



# 2023 Budget

*Adopted - September 2022*

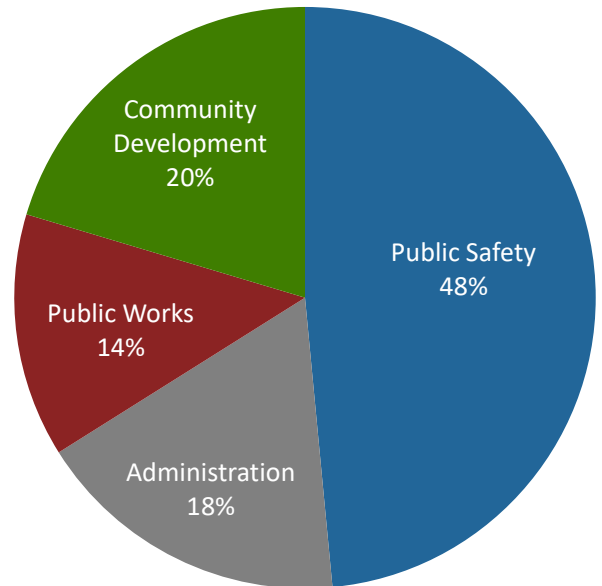


# 2023 City Budget

The Overland Park City Council adopted a budget for fiscal year 2023 in September of 2022. The annual budget is the City's business plan reflecting the community's priorities and values through funding the services, programs and projects that support residents' public safety and quality of life in Overland Park.

The City's adopted 2023 Budget is \$374,365,000, an increase of 14.3% over the adopted 2022 Budget. This increase is a result of conservative budgeting in 2020-2022 due to the ongoing COVID-19 pandemic, combined with revenue performance, particularly in sales tax, which continue to substantially outpaced projections.

The portion of the 2023 Budget allocated for operating expenses, which supports the daily operations of the City, totals \$158.9 million, a 4.5% increase from 2022. As depicted in the pie chart, nearly half of the 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.



## BUDGET ENHANCEMENTS: TARGETED SERVICE PRIORITIES

The 2023 Budget focuses on priorities identified by our community and the Governing Body:

### Invest in community preservation and infrastructure :

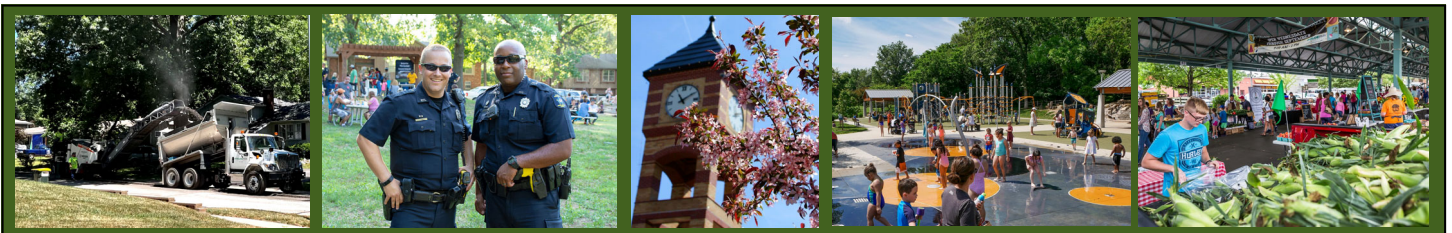
- Continue increasing the annual investment in the City's Capital and Maintenance programs, ensuring roads and traffic systems support community vitality.
- Expand personnel and equipment in the Public Works and Planning departments in support of community development, infrastructure and traffic management.

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

- Implement a cadet program to enhance the Police Department's personnel recruitment abilities.
- Improve Emergency Medical Services through additional equipment and supplies.
- Provide resources supporting the Police Department's mental health response team.
- Enhance cybersecurity and technological support of public safety.

### Maintain existing services supporting sustainability and Overland Park residents' quality of life:

- Enhance management of the City's tree canopy and park maintenance.
- Dedicate resources toward environmental sustainability planning and management.
- Invest in Information Technology resources supporting ongoing City operations and service delivery.

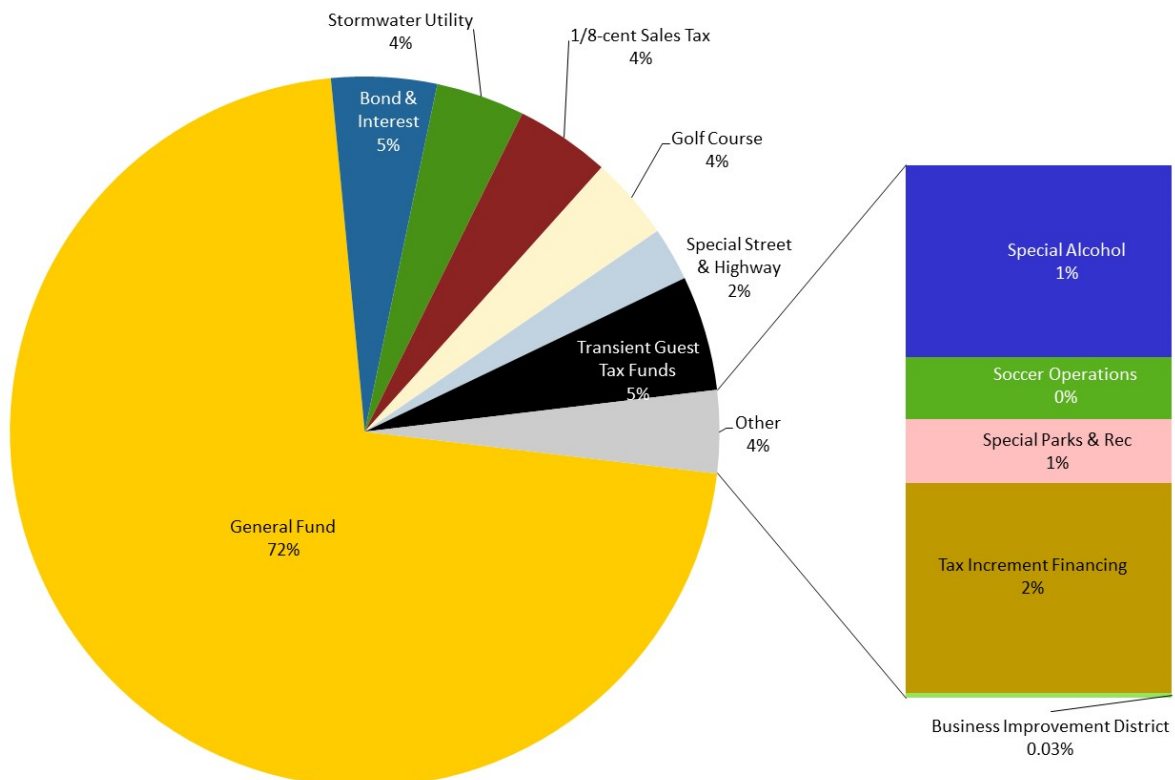


## 2023 Budget Highlights

- Continued **revenue** growth is projected in 2023, attributable to substantial increases in property values and sales tax. Total budgeted revenue increases 14.3% between the 2022 and 2023 budgets, while current annual revenue increases 11.0%. The adopted 2023 Budget maintains the existing property tax rate.
- Operational expenditures** are budgeted to increase 4.5% in 2023. 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. In 2023, additional resources have been allocated towards parks, environmental sustainability, public safety and infrastructure. Annual **capital expenditures** increase 48.4%, while **major maintenance expenditures** are scaled back 13.0%, with the largest decrease in facility maintenance. **Debt service** remains consistent with previous levels.
- The City's **5-Year Financial Plan** remains in compliance with established parameters. Projections are that revenues and expenditures during 2023-2027 will remain structurally balanced. It is projected that 2027 ending cash balance is 32.7%.

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 provided by the General Fund.

The citywide 2023 Budget is \$374,365,000. Of this amount, \$268.0M is attributable to the General Fund.

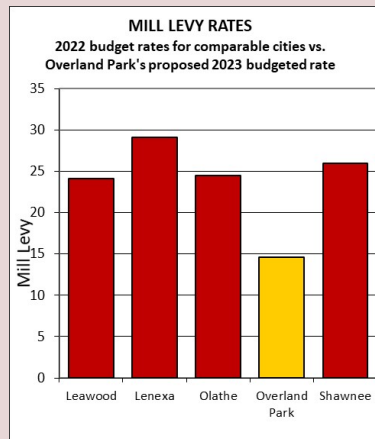


2023 Budget = \$374,365,000

# 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.

The adopted 2023 Budget maintains a property tax rate of 14.578 mills. At 14.578 mills, the City's property



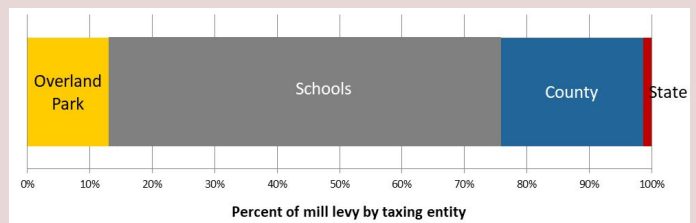
tax rate is significantly lower than the property tax rates of similar communities within Johnson County, which are between 24 and 30 mills.

Overland Park's ability to maintain its low tax rate reflects

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

Overland Park's tax rate comprises between 12% and 14% of a property owner's total tax bill. Other entities' property tax rates include the State of Kansas

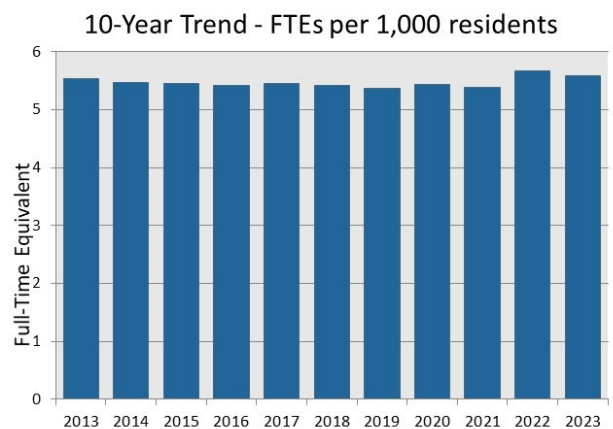
(1.500 mills), Johnson County (25.568 mills), school districts (between 51.667 mills and 70.572 mills) and Johnson County Community College (9.110 mills). An Overland Park property owner's total property tax rate is between 102 and 122 mills, depending on the property's school district.



## PERSONNEL

In order to deliver services to its residents, in 2023 the City will be staffed with 1,198.29 full-time equivalent (FTE) positions, including 16.1 FTEs added as part of the 2023 Budget. With these new positions, the City is able to address targeted priorities in the areas of parks, public works, police and information technology.

Area	Position	FTE
FAED	Environmental Program Coordinator	1.0
FAED	IT Technical Operations Manager	1.0
FAED	Network Security Architect	1.0
FAED	Public Safety System Analyst	1.0
FAED	Facilities Attendant	1.0
Public Safety	Police Cadets	2.5
Public Safety	Police Interns	0.8
Public Safety	Victim Specialist	1.0
Public Works	Construction Inspector	1.0
Public Works	Training & Safety Coordinator	1.0
Public Works	Engineering Technician	1.0
Community Dev	Forestry Crew	2.0
Community Dev	Golf Course Attendant	1.0
Community Dev	Building Safety Supervisor	1.0
Community Dev	Civil Engineer	-0.15
TOTAL		16.1



Over the last decade, while the population of Overland Park has grown close to 15% and service areas have expanded, the City's total FTE count has remained constricted through streamlining efforts, consolidation and implementation of technology. The 2023 Budget includes 5.6 FTEs for every 1,000 residents, compared to 5.5 FTEs in the 2013 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 receipted 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 2023 General Fund revenues to grow 16.5% over budgeted 2022 revenues. Current revenues, or revenues collected during the year, are projected to grow 11.4%.

**Sales Taxes** are estimated at \$94.6 million, or 18.7%, above the 2022 Budget (1.9% over 2022 estimates). A substantial portion of this increase is due to inflation.

**Property Tax** revenues reflect an estimated 10.1% increase in assessed valuation applied to a stable property rate. This results in a projected General Fund revenue increase of 9.2% for the 2023 Budget.

**City Generated** revenues include user fees collected for City programs, franchise taxes, fines and licenses. These revenues are projected at 1.7% below the 2022 Budget, based on current activity related to development, fees, fines and franchise taxes.

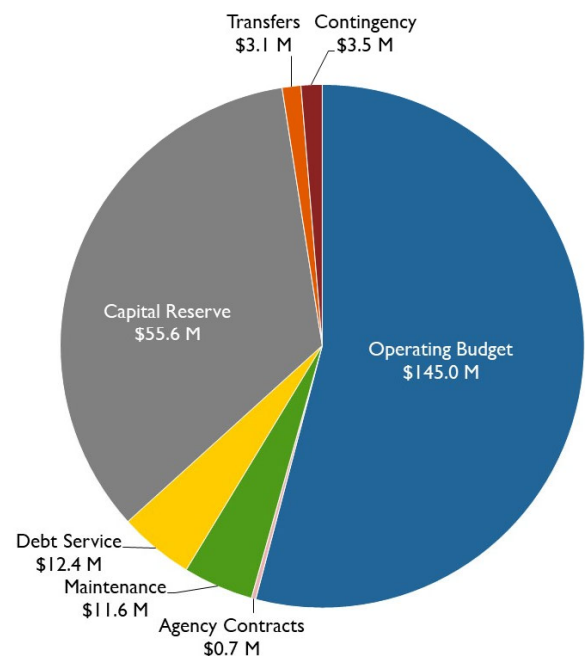
**Intergovernmental Revenue** is comprised of the State pass-through Liquor-by-the-Drink Tax. This revenue is expected to remain flat in 2023.

	2022 Budget	Proposed 2023 Budget	Change
<b>Revenues By Category:</b>			
Sales Tax	\$ 79,660,000	\$ 94,550,000	18.7%
Property Tax	61,564,700	67,225,000	9.2%
City Generated	33,215,300	32,665,000	-1.7%
Intergovernmental	1,675,000	1,675,000	0.0%
Current Revenues	\$ 176,115,000	\$ 196,115,000	11.4%
Beginning Fund Balance	53,630,000	71,550,000	33.4%
Transfers	355,000	355,000	0.0%
<b>TOTAL</b>	<b>\$ 230,100,000</b>	<b>\$ 268,020,000</b>	<b>16.5%</b>

# GENERAL FUND EXPENDITURES

2023 budgeted General Fund expenditures are \$268.0M, including \$145.0M 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%.

	2022 Budget	Proposed 2023 Budget	Change
<b>Expenditures By Purpose:</b>			
Wages & Benefits	\$ 111,385,000	\$ 116,045,000	4.2%
Commodities	5,488,391	6,237,953	13.7%
Contracts	18,283,125	19,064,043	4.3%
Operating Equipment	3,718,484	3,628,004	-2.4%
<b>Operating Budget</b>	<b>\$ 138,875,000</b>	<b>\$ 144,975,000</b>	<b>4.4%</b>
Agency Contracts	725,000	730,000	0.7%
Maintenance	14,150,000	11,605,000	-18.0%
Debt Service	11,295,000	12,350,000	9.3%
Capital Reserve	57,555,000	91,780,000	59.5%
Transfers	4,300,000	3,100,000	-27.9%
Contingency	3,200,000	3,480,000	8.7%
<b>Total</b>	<b>\$ 230,100,000</b>	<b>\$ 268,020,000</b>	<b>16.5%</b>



Want more information about the 2023 Budget?

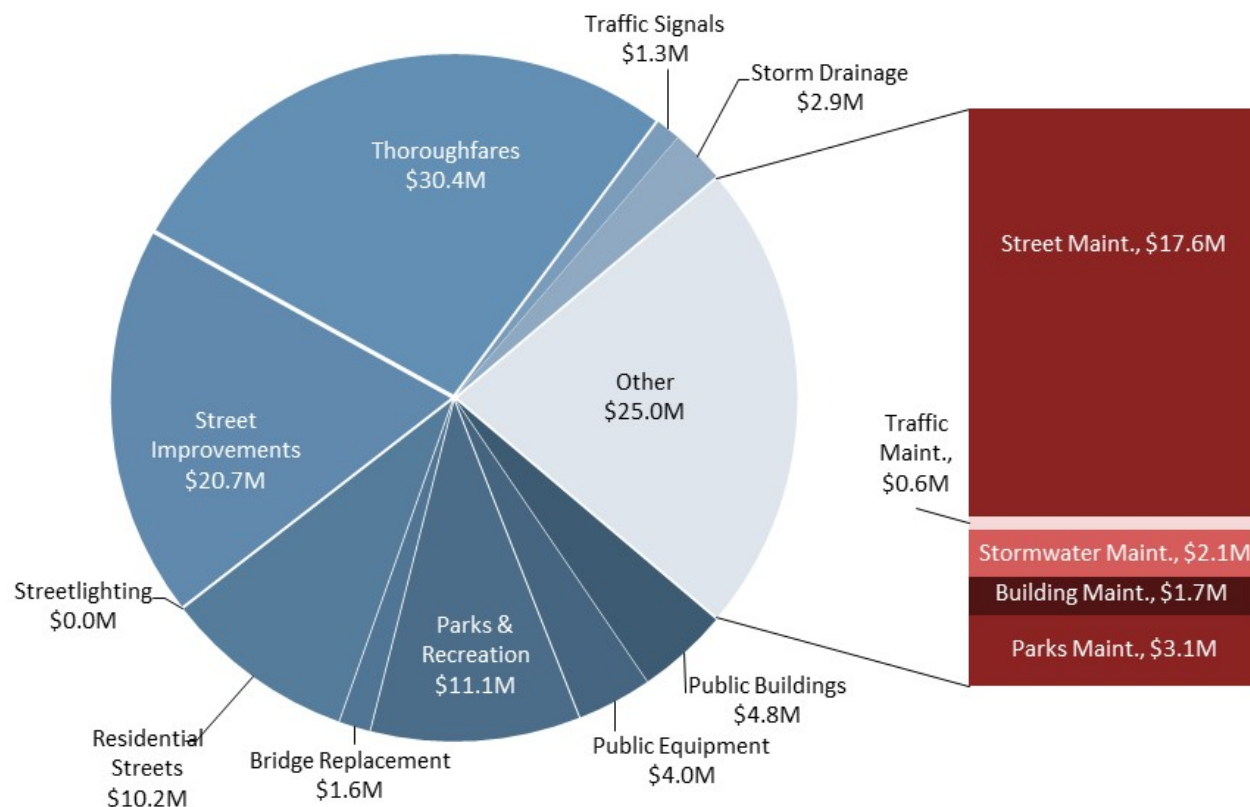
Visit Overland Park's website:

<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 Improvements Program (CIP) and the Maintenance Improvements Program (MIP) are expenditure plans that 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. 2023 planned project expenditures are \$87.0M for capital and \$25.0M for maintenance, for a combined total of \$112.0M.



## Major projects for 2023 include:

### CAPITAL IMPROVEMENTS PROGRAM

#### **Bridge Improvements**

College Blvd Bridge over Indian Creek \$1,030,000

#### **Parks and Recreation**

Hickory Hills & Brookridge Restrooms/Shelters \$1,500,000

Overland Park Farmers' Market \$6,500,000

Young's Aquatic Center Renovation - Phase 2 \$810,000

#### **Public Buildings**

Fire Station #41 Reconstruction \$4,725,000

#### **Public Equipment**

2023 Fire Apparatus Replacement (Pumper 42) \$915,000

2023 IT Backup System Replacement \$800,000

Police Taser Replacement \$900,000

#### **Residential Streets Program**

2023 Neighborhood Streets Reconstruction \$7,360,000

2025/2027 ARPA Neighborhood Street Reconstruction \$725,000

2025-2026 Neighborhood Streets Reconstruction \$2,100,000

#### **Storm Drainage**

2023 Storm Drainage Improvements \$2,100,000

#### **Street Improvements**

US-69 Express Lanes Construction \$20,000,000

#### **Traffic Signals**

College Blvd & 112th St. Pedestrian Connection \$750,000

#### **Thoroughfares**

167th Street, Antioch to Metcalf \$10,000,000

167th Street, Switzer to Antioch \$9,085,000

Metcalf Avenue Improvements, 91st St. to 99th St. \$9,110,000

Quivira Road, 179th to 187th \$1,140,000

### MAINTENANCE PROGRAM

#### **Building Maintenance**

Safe Facility Exterior Remediation & Refinish \$1,000,000

#### **Parks Maintenance**

Emerald Ash Borer Tree Remediation \$1,000,000

Overland Park Golf Bunkers - Phase I \$500,000

#### **Stormwater Maintenance**

2023 Major Storm Sewer Repair \$1,550,000

2024 Major Storm Sewer Repair \$500,000

#### **Street Maintenance**

2023 Curb Maintenance Repair Program \$1,355,000

2023 Street Maintenance Repair Program \$15,550,000

Indian Valley Park Parking Lot Replacement \$570,000

#### **Traffic Infrastructure Maintenance**

2023 Traffic Major Maintenance Program \$500,000