
2015	1.000%	0.125%	1.125%	1.225%
2016	1.000%	0.125%	1.125%	1.225%
2017	1.000%	0.125%	1.125%	1.475%
2018	1.000%	0.125%	1.125%	1.475%
2019	1.000%	0.125%	1.125%	1.475%

Source: City Finance Department

CITY OF OVERLAND PARK, KANSAS

**Ratios of Outstanding Debt
2010 to 2019 Inclusive**

Year	Governmental Activities			Busines-Type Activities				Total Primary Government	Percentage of Personal Income ¹	Per Capita
	General Obligation	Special Assessment	Capital Leases	General Obligation	Capital Leases	Revenue Bonds	Other			
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	3.0%	1,668
2012	157,809,089	4,774,875	-	21,036	-	108,875,000	2,046,775	273,526,775	2.6%	1,526
2013	147,700,704	4,139,296	-	-	-	107,480,000	2,163,699	261,483,699	2.4%	1,447
2014	132,409,616	3,465,384	-	-	-	105,795,000	2,282,378	243,952,378	2.1%	1,321
2015	141,128,199	2,383,901	35,633	-	96,836	105,037,973	2,402,954	251,085,496	2.0%	1,337
2016	124,705,072	1,643,126	23,736	-	65,835	102,635,298	2,523,636	231,596,703	1.8%	1,222
2017	108,132,255	902,409	12,104	-	33,573	99,920,628	2,647,038	211,648,007	1.6%	1,104
2018	120,680,682	580,419	-	-	-	96,799,422	1,149,097	219,209,620	1.5%	1,123
2019	105,571,510	411,214	9,351	-	86,034	105,057,976	-	211,136,085	1.4%	1,074

¹ For Personal Income data, see personal income chart on the bottom of this page.

Source: City Finance Department

**Personal Income
2010 to 2019 Inclusive**

Year	Johnson County Personal Income ¹	Johnson County Population ³	Overland Park Population ²	Population as a Percentage of Johnson County	
				Population	Overland Park Personal Income
2010	\$ 29,329,852,000	545,696	173,372	31.8%	\$ 9,318,329,438
2011	30,235,376,000	552,874	175,018	31.7%	9,571,321,923
2012	32,613,613,000	559,836	179,236	32.0%	10,441,510,620
2013	33,693,466,000	566,933	180,699	31.9%	10,739,144,860
2014	35,995,770,000	574,096	184,706	32.2%	11,581,050,371
2015	38,378,868,000	580,159	187,730	32.4%	12,418,776,387
2016	40,188,177,000	584,451	189,450	32.4%	13,027,011,901
2017	41,368,735,000	589,609	191,780	32.5%	13,455,859,728
2018 ⁴	44,432,504,000	595,505	195,140	32.8%	14,560,007,926
2019	47,225,531,000	601,460	196,625	32.7%	15,438,632,715

¹ U.S. Department of Commerce Bureau of Economic Analysis

² Dept of Planning & Development Svcs - 2019 population as of July 1, 2019

³ Johnson County Population - 2019 population is an estimate using 1% increase from previous year.

⁴ 2019 Jo. Co. Personal Income is estimated based on prior years' growth.

CITY OF OVERLAND PARK, KANSAS

Ratios of Net General Bonded Debt Outstanding
2010 to 2019 Inclusive

Year	Net General Bonded Debt ¹	Assessed Valuation ²	Debt as a Percentage of Assessed Valuation	Population ³	Debt Per Capita
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	2,646,132,467	6.0%	179,236	881
2013	147,700,704	2,673,311,534	5.5%	180,699	817
2014	132,409,616	2,858,672,109	4.6%	184,706	717
2015	141,128,199	3,036,392,844	4.6%	187,730	752
2016	124,705,072	3,267,141,165	3.8%	189,450	658
2017	108,132,255	3,462,760,522	3.1%	191,780	564
2018	120,680,682	3,669,276,425	3.3%	195,140	618
2019	105,571,510	3,834,004,324	2.8%	196,625	537

Sources:

¹ City Finance Department

² Department of Planning and Development Services

³ OP Population is an estimate as of 7/1/2019, provided by Dept. of Planning & Development Services

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CITY OF OVERLAND PARK, KANSAS

Ratios of General Bonded Outstanding and Legal Debt Margin 2010 to 2019 Inclusive

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Assessed Valuation	\$ 2,595,023,004	\$ 2,633,259,498	\$ 2,648,371,219	\$ 2,673,311,534
Assessed Valuation on Motor Vehicles	<u>248,634,631</u>	<u>248,660,175</u>	<u>249,851,773</u>	<u>256,793,746</u>
Total Assessed Valuation	<u>\$ 2,843,657,635</u>	<u>\$ 2,881,919,673</u>	<u>\$ 2,898,222,992</u>	<u>\$ 2,930,105,280</u>
General obligation bonded Indebtedness	\$ 188,365,000	\$ 179,875,000	\$ 162,605,000	\$ 151,840,000
Temporary Indebtedness	-	-	-	-
Total Indebtedness	<u>188,365,000</u>	<u>179,875,000</u>	<u>162,605,000</u>	<u>151,840,000</u>
Legal debt limit ¹	<u>853,097,291</u>	<u>864,575,902</u>	<u>869,466,898</u>	<u>879,031,584</u>
Legal debt margin	<u>\$ 664,732,291</u>	<u>\$ 684,700,902</u>	<u>\$ 706,861,898</u>	<u>\$ 727,191,584</u>
Legal debt margin as a percentage of the debt limit	77.92%	79.20%	81.30%	82.73%

¹ According to Kansas law, the debt limitation is 30% of assessed valuation.

Source: City Finance Department

2014	2015	2016	2017	2018	2019
\$ 2,858,672,109 267,847,342	\$ 3,036,392,844 280,486,585	\$ 3,267,141,165 292,686,136	\$ 3,462,760,522 305,576,740	\$ 3,669,276,425 315,138,988	\$ 3,834,004,324 325,876,652
<u>\$ 3,126,519,451</u>	<u>\$ 3,316,879,429</u>	<u>\$ 3,559,827,301</u>	<u>\$ 3,768,337,262</u>	<u>\$ 3,984,415,413</u>	<u>\$ 4,159,880,976</u>
\$ 135,875,000 -	\$ 136,860,000 -	\$ 115,600,000 -	\$ 99,380,000 -	\$ 109,675,000 -	\$ 95,580,000 -
<u>135,875,000</u>	<u>136,860,000</u>	<u>115,600,000</u>	<u>99,380,000</u>	<u>109,675,000</u>	<u>95,580,000</u>
<u>937,955,835</u>	<u>995,063,829</u>	<u>1,067,948,190</u>	<u>1,130,501,179</u>	<u>1,195,324,624</u>	<u>1,247,964,293</u>
<u>\$ 802,080,835</u>	<u>\$ 858,203,829</u>	<u>\$ 952,348,190</u>	<u>\$ 1,031,121,179</u>	<u>\$ 1,085,649,624</u>	<u>\$ 1,152,384,293</u>
85.51%	86.25%	89.18%	91.21%	90.82%	92.34%

CITY OF OVERLAND PARK, KANSAS

Statement of Direct and Overlapping Debt
As of December 31, 2019

	Debt Outstanding	Estimated Percentage Applicable	City of Overland Park Share of Debt
Overlapping debt			
Blue Valley Unified School District (229)	\$ 344,890,000	68.83%	\$ 237,387,787
Olathe Unified School District (233)	526,540,275	12.84%	67,607,771
Shawnee Mission Unified School District (512)	312,560,000	29.84%	93,267,904
Spring Hill Unified School District (230)	223,315,000	8.32%	18,579,808
Johnson County	520,916,200	34.42%	179,299,356
Johnson County Parks and Recreation District	420,000	34.42%	144,564
Johnson County Community College	3,770,000	34.42%	1,297,634
Johnson County Fire #2	2,855,000	0.49%	13,990
Total overlapping debt			<u>597,598,814</u>
Direct debt			
Bonded debt:			
General obligation debt			105,571,510
Special assessment			<u>411,214</u>
Total general obligation bonded debt			<u>105,982,724</u>
Total direct debt			<u>105,982,724</u>
Combined direct and overlapping debt			<u>\$ 703,581,538</u>
Total net general obligation and overlapping debt			<u>\$ 703,170,324</u>

Overlapping debt is determined the ratio of the taxing unit's valuation that is within the City's boundaries multiplied by the taxing units outstanding debt by their ratio percentage.

Source: City Finance Department

CITY OF OVERLAND PARK, KANSAS

Demographic and Economic Statistics 2010 to 2019 Inclusive

Year	Population	Personal Income ¹	Per Capita Personal Income	Unemployment Rate ²
2010	173,372	\$ 9,318,329,438	\$ 53,748	5.8%
2011	175,018	9,571,321,923	54,688	5.1%
2012	179,236	10,441,510,620	58,256	4.4%
2013	180,699	10,739,144,860	59,431	4.3%
2014	184,706	11,581,050,371	62,700	3.9%
2015	187,730	12,418,776,387	66,152	3.5%
2016	189,450	13,027,011,901	68,762	3.3%
2017	191,780	13,455,859,728	70,163	3.0%
2018	195,140	14,560,007,926	74,613	2.9%
2019	196,625	15,438,632,715	78,518	2.8%

¹ Derived from the personal income for Johnson County provided by the COP Planning Department.

<https://www.bea.gov/>

² Kansas Labor Information Center

CITY OF OVERLAND PARK, KANSAS

Principal Employers 2019 and 2010

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sprint/Nextel	6,000	1	5.60%	7,300	1	8.10%
Shawnee Mission School District	3,382	2	3.20%	3,923	2	4.30%
Blue Valley School District	3,313	3	3.10%	3,208	4	3.60%
Black & Veatch Engineering Consultants	2,850	4	2.70%	3,247	3	3.60%
Johnson County Community College	2,302	5	2.20%	1,001	10	1.10%
OptumRx	2,000	6	1.90%			
Overland Park Regional Medical Center	1,250	7	1.20%	2,000	7	2.20%
Waddell & Reed Financial	1,100	8	1.00%			
Overland Park, City of	1,084	9	1.00%			
YRC Freight	1,000	10	0.90%	2,078	6	2.30%
Century Link				2,100	5	2.30%
Ericsson				2,000	8	2.20%
Prescription Solutions				1,600	9	1.80%
Total	24,281		22.80%	28,457		31.50%

Source: Kansas Labor Information Center and Overland Park Chamber of Commerce

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CITY OF OVERLAND PARK, KANSAS

Full-time Equivalent City Government
Employers by Function/Program
2010 to 2019 Inclusive

	2010	2011	2012	2013
General Government				
Mayor and Council	13	13	13	13
City Manager's Office/Communications	9	8	7	7
Information Technology	37	33	32	32
Municipal Court	28	26	25	25
Law	14	13	12	12
Finance, Budget and Administration	24	19	19	19
Human Resources	16	14	13	15
Public Safety				
Police	316	308	300	303
Fire ¹	158	155	154	154
Public Works	136	132	128	127
Parks and Recreation	66	55	56	55
Planning and Development	84	68	67	67
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>901</u>	<u>844</u>	<u>826</u>	<u>829</u>

Source: City Budgets

2014	2015	2016	2017	2018	2019
13	13	13	13	13	13
7	9	9	9	9	10
33	33	34	35	35	39
25	25	25	26	26	27
12	12	13	13	13	13
19	20	20	20	20	20
15	15	15	15	16	16
302	302	308	318	321	326
156	162	180	181	181	183
129	132	133	136	139	142
55	64	64	64	66	72
67	68	70	73	75	75
833	855	884	903	914	936

CITY OF OVERLAND PARK, KANSAS

Operating Indicators by Function/Program
2010 to 2019 Inclusive

	2010	2011	2012	2013
Public Safety				
Police				
DUI charges	882	655	648	584
Parking violations	701	635	540	644
Traffic tickets	46,362	36,478	33,948	33,750
Alarm calls	5,326	6,412	5,260	6,247
Fire				
Fire calls	3,393	3,403	3,395	3,140
HAZMAT	-	-	-	-
EMS calls	14,380	15,284	15,452	16,080
Parks & Recreation				
Recreational program participants	91,474	86,491	**NA	**NA
Pool participants	181,354	177,794	176,464	136,925
Planning and Development				
Building permits	3,279	3,508	3,662	3,902
Plans reviewed	2,704	3,360	2,305	2,661
Solid waste permits	114	103	130	122
Sign and special event permits	1,149	1,235	1,295	1,204
Pool permits	422	428	403	413
Convention Center				
Events	285	341	357	339
Attendance	251,021	235,097	290,255	306,487

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

Source: City of Overland Park Employees

2014	2015	2016	2017	2018	2019
613	644	619	595	503	370
791	765	707	692	785	538
37,811	39,009	28,946	29,928	27,693	17,857
6,102	6,051	6,275	5,902	6,202	6,026
3,761	4,109	4,156	4,355	4,067	4,160
-	-	-	-	222	-
17,549	18,954	19,263	19,719	18,852	18,210
**NA	**NA	**NA	**NA	**NA	**NA
134,050	131,462	139,260	143,939	127,731	120,457
4,466	5,057	4,638	4,870	3,986	5,312
3,579	4,135	4,169	2,776	4,577	5,209
123	121	118	144	11	13
1,370	1,391	1,330	1,596	1,844	1,659
422	419	412	415	252	264
331	352	303	288	328	313
344,367	380,021	358,268	372,539	377,131	385,596

CITY OF OVERLAND PARK, KANSAS

Capital Assets Statistics by Function/Program
2010 to 2019 Inclusive

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Works										
Streets (miles)	1,866	1,878	1,901	1,921	1,967	1,970	1,970	1,993	2,003	2,015
Streetlights	14,345	14,536	14,545	17,098	17,414	17,542	17,595	17,909	17,927	18,128
Traffic signals	255	258	258	258	259	262	266	270	270	270
Stormsewers (miles)	630	638	661	665	665	678	716	724	738	747
Parks and Recreation										
Park acreage	1,460	1,460	1,450	1,460	1,460	1,462	1,462	1,492	1,494	1,494
Parks	83	83	83	83	83	83	83	83	82	83
Police Department										
Automobiles	41	41	39	39	39	39	43	43	87	86
Police stations	4	4	4	4	4	4	5	5	5	5

Source: City of Overland Park Employees

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CITY OF OVERLAND PARK, KANSAS

Schedule of Economic Development Revenue Bonds
As of December 31, 2019

Company	Interest Rate	Interest Payment Date	Date Issued	Maturity Date	Serial Payment	Payment Date Year	Authorized Amount	Issued Amount	Outstanding Amount
Black & Veatch, Series 2012	4.00%	December 1	12/27/2012	12/1/2022	\$4,412,493 4,412,493 4,412,493	2020 2021 2022	\$62,000,000	\$41,844,150	\$ 13,237,479
Teva Neuroscience, Inc., Series 2013A	3.80%	October 7	9/30/2013	10/7/2028	2,242,308 2,329,016 2,419,076 2,560,807 2,905,396 19,688,598	2020 2021 2022 2023 2024 Thereafter	43,400,000	43,400,000	32,145,202
Teva Neuroscience, Inc., Series 2013B	3.80%	October 7	9/30/2013	10/7/2023	893,250	2023		893,250	893,250
OPX, LLC, Series 2015	2.00%	February 1	12/30/2015	2/1/2026	100,000 100,000 100,000 100,000 100,000 57,130,000	2020 2021 2022 2023 2024 Thereafter	57,930,000	57,930,000	57,630,000
Nall Corporate Centre II, Series 2016	3.00%	February 1	12/20/2016	2/1/2027	1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 28,596,778	2020 2021 2022 2023 2024 Thereafter	43,000,000	35,596,778	33,596,778
Tower Properties, Series 2017	3.00%	December 1	10/12/2017	2/1/2027	100,000 100,000 100,000 100,000 100,000 24,976,700	2020 2021 2022 2023 2024 Thereafter	25,676,700	25,676,700	25,476,700
OPX, LLC, Series 2017	3.00%	February 1	10/27/2017	2/1/2026	100,000 100,000 100,000 100,000 100,000 17,620,235	2020 2021 2022 2023 2024 Thereafter	20,470,000	18,220,235	18,120,235
Avenue 81 Investors, Series 2018	3.00%	December 1	3/8/2018	12/1/2021	17,376	2020	17,000,000	117,376	17,376
Overland One, Building 1, Creative Planning HQ, Series 2018	5.00%	May 1	6/22/2018	5/1/2029	4,475,000 4,475,000 4,475,000 4,475,000 4,475,000 10,953,033	2020 2021 2022 2023 2024 Thereafter	44,750,000	33,328,033	33,328,033
Overland One, Building 2, Series 2018	5.00%	May 1	6/22/2018	5/1/2020	18,495,796	2020	18,500,000	18,495,769	18,495,796
City Place - Parcel VI, Series 2018	3.00%	April 1	12/20/2018	4/1/2020	15,500,000	2020	16,000,000	16,000,000	15,500,000
Avenue 82, Series 2019	3.00%	March 1	3/13/2019	3/1/2021	100,000	2020	7,500,000	100,000	100,000
Jack Stack, Series 2019	3.00%	April 1	7/31/2019	4/1/2021	100,000	2020	3,600,000	100,000	100,000

Company	Interest Rate	Interest Payment Date	Date Issued	Maturity Date	Serial Payment	Payment Date Year	Authorized Amount	Issued Amount	Outstanding Amount
Regency Park, Series 2019	3.00%	March 1	9/13/2019	3/1/2022	500,000 500,000 5,023,826	2020 2021 2022	10,480,000	6,023,826	6,023,826
Menorah Medical Center, Series 2019	3.00%	June 1	10/1/2019	6/1/2024	100,250	2020	40,002,000	100,250	100,250
City Place Corporate Centre III - Wellsky HQ, Series 2019	3.00%	June 1	11/12/2019	6/1/2030	1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 23,389,637	2020 2021 2022 2023 2024 Thereafter	31,625,000	28,389,637	28,389,637

Total **\$283,154,562**