



# 2021 Budget

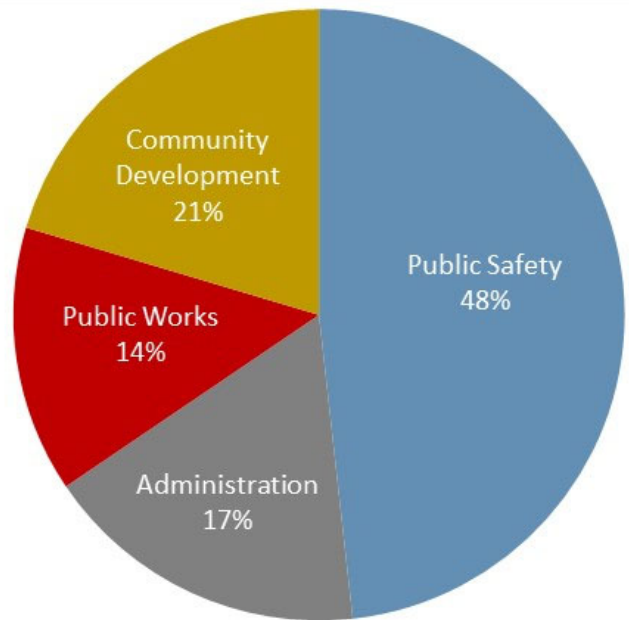
*Adopted August 2020*

# 2021 City Budget

The Overland Park City Council a budget for fiscal year 2021 in August of 2020. The annual budget is the City's business plan to reflect the community's priorities and values through funding the services, programs and projects that maintain the quality of life in Overland Park. 2020 has proved to be challenging based on the COVID-19 pandemic, which has impacted revenue negatively while also requiring additional expenditures to meeting public health and safety demands.

The City's total 2021 Budget is \$298,600,000. This is a decrease of 2.1%, which a direct result of the use of reserves in 2020. The portion of the 2021 Budget allocated for operating expenses, which supports the daily operations of the City, totals \$142.8 million, a 2.8% increase from 2020. As depicted in the pie chart, nearly

half of operating expenditures support the public safety functions of police and fire, while departments emphasizing the quality of life areas of Public Works and Community Development comprise another third of the total.



## RESOURCE REALLOCATION: TARGETED SERVICE PRIORITIES

A substantial realignment of resources occurred with the 2021 budget, with reductions occurring in the areas of city administrative support and community development. These resources allocated toward to the Public Safety focus area and Community preservation, both areas of high priority as determined by our community and Governing Body.

### Enhance public safety services, functions and resources:

- Enhances the Police Department's mental health response capabilities through the addition of a Police Department Mental Health Co-Responder and a Critical Incident Team Police Officer.
- Improves Emergency Fire and Medical Services through the addition of staffing to support the new Fire Station #8 in southern Overland Park.
- Provide resources necessary to maintain animal welfare services and school crossing guard services.

### Invest in community resources and infrastructure :

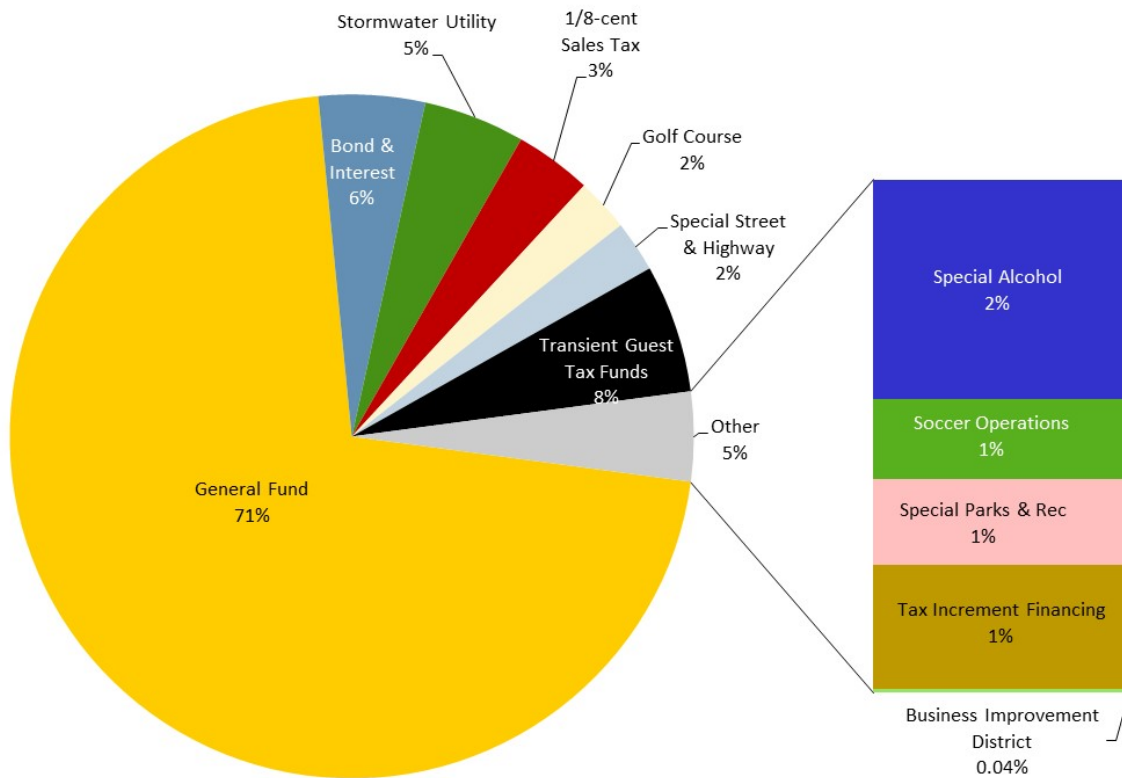
- Continued strong investment in the City's Capital and Maintenance programs, ensuring roads and traffic systems support community vitality.
- Assigning resources to support the City's recycling center.

# 2021 Budget Highlights

- After substantial revenue decreases in 2020 due to the COVID-19 pandemic, 2021 **revenues** are expected to rebound to close to 2019 levels. Citywide annual revenue is projected to increase 12.5% between 2020 and 2021, which is 3.0% below the 2020 Budget. The 2021 Budget maintains the property tax rate.
- **Operational expenditures** are budgeted to increase 2.8% in 2021. Expenditure decisions are guided by the Overland Park City Council’s strategic priorities, budget policies, long-range fiscal sustainability, legal mandates and service level prioritization. For 2021, a substantive reallocation of resources occurred with additional resources allocated towards public safety services. Annual expenditures related to **major maintenance and capital** are programmed to remain consistent in 2021. **Debt service** is decreasing slightly, as debt retirement is outpacing issuances.
- The City’s **5-Year financial plan** remains in compliance with established parameters. Projections are that revenues and expenditures during 2021-2022 will remain structurally balanced. 2025 ending cash is projected at 29.3%.

Overland Park’s **financial structure** is based upon funds. Each fund is a distinct accounting entity used to record all financial transactions related to the specific purpose for which the fund was created. The General Fund, the City’s primary fund, accounts for all money not required to be placed into designated-purpose funds. Most general municipal services are provide by the General Fund.

The citywide 2021 Budget is \$298.6M. Of this amount, \$213.0M is attributable to the General Fund.



2021 Budget = \$298,600,000

# Overland Park's Property Tax Rate

Property taxes provide funding for basic city services, including support for police services, fire services, streets and parks. All of these services are vital components of making Overland Park a safe and thriving community.

tax rate reflects the strong economic condition of the community, the City's stable fiscal position, strong financial management, and continued regional economic expansion.

2021 Budget - Property Tax

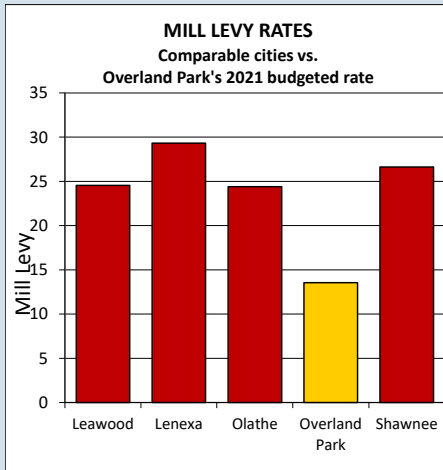
| Property Type   | Market Value | Tax Amount | Effective Tax Rate |
|-----------------|--------------|------------|--------------------|
| Home            | \$ 350,000   | \$546      | 0.16%              |
| Office Building | \$ 1,000,000 | \$3,389    | 0.34%              |
| Shopping Center | \$ 5,000,000 | \$16,946   | 0.34%              |

NOTE: 2021 amount based on estimated mill levy of 13.557 which will not be finalized until October, 2020.

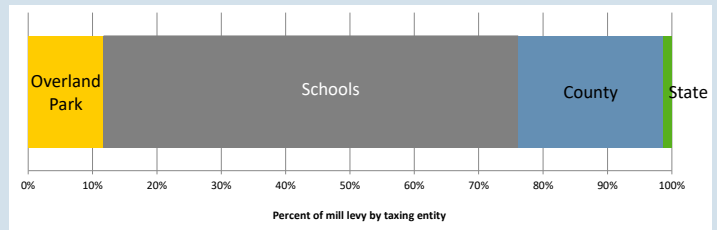
Overland Park's tax rate comprises between 11% and 14% of a property owner's total

The adopted 2021 Budget maintains a property tax rate of 13.557 mills. At 13.557 mills, the City's

tax bill. Other entities' property tax rates include the State of Kansas (1.500 mills), Johnson County (26.030 mills), school districts (between 52.121 mills to 71.032 mills) and Johnson County Community College (9.121 mills). An Overland Park property owner's total property tax rate is between 102 and 122 mills, depending on the property location's school district.



property tax rate is significantly lower than the property tax rates of similar communities within Johnson County, which are between 24 and 30 mills. Overland Park's ability to maintain its low

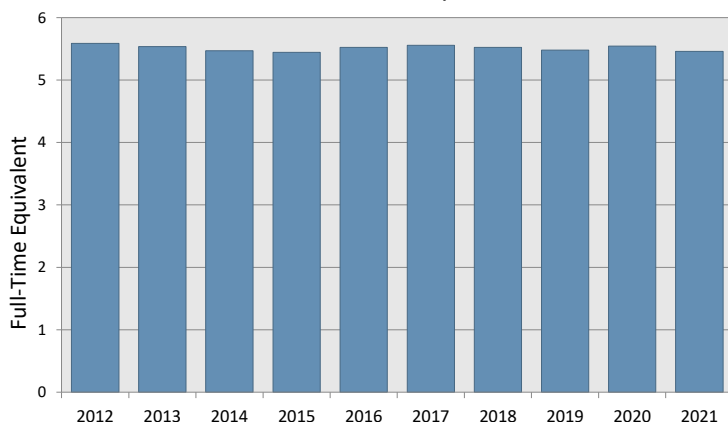


## PERSONNEL

In order to deliver services to its residents, in 2021 the City will be staffed with 1,106.32 full-time equivalent (FTE) positions, an adjustment of +2.3 FTEs from the 2020 Budget. Reallocation of resources within the 2021 Budget allows City to continue to address targeted priorities in the area of public safety.

| Area          | Position                          | FTE        |
|---------------|-----------------------------------|------------|
| FAED          | Project Manager                   | -1.0       |
| FAED          | Assistant City Clerk              | -1.0       |
| Public Safety | Victim's Specialist               | 1.0        |
| Public Safety | Police CIT Officer                | 1.0        |
| Public Safety | PT Property Clerk                 | 0.2        |
| Public Safety | Fire Fighters/Captains            | 6.0        |
| Community Dev | Planning Deputy Director          | -1.0       |
| Community Dev | Multi-disciplined Code Officer    | -1.0       |
| Community Dev | Administrative Assistant          | -1.0       |
| Community Dev | PT Multi-disciplined Code Officer | -0.2       |
| Community Dev | PT Administrative Assistant       | -0.5       |
| <b>TOTAL</b>  |                                   | <b>2.3</b> |

10 Year Trend - FTEs per 1,000 residents



Over the last decade, while the population of Overland Park has grown over 15%, the City's total FTE count has remained constricted though streamlining efforts, consolidation and implementation of technology. The City currently employs 5.5 FTEs for every 1,000 residents, compared to 6.1 FTEs in the 2010 budget.

# GENERAL FUND REVENUES

The General Fund is the City's primary operating fund. All revenue not required to be placed in special purpose funds is received in the General Fund. The General Fund's annual revenue portfolio is diversified between property taxes, sales taxes and user fees. Overall, the City is projecting 2021 General Fund annual revenues at 2.3% below the 2020 Budget, but 4.5% above estimated 2020 revenues. 2020 revenues are anticipated to be artificially low due to the COVID-19 pandemic, at 6.2% below budgeted amounts.

**Sales Taxes** are estimated at \$3.4 million, or 4.4%, below 2020 budgeted levels (7.8% over 2020 estimates).

**Property Tax** revenues reflect an estimated 5.3% increase in assessed valuation applied to a stable property rate. This results in a projected General Fund revenue increase of 4.1% for the 2021 Budget.

**City Generated** revenues include user fees collected for city programs, franchise taxes, fines and licenses. These revenues are projected at 7.6% below the 2020 Budget based on current activity related to development, fees, fines and franchise taxes.

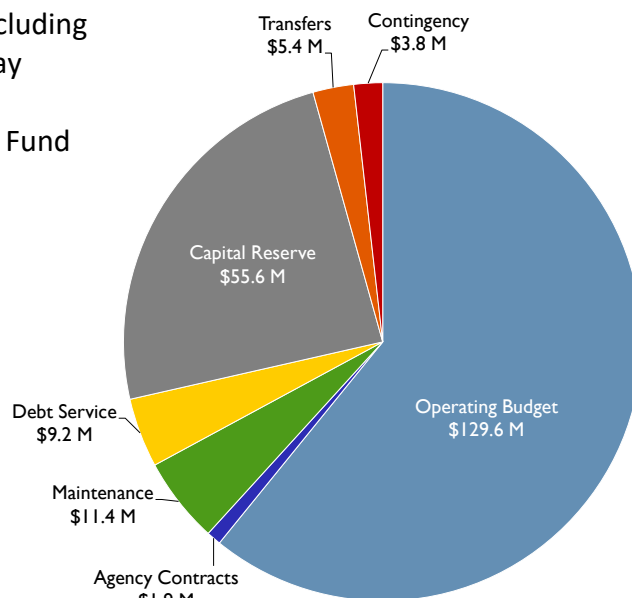
**Intergovernmental Revenue** is comprised of the state pass-through Liquor-by-the-Drink tax. This revenue is expected to increase 1.9% in 2021.

|                                      | 2020 Budget           | Proposed 2021 Budget  | Change       |
|--------------------------------------|-----------------------|-----------------------|--------------|
| <b>Current Revenues By Category:</b> |                       |                       |              |
| Sales Tax                            | \$ 78,580,000         | \$ 75,140,000         | -4.4%        |
| Property Tax                         | 53,511,000            | 55,728,000            | 4.1%         |
| City Generated                       | 35,214,000            | 32,542,000            | -7.6%        |
| Intergovernmental                    | 1,570,000             | 1,600,000             | 1.9%         |
| <b>Total</b>                         | <b>\$ 168,875,000</b> | <b>\$ 165,010,000</b> | <b>-2.3%</b> |
| Beginning Fund Balance               | 48,075,000            | 47,650,000            | -0.9%        |
| Transfers                            | 300,000               | 300,000               | 0.0%         |
| <b>Total</b>                         | <b>\$ 217,250,000</b> | <b>\$ 212,960,000</b> | <b>-2.0%</b> |

# GENERAL FUND EXPENDITURES

2021 budgeted General Fund expenditures are \$213.0M, including \$129.6M of operating expenditures to support the day to day operations of the City. As primarily a service organization, personnel costs comprise the largest portion of the General Fund operating budget, at approximately 80%.

|                                 | 2020 Budget           | Proposed 2021 Budget  | Change       |
|---------------------------------|-----------------------|-----------------------|--------------|
| <b>Expenditures By Purpose:</b> |                       |                       |              |
| Wages & Benefits                | 101,270,000           | 104,430,000           | 3.1%         |
| Commodities                     | 5,070,000             | 5,192,460             | 2.4%         |
| Contracts                       | 17,005,000            | 17,132,540            | 0.8%         |
| Operating Equipment             | 3,525,000             | 2,835,000             | -19.6%       |
| <b>Operating Budget</b>         | <b>\$ 126,870,000</b> | <b>\$ 129,590,000</b> | <b>2.1%</b>  |
| Agency Contracts                | \$ 1,725,000          | \$ 1,935,000          | 12.2%        |
| Maintenance                     | 13,715,000            | 11,390,000            | -17.0%       |
| Debt Service                    | 11,500,000            | 9,230,000             | -19.7%       |
| Capital Reserve                 | 55,640,000            | 51,580,000            | -7.3%        |
| Transfers                       | 4,300,000             | 5,425,000             | 26.2%        |
| Contingency                     | 3,500,000             | 3,810,000             | 8.9%         |
| <b>Total</b>                    | <b>\$ 217,250,000</b> | <b>\$ 212,960,000</b> | <b>-2.0%</b> |



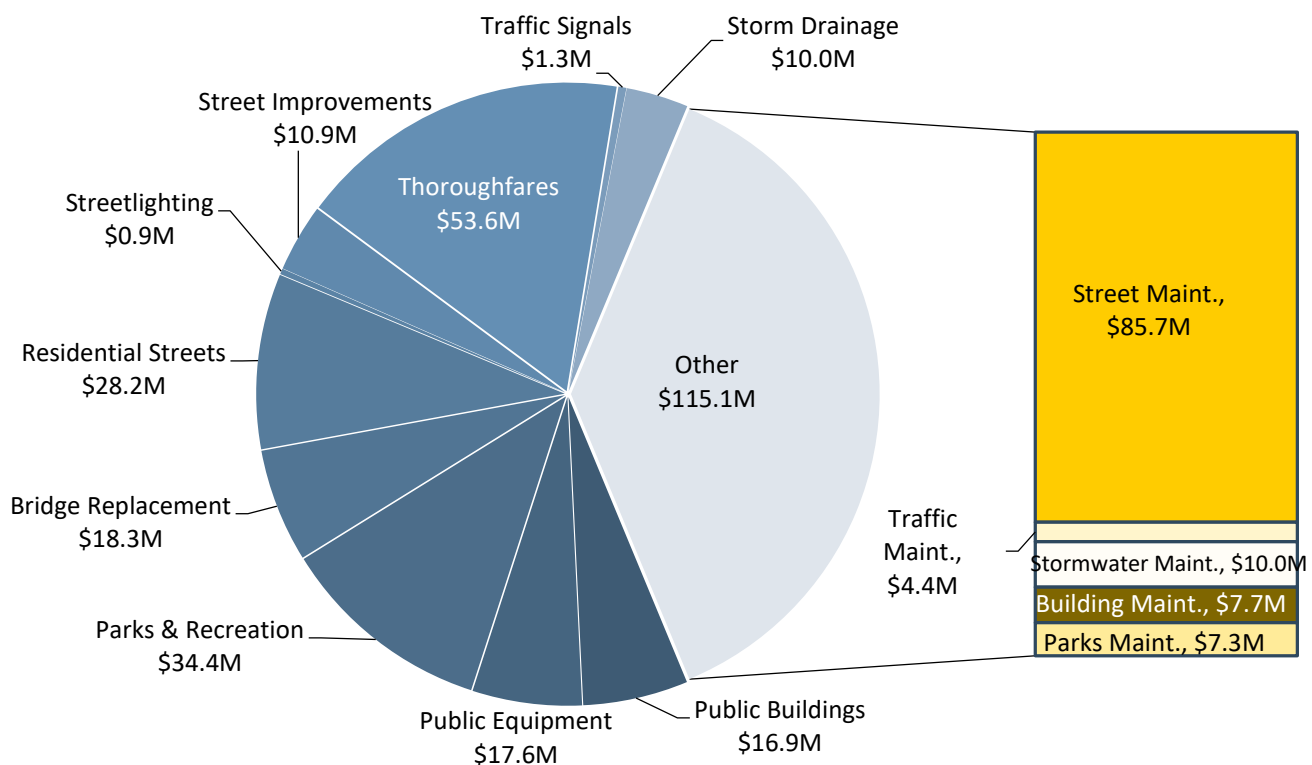
Want more information about the 2021 Budget?

Visit Overland Park's website:

<http://www.opkansas.org/budget>

# CAPITAL AND MAINTENANCE BUDGETS

Overland Park plans for large capital and major maintenance expenditures as part of its a five-year financial planning process. The Capital Improvement Program (CIP) and the Maintenance Improvement Program (MIP) are expenditure plans which provide the city with the financial strategy for infrastructure improvements. Major projects can require multiple years to strategically plan, design, fund and eventually construct or execute. The CIP and MIP are updated annually to revise, revamp and add projects or appropriations while evaluating priorities and required funding. Funding for first year of the CIP's and MIP's programmed expenditures are included as appropriations through the annual budget process. 2021 planned project expenditures are \$59.0M for capital and \$23.2M for maintenance, for a combined total of \$82.2M.



## Major projects for 2021 include:

### CAPITAL IMPROVEMENT PROGRAM

#### **Parks & Recreation**

|   |             |
|---|-------------|
| Strang Park Redevelopment                   | \$2,790,000 |
| 91st Street Intermodal Trail                | \$1,260,000 |
| Young's Aquatic Center Renovation - Phase 1 | \$2,900,000 |
| Arboretum Visitor Center - Phase 1          | \$9,050,000 |
| Maple Hills Restroom and Shelter            | \$675,000   |
| Farmstead Draft Horse Depot                 | \$500,000   |

#### **Bridge Replacement**

|  |             |
|--|-------------|
| 167th Street Bridges over Coffee Creek | \$9,685,000 |
|--|-------------|

#### **Residential Street Program**

|  |             |
|--|-------------|
| Neighborhood Streets Reconstruction Programs | \$9,180,000 |
|--|-------------|

#### **Thoroughfares**

|  |             |
|--|-------------|
| 167th Street: Switzer to Antioch                 | \$1,000,000 |
| Quivira Road, 159th to 175th                     | \$2,550,000 |
| Switzer Road, 159th to 167th                     | \$1,460,000 |
| Metcalfe Avenue Improvements 91st Street to 99th | \$500,000   |

#### **Street Improvements**

|                                       |             |
|---------------------------------------|-------------|
| Brookridge Public Street Improvements | \$1,900,000 |
|---------------------------------------|-------------|

#### **Storm Drainage**

#### **Public Equipment**

|                                      |           |
|--------------------------------------|-----------|
| 2021 Fire Truck Replacement - Engine | \$800,000 |
| Fire Apparatus for Fire Station #8   | \$950,000 |

### MAINTENANCE PROGRAM

#### **Building Maintenance**

|                                       |           |
|---------------------------------------|-----------|
| 2021 Building Maintenance             | \$450,000 |
| Sanders Chiller Replacement           | \$410,000 |
| Fire Station Four Exterior Renovation | \$550,000 |

#### **Parks Maintenance**

|                       |           |
|-----------------------|-----------|
| 2021 Park Maintenance | \$845,000 |
|-----------------------|-----------|

#### **Stormwater Maintenance**

|                               |             |
|-------------------------------|-------------|
| 2021 Major Storm Sewer Repair | \$1,700,000 |
| 2022 Major Storm Sewer Repair | \$300,000   |

#### **Street Maintenance**

|  |              |
|--|--------------|
| 2021 Street Maintenance Repair Program | \$14,995,000 |
| 2021 Curb Maintenance Repair Program   | \$1,340,000  |

#### **Traffic Infrastructure Maintenance**

|  |           |
|--|-----------|
| 2021 Thoroughfare Streetlight LED Conversion | \$300,000 |
|--|-----------|