

City of Overland Park, Kansas

Financial Report
Fiscal Year Ended December 31, 2011

City of Overland Park, Kansas

Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2011

Mayor

Carl Gerlach

Council President

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City Council

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Dave Janson

Paul Lyons

Donna Owens

David White

Fred Spears

Terry Goodman

Jim Hix

John Skubal

George Kandt

Dan Stock

City Manager

Bill Ebel

Prepared by Department of Finance

David M. Scott, Chief Financial Officer

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City Hall • 8500 Santa Fe Drive
Overland Park, Kansas 66212
www.opkansas.org

June 21, 2012

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

The 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, 2011.

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

McGladrey LLP has issued an unqualified ("clean") opinion on the City of Overland Park's financial statements for the year ended December 31, 2011. The independent auditors' report is located in the beginning of the financial section of the CAFR.

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

City of Overland Park Profile

The City of Overland Park is the second largest city in Kansas. It is located in the northeastern part of Johnson County and is one of 113 incorporated cities existing in the Kansas City metropolitan region. There are approximately 75.3 square miles within the corporate boundaries of the City.

The City was incorporated as a first-class city on May 10, 1960, under the provisions of K.S.A. 12-1026h. In November of 1962, the City adopted the Mayor-Council-City Manager form of government. The Mayor is elected by the City-at-large and two council members are elected from each of six wards. All elected officials serve terms of four years, with biennial non-partisan

elections to allow for council members to serve staggered terms. The City Manager is responsible for the implementation of Governing Body policy and the day-to-day operation of the City.

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

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

Local Economy

Overland Park is a stable and affluent community within the Kansas City metropolitan area. Recognized for its high quality of life, Overland Park offers exceptional schools, outstanding housing and a dynamic business climate, all of which are driving factors in the continued long-term success of the City's economy. Overland Park's durable economy and high quality of life has continued to earn it national distinction as one of the best places to live; in 2011 it was named among the "Top 25 Suburbs for Retirement" by *Forbes Magazine*.

The population of the City continues to experience moderate growth even in the midst of the prolonged recession. At slightly more than 175,000 residents, Overland Park is the second largest city in the state of Kansas and the largest suburb in the Kansas City area. A commercial hub of the Kansas City metropolitan region, the City's daytime population is estimated at close to 201,000. 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 2011 was 6.1%, which was the less than the state of Kansas rate of 6.7%, and significantly less than the national rate of 8.9%. The City's assessed valuation of \$2.60 billion decreased 5.5% for 2011.

The current economy is showing signs of improvement and the City continues to maintain a favorable financial outlook based on prudent financial practices, a growing population and a stable and diversified economic base. Retail sales increased 5.9% from 2010 providing the City an improving economic foundation, as well as positive future financial outlook. Overland Park received from the nation's three top bond rating agencies, an "AAA" bond-rating status. The triple-A status is a distinction only shared by a handful of communities in the nation.

2011 Major Initiatives for the Year

As the national, state and regional economies tries to gain traction to recover from the prolonged recession, the City continues to manage under challenging fiscal conditions. While retail sales tax collection increased during 2011, this was offset by falling property values which impacted the city's financial position. However, through redeployment of existing resources and reprioritization of programs, the City was able to continue important investments in City operations and infrastructure during the year, while sustaining existing services, minimizing the financial burden on Overland Park taxpayers, and maintaining a sound financial position.

ENSURING SUSTAINABLE LONG-TERM FINANCIAL, OPERATIONAL AND CAPITAL IMPROVEMENT PLANS. Continued emphasis was placed on financial issues in 2011 as the City's long-term financial forecast anticipated a longer than previously forecasted timeframe for economic recovery and corresponding improvement in city revenues. Overland Park's adopted 2011 operating budget was \$3.8 million (3.6%) below the adopted 2010 Budget, while the total budget was \$17.6 million (7.4%) less than the adopted 2010 Budget.

In order to attain this reduction while preserving city services, expenditure cuts and reallocation of resources was necessary. Departments identified reduction and reallocation opportunities in the form of operational changes and positions which could be eliminated without the elimination of existing programs and services. As a result, 57 full-time positions were eliminated between the 2010 and 2011 budgets, including the layoff of 42 employees in early 2010. The number of full-time employees dropped from 901 in the 2010 Budget, to 844 in the 2011 budget.

In addition, employee wages and benefits were examined. Programmatic adjustments have been made in the 2011 Budget to ensure city-controlled personal service costs remain static. Health insurance and retirement benefits have been adjusted to provide the City long-term cost savings.

The City's Capital Improvement Program (CIP) was also reviewed and several projects were delayed or removed from the CIP. As a result the 2012-2016 Capital Improvement Program (CIP) is \$22.6 million less than the adopted 2011-2015 CIP.

ENCOURAGING ECONOMIC DEVELOPMENT

In 2011, the City Council approved the establishment of a Community Improvement District to help launch a 60-acre, \$588 million mixed-use development project.

The Prairiefire at Lionsgate development at 135th Street and Nall Avenue is slated to feature traveling exhibits from the American Museum of Natural History, 350,000 square feet of retail space, 300,000 square feet of office space, a residential component and nature trails.

The Community Improvement District would raise an estimated \$30 million towards total project costs through an extra 1.5 percent sales tax on items bought in the designated shopping area. In addition the project has been approved for \$66 million in state-issued sales tax revenue (STAR) bonds. The total public financing for the project is \$96 million, or roughly 16 percent of the total development cost.

The City Council recently approved the revised preliminary plans for the Prairiefire at Lionsgate which increases the size of the project by 55,000 square feet. The developer anticipates construction to begin in 2012.

Mission Farms West is a 20-acre development on the west side of Mission Road, near 107th Street and is another example of a mixed-use development, which includes residential, retail and office developments. Construction of this development started in 2011 on the 212-unit, four-story apartment complex with secure parking and the ground floor of this development includes a 3,500-square-foot restaurant and 6,500 square feet of retail space.

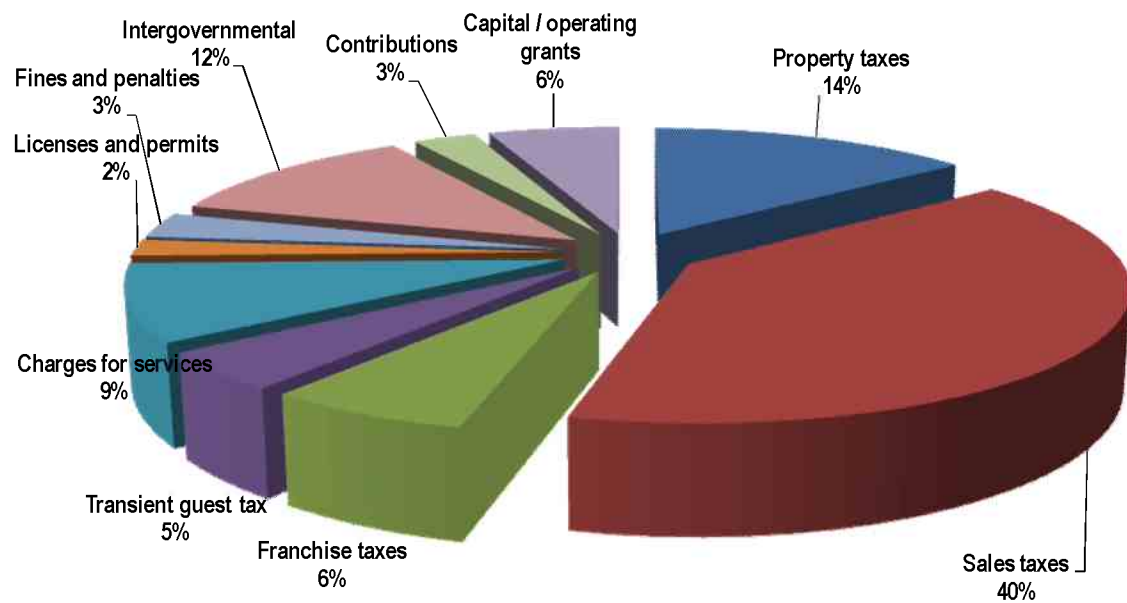
PROVIDING QUALITY TRANSPORTATION INFRASTRUCTURE. During 2011, approximately \$44.9 million was spent on Overland Park infrastructure improvement projects related to the traffic system and infrastructure. Projects included:

- Residential Street Improvements including Sidewalk and Streetlights
- Storm Drainage Improvements
- Highway Improvements U.S. 69 Highway Widening: 95th St. to 119th
- Thoroughfare Improvements including:
 - 127th Street: Metcalf to Nall
 - 159th Street: Antioch to Quivira
- Network, Software and Police Technology
- Parks, Golf Course and Arboretum Improvements

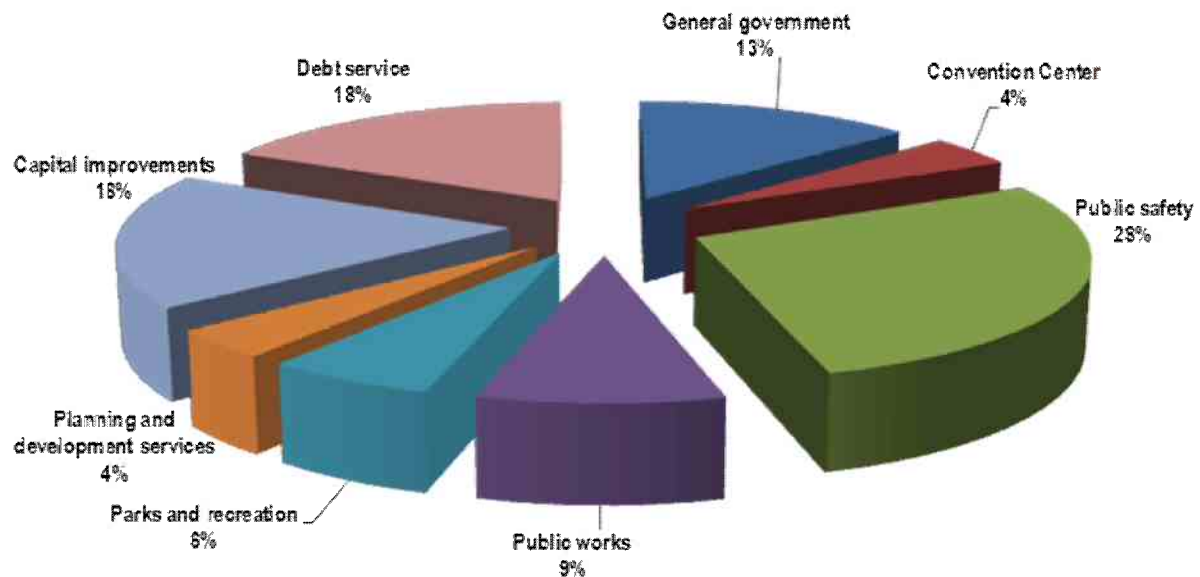
MAINTAINING QUALITY INFRASTRUCTURE AND PUBLIC FACILITIES. Infrastructure maintenance expenditures during 2011 were approximately \$8.4 million which was dedicated towards maintenance of the City's street and stormwater infrastructure.

The following chart depicts the sources and uses of the City's financial resources for 2011:

Where the Money Comes From



Where the Money Goes



Outlook for 2012

During 2011 it was evident that the City's ability to reduce annual expenditures enough to balance within the existing revenue structure would not be achievable without severely affecting existing city service levels. Reductions would need to include the elimination of several services of the City, including a severe reduction in our investment in street maintenance. In addition, elimination of numerous front-line employees who provide direct services to citizens, including police and fire services, would be required.

This level of service reduction would detrimentally impact the long term quality of life in Overland Park. City officials believe such drastic reductions would create long-term untenable conditions for the community, and the further reduction in the areas of street maintenance and public safety services is contrary to the stated goals of the City Council and the community. Therefore, the City Council approved the 2012 Budget that included a 3.938 mill increase in the property tax rate from 8.876 mills to 12.814 mills. This increase results in approximately \$10 million of additional property revenue annually and strengthens the diversity of the City's revenue streams and corrects the structural balance between current revenues and annual expenditures and the City's General Fund reserves are expected to begin a slow recovery.

In 2011 and early 2012, several companies announced plans to relocate or expand their operations in Overland Park:

- MIQ Logistics a leading provider of global, transportation and distribution services in North America, Latin America, Europe and Asia established its worldwide headquarters at the Sprint Campus. The headquarters employs approximately 200 employees and the company anticipates significant expansion in the future.
- Dex One Corporation, a leading marketing service company, selected a 60,000-square-foot building in Overland Park for its new centralized client contact center which it invested \$20 million into the location. The move has brought more than 350 jobs to the city.
- PNC Bank plans to expand its regional headquarters for Midland Loan Services to Overland Park. The expansion will add more than 140 jobs during the next five years. The company intends to invest \$8.7 million for the expansion, adding 26,000-square-feet to their current space.
- OptumRx decided to expand its customer and mail service facility. The expansion will create more than 600 new jobs for Overland Park and is a response to the overall growth and success of the company. OptumRx is currently the fourth largest pharmacy benefits manager in the United States.
- FishNet Security, the nation's largest independently owned information security solutions provider, decided to relocate its corporate headquarters to Overland Park. The move, scheduled to be completed by early 2012, will bring 175 technology employees to the city. The company plans to grow to nearly 300 full-time employees within the next five years.

- Netsmart Technologies, a health care IT company decided to establish its new headquarters in Overland Park by June 2012 and plans to grow its employee count from the current 40 to 120 by the time of the move. The company anticipates growth to 500 employees over the next five years.
- Teva a pharmaceutical company plans to establish its headquarters by constructing a five-story 154,000 square foot building. Teva plans to have 400 employees initially working on this site, with 200 additional jobs planned with future growth. The average annual salaries of these jobs are estimated to be \$130,000. Construction is scheduled to begin as early as July 2012 with the company to move into its new headquarters in October 2013.

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 Projects

Overland Park is a vital and growing city. The City also considers it a priority to maintain and improve existing infrastructure. A vital element for managing both of these priorities lies in the development and maintenance of the City's infrastructure through capital improvements. The management of the City's Capital Improvements Program (CIP) is controlled through the use of a long-range plan adopted by the Mayor and City Council. The CIP projects the City's capital improvements needs for a five-year period and is reviewed and updated annually. The management and accounting of this plan is controlled through the use of capital projects funds. The primary sources of financing these improvements include general obligation bonds, City budgeted funds, county funds and revenue from federal and state grants.

Fiscal Policy

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

1. 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.
2. 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.
3. 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.
4. 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.
5. Provide the lead-time required to plan and schedule public improvements.
6. Advise the public as to the need for City financial and service actions to maintain public confidence in the City's credibility.

Risk Management

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

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for the CAFR for the fiscal year ended December 31, 2010. 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 2011 report continues to conform to Certificate of Achievement Program requirements, and we will submit this report to the GFOA to determine its eligibility for another certificate.

In addition, the City also has received a GFOA Award for Distinguished Budget Presentation for its annual appropriated budget dated January 1, 2012. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

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

Respectfully submitted,

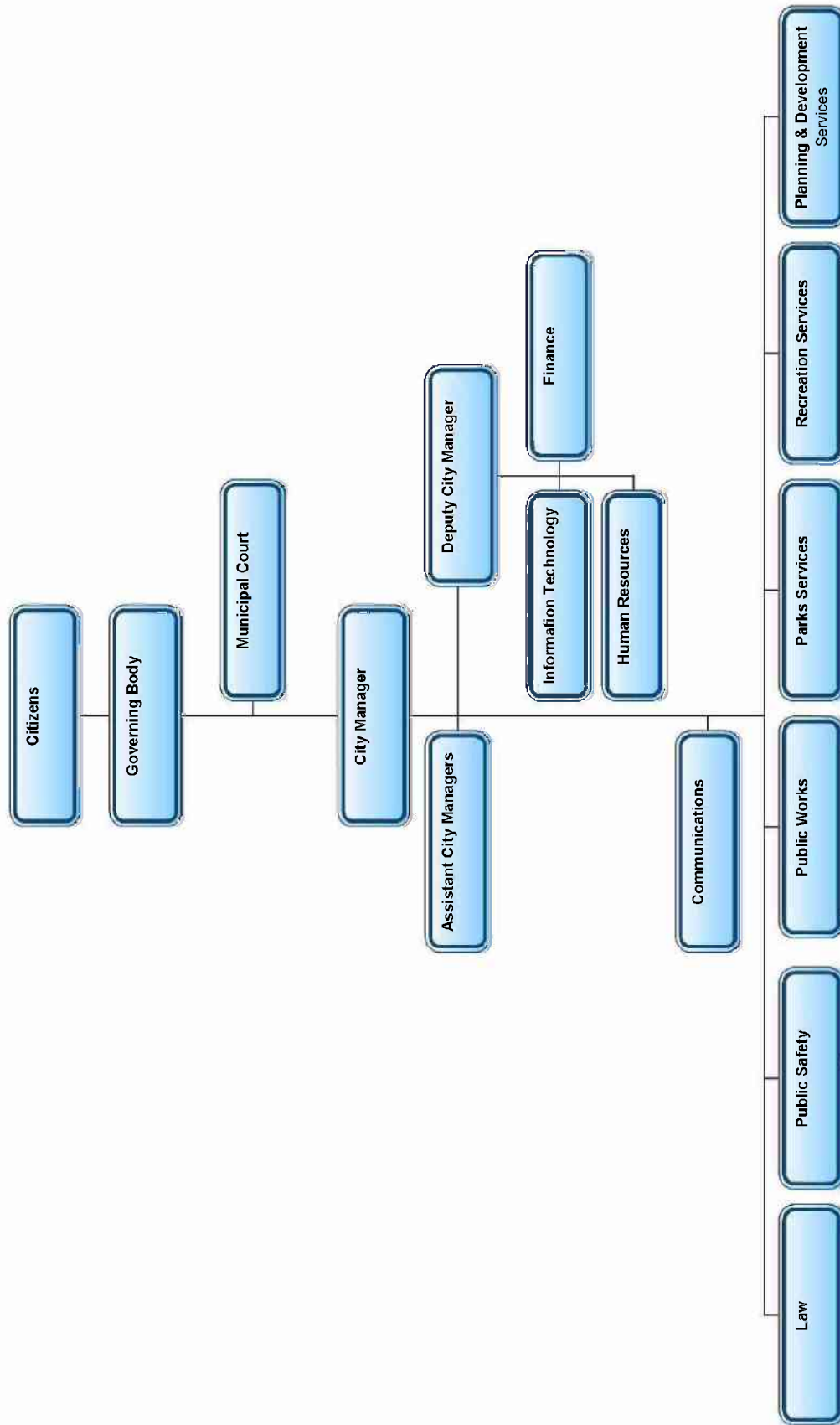


David M. Scott
Chief Financial Officer



Gena McDonald
Assistant Chief Financial Officer

CITY OF OVERLAND PARK, KANSAS
Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Overland Park
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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



Linda C. Sandison

President

Jeffrey R. Emer

Executive Director

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Financial Section



Independent Auditor's Report

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

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 as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Overland Park, Kansas' management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the Sheraton Overland Park Hotel and Scoops, Inc. activity which is included within the financial statements of the Overland Park Development Corporation, a major enterprise fund. This activity represents 3 percent and 100 percent, respectively, of the total assets and total revenues of the major enterprise fund and 3 percent and 83 percent, respectively, of the total assets and total revenues of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Sheraton Overland Park Hotel and Scoops, Inc., is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Overland Park Development Corporation, a major enterprise fund, were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our 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, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2012, on our consideration of the City of Overland Park, Kansas' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

As explained in Note IV.G to the basic financial statements, the City adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which changed its method of accounting for governmental funds' fund balance classifications, and restated the General Fund, Capital Improvements Fund and aggregate remaining fund's beginning fund balances.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 14, and Schedules of Funding Progress and Employer Contributions on pages 80 through 82 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 operations, 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 response 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.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Overland Park, Kansas' basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying introductory, statistical sections and other schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has not been subjected to the auditing procedures applied in the audits of the financial statements. Accordingly, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.



Kansas City, Missouri
June 20, 2012

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

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, 2011. 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 assets of our governmental activities decreased by \$5,169,182 (or 0.6%) while the net assets of our business-type activities decreased by \$2.0 million (or 6.2%).
- During the year, the City's revenues generated in taxes and other revenues for governmental programs were \$5,169,182 less than the \$163.9 million in City's expenses.
- The City's one-cent sales tax revenue collections in 2011 increased 17.2% over 2010 collections.
- The convention center generated excess revenues over expenses (eighth consecutive year) in its ninth full year of operations.

The Basic Financial Statements

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

Government-wide Financial Statements

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

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

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

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

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

Fund Financial Statements

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

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

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

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

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

Notes to Basic Financial Statements

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

Other Information

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

Analysis of the Government-wide Statements

Net Assets

Combined net assets of the City at December 31 were:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Current and other assets	\$ 106,923,883	\$ 114,845,887	\$ 23,851,813	\$ 23,855,785
Capital assets	1,052,835,815	1,044,759,020	57,202,968	55,164,556
Total assets	<u>1,159,759,698</u>	<u>1,159,604,907</u>	<u>81,054,781</u>	<u>79,020,341</u>
Long-term liabilities	179,293,721	172,499,441	106,115,431	105,685,169
Other liabilities	63,870,574	75,679,245	7,243,149	7,616,572
Total liabilities	<u>243,164,295</u>	<u>248,178,686</u>	<u>113,358,580</u>	<u>113,301,741</u>
Net assets (deficit):				
Invested in capital assets,				
net of related debt	868,805,471	865,820,612	(46,616,213)	(48,314,692)
Restricted for other purposes	5,671,256	3,761,989	15,596,664	16,272,483
Unrestricted	42,118,676	41,843,620	(1,284,250)	(2,239,190)
Total net assets (deficit)	<u>\$ 916,595,403</u>	<u>\$ 911,426,221</u>	<u>\$ (32,303,799)</u>	<u>\$ (34,281,399)</u>

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

Governmental Activities

The City ended 2011 with positive net assets. Several of the items fluctuated significantly between 2010 and 2011.

- Current and Other Assets – This category increased 7.4% from 2010 primarily due to an increase in property taxes receivable as a result of the mill levy increase.
- Long-term Liabilities – Outstanding debt decreased 2.7% as a result of regularly scheduled debt payments of \$17,166,000 partially offset by the issuance of \$8,490,000 of general obligation bonds to finance several capital improvement projects.
- Unrestricted Net Assets – This category decreased by 0.6% due to increase in benefit obligations and a reduction in federal and state funding for capital projects.

Business-Type Activities

- The City's golf course operations ended 2011 with positive net assets and a decrease of 12% in total net assets in 2011 compared to 2010 due to decreased revenues.
- The Overland Park Development Corporation ended 2011 with negative net assets of \$39,101,080.

Statement of Activities

The table below shows the condensed revenues, expenses and the change in net assets for 2010 and 2011.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Revenues:				
Program Revenues:				
Charges for services	\$ 22,301,340	\$ 24,601,540	\$ 22,316,213	\$ 23,928,303
Operating grants and contributions	10,736,837	13,704,711	-	-
Capital grants and contributions	16,143,063	12,858,126	-	-
General Revenues:				
Property taxes	24,200,005	23,010,679	-	-
Sales taxes	39,713,882	46,553,901	-	-
Other taxes	16,686,947	17,838,165	-	-
Other	26,097,865	23,540,287	8,012,713	255,919
Total revenues	<u>155,879,939</u>	<u>162,107,409</u>	<u>30,328,926</u>	<u>24,184,222</u>

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Expenses:				
General government	32,651,928	34,805,867	-	-
Public safety	49,296,357	49,874,733	-	-
Public works	58,956,143	61,229,121	-	-
Parks and recreation	14,743,711	4,530,531	-	-
Planning and development	7,919,968	7,084,275	-	-
Golf course	-	-	2,865,160	3,073,047
Soccer complex	-	-	965,025	1,012,289
OP Development Corporation	-	-	24,603,609	25,473,353
Interest on long-term debt	9,177,523	6,355,197	-	-
Total expenses	<u>172,745,630</u>	<u>163,879,724</u>	<u>28,433,794</u>	<u>29,558,689</u>
Revenue over (under) expenses	<u>(16,865,691)</u>	<u>(1,772,315)</u>	<u>1,895,132</u>	<u>(5,374,467)</u>
Transfers	<u>(4,018,708)</u>	<u>(3,396,867)</u>	<u>4,018,708</u>	<u>3,396,867</u>
Increase (decrease) in net assets	<u>(20,884,399)</u>	<u>(5,169,182)</u>	<u>5,913,840</u>	<u>(1,977,600)</u>
Net assets January 1	<u>937,479,802</u>	<u>916,595,403</u>	<u>(38,217,639)</u>	<u>(32,303,799)</u>
Net assets December 31	<u><u>\$ 916,595,403</u></u>	<u><u>\$ 911,426,221</u></u>	<u><u>\$ (32,303,799)</u></u>	<u><u>\$ (34,281,399)</u></u>

Governmental Activities

Several of the revenue and expense categories fluctuated between 2010 and 2011, as explained below.

- Operating Grants/Contributions – Gas tax revenue decreased by approximately \$200,000 and grants decreased by approximately \$677,000
- Capital Grants/Contributions – Decrease in contributions from the State, County and local governments.
- Property Taxes - The 4.9% decrease in property taxes results from a decrease in the assessed valuation and a slight decrease in the mill levy. The table below compares the mill levy for 2010 through 2011.

	<u>2009 Levy to support 2010 Budget</u>	<u>2010 Levy to support 2011 Budget</u>
General Fund	3.259	3.254
Fire Service Fund	4.658	4.651
Storm Water Utility	0.973	0.971
Total Mill Levy	<u>8.890</u>	<u>8.876</u>

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

The City's assessed valuation experienced a 5.6% decrease over the previous year, as shown in the following chart. This decrease was driven by a 5.2% decrease in real estate valuation.

Decreases in Assessed Valuation: 2010 to 2011

	2009 Valuation to Support 2010 <u>Budget</u>	2010 Valuation to Support 2011 <u>Budget</u>	(Decrease) over <u>Prior year</u>	<u>% Change</u>
Real Estate	\$ 2,608,062,079	\$ 2,471,999,260	\$ (136,062,819)	-5.2%
Personal	80,732,514	65,290,086	(15,442,428)	-19.1%
Utilities	60,981,621	57,733,658	(3,247,963)	-5.3%
Total	<u>\$ 2,749,776,214</u>	<u>\$ 2,595,023,004</u>	<u>\$ (154,753,210)</u>	-5.6%

- Sales taxes – The improving economy in 2011 provided an increase in the overall sales tax revenue by 17.2% over 2010 due to a decrease in compensating use tax refunds and improving retail sales. Retail sales tax collections increased 5.9% over 2010.
- Other taxes – Franchise taxes increased by 4.4% over 2010 due to weather factors. Transient guest taxes increased by 10.6% due to improved occupancy percentages and average daily room rates.
- Other – Countywide retail sales tax collections increased \$1.6 million and private contributions and reimbursements for City projects increased \$2.2 million.
- General Government Expense – This expense category was higher in 2011 due to higher capitalized expenses in 2010 compared with 2011.
- Public Works Expense - This expense category is higher in 2011 due to an increase in infrastructure expenses.
- Parks & Recreation Expense – This expense category is lower in 2011 due to final capitalized expenses of the City's soccer complex.

Business-type Activities

The following categories experienced significant variations between 2010 and 2011:

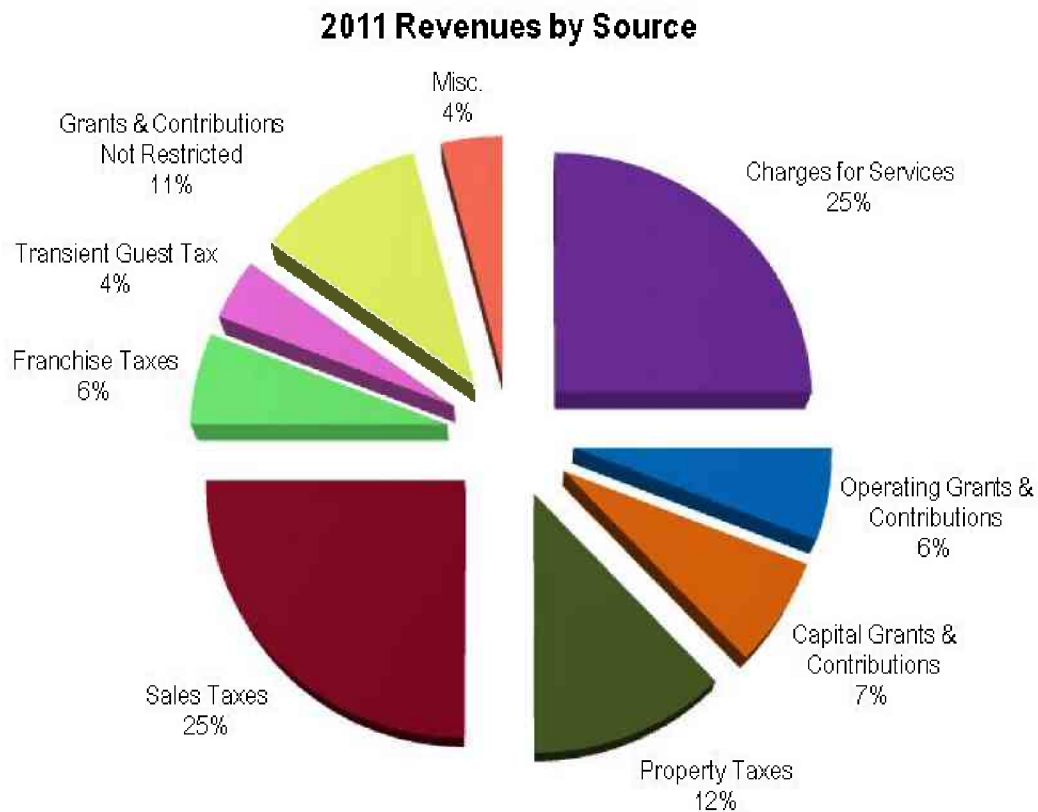
- Charges for Services – Revenues in 2011 increased by 10% with the Overland Park Development Corporation due to the results of operations of the Sheraton Hotel, but was offset by a decrease in revenues from Golf Course operations.
- Golf Course Expenses – Expenses increased due to outsourcing the management of the operation and maintenance of the golf courses in late 2011.

City of Overland Park, Kansas

Management's Discussion and Analysis Year Ended December 31, 2011

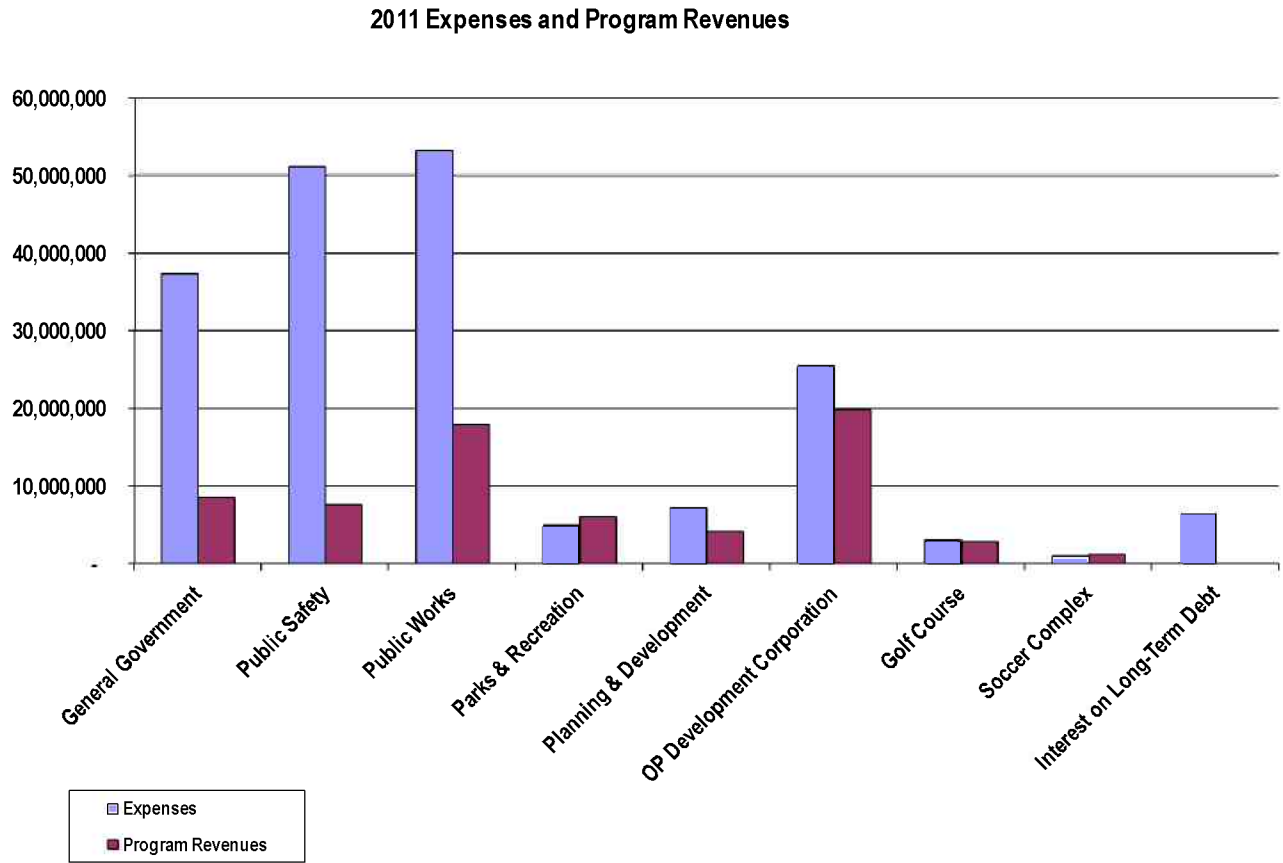
- Overland Park Development Corporation Expenses – Expenses in 2011 increased in the Overland Park Development Corporation due to the results of operations of the Sheraton Hotel.

The following graph depicts the composition of 2011 primary government revenues as presented in the Statement of Activities.



City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

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



The total cost of services for 2011 was \$193.4 million; however, \$75.1 million was funded by users directly benefiting from the services or by other organizations through grants and contributions. The remaining \$118.3 million of these services were paid by the City's taxpayers primarily through property taxes and sales taxes.

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

Analysis of the Fund Financial Statements

<u>Governmental Funds</u>	Fund Balance at December 31	
	2010	2011
General	\$ 42,548,022	\$ 32,208,369
Fire Service	106,290	68,325
1/8 Cent Sales Tax - Street Improve.	1,403,028	3,082,918
Street Improvements	5,735,597	7,164,578
Stormwater Utility	1,446,185	964,324
Debt Service	100,000	100,000
Total	<u>\$ 51,339,122</u>	<u>\$ 43,588,514</u>

Overall, the City's major funds experienced a 15.1 percent decrease in fund balance as a result of 2011 operations. The decrease in the General Fund is attributable to \$16.4 million lower beginning fund balance offset by an increase in overall sales tax collections of \$7.7 million due to the improving economy.

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.

General Fund Budgetary Highlights

The legally adopted budget for the General Fund was not amended by the City Council during 2011. 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.

City of Overland Park, Kansas

**Management's Discussion and Analysis
Year Ended December 31, 2011**

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

Category	Explanation
Sales Tax	An improving economy during 2011 generated an increase of retail sales tax collections of 5.9% compared with a budgeted growth of 2.5%; however, the City's compensating use tax base adjusted for potential future refunds experienced a decline of 37% compared with a budgeted growth of 2.5%
Franchise Tax	Franchise tax revenues from electric and gas utility companies vary from year to year based on the weather.
Fines and Penalties	The Municipal Court's case load varies from year to year based on the level of police enforcement activity.
Use of Money	Decreasing available funds to invest and lower interest rates continued during 2011.
Grant/Contributions Not Restricted	The improving economy in 2011 affected the countywide retail sales, which in turn impacted the City's countywide sales tax revenue. The 2011 budget reflected a growth of 2.5%; however, the City experienced an increase of 10% in countywide sales tax collections from 2010.
Miscellaneous and Reimbursements	These revenues will vary from year to year. Because of the nature of these revenues, it is difficult to make accurate estimates of the individual sources in order to develop the budgeted amount.
City-wide Contingency	The contingency budget is set aside for unexpected expenditures. Any funds allocated from this budget are transferred to the requesting cost center so there will not be any actual expenditures charged to this category.

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

Capital Asset and Debt Administration

Capital Assets

The total amount invested in capital assets for the City at December 31, 2011, was \$1,106,144,525 net of accumulated depreciation. This represents a decrease of 0.4 percent over the 2010 total, which is attributed to an excess of accumulated depreciation over the major additions listed below. The following chart breaks down the City's capital asset balance into the various categories of assets.

	<u>Government Activities</u>		<u>Business-Type Activities</u>	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Land	\$ 31,045,631	\$ 31,045,631	\$ 1,425,200	\$ 1,425,200
Construction in Progress	59,321,029	34,622,480	-	196,746
Land Improvements	4,358,354	33,987,159	1,013,969	776,814
Building and Improvements - City	85,821,311	87,814,404	1,849,745	1,773,866
Building and Improvements - OPDC	-	-	51,166,752	49,563,758
OPCC Capital Assets	357,204	212,995	-	-
Equipment - City	11,569,953	12,885,489	108,572	303,862
Equipment - OPDC	-	-	1,638,730	1,124,310
Infrastructure	860,362,333	844,190,862	-	-
	<u>\$ 1,052,835,815</u>	<u>\$ 1,044,759,020</u>	<u>\$ 57,202,968</u>	<u>\$ 55,164,556</u>

Major additions to capital assets during the year included:

Infrastructure - 2011 streets	\$ 7,879,102
Infrastructure - 2011 residential street	111,682
Infrastructure - 2011 storm drainage	619,869
Public Buildings	1,565,078
Parks facilities	998,470
Public Equipment	368,000
Total	<u>\$ 11,542,201</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, 2011 totaled \$179,875,000 of which \$174,270,062 is considered net direct tax supported debt. This balance represents a 4.5 percent decrease over the 2010 balance. The decrease is due to regularly scheduled debt payments of \$17,166,000 partially offset by the issuance of \$8,490,000 of general obligation to finance several capital improvement projects. In addition, the City issued \$6,665,000 internal improvement refunding bonds that is expected to decrease the future debt service support payments with a net present value savings of \$402,320.

City of Overland Park, Kansas
Management's Discussion and Analysis
Year Ended December 31, 2011

For the past 24 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 tenth 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 2011 fiscal year is as follows:

	Total Amount	Ratio of Debt to Assessed Value	Debt Per Capita
Total bonded debt	\$ 179,875,000	0.068	\$ 1,027.75

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

Requests for Information

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

Basic Financial Statements

**City of Overland Park
Statement of Net Assets
December 31, 2011**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents and investments	\$ 52,698,734	\$ 2,336,275	\$ 55,035,009
Receivables (net)	1,196,194	664,263	1,860,457
Sales tax receivable	11,980,039	-	11,980,039
Franchise tax receivable	1,688,378	-	1,688,378
Gas tax receivable	1,136,195	-	1,136,195
Transient guest tax receivable	1,995,566	-	1,995,566
Interest receivable	228,696	-	228,696
Due from other governments	1,888,152	-	1,888,152
Current property taxes receivable	33,742,589	-	33,742,589
Special assessments	442,629	-	442,629
Other current assets	551,049	397,481	948,530
Total current assets	107,548,221	3,398,019	110,946,240
Noncurrent assets:			
Special assessments	2,420,448	-	2,420,448
Cash and investments restricted for:			
Capital projects	2,551,913	-	2,551,913
Debt service	-	16,272,483	16,272,483
Workers' compensation and medical claims	1,814,992	-	1,814,992
Bond Issuance costs	510,313	4,185,283	4,695,596
Capital Assets:			
OPCC capital assets, net of depreciation	200,663	-	200,663
Other capital assets, net of depreciation	978,890,246	53,542,610	1,032,432,856
Capital assets, net of depreciation	979,090,909	53,542,610	1,032,633,519
Capital assets (Land & Construction in Progress)	65,668,111	1,621,946	67,290,057
Total noncurrent assets	1,052,056,686	75,622,322	1,127,679,008
Total assets	1,159,604,907	79,020,341	1,238,625,248
Liabilities			
Current liabilities			
Accounts and claims payable	3,369,888	2,236,592	5,606,480
Contracts payable	4,692,234	-	4,692,234
Insurance reserve payable	2,163,328	-	2,163,328
Employee compensated absences	4,829,223	107,076	4,936,299
Payroll withholdings	282,357	-	282,357
Accrued payroll	2,611,912	1,369,975	3,981,887
Accrued interest payable	2,300,644	2,826,486	5,127,130
Unearned revenue	38,202,573	18,528	38,221,101
Bonds payable	17,227,086	1,057,914	18,285,000
Total current liabilities	75,679,245	7,616,571	83,295,816
Noncurrent liabilities:			
Claims payable	124,420	-	124,420
Pension and other postemployment benefit	6,169,747	-	6,169,747
Bond payable net of premium	164,635,811	110,613,588	275,249,399
Note payable	-	200,000	200,000
Deferral on refunding	(372,576)	(8,192,254)	(8,564,830)
Employee compensated absences	1,942,039	76,392	2,018,431
Deferred lease liability	-	1,055,211	1,055,211
Property management fee payable	-	1,932,232	1,932,232
Total noncurrent liabilities	172,499,441	105,685,169	278,184,610
Total liabilities	248,178,686	113,301,740	361,480,426
Net Assets (Deficit)			
Invested in capital assets, net of related debt	865,820,612	(48,314,692)	817,505,920
Restricted for:			
Debt Service	190,527	12,081,265	12,271,792
Restricted for capital and other projects	-	4,191,218	4,191,218
Workers' compensation and medical claims	598,806	-	598,806
Street improvements	2,972,656	-	2,972,656
Unrestricted	41,843,620	(2,239,190)	39,604,430
Total net assets (deficit)	\$ 911,426,221	\$ (34,281,399)	\$ 877,144,822

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

City of Overland Park
Statement of Activities
For the Year Ended December 31, 2011

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-type Activities
Functions/Programs						
Primary government:						
Governmental activities:						
General government	\$ 34,805,867	\$ 9,533,064	\$ 656,768	\$ -	\$ (24,616,035)	\$ -
Public safety	49,874,733	6,927,966	353,644	1,513,157	(41,079,966)	-
Public works	61,229,121	654,081	10,030,048	10,241,098	(40,303,894)	-
Parks and recreation	4,530,531	4,971,524	1,034,477	1,103,871	2,579,341	-
Planning and development services	7,084,275	2,514,905	1,629,774	-	(2,939,596)	-
Interest on long-term debt	6,355,197	-	-	-	(6,355,197)	-
Total governmental activities	163,879,724	24,601,540	13,704,711	12,858,126	(112,715,347)	-
Business-type activities:						
Golf course	3,073,047	2,869,736	-	-	-	(203,311)
Soccer complex	1,012,289	1,168,226	-	-	-	155,937
OP Development Corporation	25,473,353	19,890,341	-	-	-	(5,583,012)
Total business-type activities	29,558,689	23,928,303	-	-	-	(5,630,386)
Total primary government	\$ 193,438,413	\$ 48,529,843	\$ 13,704,711	\$ 12,858,126	(112,715,347)	(118,345,733)
Taxes:						
Property taxes					23,010,679	-
Sales taxes					46,553,901	-
Franchise taxes					10,386,572	-
Transient guest tax					7,451,593	-
Grants and contributions not restricted to specific programs					20,870,906	-
Unrestricted investment earnings					519,540	30,316
Miscellaneous					2,149,841	225,603
Transfers					(3,396,867)	3,396,867
Total general revenue and transfers					107,546,165	3,652,786
Change in net assets					(5,169,182)	(1,977,600)
Net assets-beginning					916,595,403	(32,303,799)
Net assets-ending					\$ 911,426,221	\$ (34,281,399)
						\$ 877,144,822

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

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**City of Overland Park
Balance Sheet
Governmental Funds
December 31, 2011**

	General	Fire Service	One-Eighth Cent Sales Tax - Street Improvement	Stormwater Utility
Assets				
Cash, cash equivalents and investments	\$ 23,458,732	\$ 808,508	\$ 2,214,356	\$ 1,035,138
Restricted cash	-	-	-	-
Receivables	265,980	2,850	-	-
Sales tax receivable	11,004,853	-	975,186	-
Franchise tax receivable	1,688,378	-	-	-
Gas tax receivable	-	-	-	-
Transient guest tax receivable, restricted	-	-	-	-
Interest receivable	228,696	-	-	-
Due from other funds	501,956	-	-	-
Due from other governments	8,382	-	-	-
Current property taxes receivable	31,217,292	-	-	2,525,297
Other current assets	-	-	-	-
Special assessments:				
Current	-	-	-	-
Noncurrent	-	-	-	-
Total assets	\$ 68,374,269	\$ 811,358	\$ 3,189,542	\$ 3,560,435
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 2,560,182	\$ 42,797	\$ 106,624	\$ 13,151
Contracts payable	-	-	-	-
Payroll withholdings	282,357	-	-	-
Accrued payroll	1,854,013	700,236	-	57,663
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Unearned revenue	31,469,348	-	-	2,525,297
Total liabilities	36,165,900	743,033	106,624	2,596,111
Fund Balances:				
Restricted	-	-	3,082,918	880,650
Committed	150,000	-	-	-
Assigned	717,147	68,325	-	83,674
Unassigned	31,341,222	-	-	-
Total fund balances	32,208,369	68,325	3,082,918	964,324
Total liabilities and fund balances	\$ 68,374,269	\$ 811,358	\$ 3,189,542	\$ 3,560,435

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

Street Improvement	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 5,115,887	\$ 100,000	\$ 16,492,289	\$ 49,224,910
2,551,913	-	-	2,551,913
-	-	843,539	1,112,369
-	-	-	11,980,039
-	-	-	1,688,378
-	-	1,136,195	1,136,195
-	-	1,995,566	1,995,566
-	-	-	228,696
1,011,806	-	-	1,513,762
1,200,587	-	679,183	1,888,152
-	-	-	33,742,589
-	-	551,049	551,049
-	442,629	-	442,629
-	2,420,448	-	2,420,448
\$ 9,880,193	\$ 2,963,077	\$ 21,697,821	\$ 110,476,695

\$ -	\$ -	\$ 997,563	\$ 3,720,317
2,171,615	-	2,226,619	4,398,234
-	-	-	282,357
-	-	-	2,611,912
-	-	1,513,762	1,513,762
544,000	2,863,077	121,232	3,528,309
-	-	4,207,928	38,202,573
2,715,615	2,863,077	9,067,104	54,257,464

2,551,913	100,000	5,242,597	11,858,078
-	-	-	150,000
4,612,665	-	7,741,225	13,223,036
-	-	(353,105)	30,988,117
7,164,578	100,000	12,630,717	56,219,231
\$ 9,880,193	\$ 2,963,077	\$ 21,697,821	\$ 110,476,695

**City of Overland Park
Reconciliation of the Balance Sheet
to the Statement of Net Assets
Governmental Funds
December 31, 2011**

Fund balances - total governmental funds	\$	56,219,231
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		1,044,759,020
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Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.

Governmental bonds payable	\$	(179,811,050)	
Accrued interest payable on long-term debt		(2,300,644)	
Bond issuance costs		510,313	
Bond premium		(2,051,847)	
Deferred charge from refunding bond issue		372,576	
Accrued vacation and sick leave payable		(6,771,262)	
Claims payable for special liability defense		(124,420)	
Net pension obligation		(1,323,029)	
Other postemployment benefit		(4,846,718)	(196,346,081)

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

Unearned revenue		3,528,309
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Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net assets.

		3,265,742
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Net assets of governmental activities

	\$	911,426,221
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The accompanying notes are in integral part of the basic financial statements.

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City of Overland Park
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011

	General	Fire Service	One-Eighth Cent Sales Tax Street Improvement	Stormwater Utility
Revenues				
Property taxes	\$ 8,417,686	\$ 12,031,983	\$ -	\$ 2,511,936
Sales taxes	41,367,325	-	5,181,940	-
Franchise taxes	10,386,572	-	-	-
Transient guest tax	-	-	-	-
Charges for services	4,984,323	2,044,031	-	-
Licenses and permits	3,072,139	-	-	-
Fines and penalties	4,883,935	-	-	-
Use of money	382,241	20,643	-	-
Intergovernmental	153,976	-	-	-
Contributions	1,375,840	-	-	-
Capital/operating grants	-	-	8,322	3,323,394
Grants/contributions not restricted to specific programs	19,232,270	1,314,597	-	324,039
Total revenues	94,256,307	15,411,254	5,190,262	6,159,369
Expenditures				
Current:				
General government	17,555,745	-	-	-
Public safety	29,701,921	18,700,233	-	-
Public works	12,284,849	-	-	2,952,108
Parks and recreation	8,579,413	-	-	-
Planning and development services	6,551,347	-	-	-
Capital improvements	-	-	-	-
Principal/interest on long-term debt	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	74,673,275	18,700,233	-	2,952,108
Excess of revenues over (under) expenditures	19,583,032	(3,288,979)	5,190,262	3,207,261
Other financing sources (uses)				
General obligation bonds issued	-	-	-	-
Refunding bonds issued	-	-	-	-
Premium on issuance of long-term debt	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	5,435,760	4,241,971	258,444	219,441
Transfers out	(35,358,445)	(990,957)	(3,768,816)	(3,908,563)
Total other financing sources (uses)	(29,922,685)	3,251,014	(3,510,372)	(3,689,122)
Net change in fund balances	(10,339,653)	(37,965)	1,679,890	(481,861)
Fund balances at beginning of year, as restated	42,548,022	106,290	1,403,028	1,446,185
Fund balances at end of year	\$ 32,208,369	\$ 68,325	\$ 3,082,918	\$ 964,324

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

Street Improvement	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 49,074	\$ 23,010,679
-	-	4,636	46,553,901
-	-	-	10,386,572
-	-	7,451,593	7,451,593
-	-	7,961,359	14,989,713
-	-	100,000	3,172,139
-	-	-	4,883,935
-	-	24,301	427,185
8,855,461	-	6,501,218	15,510,655
-	1,183,252	312,874	2,871,966
614	-	6,654,263	9,986,593
-	-	-	20,870,906
8,856,075	1,183,252	29,059,318	160,115,837
-	-	13,406,677	30,962,422
-	-	1,130,854	49,533,008
-	-	184,954	15,421,911
-	-	2,139,142	10,718,555
-	-	354,141	6,905,488
27,103,961	-	4,860,221	31,964,182
-	24,323,645	-	24,323,645
73,825	51,775	-	125,600
27,177,786	24,375,420	22,075,989	169,954,811
(18,321,711)	(23,192,168)	6,983,329	(9,838,974)
8,490,000	-	-	8,490,000
-	6,665,000	-	6,665,000
263,079	126,270	-	389,349
-	(6,762,856)	-	(6,762,856)
13,887,993	23,163,754	21,134,179	68,341,542
(2,890,380)	-	(25,221,248)	(72,138,409)
19,750,692	23,192,168	(4,087,069)	4,984,626
1,428,981	-	2,896,260	(4,854,348)
5,735,597	100,000	9,734,457	61,073,579
\$ 7,164,578	\$ 100,000	\$ 12,630,717	\$ 56,219,231

City of Overland Park
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2011

Net change in fund balances-total governmental funds	\$	(4,854,348)
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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	\$ 1,543,816	
Expenditures for capital assets	23,995,778	
Less current year depreciation	(33,411,804)	
Less current year disposals (net of depreciation)	(204,585)	(8,076,795)

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

Long-term debt interest expense	800,545	
Change in pension obligation	(144,657)	
Change in other post employment benefits	(1,511,758)	
Change in vacation/sick leave obligation	140,310	
Change in claims payable	899,376	183,816

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		(1,460,101)
Capital grant		290,392

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

General obligation bond proceeds		(8,490,000)
Bond principal		17,165,984
Refunding bond proceeds		(6,665,000)
Payment to refunded bond escrow agent		6,762,856
Premium on bond issuance		(389,349)
Bond issue costs		125,600
Amortization of bond premium and deferred loss on refunding		153,051
Amortization of bond issuance cost		(44,404)

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

Change in net assets of governmental activities

	\$	(5,169,182)
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The accompanying notes are an integral part of the basic financial statements.

City of Overland Park
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
General Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 8,366,000	\$ 8,366,000	\$ 8,417,686	\$ 51,686
Sales tax	43,037,934	43,037,934	41,367,325	(1,670,609)
Franchise taxes	9,681,700	9,681,700	10,386,572	704,872
Charges for services	4,988,500	4,988,500	4,984,323	(4,177)
Licenses and permits	3,217,259	3,217,259	3,072,139	(145,120)
Fines and penalties	6,280,500	6,280,500	4,883,935	(1,396,565)
Use of money	615,279	615,279	247,072	(368,207)
Intergovernmental	400,078	400,078	152,496	(247,582)
Grants/contributions not restricted	18,821,600	18,821,600	19,232,270	410,670
Miscellaneous reimb/contributions	948,150	948,150	1,375,840	427,690
Total revenues	96,357,000	96,357,000	94,119,658	(2,237,342)
Expenditures:				
Current:				
Finance and administration:				
Mayor and council	389,667	463,572	427,810	35,762
Economic development	620,980	780,939	779,684	1,255
City manager	933,343	937,150	907,560	29,590
Communications	411,577	411,629	357,630	53,999
Information technology	3,572,806	3,308,802	3,004,625	304,177
Facilities management	3,408,023	3,433,123	3,431,306	1,817
Municipal court	2,990,960	2,954,132	2,609,083	345,049
Law	1,638,216	1,552,048	1,463,693	88,355
FB&A administration	-	-	-	-
Finance and accounting	1,324,554	1,325,775	1,168,593	157,182
City clerk	697,109	697,740	651,947	45,793
Human resources	1,459,382	1,516,988	1,429,985	87,003
Payroll	636,915	606,890	726,879	(119,989)
City wide contingency	3,454,598	3,707,004	-	3,707,004
Total finance and administration	21,538,130	21,695,792	16,958,795	4,736,997
Public safety:				
Police administration	2,314,678	2,233,902	2,470,427	(236,525)
Emergency services	-	-	-	-
Tactical operations	15,836,306	17,090,517	16,956,289	134,228
Antioch patrol	-	-	-	-
Special Services Bureau	8,722,048	11,230,329	10,052,985	1,177,344
Police investigations	-	-	-	-
Administrative Bureau	4,195,676	-	-	-
Total public safety	31,068,708	30,554,748	29,479,701	1,075,047

(Continued)

City of Overland Park
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Public works:				
Public works administration	\$ 1,199,329	\$ 1,107,922	\$ 1,024,546	\$ 83,376
Street engineering & construction	2,425,897	2,350,698	2,267,335	83,363
Traffic services	1,444,813	1,445,763	1,345,897	99,866
Traffic maintenance	3,209,635	3,212,735	3,527,081	(314,346)
Public works maintenance	4,120,637	4,252,620	4,250,389	2,231
Total public works	12,400,311	12,369,738	12,415,248	(45,510)
Community Development:				
Parks and recreation administration	-	-	-	-
Parks and forestry	2,919,147	2,920,315	2,721,263	199,052
Arboretum/botanical garden	705,519	714,338	713,074	1,264
Leisure services	811,384	833,733	778,748	54,985
Community centers	1,584,695	1,587,785	1,564,168	23,617
Farmstead	1,238,872	1,693,677	1,530,842	162,835
Aquatics	1,358,979	1,359,384	1,351,088	8,296
Planning and development	1,997,538	1,959,145	1,794,783	164,362
Community planning	2,021,947	2,022,801	1,826,416	196,385
Building safety	2,134,401	2,147,334	1,938,216	209,118
Engineering services	1,077,342	1,032,183	952,688	79,495
Total community development	15,849,824	16,270,695	15,171,286	1,099,409
Total expenditures	80,856,973	80,890,973	74,025,030	6,865,943
Revenues over expenditures	15,500,027	15,466,027	20,094,628	4,628,601
Other financing sources (uses):				
Transfer (to) from other funds:				
Special revenue funds	150,000	150,000	150,000	-
Golf course fund	295,000	295,000	295,000	-
Debt service fund	(17,406,000)	(17,406,000)	(16,244,245)	1,161,755
Insurance reserve funds	(100,000)	(100,000)	-	100,000
Capital projects funds	(22,392,911)	(22,358,911)	(7,944,621)	14,414,290
Fire service fund	(4,170,000)	(4,170,000)	(4,241,971)	(71,971)
Equipment reserve fund	(250,000)	(250,000)	(250,000)	-
Transient guest tax fund - cap fund	(5,644,116)	(5,644,116)	-	5,644,116
Total other financing sources (uses)	(49,518,027)	(49,484,027)	(28,235,837)	21,248,190
Revenues and other financing sources over (under) expenditures and other uses	\$ (34,018,000)	\$ (34,018,000)	(8,141,209)	\$ 25,876,791

City of Overland Park
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
General Fund
For the Year Ended December 31, 2011

Reconciliation to GAAP Basis:

Activities reported within the General Fund:

Capital Improvement Fund, Equipment Reserve Fund,
Special Street Improvement Fund, Special Liability Defense Fund,
Risk Management Fund (sub-funds of the General Fund):

Total revenue	\$ 136,649
Total expenditures	(698,478)
Total other financing sources	<u>(1,686,848)</u>

Revenues and other financing sources over expenditures	(10,389,886)
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Reconciliation between GAAP and Non-GAAP expenditures	50,233
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Fund balances at beginning of year, as restated	<u>42,548,022</u>
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Fund balances at end of year	<u><u>\$ 32,208,369</u></u>
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The accompanying notes are an integral part of the basic financial statements.

City of Overland Park
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Fire Service Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 11,825,000	\$ 11,825,000	\$ 12,031,983	\$ 206,983
Charges for services	2,009,000	2,009,000	2,044,031	35,031
Use of money	31,000	31,000	20,643	(10,357)
Grants/contributions not restricted	1,590,000	1,590,000	1,314,597	(275,403)
Total revenues	15,455,000	15,455,000	15,411,254	(43,746)
Expenditures:				
Current:				
Public safety	18,799,776	18,799,776	18,662,268	137,508
Total expenditures	18,799,776	18,799,776	18,662,268	137,508
Revenues over (under) expenditures	(3,344,776)	(3,344,776)	(3,251,014)	93,762
Other financing sources (uses):				
Transfer (to) from other funds:				
General Fund	4,170,000	4,170,000	4,241,971	71,971
Debt Service Fund	(75,224)	(75,224)	(75,224)	-
Capital Projects Funds	-	-	-	-
Equipment Reserve Fund	(700,000)	(700,000)	(713,000)	(13,000)
Capital Projects Funds	(50,000)	(50,000)	(202,733)	(152,733)
Total other financing sources (uses)	3,344,776	3,344,776	3,251,014	(93,762)
Revenues and other financing sources over (under) expenditures and other uses	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

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

City of Overland Park
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
One-Eighth Cent Sales Tax for Street Improvements Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Sales tax	\$ 5,379,700	\$ 5,379,700	\$ 5,181,940	\$ (197,760)
Use of money	10,300	10,300	8,322	(1,978)
Total revenues	<u>5,390,000</u>	<u>5,390,000</u>	<u>5,190,262</u>	<u>(199,738)</u>
Expenditures:				
Current:				
City wide contingency	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	<u>5,390,000</u>	<u>5,390,000</u>	<u>5,190,262</u>	<u>(199,738)</u>
Other financing sources (uses):				
Transfer (to) from other funds:				
General Fund	(150,000)	(150,000)	(150,000)	-
Capital Projects Funds	(5,625,000)	(5,625,000)	(3,360,372)	2,264,628
Total other financing sources (uses)	<u>(5,775,000)</u>	<u>(5,775,000)</u>	<u>(3,510,372)</u>	<u>2,264,628</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>(385,000)</u>	<u>(385,000)</u>	<u>1,679,890</u>	<u>2,064,890</u>
Fund balances at beginning of year	385,000	385,000	1,403,028	1,018,028
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,082,918</u>	<u>\$ 3,082,918</u>

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

City of Overland Park
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Stormwater Utility Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Property tax	\$ 2,501,500	\$ 2,501,500	\$ 2,511,936	\$ 10,436
Charges for Services	3,594,800	3,594,800	3,623,918	29,118
Use of money	33,700	33,700	23,518	(10,182)
Total revenues	6,130,000	6,130,000	6,159,372	29,372
Expenditures:				
Current:				
Public works	4,393,159	4,300,059	2,843,769	1,456,290
Total expenditures	4,393,159	4,300,059	2,843,769	1,456,290
Revenues over expenditures	1,736,841	1,829,941	3,315,603	1,485,662
Other financing sources (uses):				
Transfer (to) other funds:				
Special Revenue Funds	(50,000)	(50,000)	(50,000)	-
Debt Service Fund	(11,841)	(11,841)	(157,834)	(145,993)
Capital Projects Funds	(2,900,000)	(2,993,100)	(3,481,289)	(488,189)
Total other financing (uses)	(2,961,841)	(3,054,941)	(3,689,123)	(634,182)
Revenues and other financing sources over (under) expen- ditures and other uses	(1,225,000)	(1,225,000)	(373,520)	851,480
Fund balances at beginning of year	1,225,000	1,225,000	1,254,170	29,170
Fund balances at end of year	\$ -	\$ -	\$ 880,650	\$ 880,650

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

**City of Overland Park
Statement of Net Assets
Proprietary Funds
December 31, 2011**

	OPDC	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Combined Internal Service Funds
Assets				
Current assets:				
Cash, cash equivalents and investments	\$ 1,248,285	\$ 1,087,990	\$ 2,336,275	\$ 3,473,824
Receivables, net	650,475	13,788	664,263	83,825
Other current assets	397,481	-	397,481	-
Total current assets	2,296,241	1,101,778	3,398,019	3,557,649
Noncurrent assets:				
Capital assets:				
Land and construction in progress	196,746	1,425,200	1,621,946	-
Other capital assets, net of depreciation	50,884,814	2,657,796	53,542,610	-
Total capital assets	51,081,560	4,082,996	55,164,556	-
Investments restricted for workers' compensation and medical claims	-	-	-	1,814,992
Investments, restricted for debt service	16,272,483	-	16,272,483	-
Bond issuance cost	4,185,283	-	4,185,283	-
Total noncurrent assets	71,539,326	4,082,996	75,622,322	1,814,992
Total assets	\$ 73,835,567	\$ 5,184,774	\$ 79,020,341	\$ 5,372,641
Liabilities				
Current liabilities:				
Accounts payable	\$ 2,171,029	\$ 65,563	\$ 2,236,592	\$ 123,172
Accrued payroll	1,337,030	140,021	1,477,051	-
Accrued interest payable	2,825,847	639	2,826,486	-
Unearned revenue	-	18,528	18,528	-
Unpaid claims	-	-	-	1,983,727
Bonds payable	1,015,000	42,914	1,057,914	-
Total current liabilities	7,348,906	267,665	7,616,571	2,106,899
Long-term liabilities:				
Accrued compensated absences	-	76,392	76,392	-
Unamortized premium on bonds	1,717,552	-	1,717,552	-
Notes payable	200,000	-	200,000	-
Bonds payable	108,875,000	21,036	108,896,036	-
Deferral on refunding	(8,192,254)	-	(8,192,254)	-
Deferred leased liability	1,055,211	-	1,055,211	-
Subordinated asset and property management fee payable	1,932,232	-	1,932,232	-
Total long-term liabilities	105,587,741	97,428	105,685,169	-
Total liabilities	\$ 112,936,647	\$ 365,093	\$ 113,301,740	\$ 2,106,899
Net Assets (Deficit)				
Invested in capital assets, net of related debt	\$ (52,333,738)	\$ 4,019,046	\$ (48,314,692)	\$ -
Restricted for workers' compensation claims	-	-	-	533,379
Restricted for employee medical claim allocations	-	-	-	65,427
Restricted for debt service	12,081,265	-	12,081,265	-
Restricted for capital and other purposes	4,191,218	-	4,191,218	-
Unrestricted	(3,039,825)	800,635	(2,239,190)	2,666,936
Total net assets (deficit)	\$ (39,101,080)	\$ 4,819,681	\$ (34,281,399)	\$ 3,265,742

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

City of Overland Park
Statement of Revenues, Expenses, and Changes in Fund Net Assets (Deficit)
Proprietary Funds
For the Year Ended December 31, 2011

	OPDC	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Combined Internal Service Funds
Operating revenues:				
Charges for services	\$ 19,890,341	\$ 4,037,962	\$ 23,928,303	\$ 8,970,000
Other reimbursements	165,722	59,881	225,603	316,207
Total operating revenues	20,056,063	4,097,843	24,153,906	9,286,207
Operating expenses:				
Claims paid	-	-	-	8,904,488
Contractual services	-	-	-	688,639
Soccer operations	-	1,012,289	1,012,289	-
Golf course operations	-	2,714,491	2,714,491	-
OPDC Operations	16,768,916	-	16,768,916	-
Depreciation	2,253,971	354,268	2,608,239	-
Total operating expenses	19,022,887	4,081,048	23,103,935	9,593,127
Operating income (loss)	1,033,176	16,795	1,049,971	(306,920)
Nonoperating revenues and (expenses):				
Interest earned on investments	22,666	7,650	30,316	36,036
Interest expense on long-term debt	(6,450,466)	(4,288)	(6,454,754)	-
Total nonoperating revenue (expenses)	(6,427,800)	3,362	(6,424,438)	36,036
Income (loss) before transfer	(5,394,624)	20,157	(5,374,467)	(270,884)
Transfers in	3,978,560	-	3,978,560	400,000
Transfers out	-	(581,693)	(581,693)	-
Change in net assets	(1,416,064)	(561,536)	(1,977,600)	129,116
Total net assets (deficit)-beginning of year	(37,685,016)	5,381,217	(32,303,799)	3,136,626
Total net assets (deficit)-end of year	\$ (39,101,080)	\$ 4,819,681	\$ (34,281,399)	\$ 3,265,742

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

City of Overland Park
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Enterprise Fund OPDC	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Combined Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	\$ 19,770,839	\$ 4,025,719	\$ 23,796,558	\$ 8,970,000
Cash received from other reimbursements	-	59,881	59,881	237,741
Claims paid	-	-	-	(8,904,488)
Cash payments for personal services	-	(1,624,270)	(1,624,270)	-
Cash payments for contractual services and accounts payable	(16,486,705)	(2,033,835)	(18,520,540)	(367,931)
Net cash provided by (used in) operating activities	3,284,134	427,495	3,711,629	(64,678)
Cash flows from noncapital financing activities:				
Transfers (to) from other funds	3,978,560	(581,693)	3,396,867	400,000
Net cash provided by (used in) noncapital financing activities	3,978,560	(581,693)	3,396,867	400,000
Cash flows from capital and related financing activities:				
Principal paid on capital debt	(705,000)	(114,016)	(819,016)	-
Interest paid on capital debt	-	(5,429)	(5,429)	-
Interest and trust fees paid on capital debt	(5,675,793)	-	(5,675,793)	-
Purchases of capital assets	(530,049)	(39,778)	(569,827)	-
Net cash (used in) capital and related financing activities	(6,910,842)	(159,223)	(7,070,065)	-
Cash flows from investing activities:				
Interest on investments	70,738	7,650	78,388	36,036
Deposits to revenue bond trust funds	(8,831,667)	-	(8,831,667)	-
Proceeds from sale of restricted investments	8,107,776	-	8,107,776	-
Net cash provided by (used in) investing activities	(653,153)	7,650	(645,503)	36,036
Net increase (decrease) in cash and cash equivalents	(301,301)	(305,771)	(607,072)	371,358
Cash and cash equivalents-beginning of the year, as restated	1,549,586	1,393,761	2,943,347	4,917,458
Cash and cash equivalents-end of the year	<u>\$ 1,248,285</u>	<u>\$ 1,087,990</u>	<u>\$ 2,336,275</u>	<u>\$ 5,288,816</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 1,033,176	\$ 16,795	\$ 1,049,971	\$ (306,920)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in accounts receivable	(285,224)	23,976	(261,248)	(78,466)
Decrease in other current assets	16,333	-	16,333	-
Increase (decrease) in accrued payroll	46,109	(18,265)	27,844	-
Increase in subordinate asset and property management fee payable	110,992	-	110,992	-
(Decrease) unearned revenue	-	(36,219)	(36,219)	-
Increase in accounts payable and claims payable	108,777	86,940	195,717	320,708
Depreciation expense	2,253,971	354,268	2,608,239	-
Net cash provided by (used in) operating activities	\$ 3,284,134	427,495	3,711,629	\$ (64,678)

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

City of Overland Park
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2011

	Employee Retirement Plans	Private-Purpose Trusts	Agency Funds
Assets			
Cash and cash equivalents	\$ 2,845,051	\$ 3,651	\$ 7,316,695
Investments in equities	44,589,910	-	-
Investments in mutual funds	61,665,454	-	-
Investments in co-mingled trust fund	16,047,725	-	-
Interest receivable	-	-	31,547
Sales tax receivable	-	-	478,667
Special assessment receivable	-	-	13,945,000
Total assets	\$ 125,148,140	\$ 3,651	\$ 21,771,909
Liabilities			
Due to state	\$ -	\$ -	\$ 38,248
Due to other entities	-	-	21,733,661
Total liabilities	\$ -	\$ -	\$ 21,771,909
Net Assets			
Held in trust for pension benefits and other purposes	\$ 125,148,140	\$ 3,651	

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

City of Overland Park
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended December 31, 2011

	Employee Retirement Plans	Private-Purpose Trusts
Additions		
Contributions:		
Employer	\$ 7,340,187	\$ -
Plan members	127,289	-
Total contributions	<u>7,467,476</u>	<u>-</u>
Investment earnings:		
Net (decrease) in fair value of investments	(1,243,914)	-
Interest	162,412	47
Dividends	2,647,901	-
Total investment earnings	<u>1,566,399</u>	<u>47</u>
Total additions	<u>9,033,875</u>	<u>47</u>
Deductions		
Benefits	5,603,982	377
Administrative expenses	296,823	-
Total deductions	<u>5,900,805</u>	<u>377</u>
Change in net assets	3,133,070	(330)
Net assets-beginning of the year	122,015,070	3,981
Net assets-end of the year	<u>\$ 125,148,140</u>	<u>\$ 3,651</u>

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

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Notes to the Basic Financial Statements

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Overland Park, Kansas (the City) was incorporated as a city of the first class on May 10, 1960 under the provisions of Kansas Statutes Annotated (K.S.A.) 12-1036h. The City operates with a Mayor-Council-City Manager form of government, which is made up of a twelve member council and mayor that provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

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

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

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

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

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

B. Basis of Presentation – Fund Accounting

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

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

Government-Wide Financial Statements

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

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

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

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

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.

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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

General Fund: The General Fund is the principal fund of the City which accounts for all financial transactions not accounted for in other funds. The majority of the current operating expenditures of the City are financed through revenues received by the General Fund.

Special Revenue Funds:

Fire Service Fund: To account for ad valorem property tax revenue received by the City to provide fire protection.

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

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

Capital Projects Fund:

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

Debt Service Fund:

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

Enterprise Fund:

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

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

Governmental Funds

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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

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

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

Proprietary Funds

Proprietary funds are accounted for using the economic resource measurement focus and the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. The City applies all applicable guidance of the Financial Accounting Standards Board (FASB), issued prior to December 1, 1989 in accounting and reporting for its enterprise fund operations unless that guidance conflicts with guidance of the Governmental Accounting Standards Board. The City elected not to apply FASB guidance issued after December 1, 1989.

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

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

Fiduciary Funds

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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

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

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

Estimates

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

D. Assets, Liabilities and Net Assets or Fund Balance

Cash, Cash Equivalents and Investments

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

The City typically invests available cash in demand deposits, time deposits, U.S. Government securities and securities of U.S. Government sponsored organizations ranging from 150 to 365 days to maturity. On occasion, however, the City invests for periods between one and two years. The average yield on maturing investments during the year was 0.75 percent and the amount of investment revenue received was \$549,856. The investment revenue is equivalent to a 0.200 mill property tax.

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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

Capital Assets

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

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

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

Interest is capitalized in proprietary funds on assets acquired with tax-exempt debt. The amount of interest capitalized is the net interest expense incurred (interest expense less interest income) from the date of borrowing until the project is placed into service. There was no interest capitalized in fiscal year 2011.

Vacation and Sick Leave

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

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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.

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.

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

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

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 deferred revenue 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 times. 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 the Governing Body.
- *Assigned*— amounts constrained by the express intent of the Governing Body, City Manager or designee. Encumbrances shall be considered as assigned, unless they specifically meet the requirements to be committed or restricted.
- *Unassigned*— all amounts not included in other fund balance classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balances.

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.

City of Overland Park, Kansas

Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

Net Assets

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

- a. Invested in capital assets, net of related debt – 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. Net assets invested in capital assets, net of related debt, excludes unspent debt proceeds of \$2,551,913 in the governmental activities.
- b. Restricted net assets – Consists of net assets with constraints placed on their 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 assets restricted through enabling legislation consist of \$2,972,656 for street improvements and \$533,379 for worker's compensation. In addition, net assets restricted for debt service through bond documents consist of \$190,527 for the Transient Guest Tax Reserve and \$12,081,265 for the Overland Park Development Corporation. Net assets restricted for capital and other projects through bond documents consist of \$4,191,218 for the Overland Park Development Corporation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The City first applied restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets 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 from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Interfund Transfers

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

City of Overland Park, Kansas
Notes to Basic Financial Statements

I. Summary of Significant Accounting Policies (Continued)

Deferred/Unearned Revenues

Governmental funds report deferred revenue on their balance sheets. Deferred revenues arise in governmental funds when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenue arise when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, revenue is recognized.

In the government-wide financial statements, deferred revenue not meeting the “measurable” and “available” criteria has been recognized as revenue.

II. Stewardship, Compliance and Accountability

A. Budgetary Control

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

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

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

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

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

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

Street Improvement Escrow	Mayor's Heat and Light
Special Tax Financing	Art in the Woods
Federal and State Grants	Special Law Enforcement
Parks and Recreation	Jack Sanders Memorial
Westlinks Land Acquisition	Nuse Act

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 assets balance of \$39,101,080. This deficit will decrease as debt is paid in future years. The Transient Guest Tax Fund, a nonmajor fund, had a deficit fund balance of \$129,785. This fund deficit will decrease as transient guest tax revenues increase in future years. The Special Tax Financing Fund, a nonmajor fund, had a deficit fund balance of \$32,793. This fund deficit will decrease as revenue collections begin on the related projects for which costs were incurred.

In the General Fund: Payroll Department exceeded their budget by \$119,989 as a result of pension administration fees that were budgeted in other departments. Police Administration exceeded their budget by \$236,525 as a result of department reorganization of personnel. Traffic Maintenance exceeded their budget by \$314,346 as a result of an significant increase in the cost of electric utilities.

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.

City of Overland Park, Kansas

Notes to Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

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

	Expenditures/ Encumbrances Non-GAAP Basis	Add: 2010 Encumbrances	Less: 2011 Encumbrances	Reporting Purposes Non-General Fund Expenditures	Expenditures GAAP Basis
General Fund	\$ 74,025,030	\$ 666,914	\$ 717,147	\$ 698,478	\$ 74,673,275
Transient Guest Tax Reserve Sub-Fund	-	-	-	-	-
Transient Guest Tax Capital Sub-Fund	7,673,992	25,000	-	-	7,698,992
Transient Guest Tax Operating Sub-Fund	1,555,833	-	-	-	1,555,833
Transient Guest Tax Fund	9,229,825	25,000	-	-	9,254,825
Fire Service Fund	18,662,268	106,290	68,325	-	18,700,233
Stormwater Utility Fund	2,843,769	192,013	83,674	-	2,952,108
Special Alcohol Funds	1,046,612	-	-	-	1,046,612

	Fund Balance (Deficit) Non-GAAP Basis	Add: 2011 Encumbrances	Fund Balance (Deficit) GAAP Basis
General Fund	\$ 31,491,222	\$ 717,147	\$ 32,208,369
Transient Guest Tax Reserve Fund Sub-Fund	190,527	-	190,527
Transient Guest Tax Capital Fund Sub-Fund	(320,312)	-	(320,312)
Transient Guest Tax Operating Fund Sub-Fund	-	-	-
Transient Guest Tax Fund	(129,785)	-	(129,785)
Fire Service Fund	-	68,325	68,325
Stormwater Utility Fund	880,650	83,674	964,324
Special Alcohol Funds	1,059,162	-	1,059,162

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, receivable or budgeted for until the ensuing year. At December 31, such taxes are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as deferred revenues on the balance sheets of the appropriate funds.

City of Overland Park, Kansas

Notes to Basic Financial Statements

II. Stewardship, Compliance and Accountability (Continued)

Property taxes are recognized as revenue in the government-wide financial statements in the year intended to be financed by those taxes in accordance with provisions of GASB No. 33 and GASB No. 34.

III. Detailed Notes on All Funds

A. Deposits

The City's cash and cash equivalents 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.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City does not have a formal policy on custodial credit risk. As of December 31, 2011, the Overland Park Development Corporation Enterprise Fund had bank deposits and investments of \$941,893 and \$10,867,327, respectively, that were uninsured and uncollateralized. As of December 31, 2011, the Transportation Development District Agency Fund had investments of \$6,820,641 that were uninsured and uncollateralized. All other City deposits and investments were not exposed to custodial credit risk. All securities are purchased on the delivery vs. payment basis and are held in the City's name by its safekeeping agent.

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

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 a debt security 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 all investments according to the chart below. Investments received as contributions may not follow this policy.

Maturity Range	Target Percentage of Portfolio
Total securities less than 1 month	Up to 20%
Total securities between 1 and 12 months	Up to 40%
Total securities 12 to 48 months	Up to 50%

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

Investment Type	Amount	Maturity			
		1 Month or Less	1 - 12 Months	12 - 48 Months	48 Months or Longer
Overnight Sweep **	\$ 22,332,836	\$ 22,332,836	\$ -	\$ -	\$ -
Money Market *	1,199,125	1,199,125	-	-	-
U.S. Government Sponsored					
Enterprise Notes	38,306,579	-	414,288	37,892,291	-
U.S. Treasury Strips	10,810	-	-	-	10,810
Mutual Funds, OPDC *	16,272,483	16,272,483	-	-	-
Certificates of Deposit *	4,000,000	-	-	4,000,000	-
	<u>\$ 82,121,833</u>	<u>\$ 39,804,444</u>	<u>\$ 414,288</u>	<u>\$ 41,892,291</u>	<u>\$ 10,810</u>

* Not subject to interest rate risk.

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

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

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

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

Investment Name	Moody's Credit Rating	S&P Credit Rating	Percent of Total Investments
FHLB	Aaa	AAA	22.83%
FHLMC	Aaa	AAA	17.18%
FNMA	Aaa	AAA	6.63%

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2011, was as follows:

	Balance January 1, 2011	Additions	Transfers / Disposals	Balance December 31, 2011
<u>Governmental activities</u>				
<u>Assets not being depreciated:</u>				
Land	\$ 31,045,631	\$ -	\$ -	\$ 31,045,631
Construction in progress	59,321,029	13,187,536	(37,886,085)	34,622,480
Total	<u>90,366,660</u>	<u>13,187,536</u>	<u>(37,886,085)</u>	<u>65,668,111</u>
 <u>Assets Being Depreciated</u>				
Land Improvements	9,669,096	-	31,259,575	40,928,671
Building and improvements	116,004,332	-	4,950,000	120,954,332
OPCC capital assets	3,466,419	29,367	(44,483)	3,451,303
Equipment	53,862,903	4,654,015	(2,792,811)	55,724,107
Infrastructure	1,147,082,971	45,554,761	(37,161,510)	1,155,476,222
Total	<u>1,330,085,721</u>	<u>50,238,143</u>	<u>(3,789,229)</u>	<u>1,376,534,635</u>
 <u>Accumulated Depreciation</u>				
Land Improvements	(5,310,742)	(588,784)	(1,041,986)	(6,941,512)
Building and improvements	(30,183,021)	(2,895,032)	(61,875)	(33,139,928)
OPCC capital assets	(3,109,215)	(141,425)	12,332	(3,238,308)
Equipment	(42,292,950)	(4,117,980)	3,572,312	(42,838,618)
Infrastructure	(286,720,638)	(25,668,583)	1,103,861	(311,285,360)
Total	<u>(367,616,566)</u>	<u>(33,411,804)</u>	<u>3,584,644</u>	<u>(397,443,726)</u>
 Total capital assets being depreciated, net	<u>962,469,155</u>	<u>16,826,339</u>	<u>(204,585)</u>	<u>979,090,909</u>
 <u>Governmental activities capital assets, net</u>	<u>\$ 1,052,835,815</u>	<u>\$ 30,013,875</u>	<u>\$ (38,090,670)</u>	<u>\$ 1,044,759,020</u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

	Balance January 1, 2011	Additions	Transfers / Disposals	Balance December 31, 2011
Business-type activities				
<u>Assets not being depreciated:</u>				
Land	\$ 1,425,200	\$ -	\$ -	\$ 1,425,200
Construction in progress	-	196,746	-	196,746
	<u>1,425,200</u>	<u>196,746</u>	<u>-</u>	<u>1,621,946</u>
<u>Assets Being Depreciated</u>				
Land Improvements	6,920,077	-	-	6,920,077
Building and improvements	67,154,968	-	-	67,154,968
Equipment	12,780,184	373,081	(47,258)	13,106,007
Capitalized Lease Equipment	400,852	-	-	400,852
Total	<u>87,256,081</u>	<u>373,081</u>	<u>(47,258)</u>	<u>87,581,904</u>
<u>Accumulated Depreciation</u>				
Land Improvements	(5,906,108)	(237,155)	-	(6,143,263)
Building and improvements	(14,138,471)	(1,678,873)	-	(15,817,344)
Equipment	(11,032,882)	(692,211)	47,258	(11,677,835)
Capitalized Lease Equipment	(400,852)	-	-	(400,852)
Total	<u>(31,478,313)</u>	<u>(2,608,239)</u>	<u>47,258</u>	<u>(34,039,294)</u>
Total capital assets being depreciated, net	<u>55,777,768</u>	<u>(2,235,158)</u>	<u>-</u>	<u>53,542,610</u>
<u>Business-type activities capital assets, net</u>	<u>\$ 57,202,968</u>	<u>\$ (2,038,412)</u>	<u>\$ -</u>	<u>\$ 55,164,556</u>

The following schedule presents 2011 depreciation charges by function:

Governmental activities:	
General government	\$ 3,403,134
OP Convention Center	141,425
Public safety	2,610,113
Public works	23,255,782
Parks and recreation	3,900,014
Planning and development services	101,336
Total depreciation-governmental activities	<u>\$ 33,411,804</u>
Business type activities:	
Golf course	\$ 354,268
Overland Park Development Corporation	2,253,971
Total depreciation-business type activities	<u>\$ 2,608,239</u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

D. Capital Projects Authorized

At December 31, 2011, capital projects authorizations compared with expenditures from inception are as follows:

	Project Authorizations	Project Expenditures December 31, 2011
Street improvements	\$ 181,919,500	\$ 23,387,071
Drainage improvements	9,655,000	767,534
Municipal building improvements	2,022,000	1,730,442
Equipment	5,945,000	4,140,587
Street lighting	200,000	132,537
Traffic signals	3,544,000	840,555
Parks and recreation improvements	4,960,000	2,103,903
Total	\$ 208,245,500	\$ 33,102,629

E. Interfund Receivables/Payables

Individual fund receivable/payable balances at December 31, 2011, are as follows:

	Interfund Receivables	Interfund Payables
Major Government Funds:		
General	\$ 501,956	\$ -
Street Improvement Capital Projects Fund	1,011,806	-
Non-major Funds:		
Special Revenue:		
Special Street and Highway	-	1,011,806
Federal/State Grants	-	471,826
Special Tax Financing	-	30,130
Total	\$ 1,513,762	\$ 1,513,762

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

F. Interfund Transfers

All of the significant interfund transfers in 2011 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, 2011 were as follows:

	Transfer In	Transfers Out
Major Funds:		
General	\$ 5,435,760	\$ 35,358,445
Fire Service	4,241,971	990,957
1/8th Cent Sales Tax	258,444	3,768,816
Capital Proj - Street Improvements	13,887,993	2,890,380
Stormwater Utility	219,441	3,908,563
Debt Service	23,163,754	-
	<u>47,207,363</u>	<u>46,917,161</u>
Non-major Funds:		
Special Revenue	9,815,069	23,657,826
Capital Projects	11,319,110	1,563,422
	<u>21,134,179</u>	<u>25,221,248</u>
Enterprise Funds:		
OPDC	3,978,560	-
Enterprise Fund - Golf Course	-	429,023
Enterprise Fund - Soccer	-	152,670
	<u>3,978,560</u>	<u>581,693</u>
Internal Service Fund:		
Workers' Compensation	400,000	-
	<u>400,000</u>	<u>-</u>
Total	<u><u>\$ 72,720,102</u></u>	<u><u>\$ 72,720,102</u></u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

G. Long-Term Debt

The following is a summary of debt transactions of the City for the year ended December 31, 2011:

	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 188,187,034	\$ 15,155,000	\$ 23,530,984	\$ 179,811,050	\$ 17,227,086
Premium on bonds	1,840,829	389,349	178,331	2,051,847	-
Deferral on refunding	-	(397,856)	(25,280)	(372,576)	-
Employee compensated absences	6,911,572	4,688,912	4,829,222	6,771,262	4,829,223
Claims payable	2,734,113	8,599,437	8,751,802	2,581,748	473,601
Net Pension Obligation	1,178,372	144,657	-	1,323,029	-
Net OPEB Obligation	3,334,960	1,729,251	217,493	4,846,718	-
Total	\$ 204,186,880	\$ 30,308,750	\$ 37,482,552	\$ 197,013,078	\$ 22,529,910
Business-type activities:					
General obligation bonds	\$ 177,966	\$ -	\$ 114,016	\$ 63,950	\$ 42,914
Premium on bonds	1,844,654	-	127,102	1,717,552	-
Deferral on refunding	(8,798,439)	-	(606,185)	(8,192,254)	-
Employee compensated absences	166,047	124,497	107,076	183,468	107,076
Revenue bonds-OPDC	110,595,000	-	705,000	109,890,000	1,015,000
Note Payable	200,000	-	-	200,000	-
Subordinated asset and property management fee payable	1,821,240	110,992	-	1,932,232	-
Total	\$ 106,006,468	\$ 235,489	\$ 447,009	\$ 105,794,948	\$ 1,164,990

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

General Obligation Bonds

General obligation bonds payable consist of the following serial bonds:

	Date Issued	Maturity Date	Outstanding Interest Rates	Balance December 31, 2011
Governmental Activities-General Obligation Bonds				
Street improvement	10/01/02	9/1/03 - 9/1/12	2.0 to 4.5	\$ 675,328
Street improvement	10/01/02	9/1/03 - 9/1/22	2.0 to 4.5	1,273,700
Storm drainage	10/01/02	9/1/03 - 9/1/12	2.0 to 4.5	10,000
Storm drainage	10/01/02	9/1/03 - 9/1/22	2.0 to 4.5	16,298
Public building	10/01/02	9/1/03 - 9/1/12	2.0 to 4.5	100,052
Parks and recreation	10/01/02	9/1/03 - 9/1/12	2.0 to 4.5	249,620
Street improvement	11/01/03	9/1/04 - 9/1/2013	3.71	1,256,890
Street improvement	11/01/03	9/1/04 - 9/1/23	2.0 to 4.625	3,646,026
Storm drainage	11/01/03	9/1/04 - 9/1/23	2.0 to 4.625	77,512
Public building	11/01/03	9/1/04 - 9/1/23	2.0 to 4.625	1,514,572
Public building	02/15/04	9/1/04 - 9/1/19	3.0 to 5.0	4,420,000
Street improvement	11/01/04	9/1/05 - 9/1/14	2.5 to 3.625	599,521
Street improvement	11/01/04	9/1/05 - 9/1/24	2.5 to 4.75	500,000
Storm drainage	11/01/04	9/1/05 - 9/1/14	2.5 to 3.625	479
Public building	11/01/04	9/1/05 - 9/1/18	3.0 to 4.0	3,140,000
Traffic signal improvement	05/15/06	9/1/06-9/1/15	4.00-4.25	124,360
Street improvement	05/15/06	9/1/06-9/1/15	4.00-4.25	2,460,640
Street improvement	05/15/06	9/1/06-9/1/25	4.00-4.25	5,754,224
Parks and recreation	05/15/06	9/1/06-9/1/25	4.00-4.25	14,125,776
Public building	11/15/06	9/1/07-9/1/30	4.4	43,670,000
Parks and recreation	12/01/07	12/1/07-9/1/17	4.0	5,242,410
Parks and recreation	12/01/07	12/1/07-9/1/27	4.0	26,620,000
Street improvement	12/01/07	12/1/07-9/1/27	4.625	1,380,000
Street improvement	12/01/07	12/1/07-9/1/17	4.0	12,380,324
Public building	12/01/07	12/1/07-9/1/17	4.0	317,268
Parks and recreation	09/10/09	9/1/2010-9/1/2019	2.22	3,218,160
Parks and recreation	09/10/09	9/1/2010-9/1/2029	5.1	3,031,288
Street improvement	09/10/09	9/1/2010-9/1/2019	2.2	14,861,840
Street improvement	09/10/09	9/1/2010-9/1/2029	5.1	1,268,712
Parks and recreation	10/13/09	9/1/2010-9/1/2013	3.0	14,780
Public building	10/13/09	9/1/2010-9/1/2013	3.0	205,188
Storm drainage	10/13/09	9/1/2010-9/1/2013	3.0	6,344
Street improvement	10/13/09	9/1/2010-9/1/2013	3.0	469,738
Storm drainage	09/16/10	9/1/2011-9/1/2020	2.57	1,101,500
Street improvement	09/16/10	9/1/2011-9/1/2020	2.57	11,003,500
Street improvement	06/01/11	6/1/11-9/1/2021	2.38	8,490,000
Street improvement	06/01/11	6/1/11-9/1/2024	2.46	6,585,000
Total general obligation bonds				179,811,050
Business-type Activities				
Parks and recreation	10/13/09	9/1/2010-9/1/2013	3.0	63,950
Total all bonds				\$ 179,875,000

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

The annual requirements to amortize the general obligation bonds at December 31, 2011, including interest payments, are as follows:

Year ending December 31	Government Activities		Business-type Activities		Total Primary Government Debt Service
	General Obligation Bonds Principal	Interest	General Obligation Principal	General Obligation Interest	
2012	\$ 17,227,086	\$ 6,847,819	\$ 42,914	\$ 1,918	\$ 24,119,737
2013	16,003,964	6,218,200	21,036	631	22,243,831
2014	15,195,000	5,697,661	-	-	20,892,661
2015	14,580,000	5,192,324	-	-	19,772,324
2016	13,995,000	4,693,629	-	-	18,688,629
2017 - 2021	53,350,000	16,654,324	-	-	70,004,324
2022 - 2026	32,870,000	8,095,876	-	-	40,965,876
2027 - 2031	16,590,000	1,773,942	-	-	18,363,942
	<u>\$ 179,811,050</u>	<u>\$ 55,173,775</u>	<u>\$ 63,950</u>	<u>\$ 2,549</u>	<u>\$ 235,051,324</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, 2011, the statutory limit for the City was \$864,575,998 providing a debt margin of \$684,700,998.

Overland Park Development Corporation – Revenue Bonds:

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

The Series 2000A, Series 2000B and Series 2000C bonds were advance refunded in November 2007. As a result, the 2000 Series Bonds are considered defeased and the liability for the bonds was removed from the statement of net assets.

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

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

In addition, monies for payment of debt service on the Series 2007A and 2007B Revenue Bonds may also be derived under certain circumstances from annual appropriation payments by the City to the Bond Trustee and from amounts on reserve pursuant to a Debt Service Agreement. Pursuant to the Debt Service Support Agreement, the City has agreed to make a specified portion of its annual revenues from its Transient Guest Tax available for the payment of debt service subject to annual appropriation. The bonds are payable through 2032. The hotel net revenues and the Transient Guest Tax are projected to range from \$12 million to \$25 million annually. Total principal and interest remaining to be paid on the bonds is \$189,095,398. Principal and interest paid for the current year and total hotel net revenues were \$6,370,794 and \$1,033,176, respectively.

The annual requirements to amortize the revenue bonds at December 31, 2011, including interest payments, are as follows:

Years Ending December 31,	Principal	Interest	Total
2012	\$ 1,015,000	\$ 5,631,394	\$ 6,646,394
2013	1,395,000	5,575,347	6,970,347
2014	1,685,000	5,496,422	7,181,422
2015	1,980,000	5,402,506	7,382,506
2016	2,285,000	5,293,216	7,578,216
2017-2021	17,260,000	24,183,019	41,443,019
2022-2026	28,680,000	18,332,575	47,012,575
2027-2031	44,370,000	9,001,197	53,371,197
2032	11,220,000	289,722	11,509,722
Total	\$ 109,890,000	\$ 79,205,398	\$ 189,095,398

The Revenue Bonds contain certain covenants. The covenants require sufficient net revenues each calendar year for a debt service coverage ratio that is not less than 1.05 to 1.0 for each calendar year. The Corporation did not meet the Debt Service Coverage Requirement for the year ended December 31, 2011; however, per the trust indenture, dated November 15, 2007, Section 6.10(c), failure to meet this requirement shall not constitute an event of default and does not activate a call provision. The Series 2007A and 2007B Bonds require a reserve equal to the least of: (1) 10 percent of the bonds, (2) the maximum annual principal and interest requirements or (3) 125 percent of the average annual principal and interest requirements. The total reserves for these covenants as of December 31, 2011 is \$10,919,639.

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

Overland Park Development Corporation Subordinated Asset and Property Management Fee Payable

Base property management fees (adjusted annually by the CPI Index) of \$1,428,472 were owed to Starwood/Sheraton for the year ended December 31, 2011. Eighty percent (80%) of base property management fees is unsubordinated and twenty percent (20%) is subordinated during operating years two through five and no portion is to be subordinated for years six through the end of the 15-year term of the agreement. Subordinated amounts owed to Starwood/Sheraton are non-interest bearing obligations to be repaid only after certain other obligations have been repaid according to the terms of the Revenue Bond Indenture.

Base asset management fees (adjusted annually by the CPI Index) of \$332,906 were owed to the asset management company for the year ended December 31, 2011. Two-thirds (2/3) of the base asset management fees is unsubordinated and one-third (1/3) is subordinated for the 15-year term of the agreement. Subordinated amounts owed to the asset management company are non-interest bearing obligations to be repaid only after certain other obligations have been repaid according to the terms of the Revenue Bond Indenture.

Conduit Debt Obligations

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

As of December 31, 2011, there were 13 issues of industrial revenues bonds outstanding with an aggregate original issue amount totaling \$1,186,866,149 and an aggregate principal balance outstanding of \$1,153,498,333.

As of December 31, 2011, there were two issues of special obligation TDD bonds outstanding with an aggregate original issue amount totaling \$31,135,000 and an aggregate principal balance outstanding of \$29,216,000. The TDD special obligation bonds are to be paid solely from the special assessments and sales taxes collected from within the districts. As the City is acting in a fiduciary capacity for the collection of the special assessment and the sales tax, the collection of these revenues are reported within an agency fund.

Advanced Bond refunding

On June 1, 2011, the City issued \$6,665,000 of general obligation refunding bonds with a true interest rate of 2.4% to advance refund \$6,365,000 of outstanding internal improvement bonds.

The bonds mature on September 1, 2024 and are callable on September 1, 2012 the general obligation bonds were issued at a premium of \$126,270 and the net proceeds were \$6,762,856. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the term bonds are called on September 1, 2012. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the City's government-wide financial statements.

City of Overland Park, Kansas

Notes to Basic Financial Statements

III. Detailed Notes on All Funds (Continued)

The refunding resulted in a deferred accounting loss of \$397,856 which will be amortized over the life of the new bonds. The amortization and related deferred loss are reported in the financial statements.

As a result of the advance refunding, the City reduced its total debt service requirement by \$464,379, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$402,320.

Authorized bonds

In November 2011, the City authorized issuing \$400,000 of General Obligation Bond for Turkey Creek improvements. The bonds have not yet been issued; however, the City anticipates issuing the bonds in fiscal year 2012.

Prior period defeasance

Starting in 1999 through 2006, the City defeased certain general obligation bonds by placing the proceeds of the new general obligation bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the City's long-term debt. On December 31, 2011, \$6,585,000 of bonds outstanding are considered defeased.

In 2007, the OPDC defeased certain revenue bonds (Series 2000A, 2000B and 2000C) by placing proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Corporation's financial statements. During the current year the defeased debt was paid off in its entirety, resulting in an outstanding balance of \$0 as of December 31, 2011.

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. Effective January 1, 2011, with the adoption of GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, these two funds are reported within the General Fund. The Special Liability Defense Fund is used to account for costs related to the payment of judgments and settlement of claims relating to torts. The City currently maintains an insurance portfolio that includes general liability, automobile liability, law enforcement, public entity management and employment practices with a \$100,000 self-insured retention. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has not been a significant reduction in insurance coverage in the past fiscal year.

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

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

In January 2001, the City established a self-insurance program for health care benefits. A third party administrator is contracted to provide claims administration and payment services. The City accounts for the Medical Imprest Plan in the Medical Imprest Plan 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 assets of the Workers' Compensation and Medical Imprest Plan Internal Service Funds were \$533,379 and \$2,732,363, respectively, as of December 31, 2011. Liabilities in the Special Liability Defense Fund, Risk Management Reserve Fund, Workers' Compensation Fund and Medical Imprest Plan Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities of these funds include an amount for claims that have been incurred but not reported. Claim liabilities are determined by the City's Risk Manager and the City's Law Department based on estimates of the ultimate cost of claims including inflation factors and historical trend data and all claims balances are considered to be current. The liability recorded in the General Fund for the Special Liability Defense and Risk Management sub-funds was \$473,601 as of December 31, 2011, based on claims considered matured and represent claims against current financial resources. The remaining liability of \$124,420 is considered a long-term liability and recorded on the statement of net assets.

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

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 2010 and 2011 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, 2010:				
Special Liability Defense (sub-fund of General Fund)	\$ 800,318	\$ 682,043	\$ (458,565)	\$ 1,023,796
Risk Management (sub-fund of General Fund)	9,615	43,715	(42,610)	10,720
Worker's Compensation	858,321	922,539	(605,263)	1,175,597
Medical Imprest	465,000	6,709,037	(6,650,037)	524,000
Total	<u>\$ 2,133,254</u>	<u>\$ 8,357,334</u>	<u>\$ (7,756,475)</u>	<u>\$ 2,734,113</u>
January 1 to December 31, 2011:				
Special Liability Defense (sub-fund of General Fund)	\$ 1,023,796	\$ 250,232	\$ (700,872)	\$ 573,156
Risk Management (sub-fund of General Fund)	10,720	33,229	(19,084)	24,865
Worker's Compensation	1,175,597	687,821	(638,691)	1,224,727
Medical Imprest	524,000	7,628,155	(7,393,155)	759,000
Total	<u>\$ 2,734,113</u>	<u>\$ 8,599,437</u>	<u>\$ (8,751,802)</u>	<u>\$ 2,581,748</u>

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.

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

C. Retirement Plans

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

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

The City of Overland Park Municipal Employees' Pension Plan (MEPP) is a single-employer defined contribution plan established by the City Council on October 1, 1969, to provide benefits at retirement to all regular full-time civilian employees of the City who have completed three years of continuous service. As of December 31, 2011, there were 458 plan members. Plan members are not required to contribute to the plan, but may elect to contribute up to 10 percent of their post-tax annual compensation. The City is required to contribute 10 percent of annual covered payroll. Actual member and City contributions were \$127,289 and \$2,117,049, respectively, for the year ended December 31, 2011. This plan provides for vesting of City contributions at the rate of a 10 percent increase per year up to 100 percent with participants vested at 40 percent after one year in the plan. Participant contributions are immediately fully vested. Plan benefit provisions and contribution requirements are established by City of Overland Park Ordinance and may be amended by the City Council. A separate audit report is not prepared.

Financial statements for the MEPP are presented below:

City of Overland Park
Municipal Employees Pension Plan
Statement of Plan Net Assets
December 31, 2011

Assets

Cash and cash equivalents	\$ 1,000
Investment in mutual fund	41,050,953
Total assets	<u><u>\$ 41,051,953</u></u>

Net Assets

Held in trust for pension benefits	<u><u>\$ 41,051,953</u></u>
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City of Overland Park, Kansas
Notes to Basic Financial Statements

IV. Other Information (Continued)

City of Overland Park
Municipal Employees Pension Plan
Statement of Changes in Plan Net Assets
Year Ended December 31, 2011

Additions

Contributions:

Employer	\$ 2,117,049
Plan members	127,289
Total assets	<u>2,244,338</u>

Investment earnings:

Net (decrease) in fair value of investments	(1,705,873)
Dividends	1,193,725
Total investment earnings	<u>(512,148)</u>

Total additions	<u>1,732,190</u>
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Deductions, benefits	<u>2,555,534</u>
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Change in net assets	(823,344)
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Net assets-beginning of the year	41,875,297
Net assets-end of the year	<u><u>\$ 41,051,953</u></u>

Investment Related Disclosures

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

Fund Name	Credit Rating	Average Maturity	% of Investment Portfolio
Harbor Bond Fund	Not Rated	8.45 years	13.40%

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

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

Type	Percent of Total
ICMA Plus Fund	29.8%
American EuroPacific Growth Fund	6.8
Fidelity Growth Fund	6.6
Dreyfus Midcap Fund	6.3
Vanguard 500 Index Fund	6.3
Perkins Small Cap Value Fund	5.7

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

The plan has only two fixed income investments, one is the Harbor Bond Mutual Fund which invests solely in bonds. The other is the Dodge & Cox Balanced Mutual Fund, which invests in both equities and bonds. Mutual funds are not subject to interest rate risk given they have no maturity dates. Neither investment is rated by Moody's nor S&P.

Kansas Public Employees Retirement System (Defined Benefit Pension Plan)

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

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established by statute for 2010 was 7.14 percent. The City employer contributions to KPERS for the years ending December 31, 2011, 2010 and 2009 were \$1,893,771, \$1,875,545, and \$1,625,325, respectively, equal to the statutory required contributions for each year.

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

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

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

Membership in the PDRP was comprised of the following at January 1, 2011:

Active employees	231
Vested terminated employees	69
Retired participants and beneficiaries	15
	<u>315</u>

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

PDRP financial statements are prepared using the accrual basis of accounting. Contributions from the City are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value as listed on the brokerage statement as of December 31, 2011. Expenses of the fund managers are paid from investment income. Other administrative expenses, such as fees for actuarial valuations, legal fees, etc., are paid by the City.

In 2011, employees did not make contributions to the PDRP. The City contributions, authorized by the City Council, for fiscal years 2011, 2010, and 2009 were \$2,818,636, \$2,761,411, and \$2,338,229, respectively. These contributions were made in accordance with contribution requirements determined by an actuarial valuation of the PDRP at January 1, 2011, 2010, and 2009, respectively. 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, and September 9, 2002, and may be amended by the City Council.

City of Overland Park, Kansas
Notes to Basic Financial Statements

IV. Other Information (Continued)

Components of the Net Pension Obligation (NPO) of the City as of December 31, 2011, were as follows:

Annual required contribution	\$ 2,919,289
Interest on net pension obligations	27,236
Annual pension cost	<u>2,946,525</u>
Contributions made (including interest)	<u>2,878,101</u>
Increase in the NPO	68,424
NPO December 31, 2010	<u>544,729</u>
NPO December 31, 2011	<u><u>\$ 613,153</u></u>

Historical trend information is as follows for the PDRP:

The latest actuarial valuation of the PDRP was performed at January 1, 2011 and utilized the aggregate cost method which does not identify or separately amortize unfunded liabilities. Therefore, the PDRP has no unfunded actuarial accrued liability that will need to be amortized.

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
12/31/09	\$ 2,560,246	91%	\$ 417,386
12/31/10	2,888,754	96	544,729
12/31/11	2,946,525	98	613,153

The latest actuarial valuation of the PDRP was performed at January 1, 2011 and utilized the aggregate cost method which does not identify or separately amortize unfunded liabilities. Therefore, the PDRP has no unfunded actuarial accrued liability that will need to be amortized.

Funded Status and Funding Progress

The Plan's funding method is the aggregate actuarial cost method. Because the aggregate method does not identify or separately amortize unfunded actuarial liabilities, information about the Plan's funded status and funding progress has been prepared using the entry age actuarial cost method. The information presented is intended to serve as a surrogate for the funded status and funding progress of the Plan. Using the entry age actuarial cost method, as of January 1, 2011, the most recent actuarial valuation date, the plan was 86.45% funded. The actuarial accrued liability for benefits was \$61.8 million, and the actuarial value of assets was \$53.4 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$8.4 million. The covered payroll (annual payroll of active employees covered by the plan) was \$14.4 million and the ratio of the UAAL to the covered payroll was 58.3%.

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

Actuarial Methods and Assumptions

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

Investment Related Disclosures

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

Fund Name	Credit Rating	Average Maturity	% of Investment Portfolio
Passive Bond Market Index Fund	Not Rated	4.95	20.20%

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

Type	% of Total
Templeton Global Total Return Fund	14.7%

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

City of Overland Park, Kansas
Notes to Basic Financial Statements

IV. Other Information (Continued)

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

Financial statements for the PDRP are presented below:

**City of Overland Park
Overland Park Police Department Retirement Plan
Statement of Plan Net Assets
December 31, 2011**

Assets

Cash and cash equivalents	\$ 1,199,928
Investment in co-mingled trust fund	12,235,270
Investment in Mutual Funds	14,582,928
Investment in equities	32,415,044
Total assets	<u><u>\$ 60,433,170</u></u>

Net Assets

Held in trust for pension benefits	<u><u>\$ 60,433,170</u></u>
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**City of Overland Park
Overland Park Police Department Retirement Plan
Statement of Changes in Plan Net Assets
Year Ended December 31, 2011**

Additions

Contributions, employer	<u>\$ 2,818,636</u>
Investment earnings:	
Net increase in fair value of investments	696,174
Dividends	1,094,959
Total investment earnings	<u>1,791,133</u>
Total additions	<u>4,609,769</u>

Deductions

Benefits	1,615,319
Administrative expenses	187,291
Total deductions	<u>1,802,610</u>

Change in net assets	2,807,159
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Net assets-beginning of the year	57,626,011
Net assets-end of the year	<u><u>\$ 60,433,170</u></u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

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

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

Membership in the OPFDRP was comprised of the following at January 1, 2011:

Active employees	143
Vested terminated employees	29
Retired participants and beneficiaries	13
	<hr/>
	185

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.

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

OPFDRP financial statements are prepared using the accrual basis of accounting. Contributions from the City are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value as listed on the brokerage statement as of December 31, 2011. 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 out of the personal services budget in the Fire Service Fund.

In 2011, 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, 2011, 2010, and 2009 were \$2,404,502, \$2,339,445, and \$2,340,147, respectively. The City's contribution for 2011, 2010, and 2009 was for normal cost plus interest.

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

Components of the net pension obligation of the OPFDRP at December 31, 2011, were as follows:

Annual required contribution	\$ 2,493,213
Interest on net pension obligation	27,880
Annual pension cost	<u>2,521,093</u>
Contributions made (including interest)	<u>2,444,860</u>
Increase in the NPO	76,233
NPO December 31, 2010	<u>633,643</u>
NPO December 31, 2011	<u><u>\$ 709,876</u></u>

Historical trend information is as follows for the OPFDRP:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
12/31/09	\$ 2,657,337	88%	\$ 497,423
12/31/10	2,475,665	94	633,643
12/31/11	2,521,093	97	709,876

The latest actuarial valuation of the OPFDRP was performed at January 1, 2011, and utilized the aggregate cost method. This method does not identify or separately amortize unfunded liabilities. Therefore, the OPFDRP has no unfunded actuarial accrued liability that will need to be amortized.

Funded Status and Funding Progress

The Plan's funding method is the aggregate actuarial cost method. Because the aggregate method does not identify or separately amortize unfunded actuarial liabilities, information about the Plan's funded status and funding progress has been prepared using the entry age actuarial cost method. The information presented is intended to serve as a surrogate for the funded status and funding progress of the Plan. Using the entry age actuarial cost method, as of January 1, 2011, the most recent actuarial valuation date, the plan was 60.25% funded. The actuarial accrued liability for benefits was \$28.7 million, and the actuarial value of assets was \$17.3 million, resulting in an unfunded accrued liability (UAAL) of \$11.4 million. The covered payroll (annual payroll of active employees covered by the plan) was \$9.6 million and the ratio of the UAAL to the covered payroll was 119.2%.

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

Actuarial methods and assumptions

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

City of Overland Park, Kansas
Notes to Basic Financial Statements

IV. Other Information (Continued)

Financial statements for the OPFDRP are presented below:

City of Overland Park
Overland Park Fire Department Retirement Plan
Statement of Plan Net Assets
December 31, 2011

Assets

Cash and cash equivalents	\$ 1,644,123
Investment in equities	10,506,185
Investment in mutual fund	4,871,271
Investment in co-mingled trust fund	3,812,455
Total assets	<u>\$ 20,834,034</u>

Net Assets

Held in trust for pension benefits	<u>\$ 20,834,034</u>
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City of Overland Park
Overland Park Fire Department Retirement Plan
Statement of Changes in Plan Net Assets
Year Ended December 31, 2011

Additions

Contributions, employer	<u>\$ 2,404,502</u>
Investment earnings:	
Net (decrease) in fair value of investments	(35,993)
Interest	26,071
Dividends	359,217
Total investment earnings	<u>349,295</u>
Total additions	<u>2,753,797</u>

Deductions

Benefits	1,433,129
Administrative expenses	97,756
Total deductions	<u>1,530,885</u>
Change in net assets	1,222,912
Net assets-beginning of the year	19,611,122
Net assets-end of the year	<u>\$ 20,834,034</u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

Investment Related Disclosures

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

Fund Name	Credit Rating	Average Maturity	% of Investment Portfolio
Passive Bond Market Index Fund	Not Rated	4.95	18.3%

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

Type	% of Total
Templeton Global Total Return Fund	14.1%

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

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 Fund. The general obligation bonds rely solely on the revenue generated from a 4 percent Transient Guest Tax and the revenue generated by the facility for repayment. Summary financial information for the Convention Center's operations is presented below:

Comparative Condensed Balance Sheet as of December 31,

	2011	2010
Assets		
Current assets	\$ 1,390,601	\$ 673,529
Liabilities		
Current liabilities	988,713	876,751
Unearned revenue	723,554	569,694
Total liabilities	1,712,267	1,446,445
Net assets	\$ (321,666)	\$ (772,916)

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

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

	2011	2010
Operating revenue	\$ 7,641,144	\$ 7,420,833
Operating expense	7,521,832	7,229,945
Operating income	119,312	190,888
Non-operating revenue	184,616	172,556
Excess of revenues over expenses	303,928	363,444
Owner's net cash received	147,322	(627,633)
Change in net assets	451,250	(264,189)
Net assets - beginning of the year	(772,916)	(508,727)
Net assets - end of the year	<u>\$ (321,666)</u>	<u>\$ (772,916)</u>

E. Postemployment Benefits

City of Overland Park Postemployment Benefit Plan (OPEB)

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

Membership in the OPEB was comprised of the following at January 1, 2011:

Active Employees	796
Retired participants medical	77
Retired participants spouse medical	15
Retired participants long-term care	146

The annual required contribution (ARC) is the basic annual expense recognized under GASB Statement No. 45, though there is no requirement to fund the ARC. ARC is calculated under the actuarial cost method that was chosen and is made up of the normal cost plus amortization of the unfunded actuarial accrued liability (UAAL- excess of the past service liability over the actuarial value of the assets). The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually. For fiscal year 2011, the City contributed \$217,493 to the plan. Plan members receiving benefits from OPEB contributed \$434,776, which is 60 percent of the total premiums.

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

Other Postemployment Benefit cost expense is computed based on the annual required contribution (ARC) of the City. The annual required contribution is an amount of funding that if funded on a regular basis, it is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components that make up the City of Overland Park's OPEB cost for 2011:

Annual required contribution	\$ 1,775,100
Interest on net OPEB Obligation	150,073
Adjustments to the ARC	(195,922)
Annual OPEB Cost (expense)	<u>1,729,251</u>
Contributions made	<u>217,493</u>
Increase in net OPEB Obligation	1,511,758
Net OPEB Obligation - beginning of year	<u>3,334,960</u>
Net OPEB Obligation - end of year	<u><u>\$ 4,846,718</u></u>

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

Fiscal Year Ended	OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 2,026,643	14.37%	\$ 1,603,406
2010	2,022,760	14.40	3,334,960
2011	1,729,251	12.58	4,846,718

As of December 31, 2011, the plan was 14.9 percent funded. As of January 1, 2011, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$19.0 million, and the actuarial value of assets was \$2.8 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$16.2 million. The covered payroll (annual payroll of active employees covered by the plan) was \$55.3 million, and the ratio of the UAAL to the covered payroll was 29.3 percent.

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

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

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

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

**City of Overland Park
Other Post-Employment Benefits Trust
Statement of Plan Net Assets
For the Year Ended December 31, 2011**

Assets	
Equities	\$ 1,668,681
Mutual Funds	1,160,302
Total assets	<u>2,828,983</u>
Liabilities	
	<u>-</u>
Net Assets	
Held in trust for OPEB benefits	<u>\$ 2,828,983</u>

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

City of Overland Park
Other Post-Employment Benefits Trust
Statement of Changes in Plan Net Assets
For the Year Ended December 31, 2011

Additions

Contributions:

Plan member

\$ -

Employer

-

Total contributions

-

Investment earnings:

Net increase in fair value of investments

(61,881)

Total reductions

(61,881)

Deductions

Administrative expenses

11,776

Change in net assets

(73,657)

Net assets-beginning of the year

2,902,640

Net assets-end of the year

\$ 2,828,983

F. New Pronouncements

The City implemented the following Governmental Accounting Standards Board (GASB) statements during the current year:

- GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement is intended to improve the usefulness of information provided to financial report users about fund balances by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. Fund balance information is among the most widely and frequently used information in state and local government financial reports. The GASB developed this standard to address the diversity of practice and the resulting lack of consistency that had evolved in fund balance reporting. To reduce confusion, the new standard establishes a hierarchy of fund balance classification based primarily on the extent to which a government is bound to observe spending constraints. As explained in Note IV.G to the basic financial statements, the City reclassified the fund balances for all governmental funds and restated the General Fund by \$12,407,050, the Capital Improvement Fund by \$4,198,988 and the aggregate remaining funds by \$7,184,266.

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

The GASB has issued the following Statements not yet required to be implemented by the City:

- GASB Statement No. 61, The Financial Reporting Entity: Omnibus, issued November 2010 will be effective for the City beginning with its year ending December 31, 2012. The requirements of this Statement result in financial reporting entity financial statements being more relevant by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading, to exclude, the amendments to the criteria for blending improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic. For primary governments that are business-type activities reporting in a single column, the guidance for reporting blended component units allows users to better distinguish between the primary government and its component units by requiring condensed combining information to be included in the notes to the financial statements. Lastly, the requirements for reporting equity interests in component units help ensure that primary government financial statements do not understate their financial position and provide for more consistent and understandable display of those equity interests.
- GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, was issued December 2010 and will be effective for the City beginning with its year ending December 31, 2012. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports.
- GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, issued July 2011, will be effective for the City beginning with its year ending December 31, 2012. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

- GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, issued April 2012, will be effective for the City beginning with its year ending December 31, 2013. This Statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. GASB Concepts Statement (CON) No. 4, Elements of Financial Statements, specifies that recognition of deferred outflows and deferred inflows should be limited to those instances specifically identified in authoritative GASB pronouncements. Consequently, guidance was needed to determine which balances being reported as assets and liabilities should actually be reported as deferred outflows of resources or deferred inflows of resources, according to the definitions in CON 4. Based on those definitions, this Statement reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, the Statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources.
- GASB Statement No. 66, Technical Corrections - 2012, issued April 2012, will be effective for the City beginning with its year ending December 31, 2013. This Statement enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. This Statement amends GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, by removing the provision that limits fund-based reporting of a state or local government's risk financing activities to the general fund and the internal service fund types. As a result, governments would base their decisions about governmental fund type usage for risk financing activities on the definitions in GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This Statement also amends GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, by modifying the specific guidance on accounting for: (a) operating lease payments that vary from a straight-line basis; (b) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans; and (c) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes would eliminate any uncertainty regarding the application of GASB Statement No. 13, Accounting for Operating Leases with Scheduled Rent Increases, and result in guidance that is consistent with the requirements in GASB Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues, respectively.

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

City of Overland Park, Kansas

Notes to Basic Financial Statements

IV. Other Information (Continued)

G. Fund Balance

In fiscal year 2011, the City adopted GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement establishes criteria for classifying fund balance into specifically defined classifications and clarifies definitions for governmental fund types.

The effect of fund type reclassification was as follows:

	General Fund	Capital Improvement	Aggregate Remaining Fund Information	
			Nonmajor Governmental Funds	Internal Service Funds
Fund balance December 31, 2010, as previously reported	\$ 30,140,972	\$ 4,198,988	\$ 11,061,126	\$ 8,994,223
Change in fund type classification per implementation of GASB Statement No. 54	12,407,050	(4,198,988)	(1,326,669)	(5,857,597)
Fund balance January 1, 2011, as restated	<u>\$ 42,548,022</u>	<u>\$ -</u>	<u>\$ 9,734,457</u>	<u>\$ 3,136,626</u>

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

	General	Fire Service	One-Eighth Cent Sales Tax - Street Improvement	Stormwater Utility	Street Improvement	Debt Service	Nonmajor Other Governmental Funds	Total Governmental Funds
Fund Balances:								
Restricted								
Public Works	\$ -	\$ -	\$ 3,082,918	\$ 880,650	\$ 2,551,913	\$ -	\$ 3,577,955	\$ 10,093,436
Community Development	-	-	-	-	-	-	173,913	173,913
Public Safety	-	-	-	-	-	-	240,905	240,905
Debt Service	-	-	-	-	-	100,000	190,527	290,527
General Government	-	-	-	-	-	-	1,059,297	1,059,297
Total restricted	-	-	3,082,918	880,650	2,551,913	100,000	5,242,597	11,858,078
Committed								
General Government	150,000	-	-	-	-	-	-	150,000
Total committed	150,000	-	-	-	-	-	-	150,000
Assigned								
Public Works	-	-	-	-	4,612,665	-	3,200,585	7,813,250
Community Development	-	-	-	-	-	-	926,059	926,059
General Government	-	-	-	-	-	-	3,614,581	3,614,581
Encumbrances	717,147	68,325	-	83,674	-	-	-	869,146
Total assigned	717,147	68,325	-	83,674	4,612,665	-	7,741,225	13,223,036
Unassigned	31,341,222	-	-	-	-	-	(353,105)	30,988,117
Total fund balances	<u>\$ 32,208,369</u>	<u>\$ 68,325</u>	<u>\$ 3,082,918</u>	<u>\$ 964,324</u>	<u>\$ 7,164,578</u>	<u>\$ 100,000</u>	<u>\$ 12,630,717</u>	<u>\$ 56,219,231</u>

City of Overland Park, Kansas

Notes to 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.

H. Subsequent Event

In May 2012, the City authorized issuing \$65 million of industrial revenue bonds on behalf of Teva Neuroscience Inc. to secure the Company's move to the City. These bonds are considered to be conduit debt obligations, therefore, the City is not obligated in any manner for the repayment of the bonds.

City of Overland Park, Kansas

**Overland Park Police Department Retirement Plan
Required Supplementary Information**

Schedule of Funding Progress:

Actuarial Year Ended January 1	Net Assets Available for Benefits (A)	Actuarial Liability (B)	Unfunded Accrued Actuarial Liability	Annual Covered Payroll	Funded Ratio (A)/(B)	UAAL as a Percentage of Covered Payroll
2006	\$39,856,225	\$39,856,225	\$ -	\$11,889,060	100.0%	0%
2007	45,313,738	45,313,738	-	12,559,788	100.0%	0%
2008	48,930,926	47,858,043	(1,072,883)	13,171,080	102.2%	(8.15)%
2009	46,051,746	51,546,508	5,494,762	14,208,624	89.3%	38.67%
2010	48,648,966	56,819,137	8,170,171	14,606,976	85.6%	55.93%
2011	53,436,677	61,814,742	8,378,065	14,370,036	86.4%	58.30%

Note: The actuarial years began January 1.

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

Contributions were made in accordance with actuarially determined contribution requirements.

Schedule of Employer Contributions:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of ARC Contributed	Net Pension Obligation
12/31/06	\$ 1,494,113	99%	\$ 191,111
12/31/07	1,378,945	100	189,589
12/31/08	1,366,203	95	195,369
12/31/09	2,560,246	94	417,386
12/31/10	2,888,754	94	544,729
12/31/11	2,919,829	99	613,153

City of Overland Park, Kansas

**Overland Park Fire Department Retirement Plan
Required Supplementary Information**

Schedule of Funding Progress:

Actuarial Year Ended January 1	Net Assets Available for Benefits (A)	Actuarial Liability (B)	Unfunded Accrued Actuarial Liability	Annual Covered Payroll	Funded Ratio (A)/(B)	UAAL as a Percentage of Covered Payroll
2006	\$ 10,884,692	\$ 10,884,692	\$ -	\$ 8,569,518	100%	- %
2007	13,859,287	13,859,287	-	9,181,380	100	-
2008	16,071,505	25,639,692	9,568,187	9,401,544	63	102
2009	16,093,944	27,635,349	11,541,405	9,649,308	58	120
2010	17,399,742	28,876,490	11,476,748	9,527,292	60	120
2011	17,286,409	28,691,067	11,404,658	9,567,912	60	119

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

Schedule of Employer Contributions:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of ARC Contributed	Net Pension Obligation
12/31/06	\$ 1,800,092	94%	\$ 193,172
12/31/07	1,810,574	94	175,218
12/31/08	2,252,441	95	180,233
12/31/09	2,481,988	95	50,317
12/31/10	2,492,071	94	633,643
12/31/11	2,493,213	98	709,876

City of Overland Park, Kansas
Other Postemployment Benefit Plan
Required Supplementary Information

Schedule of Funding Progress:

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

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

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

Schedule of Employer Contributions:

Year	Annual Required Contribution (ARC)	Net Employer Contributions	Percentage Contributed	End of Year Net OPEB Obligation
2009	\$ 2,026,643	\$ 291,206	14.37%	\$ 1,603,406
2010	2,026,643	291,206	14.37	3,334,960
2011	1,775,100	217,493	12.25	4,846,718

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Nonmajor Governmental Funds

Special Revenue Funds

Special Street and Highway Fund

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

Special Park and Recreation Fund

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

Special Alcohol Control Fund

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

Transient Guest Tax Fund

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

Street Improvement Escrow Fund

To account for monies from developers restricted 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.

Federal and State Grants Fund

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

Fire Memorial Fund

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

Downtown Business Improvement District Fund

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

Parks and Recreation Fund

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

Nuse Act Fund

To account for monies received from insurance companies or property owners on unsafe structures or public nuisances that are dangerous to the general public. The City either uses the proceeds to make the premises safe and secure or, upon proof of repairs or rebuilding, makes payment of the proceeds to the insured party.

Westlinks Land Acquisition Fund

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

Mayor's Heat and Light Fund

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

Art in the Woods Fund

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

Special Law Enforcement Fund

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

Jack Sanders Memorial Fund

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

Nonmajor Governmental Funds

Capital Projects Funds

Drainage Improvements Fund

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

Parks Acquisition and Development Fund

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

Public Building Improvements Fund

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

Traffic Signals Fund

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

Street Lights Fund

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

Public Equipment Fund

To account for the financing and acquisition of public equipment.

**City of Overland Park
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011**

	Special Revenue Funds			
	Special Street and Highway	Special Park and Recreation	Special Alcohol Control	Transient Guest Tax
Assets				
Cash, cash equivalents and investments	\$ 480,910	\$ 31,744	\$ 1,059,162	\$ 1,536,497
Receivables	-	-	-	840,906
Gas tax receivable	1,136,195	-	-	-
Transient guest tax receivable, restricted	-	-	-	1,995,566
Due from other governments	-	-	-	-
Other current assets	-	-	-	551,049
Total assets	\$ 1,617,105	\$ 31,744	\$ 1,059,162	\$ 4,924,018
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 988,713
Contracts payable	-	-	-	-
Due to other funds	1,011,806	-	-	-
Deferred revenue	-	-	-	-
Unearned revenue	-	-	-	4,065,090
Total liabilities	1,011,806	-	-	5,053,803
Fund Balances (Deficits):				
Restricted	605,299	31,744	1,059,162	190,527
Assigned	-	-	-	-
Unassigned	-	-	-	(320,312)
Total fund balances (deficits)	605,299	31,744	1,059,162	(129,785)
Total liabilities and fund balances	\$ 1,617,105	\$ 31,744	\$ 1,059,162	\$ 4,924,018

Continued on next page.

Special Revenue Funds

Street Improvement Escrow	Special Tax Financing	Federal and State Grants	Fire Memorial
\$ 2,972,656	\$ -	\$ -	\$ 7,509
-	-	-	-
-	-	-	-
-	-	-	-
-	-	557,951	-
-	-	-	-
<u>\$ 2,972,656</u>	<u>\$ -</u>	<u>\$ 557,951</u>	<u>\$ 7,509</u>
\$ -	\$ -	\$ -	\$ -
-	2,663	-	-
-	30,130	471,826	-
-	-	-	-
-	-	53,156	7,374
<u>-</u>	<u>32,793</u>	<u>524,982</u>	<u>7,374</u>
2,972,656	-	32,969	135
-	-	-	-
-	(32,793)	-	-
<u>2,972,656</u>	<u>(32,793)</u>	<u>32,969</u>	<u>135</u>
<u>\$ 2,972,656</u>	<u>\$ -</u>	<u>\$ 557,951</u>	<u>\$ 7,509</u>

**City of Overland Park
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
December 31, 2011**

	Special Revenue Funds			
	Downtown Business Improvement District	Parks and Recreation	Nuse Act	Westlinks Land Acquisition
Assets				
Cash, cash equivalents and investments	\$ 43,228	\$ 126,195	\$ 36,447	\$ 9,447
Receivables	2,633	-	-	-
Gas tax receivable	-	-	-	-
Transient guest tax receivable, restricted	-	-	-	-
Due from other governments	-	-	-	-
Other current assets	-	-	-	-
Total assets	\$ 45,861	\$ 126,195	\$ 36,447	\$ 9,447
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Unearned revenue	45,861	-	36,447	-
Total liabilities	45,861	-	36,447	-
Fund Balances (Deficits):				
Restricted	-	126,195	-	9,447
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	-	126,195	-	9,447
Total liabilities and fund balances	\$ 45,861	\$ 126,195	\$ 36,447	\$ 9,447

Continued on next page.

Special Revenue Funds

Mayor's Heat and Light	Art in the Woods	Special Law Enforcement	Jack Sanders Memorial	Total
\$ 28	\$ 6,499	\$ 210,197	\$ 6,589	\$ 6,527,108
-	-	-	-	843,539
-	-	-	-	1,136,195
-	-	-	-	1,995,566
-	-	-	-	557,951
-	-	-	-	551,049
<u>\$ 28</u>	<u>\$ 6,499</u>	<u>\$ 210,197</u>	<u>\$ 6,589</u>	<u>\$ 11,611,408</u>
\$ -	\$ -	\$ 8,850	\$ -	\$ 997,563
-	-	-	-	2,663
-	-	-	-	1,513,762
-	-	-	-	-
-	-	-	-	4,207,928
-	-	8,850	-	6,721,916
28	6,499	201,347	6,589	5,242,597
-	-	-	-	-
-	-	-	-	(353,105)
<u>28</u>	<u>6,499</u>	<u>201,347</u>	<u>6,589</u>	<u>4,889,492</u>
<u>\$ 28</u>	<u>\$ 6,499</u>	<u>\$ 210,197</u>	<u>\$ 6,589</u>	<u>\$ 11,611,408</u>

**City of Overland Park
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
December 31, 2011**

	Capital Projects			
	Drainage Improvements	Park Acquisition & Development	Public Building	Traffic Signals
Assets				
Cash, cash equivalents and investments	\$ 2,434,629	\$ 958,415	\$ 1,792,574	\$ 1,004,160
Receivables	-	-	-	-
Gas tax receivable	-	-	-	-
Transient guest tax receivable, restricted	-	-	-	-
Due from other governments	121,232	-	-	-
Other current assets	-	-	-	-
Total assets	\$ 2,555,861	\$ 958,415	\$ 1,792,574	\$ 1,004,160
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contracts payable	296,127	32,356	316,231	40,565
Due to other funds	-	-	-	-
Deferred revenue	121,232	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	417,359	32,356	316,231	40,565
Fund Balances (Deficits):				
Restricted	-	-	-	-
Assigned	2,138,502	926,059	1,476,343	963,595
Unassigned	-	-	-	-
Total fund balances (deficits)	2,138,502	926,059	1,476,343	963,595
Total liabilities and fund balances	\$ 2,555,861	\$ 958,415	\$ 1,792,574	\$ 1,004,160

Capital Projects

				Total Nonmajor Governmental Funds	
Street Lights	Public Equipment	Total			
\$ 98,488	\$ 3,676,915	\$ 9,965,181	\$	16,492,289	
-	-	-		843,539	
-	-	-		1,136,195	
-	-	-		1,995,566	
-	-	121,232		679,183	
-	-	-		551,049	
<u>\$ 98,488</u>	<u>\$ 3,676,915</u>	<u>\$ 10,086,413</u>	<u>\$</u>	<u>21,697,821</u>	
\$ -	\$ -	\$ -	\$	997,563	
-	1,538,677	2,223,956		2,226,619	
-	-	-		1,513,762	
-	-	121,232		121,232	
-	-	-		4,207,928	
<u>-</u>	<u>1,538,677</u>	<u>2,345,188</u>		<u>9,067,104</u>	
-	-	-		5,242,597	
98,488	2,138,238	7,741,225		7,741,225	
-	-	-		(353,105)	
<u>98,488</u>	<u>2,138,238</u>	<u>7,741,225</u>		<u>12,630,717</u>	
<u>\$ 98,488</u>	<u>\$ 3,676,915</u>	<u>\$ 10,086,413</u>	<u>\$</u>	<u>21,697,821</u>	

City of Overland Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Special Revenue Funds		
	Special Street and Highway	Special Park and Recreation	Special Alcohol Control
Revenues			
Property taxes	\$ -	\$ -	\$ -
Sales taxes	-	-	-
Charges for services	-	-	-
Licenses and permits	-	-	-
Transient guest tax	-	-	-
Use of money	-	-	-
Intergovernmental	4,484,913	1,005,893	1,010,412
Contributions	-	-	-
Capital/operating grants	-	-	-
Total revenues	<u>4,484,913</u>	<u>1,005,893</u>	<u>1,010,412</u>
Expenditures			
Current:			
General government	-	-	702,000
Public safety	-	-	344,612
Public works	-	-	-
Parks and recreation	-	-	-
Planning and development services	-	-	-
Capital improvements	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,046,612</u>
Excess of revenues over (under) expenditures	<u>4,484,913</u>	<u>1,005,893</u>	<u>(36,200)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(4,455,000)	(999,805)	(1,544)
Total other financing sources (uses)	<u>(4,455,000)</u>	<u>(999,805)</u>	<u>(1,544)</u>
Net change in fund balances	29,913	6,088	(37,744)
Fund balances (deficits) at beginning of year, as restated	575,386	25,656	1,096,906
Fund balances (deficits) at end of year	<u>\$ 605,299</u>	<u>\$ 31,744</u>	<u>\$ 1,059,162</u>

Continued on next page.

Special Revenue Funds

Transient Guest Tax	Street Improvement Escrow	Special Tax Financing	Federal and State Grants	Fire Memorial
\$ -	\$ -	\$ 49,074	\$ -	\$ -
-	-	4,636	-	-
7,958,998	-	-	-	-
-	-	-	-	-
7,451,593	-	-	-	-
21,843	-	-	-	-
-	-	-	-	-
-	220,158	-	-	-
-	-	10,000	3,316,142	7,659
15,432,434	220,158	63,710	3,316,142	7,659
9,254,825	-	-	-	-
-	-	-	747,950	7,524
-	140,369	42,851	1,734	-
-	-	-	-	-
-	-	-	251,738	-
-	-	-	-	-
9,254,825	140,369	42,851	1,001,422	7,524
6,177,609	79,789	20,859	2,314,720	135
9,642,286	10,783	-	12,000	-
(15,274,307)	(174,379)	-	(2,293,751)	-
(5,632,021)	(163,596)	-	(2,281,751)	-
545,588	(83,807)	20,859	32,969	135
(675,373)	3,056,463	(53,652)	-	-
\$ (129,785)	\$ 2,972,656	\$ (32,793)	\$ 32,969	\$ 135

City of Overland Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2011

	Special Revenue Funds		
	Downtown Business Improvement District	Parks and Recreation	Westlinks Land Acquisition
Revenues			
Property taxes	\$ -	\$ -	\$ -
Sales taxes	-	-	-
Charges for services	-	-	-
Licenses and permits	100,000	-	-
Transient guest tax	-	-	-
Use of money	-	-	455
Intergovernmental	-	-	-
Contributions	-	28,584	-
Capital/operating grants	-	-	-
Total revenues	100,000	28,584	455
Expenditures			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Parks and recreation	-	41,610	-
Planning and development services	100,000	-	-
Capital improvements	-	-	-
Total expenditures	100,000	41,610	-
Excess of revenues over (under) expenditures	-	(13,026)	455
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	(13,026)	455
Fund balances (deficits) at beginning of year, as restated	-	139,221	8,992
Fund balances (deficits) at end of year	\$ -	\$ 126,195	\$ 9,447

Continued on next page.

Special Revenue Funds

Mayor's Heat and Light		Art in the Woods		Special Law Enforcement		Jack Sanders Memorial		Total
\$	-	\$	-	\$	-	\$	-	\$ 49,074
	-		-		-		-	4,636
	-		2,361		-		-	7,961,359
	-		-		-		-	100,000
	-		-		-		-	7,451,593
	33		41		1,308		45	23,725
	-		-		-		-	6,501,218
	-		-		-		-	248,742
	-		-		235,196		-	3,568,997
	33		2,402		236,504		45	25,909,344
	-		-		-		-	9,956,825
	-		-		30,768		-	1,130,854
	-		-		-		-	184,954
	-		-		-		-	41,610
	2,403		-		-		-	354,141
	-		-		-		-	-
	2,403		-		30,768		-	11,668,384
	(2,370)		2,402		205,736		45	14,240,960
	-		-		150,000		-	9,815,069
	-		-		(459,040)		-	(23,657,826)
	-		-		(309,040)		-	(13,842,757)
	(2,370)		2,402		(103,304)		45	398,203
	2,398		4,097		304,651		6,544	4,491,289
\$	28	\$	6,499	\$	201,347	\$	6,589	\$ 4,889,492

City of Overland Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2011

	Capital Projects		
	Drainage Improvements	Park Acquisition & Development	Public Buildings
Revenues			
Property taxes	\$ -	\$ -	\$ -
Sales taxes	-	-	-
Charges for services	-	-	-
Licenses and permits	-	-	-
Transient guest tax	-	-	-
Use of money	-	-	-
Intergovernmental	-	-	-
Contributions	63,770	7	-
Capital/operating grants	205,361	1,103,871	295,691
Total revenues	269,131	1,103,878	295,691
Expenditures			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Parks and recreation	-	2,097,532	-
Planning and development services	-	-	-
Capital improvements	2,323,486	-	1,768,713
Total expenditures	2,323,486	2,097,532	1,768,713
Excess of revenues over (under) expenditures	(2,054,355)	(993,654)	(1,473,022)
Other financing sources (uses)			
Transfers in	3,450,348	1,152,203	2,257,963
Transfers out	(219,441)	(7,675)	(440,500)
Total other financing sources (uses)	3,230,907	1,144,528	1,817,463
Net change in fund balances	1,176,552	150,874	344,441
Fund balances (deficits) at beginning of year, as restated	961,950	775,185	1,131,902
Fund balances (deficits) at end of year	\$ 2,138,502	\$ 926,059	\$ 1,476,343

Capital Projects

Traffic Signals		Street Lights		Public Equipment		Total	Total Nonmajor Governmental Funds
\$	-	\$	-	\$	-	\$	49,074
	-		-		-		4,636
	-		-		-		7,961,359
	-		-		-		100,000
	-		-		-		7,451,593
	576		-		-	576	24,301
	-		-		-		6,501,218
	-		355		-	64,132	312,874
	200,243		9,798		1,270,302	3,085,266	6,654,263
	200,819		10,153		1,270,302	3,149,974	29,059,318
	-		-		3,449,852	3,449,852	13,406,677
	-		-		-	-	1,130,854
	-		-		-	-	184,954
	-		-		-	2,097,532	2,139,142
	-		-		-	-	354,141
	635,853		132,169		-	4,860,221	4,860,221
	635,853		132,169		3,449,852	10,407,605	22,075,989
	(435,034)		(122,016)		(2,179,550)	(7,257,631)	6,983,329
	714,175		121,888		3,622,533	11,319,110	21,134,179
	(204,703)		(368)		(690,735)	(1,563,422)	(25,221,248)
	509,472		121,520		2,931,798	9,755,688	(4,087,069)
	74,438		(496)		752,248	2,498,057	2,896,260
	889,157		98,984		1,385,990	5,243,168	9,734,457
\$	963,595	\$	98,488	\$	2,138,238	\$	7,741,225
						\$	12,630,717

City of Overland Park
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Special Street and Highway Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Operating grants	\$ 4,500,000	\$ 4,500,000	\$ 4,484,913	\$ (15,087)
Use of money	10,000	10,000	-	(10,000)
Total revenues	<u>4,510,000</u>	<u>4,510,000</u>	<u>4,484,913</u>	<u>(25,087)</u>
Expenditures:				
Current, public works	440,000	440,000	-	440,000
Total expenditures	<u>440,000</u>	<u>440,000</u>	<u>-</u>	<u>440,000</u>
Revenues over/(under) expenditures	<u>4,070,000</u>	<u>4,070,000</u>	<u>4,484,913</u>	<u>414,913</u>
Other financing sources (uses):				
Transfer (to) from other funds:				
Capital Projects Funds	(4,455,000)	(4,455,000)	(4,455,000)	-
Total other financing sources (uses)	<u>(4,455,000)</u>	<u>(4,455,000)</u>	<u>(4,455,000)</u>	<u>-</u>
Revenues and other financing sources over (under) expen- ditures and other financing uses	(385,000)	(385,000)	29,913	414,913
Fund balances at beginning of year	385,000	385,000	575,386	190,386
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 605,299</u>	<u>\$ 605,299</u>

City of Overland Park
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Special Park and Recreation Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Operating grants	\$ 1,100,000	\$ 1,100,000	\$ 1,005,893	\$ (94,107)
Use of money	5,000	5,000	-	(5,000)
Total revenues	<u>1,105,000</u>	<u>1,105,000</u>	<u>1,005,893</u>	<u>(99,107)</u>
Expenditures:				
Current, parks and recreation	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	<u>1,105,000</u>	<u>1,105,000</u>	<u>1,005,893</u>	<u>(99,107)</u>
Other financing sources (uses):				
Transfer (to) from other funds:				
Special Revenue Funds	-	-	-	-
Capital Projects Funds	(1,115,000)	(1,115,000)	(999,805)	115,195
Total other financing sources (uses)	<u>(1,115,000)</u>	<u>(1,115,000)</u>	<u>(999,805)</u>	<u>115,195</u>
Revenues and other financing sources over (under) expenditures and other financing uses	(10,000)	(10,000)	6,088	16,088
Fund balances at beginning of year	10,000	10,000	25,656	15,656
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,744</u>	<u>\$ 31,744</u>

City of Overland Park
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Special Alcohol Control Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary	Variance With
	Original	Final	Basis	Final Budget
Revenues:				
Operating grants	\$ 1,100,000	\$ 1,100,000	\$ 1,010,412	\$ (89,588)
Use of money	5,000	5,000	-	(5,000)
Total revenues	1,105,000	1,105,000	1,010,412	(94,588)
Expenditures:				
Current:				
General Government	1,792,058	1,794,380	702,000	1,092,380
Public Safety	382,942	380,620	344,612	36,008
Total expenditures	2,175,000	2,175,000	1,046,612	1,128,388
Revenues over (under) expenditures	(1,070,000)	(1,070,000)	(36,200)	1,033,800
Other financing sources (uses):				
Transfer (to) from other funds:	-	-	(1,544)	(1,544)
Total other financing sources (uses)	-	-	(1,544)	(1,544)
Revenues and other financing sources over (under) expen- ditures and other financing uses	(1,070,000)	(1,070,000)	(37,744)	1,032,256
Fund balances at beginning of year	1,070,000	1,070,000	1,096,906	26,906
Fund balances at end of year	\$ -	\$ -	\$ 1,059,162	\$ 1,059,162

City of Overland Park
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Transient Guest Tax Sub-Funds - Reserve Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Transient guest tax	\$ 7,375,000	\$ 7,375,000	\$ 7,451,593	\$ 76,593
Use of money	10,000	10,000	-	(10,000)
Total revenues	<u>7,385,000</u>	<u>7,385,000</u>	<u>7,451,593</u>	<u>66,593</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	<u>7,385,000</u>	<u>7,385,000</u>	<u>7,451,593</u>	<u>66,593</u>
Other financing sources (uses):				
Transfer (to) from other funds:				
Special Revenue Funds	(7,385,000)	(7,385,000)	(9,064,751)	(1,679,751)
Total other financing sources (uses)	<u>(7,385,000)</u>	<u>(7,385,000)</u>	<u>(9,064,751)</u>	<u>(1,679,751)</u>
Revenues and other financing sources over (under) expenditures and other uses	-	-	(1,613,158)	(1,613,158)
Fund balances at beginning of year	-	-		-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>		<u>\$ (1,613,158)</u>
Reconciliation to GAAP Basis:				
Activities reported within the transient guest tax - capital fund,				
Transient guest tax - operating fund				
Total revenue			7,980,841	
Total expenditures			(9,229,825)	
Total other financing sources			3,432,730	
Revenues and other financing sources over expenditures			570,588	
Reconciliation between GAAP and Non-GAAP expenditures			(25,000)	
Fund balance at beginning of year, as restated			(675,373)	
Fund balance at end of year			<u>\$ (129,785)</u>	

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

City of Overland Park
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Transient Guest Tax Sub-Funds - Capital Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 7,958,998	\$ 7,958,998
Use of money	6,444	6,444	19,974	13,530
Capital/operating grants	-	-	1,869	1,869
Total revenues	<u>6,444</u>	<u>6,444</u>	<u>7,980,841</u>	<u>7,974,397</u>
Expenditures:				
Current:				
General Government	120,444	120,444	7,673,992	(7,553,548)
Total expenditures	<u>120,444</u>	<u>120,444</u>	<u>7,673,992</u>	<u>(7,553,548)</u>
Revenues over (under) expenditures	<u>(114,000)</u>	<u>(114,000)</u>	<u>306,849</u>	<u>420,849</u>
Other financing sources (uses):				
Transfer (to) from other funds:				
Debt Service Fund	(6,359,556)	(6,359,556)	(6,209,556)	150,000
Capital Projects Funds	-	-	-	-
Soccer Fund	-	-	-	-
Transient Guest Tax Funds	6,473,556	6,473,556	8,087,548	1,613,992
Total other financing sources (uses)	<u>114,000</u>	<u>114,000</u>	<u>1,877,992</u>	<u>1,763,992</u>
Revenues and other financing sources over (under) expen- ditures and other uses	-	-	2,184,841	2,184,841
Fund balances at beginning of year	-	-		-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 2,184,841</u>
Reconciliation to GAAP Basis:				
Activities reported within the Transient Guest Tax - Reserve Fund, Transient Guest Tax - Operating Fund				
Total revenue			7,451,593	
Total expenditures			(1,555,833)	
Total other financing sources			(7,510,013)	
Revenues and other financing sources over expenditures			<u>570,588</u>	
Reconciliation between GAAP and Non-GAAP expenditures			(25,000)	
Fund balance at beginning of year, as restated			(675,373)	
Fund balance at end of year			<u>\$ (129,785)</u>	

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

City of Overland Park
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Transient Guest Tax Sub-Funds - Operating Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Use of money	\$ 225	\$ 225	\$ -	\$ -
Total revenues	<u>225</u>	<u>225</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
General government	1,640,000	1,640,000	1,555,833	84,167
Total expenditures	<u>1,640,000</u>	<u>1,640,000</u>	<u>1,555,833</u>	<u>84,167</u>
Revenues over (under) expenditures	<u>(1,639,775)</u>	<u>(1,639,775)</u>	<u>(1,555,833)</u>	<u>84,167</u>
Other financing sources (uses):				
Transfer (to) from other funds:				
Transient Guest Tax Fund	1,638,890	1,638,890	1,554,738	(84,152)
Transient Guest Tax Capital Fund	-	-	-	-
Total other financing sources (uses)	<u>1,638,890</u>	<u>1,638,890</u>	<u>1,554,738</u>	<u>(84,152)</u>
Revenues and other financing sources over (under) expen- ditures and other uses	(885)	(885)	(1,095)	(210)
Fund balances at beginning of year	-	-		-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>		<u>\$ (210)</u>
Reconciliation to GAAP Basis:				
Activities reported within the Transient Guest Tax - Reserve Fund, Transient Guest Tax - Capital Fund				
Total revenue			15,432,434	
Total expenditures			(7,673,992)	
Total other financing sources			(7,186,759)	
Revenues and other financing sources over expenditures			<u>570,588</u>	
Reconciliation between GAAP and Non-GAAP expenditures			(25,000)	
Fund balance at beginning of year, as restated			<u>(675,373)</u>	
Fund balance at end of year			<u>\$ (129,785)</u>	

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

City of Overland Park
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Debt Service Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Special assessment tax	\$ 1,091,490	\$ 1,091,490	\$ 1,155,871	\$ 64,381
Use of money	5,889	5,889	27,381	21,492
Total revenues	1,097,379	1,097,379	1,183,252	85,873
Expenditures:				
Debt service	25,350,000	25,350,000	24,323,645	1,026,355
Bond issuance costs	-	-	51,775	51,775
Total expenditures	25,350,000	25,350,000	24,375,420	974,580
Revenues over (under) expenditures	(24,252,621)	(24,252,621)	(23,192,168)	1,060,453
Other financing sources (uses):				
Refunding bond issue	-	-	6,665,000	6,665,000
Issuance: Premium	-	-	126,270	126,270
Transfer (to) from other funds:				
General Fund	17,406,000	17,406,000	16,244,245	(1,161,755)
Special Revenue Funds	6,671,397	6,671,397	6,817,390	145,993
Capital Project Funds	-	-	26,895	26,895
Fire Service Fund	75,224	75,224	75,224	-
Payment to refunded bond escrow agent	-	-	(6,762,856)	(6,762,856)
Total other financing sources (uses)	24,152,621	24,152,621	23,192,168	(960,453)
Revenues and other financing sources over (under) expen- ditures and other financing uses	(100,000)	(100,000)	-	100,000
Fund balances at beginning of year	100,000	100,000	100,000	-
Fund balances at end of year	\$ -	\$ -	\$ 100,000	\$ 100,000

City of Overland Park
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Budgetary Basis
Downtown Business Improvement District Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Use of money	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Licenses and permits	99,000	99,000	100,000	1,000
Total revenues	100,000	100,000	100,000	-
Expenditures:				
Current:				
Planning and development services	100,000	100,000	100,000	-
Total expenditures	100,000	100,000	100,000	-
Revenues over expenditures	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -

City of Overland Park
Combining Statement of Net Assets
Nonmajor Enterprise Funds
December 31, 2011

	Golf Course	Soccer Fund	Total Nonmajor Enterprise Funds
Assets			
Current assets:			
Cash, cash equivalents and investments	\$ 919,158	\$ 168,832	\$ 1,087,990
Receivables, net	-	13,788	13,788
Total current assets	<u>919,158</u>	<u>182,620</u>	<u>1,101,778</u>
Noncurrent assets:			
Capital assets:			
Land	1,425,200	-	1,425,200
Other capital assets, net of depreciation	2,657,796	-	2,657,796
Total capital assets	<u>4,082,996</u>	<u>-</u>	<u>4,082,996</u>
Total assets	<u>\$ 5,002,154</u>	<u>\$ 182,620</u>	<u>\$ 5,184,774</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 62,600	\$ 2,963	\$ 65,563
Accrued payroll	112,805	27,216	140,021
Accrued interest payable	639	-	639
Unearned revenue	-	18,528	18,528
Bonds payable	42,914	-	42,914
Total current liabilities	<u>218,958</u>	<u>48,707</u>	<u>267,665</u>
Long-term liabilities:			
Accrued compensated absences	66,387	10,005	76,392
Bonds payable	21,036	-	21,036
Total long-term liabilities	<u>87,423</u>	<u>10,005</u>	<u>97,428</u>
Total liabilities	<u>\$ 306,381</u>	<u>\$ 58,712</u>	<u>\$ 365,093</u>
Net Assets			
Invested in capital assets, net of related debt	\$ 4,019,046	\$ -	\$ 4,019,046
Unrestricted	676,727	123,908	800,635
Total net assets	<u>\$ 4,695,773</u>	<u>\$ 123,908</u>	<u>\$ 4,819,681</u>

City of Overland Park
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
December 31, 2011

	Golf Course	Soccer Fund	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services	\$ 2,869,736	\$ 1,168,226	\$ 4,037,962
Other reimbursements	473	59,408	59,881
Total operating revenues	<u>2,870,209</u>	<u>1,227,634</u>	<u>4,097,843</u>
Operating expenses:			
Soccer operations	-	1,012,289	1,012,289
Golf course operations	2,714,491	-	2,714,491
Depreciation	354,268	-	354,268
Total operating expenses	<u>3,068,759</u>	<u>1,012,289</u>	<u>4,081,048</u>
Operating income (loss)	<u>(198,550)</u>	<u>215,345</u>	<u>16,795</u>
Nonoperating revenues and (expenses):			
Interest earned on investments	7,650	-	7,650
Interest expense on long term debt	(4,288)	-	(4,288)
Total nonoperating revenue	<u>3,362</u>	<u>-</u>	<u>3,362</u>
Income (loss) before transfers	<u>(195,188)</u>	<u>215,345</u>	<u>20,157</u>
Transfers out	(429,023)	(152,670)	(581,693)
Change in net assets	(624,211)	62,675	(561,536)
Total net assets-beginning of year	5,319,984	61,233	5,381,217
Total net assets-end of year	<u>\$ 4,695,773</u>	<u>\$ 123,908</u>	<u>\$ 4,819,681</u>

City of Overland Park
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2011

	Golf Course	Soccer Fund	Total Nonmajor Enterprise Funds
Cash flows from operating activities			
Cash received from customers	\$ 2,869,804	\$ 1,155,915	\$ 4,025,719
Cash received from other reimbursements	473	59,408	59,881
Cash payments for personal services	(1,204,834)	(419,436)	(1,624,270)
Cash payments for contractual services and accounts payable	(1,446,334)	(587,501)	(2,033,835)
Net cash provided by operating activities	<u>219,109</u>	<u>208,386</u>	<u>427,495</u>
Cash flows from noncapital financing activities			
Transfers (to) other funds	(429,023)	(152,670)	(581,693)
Net cash (used in) noncapital financing activities	<u>(429,023)</u>	<u>(152,670)</u>	<u>(581,693)</u>
Cash flows from capital and related financing activities			
Principal paid on capital debt	(114,016)	-	(114,016)
Interest paid on capital debt	(5,429)	-	(5,429)
Purchases of capital assets	(39,778)	-	(39,778)
Net cash (used in) capital and related financing activities	<u>(159,223)</u>	<u>-</u>	<u>(159,223)</u>
Cash flows from investing activities			
Interest on investments	7,650	-	7,650
Net cash provided by investing activities	<u>7,650</u>	<u>-</u>	<u>7,650</u>
Net increase (decrease) in cash and cash equivalents	(361,487)	55,716	(305,771)
Cash and cash equivalents-beginning of the year	1,280,645	113,116	1,393,761
Cash and cash equivalents-end of the year	<u>\$ 919,158</u>	<u>\$ 168,832</u>	<u>\$ 1,087,990</u>
Reconciliation of operating income (loss) to net cash provided by operating activities			
Operating income (loss)	\$ (198,550)	\$ 215,345	\$ 16,795
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Decrease in accounts receivable	68	23,908	23,976
Increase (decrease) in accrued payroll	(20,238)	1,973	(18,265)
(Decrease) in unearned revenue	-	(36,219)	(36,219)
Increase in accounts payable and compensated absences	83,561	3,379	86,940
Depreciation expense	354,268	-	354,268
Net cash provided by operating activities	<u>\$ 219,109</u>	<u>\$ 208,386</u>	<u>\$ 427,495</u>

City of Overland Park
Combining Statement of Net Assets
Internal Service Funds
December 31, 2011

	Workers' Compensation	Medical Imprest Plan	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ -	\$ 3,473,824	\$ 3,473,824
Receivables, net	8,541	75,284	83,825
Total current assets	<u>8,541</u>	<u>3,549,108</u>	<u>3,557,649</u>
Noncurrent assets:			
Cash and cash equivalents - restricted	1,749,565	65,427	1,814,992
Total assets	<u>\$ 1,758,106</u>	<u>\$ 3,614,535</u>	<u>\$ 5,372,641</u>
Liabilities			
Accounts payable	\$ -	\$ 123,172	\$ 123,172
Unpaid claims	1,224,727	759,000	1,983,727
Total current liabilities	<u>1,224,727</u>	<u>882,172</u>	<u>2,106,899</u>
Net Assets			
Restricted for workers' compensation claims	\$ 533,379	\$ -	\$ 533,379
Restricted for employee medical claim allocations	-	65,427	65,427
Unrestricted	-	2,666,936	2,666,936
Total net assets	<u>\$ 533,379</u>	<u>\$ 2,732,363</u>	<u>\$ 3,265,742</u>

City of Overland Park
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2011

	Workers' Compensation	Medical Imprest Plan	Total
Operating revenues:			
Charges for services	\$ -	\$ 8,970,000	\$ 8,970,000
Other	-	316,207	316,207
Total operating revenues	-	9,286,207	9,286,207
Operating expenses:			
Claims paid	-	8,904,488	8,904,488
Contractual services	688,639	-	688,639
Total operating expenses	688,639	8,904,488	9,593,127
Operating income (loss)	(688,639)	381,719	(306,920)
Nonoperating revenues:			
Interest	10,910	25,126	36,036
Transfers from other funds	400,000	-	400,000
Change in net assets	(277,729)	406,845	129,116
Total net assets-beginning of year, as restated	811,108	2,325,518	3,136,626
Total net assets-end of year	\$ 533,379	\$ 2,732,363	\$ 3,265,742

City of Overland Park
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2011

	Workers' Compensation	Medical Imprest Plan	Total
Cash flows from operating activities			
Cash received from customers	\$ -	\$ 8,970,000	\$ 8,970,000
Cash received from other reimbursements	(3,182)	240,923	237,741
Claims paid	-	(8,904,488)	(8,904,488)
Cash payments for contractual services and accounts payable	(642,287)	274,356	(367,931)
Net cash provided by (used in) operating activities	(645,469)	580,791	(64,678)
Cash flows from noncapital financing activities			
Transfer from other funds	400,000	-	400,000
Cash flows from investing activities			
Interest on investments	10,910	25,126	36,036
Net increase (decrease) in cash and cash equivalents	(234,559)	605,917	371,358
Cash and cash equivalents-beginning of the year, as restated	1,984,124	2,933,334	4,917,458
Cash and cash equivalents-end of the year	<u>\$ 1,749,565</u>	<u>\$ 3,539,251</u>	<u>\$ 5,288,816</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (688,639)	\$ 381,719	\$ (306,920)
Adjustments to reconcile operating income/(loss) to net cash provided by (used in) operating activities:			
(Increase) in accounts receivable	(3,182)	(75,284)	(78,466)
Increase in accounts payable and claims payable	46,352	274,356	320,708
Net cash provided by (used in) operating activities	<u>\$ (645,469)</u>	<u>\$ 580,791</u>	<u>\$ (64,678)</u>

City of Overland Park
Combining Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2011

Employee Retirement Plans					
	Municipal Employees Pension Plan	Police Department Retirement Plan	Fire Department Retirement Plan	Other Post-Employment Benefits Trust	Total
Assets					
Cash and cash equivalents	\$ 1,000	\$ 1,199,928	\$ 1,644,123	\$ -	\$ 2,845,051
Investments in equities	-	32,415,044	10,506,185	1,668,681	44,589,910
Investments in mutual funds	41,050,953	14,582,928	4,871,271	1,160,302	61,665,454
Investments in co-mingled trust fund	-	12,235,270	3,812,455	-	16,047,725
Interest receivable	-	-	-	-	-
Sales tax receivable	-	-	-	-	-
Special assessment receivable	-	-	-	-	-
Total assets	\$ 41,051,953	\$ 60,433,170	\$ 20,834,034	\$ 2,828,983	\$ 125,148,140
Liabilities					
Due to State	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other entities	-	-	-	-	-
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Net Assets					
Held in trust for pension benefits and other purposes	\$ 41,051,953	\$ 60,433,170	\$ 20,834,034	\$ 2,828,983	\$ 125,148,140

Private-Purpose Trust	Agency Funds				
Tomahawk Cemetery	State License	CMB State Stamp	Transportation Development Districts	Total	
\$ 3,651	\$ 37,198	\$ 1,050	\$ 7,278,447	\$ 7,316,695	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	31,547	31,547	
-	-	-	478,667	478,667	
-	-	-	13,945,000	13,945,000	
<u>\$ 3,651</u>	<u>\$ 37,198</u>	<u>\$ 1,050</u>	<u>\$ 21,733,661</u>	<u>\$ 21,771,909</u>	
\$ -	\$ 37,198	\$ 1,050	\$ -	\$ 38,248	
-	-	-	21,733,661	21,733,661	
<u>\$ -</u>	<u>\$ 37,198</u>	<u>\$ 1,050</u>	<u>\$ 21,733,661</u>	<u>\$ 21,771,909</u>	
\$ 3,651	\$ -	\$ -	\$ -	\$ -	

City of Overland Park
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended December 31, 2011

	Employee Retirement Plans		
	Municipal Employees Pension Plan	Police Department Retirement Plan	Fire Department Retirement Plan
Additions			
Contributions:			
Employer	\$ 2,117,049	\$ 2,818,636	\$ 2,404,502
Plan members	127,289	-	-
Total contributions	2,244,338	2,818,636	2,404,502
Investment earnings:			
Net increase (decrease) in fair value of investments	(1,705,873)	696,174	(35,993)
Interest	-	-	26,071
Dividends	1,193,725	1,094,959	359,217
Total investment earnings	(512,148)	1,791,133	349,295
Total additions (reductions)	1,732,190	4,609,769	2,753,797
Deductions			
Benefits	2,555,534	1,615,319	1,433,129
Administrative expenses	-	187,291	97,756
Total deductions	2,555,534	1,802,610	1,530,885
Change in net assets	(823,344)	2,807,159	1,222,912
Net assets-beginning of the year	41,875,297	57,626,011	19,611,122
Net assets-end of the year	\$ 41,051,953	\$ 60,433,170	\$ 20,834,034

Employee Retirement Plans		Private-purpose Trust
Other Post-Employment Benefits Trust	Total	Tomahawk Cemetery
\$ -	\$ 7,340,187	\$ -
-	127,289	-
-	7,467,476	-
(198,222)	(1,243,914)	-
136,341	162,412	47
-	2,647,901	-
(61,881)	1,566,399	47
(61,881)	9,033,875	47
-	5,603,982	377
11,776	296,823	-
11,776	5,900,805	377
(73,657)	3,133,070	(330)
2,902,640	122,015,070	3,981
\$ 2,828,983	\$ 125,148,140	\$ 3,651

City of Overland Park
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2011

	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
State License Fund				
Assets				
Cash and cash equivalents	\$ 39,649	\$ 511,270	\$ 513,721	\$ 37,198
Total assets	\$ 39,649	\$ 511,270	\$ 513,721	\$ 37,198
Liabilities				
Due to State	\$ 39,649	\$ 511,270	\$ 513,721	\$ 37,198
Total liabilities	\$ 39,649	\$ 511,270	\$ 513,721	\$ 37,198
CMB State Stamp Fund				
Assets				
Cash and cash equivalents	\$ 1,125	\$ 2,100	\$ 2,175	\$ 1,050
Total assets	\$ 1,125	\$ 2,100	\$ 2,175	\$ 1,050
Liabilities				
Due to State	\$ 1,125	\$ 2,100	\$ 2,175	\$ 1,050
Total liabilities	\$ 1,125	\$ 2,100	\$ 2,175	\$ 1,050
Transportation Development Districts				
Assets				
Cash and cash equivalents	\$ 13,915,062	\$ 3,404,889	\$ 10,041,504	\$ 7,278,447
Interest receivable	31,902	-	355	31,547
Sales tax receivable	42,967	435,700	-	478,667
Special assessment receivable	14,460,000	-	515,000	13,945,000
Total assets	\$ 28,449,931	\$ 3,840,589	\$ 10,556,859	\$ 21,733,661
Liabilities				
Due to other entities	\$ 28,449,931	\$ 3,840,589	\$ 10,556,859	\$ 21,733,661
Total liabilities	\$ 28,449,931	\$ 3,840,589	\$ 10,556,859	\$ 21,733,661
Totals - All Agency Funds				
Assets				
Cash and cash equivalents	\$ 13,955,836	\$ 3,918,259	\$ 10,557,400	\$ 7,316,695
Interest receivable	31,902	-	355	31,547
Sales tax receivable	42,967	435,700	-	478,667
Special assessment receivable	14,460,000	-	515,000	13,945,000
Total assets	\$ 28,490,705	\$ 4,353,959	\$ 11,072,755	\$ 21,771,909
Liabilities				
Due to State	\$ 40,774	\$ 513,370	\$ 515,896	\$ 38,248
Due to other entities	28,449,931	3,840,589	10,556,859	21,733,661
Total liabilities	\$ 28,490,705	\$ 4,353,959	\$ 11,072,755	\$ 21,771,909

City of Overland Park, Kansas

Statistical Section 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.

Contents	Page
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.	115 - 121
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax and sales tax.	122 - 129
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.	130 - 134
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.	135 - 136
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	137 - 142

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

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City of Overland Park, Kansas

**Net Assets by Component
2002 to 2011 Inclusive
(accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities										
Invested in capital assets, net of related debt	\$ 643,570,744	\$ 653,249,935	\$ 679,824,168	\$ 726,486,865	\$ 744,712,780	\$ 796,834,669	\$ 838,954,105	\$ 862,840,022	\$ 868,805,471	\$ 865,820,612
Restricted	22,147,743	12,839,199	12,557,560	13,365,083	12,971,720	9,185,006	7,796,704	6,103,477	5,671,256	3,761,989
Unrestricted	76,240,709	90,860,577	109,531,345	102,689,737	125,552,447	109,471,761	84,095,798	68,536,303	42,118,676	41,843,620
Total governmental activities net assets	<u>\$ 741,959,196</u>	<u>\$ 756,949,711</u>	<u>\$ 801,913,073</u>	<u>\$ 842,541,685</u>	<u>\$ 883,236,947</u>	<u>\$ 915,491,436</u>	<u>\$ 930,846,607</u>	<u>\$ 937,479,802</u>	<u>\$ 916,595,403</u>	<u>\$ 911,426,221</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 6,686,403	\$ 5,717,626	\$ 5,426,307	\$ 4,925,394	\$ 5,088,271	\$ (38,973,273)	\$ (38,348,039)	\$ (44,979,383)	\$ (46,616,213)	\$ (48,314,692)
Restricted	-	-	-	-	-	11,829,275	10,962,295	15,136,992	15,596,664	16,272,483
Unrestricted	2,695,529	2,264,857	2,246,318	948,885	871,735	(1,868,833)	(5,136,080)	(8,375,248)	(1,284,250)	(2,239,190)
Total business-type activities net assets	<u>\$ 9,381,932</u>	<u>\$ 7,982,483</u>	<u>\$ 7,672,625</u>	<u>\$ 5,874,279</u>	<u>\$ 5,960,006</u>	<u>\$ (29,012,831)</u>	<u>\$ (32,521,824)</u>	<u>\$ (38,217,639)</u>	<u>\$ (32,303,799)</u>	<u>\$ (34,281,399)</u>
Primary government										
Invested in capital assets, net of related debt	\$ 650,257,147	\$ 658,967,561	\$ 685,250,475	\$ 731,412,259	\$ 749,801,051	\$ 757,861,396	\$ 800,606,066	\$ 817,860,639	\$ 822,189,258	\$ 817,505,920
Restricted	22,147,743	12,839,199	12,557,560	13,365,083	12,971,720	21,014,281	18,768,999	21,240,469	21,267,920	20,034,472
Unrestricted	78,936,238	93,125,434	111,777,663	103,638,622	126,424,182	107,602,928	78,959,718	60,161,055	40,834,426	39,604,430
Total primary government net assets	<u>\$ 751,341,128</u>	<u>\$ 764,932,194</u>	<u>\$ 809,585,698</u>	<u>\$ 848,415,964</u>	<u>\$ 889,196,953</u>	<u>\$ 886,478,605</u>	<u>\$ 898,324,783</u>	<u>\$ 899,262,163</u>	<u>\$ 884,291,604</u>	<u>\$ 877,144,822</u>

Notes:

1. Until 2002, the City recorded transactions related to the Golf Course in the General Fund.
2. The significant increase in invested in capital assets in 2001 and 2002 is due to the capitalization of the City's infrastructure.
3. Until 2007, the OPDC was reported as a discretely presented component unit. Starting in 2007, the OPDC is blended as a business-type activity.

* The December 31, 2009 governmental activities were restated \$24,747,550 to correct errors in transactions relating to the City's transportation development districts. This schedule does not reflect these changes prior to 2009.

City of Overland Park, Kansas

Changes in Net Assets
2002 to 2011 Inclusive

(accrual basis of accounting)

	2002			2003		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Program Expenses						
General government	\$ 20,460,811	\$ -	\$ 20,460,811	\$ 25,111,864	\$ -	\$ 25,111,864
Public safety	35,617,238	-	35,617,238	39,887,112	-	39,887,112
Public works	31,043,905	-	31,043,905	37,322,880	-	37,322,880
Parks and recreation	7,594,221	-	7,594,221	3,544,483	-	3,544,483
Planning and development services	7,418,110	-	7,418,110	7,589,776	-	7,589,776
Golf course	-	2,766,313	2,766,313	-	4,430,488	4,430,488
Soccer Complex	-	-	-	-	-	-
OPDC	-	-	-	-	-	-
Interest on long-term debt	5,250,063	-	5,250,063	5,122,636	-	5,122,636
Total expenses	107,384,348	2,766,313	110,150,661	118,578,751	4,430,488	123,009,239
Program Revenues						
Charges for services						
General government	410,248	-	410,248	4,722,114	-	4,722,114
Public safety	5,849,841	-	5,849,841	6,246,487	-	6,246,487
Public works	-	-	-	-	-	-
Parks and recreation	1,501,077	-	1,501,077	1,645,462	-	1,645,462
Planning and development services	3,944,314	-	3,944,314	4,358,428	-	4,358,428
Golf course	-	3,477,416	3,477,416	-	3,139,007	3,139,007
Soccer Complex	-	-	-	-	-	-
OPDC	-	-	-	-	-	-
Operating grants and contributions	9,950,305	-	9,950,305	8,122,378	-	8,122,378
Capital grants and contributions	12,473,620	-	12,473,620	14,211,251	-	14,211,251
Total program revenues	34,129,405	3,477,416	37,606,821	39,306,120	3,139,007	42,445,127
Net Program (Expense)/Revenue	(73,254,943)	711,103	(72,543,840)	(79,272,631)	(1,291,481)	(80,564,112)
General Revenues and Other Changes in Net Assets						
Property taxes	16,483,975	-	16,483,975	17,374,680	-	17,374,680
Sales taxes	38,794,920	-	38,794,920	40,129,807	-	40,129,807
Franchise taxes	7,466,151	-	7,466,151	7,419,307	-	7,419,307
Transient Guest tax	4,547,962	-	4,547,962	4,599,005	-	4,599,005
Unrestricted grants and contributions	16,393,425	31,542	16,424,967	19,252,273	-	19,252,273
Unrestricted investment earnings	2,244,759	16,113	2,260,872	1,316,550	22,574	1,339,124
Miscellaneous	3,518,089	57,281	3,575,370	4,040,655	325	4,040,980
Transfers	(8,565,893)	8,565,893	-	130,868	(130,868)	-
Change in Accounting Principle	-	-	-	-	-	-
Prior Period Adjustment	458,765,824	-	458,765,824	-	-	-
Total general revenues	539,649,212	8,670,829	548,320,041	94,263,145	(107,969)	94,155,176
Change in net Assets	\$ 466,394,269	\$ 9,381,932	\$ 475,776,201	\$ 14,990,514	\$ (1,399,450)	\$ 13,591,064

1. The City issued financial statements in accordance with GASB Statement 34 in 2000.
2. In 2000 and 2001, the City did not have business-type activities.
3. Until 2007, the OPDC was reported as a discretely presented component unit. Starting in 2007, the OPDC is blended as a business-type activity.
4. Soccer operations began in 2009.

2004			2005			2006		
Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
\$ 28,164,218	\$ -	\$ 28,164,218	\$ 28,807,249	\$ -	\$ 28,807,249	\$ 29,879,905	\$ -	\$ 29,879,905
39,310,424	-	39,310,424	40,286,583	-	40,286,583	44,908,532	-	44,908,532
29,658,347	-	29,658,347	38,442,364	-	38,442,364	51,212,148	-	51,212,148
7,598,869	-	7,598,869	8,346,809	-	8,346,809	9,475,350	-	9,475,350
7,467,617	-	7,467,617	7,581,825	-	7,581,825	7,770,019	-	7,770,019
-	3,221,272	3,221,272	-	4,519,130	4,519,130	-	2,913,521	2,913,521
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	28,803,215	28,803,215
6,020,817	-	6,020,817	5,257,130	-	5,257,130	6,742,211	-	6,742,211
118,220,292	3,221,272	121,441,564	128,721,960	4,519,130	133,241,090	149,988,165	31,716,736	181,704,901
6,680,832	-	6,680,832	7,991,550	-	7,991,550	8,190,363	-	8,190,363
6,279,300	-	6,279,300	6,269,146	-	6,269,146	6,508,366	-	6,508,366
2,554,593	-	2,554,593	5,850,944	-	5,850,944	3,047,785	-	3,047,785
1,619,044	-	1,619,044	1,731,283	-	1,731,283	2,039,467	-	2,039,467
2,081,731	-	2,081,731	2,332,949	-	2,332,949	2,641,223	-	2,641,223
-	3,116,231	3,116,231	-	2,900,146	2,900,146	-	3,211,226	3,211,226
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	23,465,341	23,465,341
7,839,056	-	7,839,056	9,269,860	-	9,269,860	8,101,081	-	8,101,081
16,784,464	-	16,784,464	20,861,577	-	20,861,577	20,005,204	-	20,005,204
43,839,020	3,116,231	46,955,251	54,307,309	2,900,146	57,207,455	50,533,489	26,676,567	77,210,056
(74,381,272)	(105,041)	(74,486,313)	(74,414,651)	(1,618,984)	(76,033,635)	(99,454,676)	(5,040,169)	(104,494,845)
21,199,331	-	21,199,331	21,924,513	-	21,924,513	22,712,457	-	22,712,457
49,715,501	-	49,715,501	51,280,569	-	51,280,569	53,217,375	-	53,217,375
7,608,442	-	7,608,442	8,057,700	-	8,057,700	8,011,548	-	8,011,548
5,074,734	-	5,074,734	5,375,037	-	5,375,037	5,874,961	-	5,874,961
30,268,231	-	30,268,231	21,675,068	-	21,675,068	22,189,002	-	22,189,002
1,604,055	38,403	1,642,458	3,236,428	73,569	3,309,997	6,637,939	628,502	7,266,441
3,631,072	48	3,631,120	3,240,948	69	3,241,017	4,005,730	3,974	4,009,704
243,268	(243,268)	-	253,000	(253,000)	-	263,100	(263,100)	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,554,212	-	2,554,212
119,344,634	(204,817)	119,139,817	115,043,263	(179,362)	114,863,901	125,466,324	369,376	125,835,700
\$ 44,963,362	\$ (309,858)	\$ 44,653,504	\$ 40,628,612	\$ (1,798,346)	\$ 38,830,266	\$ 26,011,648	\$ (4,670,793)	\$ 21,340,855

Continued on next page.

City of Overland Park, Kansas

Changes in Net Assets
2002 to 2011 Inclusive
(accrual basis of accounting)

	2007			2008			2009		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Program Expenses									
General government	\$ 36,943,654	\$ -	\$ 36,943,654	\$ 30,999,814	\$ -	\$ 30,999,814	\$ 34,770,572	\$ -	\$ 34,770,572
Public safety	47,273,509	-	47,273,509	51,058,659	-	51,058,659	51,060,017	-	51,060,017
Public works	28,790,295	-	28,790,295	52,708,940	-	52,708,940	45,813,618	-	45,813,618
Parks and recreation	16,442,762	-	16,442,762	9,250,525	-	9,250,525	8,896,868	-	8,896,868
Planning and development services	10,002,078	-	10,002,078	9,036,680	-	9,036,680	8,791,716	-	8,791,716
Golf course	-	3,211,521	3,211,521	-	3,274,422	3,274,422	-	3,040,711	3,040,711
Soccer Complex	-	-	-	-	-	-	-	667,718	667,718
OPDC	-	28,832,171	28,832,171	-	25,273,123	25,273,123	-	24,309,086	24,309,086
Interest on long-term debt	5,783,380	-	5,783,380	7,555,180	-	7,555,180	7,468,030	-	7,468,030
Total expenses	145,235,678	32,043,692	177,279,370	160,609,798	28,547,545	189,157,343	156,800,821	28,017,515	184,818,336
Program Revenues									
Charges for services									
General government	8,389,023	-	8,389,023	8,298,492	-	8,298,492	7,265,883	-	7,265,883
Public safety	6,208,095	-	6,208,095	7,222,235	-	7,222,235	7,938,795	-	7,938,795
Public works	3,776,951	-	3,776,951	2,251,968	-	2,251,968	817,546	-	817,546
Parks and recreation	2,682,574	-	2,682,574	3,937,131	-	3,937,131	4,509,488	-	4,509,488
Planning and development services	2,827,457	-	2,827,457	2,656,583	-	2,656,583	2,164,578	-	2,164,578
Golf course	-	3,108,064	3,108,064	-	3,207,324	3,207,324	-	3,275,900	3,275,900
Soccer complex	-	-	-	-	-	-	-	431,974	431,974
OPDC	-	24,376,480	24,376,480	-	21,711,249	21,711,249	-	18,501,762	18,501,762
Operating grants and contributions	8,346,095	-	8,346,095	7,606,680	-	7,606,680	10,002,980	-	10,002,980
Capital grants and contributions	19,142,983	-	19,142,983	20,708,723	-	20,708,723	17,690,268	-	17,690,268
Total program revenues	51,373,178	27,484,544	78,857,722	52,681,812	24,918,573	77,600,385	50,389,538	22,209,636	72,599,174
Net Program (Expense)/Revenue	(93,862,500)	(4,559,148)	(98,421,648)	(107,927,986)	(3,628,972)	(111,556,958)	(106,411,283)	(5,807,879)	(112,219,162)
General Revenues and Other Changes in Net Assets									
Property taxes	23,920,260	-	23,920,260	24,981,393	-	24,981,393	25,525,763	-	25,525,763
Sales taxes	52,089,560	-	52,089,560	48,833,515	-	48,833,515	43,864,652	-	43,864,652
Franchise taxes	9,074,658	-	9,074,658	9,662,788	-	9,662,788	9,434,467	-	9,434,467
Transient Guest tax	7,252,916	-	7,252,916	8,197,767	-	8,197,767	6,782,124	-	6,782,124
Unrestricted grants and contributions	22,229,400	-	22,229,400	20,548,004	-	20,548,004	20,408,525	-	20,408,525
Unrestricted investment earnings	6,655,642	844,905	7,500,547	5,960,755	194,348	6,155,103	1,297,849	9,305	1,307,154
Miscellaneous	4,619,653	239,514	4,859,167	4,849,248	175,318	5,024,566	7,316,549	247,333	7,563,882
Transfers	274,900	(274,900)	-	249,687	(249,687)	-	144,574	(144,574)	-
Change in Accounting Principle	-	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	14,683,614	-	14,683,614	-	-	-
Total general revenues	126,116,989	809,519	126,926,508	137,966,771	119,979	138,086,750	114,774,503	112,064	114,886,567
Change in net Assets	\$ 32,254,489	\$ (3,749,629)	\$ 28,504,860	\$ 30,038,785	\$ (3,508,993)	\$ 26,529,792	\$ 8,363,220	\$ (5,695,815)	\$ 2,667,405

2010			2011		
Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
\$ 32,651,928	\$ -	\$ 32,651,928	\$ 34,805,867	\$ -	\$ 34,805,867
49,296,357	-	49,296,357	49,874,733	-	49,874,733
58,956,143	-	58,956,143	61,229,121	-	61,229,121
14,743,711	-	14,743,711	4,530,531	-	4,530,531
7,919,968	-	7,919,968	7,084,275	-	7,084,275
-	2,865,160	2,865,160	-	3,073,047	3,073,047
-	965,025	965,025	-	1,012,289	1,012,289
-	24,603,609	24,603,609	-	25,473,353	25,473,353
9,177,523	-	9,177,523	6,355,197	-	6,355,197
172,745,630	28,433,794	201,179,424	163,879,724	29,558,689	193,438,413
7,552,961	-	7,552,961	7,811,676	-	9,533,064
7,424,157	-	7,424,157	6,927,966	-	6,927,966
508,665	-	508,665	654,081	-	654,081
4,836,764	-	4,836,764	4,971,524	-	4,971,524
1,978,793	-	1,978,793	2,514,905	-	2,514,905
-	3,171,584	3,171,584	-	2,869,736	2,869,736
-	1,135,085	1,135,085	-	1,168,226	1,168,226
-	18,009,544	18,009,544	-	19,890,341	19,890,341
10,736,837	-	10,736,837	10,381,317	-	13,704,711
16,143,063	-	16,143,063	10,483,953	-	12,858,126
49,181,240	22,316,213	71,497,453	43,745,422	23,928,303	75,092,680
(123,564,390)	(6,117,581)	(129,681,971)	(120,134,302)	(5,630,386)	(118,345,733)
24,200,005	-	24,200,005	23,010,679	-	23,010,679
39,713,882	-	39,713,882	46,553,901	-	46,553,901
9,952,518	-	9,952,518	10,386,572	-	10,386,572
6,734,429	-	6,734,429	7,451,593	-	7,451,593
19,451,231	7,732,856	27,184,087	23,245,079	-	20,870,906
864,073	30,586	894,659	519,540	30,316	549,856
5,782,561	249,271	6,031,832	7,194,623	225,603	2,375,444
(4,018,708)	4,018,708	-	(3,396,867)	3,396,867	-
-	-	-	-	-	-
-	-	-	-	-	-
102,679,991	12,031,421	114,711,412	114,965,120	3,652,786	111,198,951
\$ (20,884,399)	\$ 5,913,840	\$ (14,970,559)	\$ (5,169,182)	\$ (1,977,600)	\$ (7,146,782)

City of Overland Park, Kansas

**Fund Balances, Governmental Funds
2002 to 2011 Inclusive
(modified accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Unreserved	\$ 34,646,036	\$ 39,591,033	\$ 51,953,978	\$ 55,991,851	\$ 58,747,831	\$ 64,324,828	\$ 50,963,727	\$ 40,755,433	\$ -	\$ -
Reserved	1,251,100	1,242,911	1,285,748	1,914,845	2,901,003	3,166,661	1,802,009	1,009,899	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	1,000,000	150,000
Unassigned	-	-	-	-	-	-	-	-	1,450,310	717,147
Total general fund	\$ 35,897,136	\$ 40,833,944	\$ 53,249,726	\$ 57,896,496	\$ 61,648,834	\$ 67,491,489	\$ 52,765,736	\$ 41,765,332	\$ 40,097,712	\$ 31,341,222
									\$ 42,548,022	\$ 32,208,369
All Other Governmental Funds										
Unreserved	\$ 3,453,426	\$ 5,363,027	\$ 6,360,265	\$ 7,274,024	\$ 6,764,908	\$ 3,456,115	\$ 3,654,934	\$ 9,824,185	\$ -	\$ -
Unreserved, reported in:										
Special Revenue Funds	32,559,624	31,411,896	33,806,329	38,924,888	33,653,753	26,693,048	26,107,863	19,723,462	-	-
Capital Project Funds	4,565,916	6,750,268	16,985,529	4,584,566	23,985,559	64,587,482	18,674,979	6,765,804	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	10,097,318	11,858,078
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	11,099,765	12,505,889
Unassigned	-	-	-	-	-	-	-	-	(2,671,526)	(353,105)
Total all other governmental funds	\$ 40,578,966	\$ 43,525,191	\$ 57,152,123	\$ 50,783,478	\$ 64,404,220	\$ 94,736,645	\$ 48,437,776	\$ 36,313,451	\$ 18,525,557	\$ 24,010,862

City of Overland Park, Kansas

Changes in Fund Balances, Governmental Funds

2002 to 2011 Inclusive

(modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Taxes	\$ 67,293,008	\$ 69,522,799	\$ 83,598,008	\$ 86,837,823	\$ 89,816,341	\$ 92,337,394	\$ 85,135,463	\$ 85,607,006	\$ 80,600,834	\$ 87,402,745
Charges for services	3,332,484	8,410,719	9,707,984	10,492,878	11,164,077	12,716,100	13,200,875	14,376,084	13,644,861	14,989,713
Licenses and permits	4,356,467	4,739,634	5,072,962	8,188,291	5,692,920	6,604,408	4,905,313	2,986,929	2,489,098	3,172,139
Fines and penalties	3,251,780	3,949,734	4,111,777	4,854,018	4,699,087	4,362,854	5,178,643	5,964,523	5,541,388	4,883,935
Use of money	2,032,892	935,441	1,121,114	2,707,183	4,101,891	5,270,229	5,156,829	1,074,848	603,702	427,185
Intergovernmental	20,891,880	21,485,723	23,184,519	25,978,041	24,032,495	22,636,544	17,965,366	24,848,190	18,754,471	15,510,655
Contributions	4,256,754	3,530,230	3,592,057	3,540,439	3,304,752	2,987,678	2,724,184	2,901,453	2,713,610	2,871,966
Capital/operating grants	6,430,908	5,158,411	5,226,633	6,993,167	8,546,088	8,859,981	8,709,935	12,808,300	8,489,644	9,986,593
Grants/contributions not restricted to specific programs	14,046,358	17,811,203	19,919,037	21,281,752	21,743,404	21,807,960	20,136,314	19,716,141	19,089,260	20,870,966
	<u>125,892,531</u>	<u>135,543,894</u>	<u>155,534,091</u>	<u>170,673,592</u>	<u>173,101,055</u>	<u>177,583,148</u>	<u>163,112,922</u>	<u>170,283,474</u>	<u>151,926,868</u>	<u>160,115,837</u>
Current:										
General government	20,271,174	24,413,727	25,770,169	29,283,479	29,683,001	31,323,369	32,467,888	32,354,100	29,362,717	30,962,422
Public safety	36,747,250	37,614,041	38,770,938	41,488,682	45,080,100	47,762,364	49,797,425	48,984,474	49,144,598	49,533,008
Public works	14,573,816	13,242,777	13,519,930	13,851,469	14,428,802	16,588,475	17,155,557	19,343,226	16,160,730	15,421,911
Parks and recreation	6,108,122	5,968,252	5,734,311	6,407,790	7,098,040	7,898,671	8,876,872	8,850,001	9,677,522	10,719,555
Planning & development services	7,580,407	7,260,401	7,363,160	7,376,140	7,823,080	9,957,240	9,048,227	8,501,741	7,643,592	6,905,488
Capital improvements	76,735,927	42,774,406	39,246,966	60,581,058	67,126,130	79,886,249	85,876,249	82,048,182	46,133,339	31,966,101
Debt service										
Principal	8,162,200	9,499,951	10,489,750	10,984,750	12,234,643	12,245,000	16,185,000	19,460,000	16,322,876	16,768,038
Interest	5,293,107	5,251,807	5,235,173	5,229,310	5,445,505	5,438,284	7,232,013	7,435,173	7,511,920	7,553,688
Bond issuance costs	-	-	-	-	-	-	-	275,368	122,046	125,680
	<u>175,472,003</u>	<u>146,025,362</u>	<u>146,130,397</u>	<u>175,202,678</u>	<u>188,919,301</u>	<u>211,099,652</u>	<u>226,637,231</u>	<u>227,052,265</u>	<u>182,079,340</u>	<u>169,954,811</u>
	<u>(49,579,472)</u>	<u>(10,481,468)</u>	<u>9,403,694</u>	<u>(4,529,086)</u>	<u>(15,818,246)</u>	<u>(33,516,504)</u>	<u>(63,524,309)</u>	<u>(56,768,791)</u>	<u>(30,152,472)</u>	<u>(9,838,974)</u>
Proceeds of general obligation bonds	16,250,000	14,930,000	16,120,000	-	34,573,440	64,365,000	-	26,845,000	13,450,000	8,490,000
Refunding bonds issued	-	2,133,202	12,800,000	-	909,000	-	-	3,864,910	-	6,665,000
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	(6,762,856)
Issuance: Premium or (Discount)	-	(2,445,049)	(12,524,246)	-	-	1,051,684	-	726,472	361,375	389,349
Transfers in	53,837,224	45,221,851	46,642,295	71,815,732	69,355,817	80,469,170	70,685,050	68,694,888	55,884,574	68,341,542
Transfers out	(55,832,152)	(45,090,983)	(46,399,029)	(71,562,733)	(71,646,930)	(76,194,270)	(68,185,363)	(68,550,314)	(60,303,282)	(72,138,409)
	<u>14,255,072</u>	<u>14,749,021</u>	<u>16,639,020</u>	<u>252,999</u>	<u>33,191,327</u>	<u>69,691,584</u>	<u>2,499,687</u>	<u>31,580,956</u>	<u>9,392,667</u>	<u>4,984,626</u>
Prior period adjustment	-	3,615,481	-	-	2,554,212	-	-	-	-	-
Change in accounting principle	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>3,615,481</u>	<u>-</u>	<u>-</u>	<u>2,554,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund Balance	<u>\$ (35,324,400)</u>	<u>\$ 7,883,034</u>	<u>\$ 26,042,714</u>	<u>\$ (4,276,087)</u>	<u>\$ 19,927,293</u>	<u>\$ 36,175,080</u>	<u>(61,024,622)</u>	<u>(25,187,835)</u>	<u>(20,759,805)</u>	<u>(4,854,348)</u>
Debt service as a percentage of noncapital expenditures	<u>13.6%</u>	<u>14.3%</u>	<u>14.7%</u>	<u>14.1%</u>	<u>14.5%</u>	<u>13.5%</u>	<u>17%</u>	<u>19%</u>	<u>16%</u>	<u>23%</u>

1. The City issued financial statements in accordance with GASB Statement 34 in 2000.

City of Overland Park, Kansas

**Tax Revenues by Source, Governmental Funds
2002 to 2011 Inclusive**

Fiscal Year	Property	Sales	Franchise	Transient Guest	Total
2002	16,483,975	38,794,920	7,466,151	4,547,962	67,293,008
2003	17,374,680	40,129,807	7,419,307	4,599,005	69,522,799
2004	21,199,331	49,715,501	7,608,442	5,074,734	83,598,008
2005	21,924,515	51,280,570	8,057,700	5,375,038	86,637,823
2006	22,712,457	53,217,375	8,011,548	5,874,961	89,816,341
2007	23,920,260	52,089,560	9,074,658	7,252,916	92,337,393
2008	24,981,393	42,293,515	9,662,788	8,197,767	85,135,463
2009	25,525,763	43,864,652	9,434,467	6,782,124	85,607,006
2010	24,200,005	39,713,882	9,952,518	6,734,429	80,600,834
2011	23,010,679	46,553,901	10,386,572	7,451,593	87,402,745

City of Overland Park, Kansas

**Assessed Value and Estimated True Value of All Taxable Property
2002 to 2011 Inclusive**

Year ¹	Residential Property	Commercial Property	Utilities	Personal Property	Total Assessed Value	Total Direct Tax Rate	Estimated True Value ²	Assessed Value as a % of True Value
2002	1,175,127,436	808,466,872	86,534,779	158,844,271	2,228,973,358	7.847	13,578,932,125	11.5
2003	1,241,158,778	840,849,829	81,635,542	152,167,203	2,315,811,352	9.057	14,274,073,151	11.5
2004	1,330,672,234	857,598,531	81,213,795	147,792,353	2,417,276,913	9.037	15,089,867,636	11.5
2005	1,380,177,133	916,670,513	71,605,300	145,188,962	2,513,641,908	9.037	16,030,576,350	11.5
2006	1,470,595,710	1,009,717,834	72,443,002	158,052,713	2,710,809,259	8.889	16,926,142,573	11.5
2007	1,554,818,982	1,094,197,370	71,359,647	138,221,462	2,858,597,461	8.832	17,987,917,006	11.5
2008	1,604,166,754	1,099,823,336	66,183,496	102,502,433	2,872,676,019	8.852	18,616,651,182	11.5
2009	1,577,347,738	1,030,714,341	60,981,621	80,732,514	2,749,776,214	8.890	18,408,397,169	11.5
2010	1,552,266,319	919,732,941	57,733,658	65,290,086	2,595,023,004	8.876	17,668,097,559	11.5
2011	1,564,486,489	954,017,837	55,742,400	59,012,772	2,633,259,498	7.262	17,504,443,374	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%.

City of Overland Park, Kansas

**Direct and Overlapping Property Tax Rates
2002 to 2011 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
2002	2.437	4.418	0.992	7.847	16.221	9.428	4.550	42.238	67.400	64.125
2003	3.319	4.746	0.992	9.057	16.381	9.432	5.319	37.774	63.360	64.166
2004	3.313	4.735	0.989	9.037	16.041	9.438	5.323	42.655	61.387	69.177
2005	3.313	4.735	0.989	9.037	17.922	8.960	5.241	49.748	63.329	68.173
2006	3.259	4.657	0.973	8.889	17.949	8.872	5.250	51.980	60.700	65.180
2007	3.238	4.627	0.967	8.832	17.985	8.749	5.257	52.008	59.503	64.343
2008	3.245	4.638	0.969	8.852	17.767	8.768	5.398	52.094	61.127	66.913
2009	3.259	4.658	0.973	8.890	17.716	8.784	5.497	55.318	65.079	66.900
2010	3.254	4.651	0.971	8.876	17.748	8.799	5.508	57.192	71.049	72.917
2011	7.262	4.593	0.959	12.814	17.700	8.872	5.488	56.135	72.828	69.924

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

City of Overland Park, Kansas

**Principal Taxpayers
2011 and 2002**

Taxpayer	Type of Business	2011		Percentage of Total ¹ Assessed Valuation	2002		Percentage of Total Assessed Valuation
		Assessed Valuation	Rank		Assessed Valuation	Rank	
Corporate Woods, LLC	Office park/hotel	52,538,770	1	1.8%			
Oak Park Mall, LLC	Shops and malls	42,526,338	2	1.5%			
Mept Lighton Plaza LLC	Office buildings	13,460,002	3	0.5%			
Central Tennessee Hospital	Hospital	11,555,515	4	0.4%			
Privitera Realty Holdings	Office building/real estate	10,171,141	5	0.4%			
Rubicon Investments II, LLC	Shops and malls	8,982,931	6	0.3%			
EHD Holdings, LLC	Real estate	8,029,750	7	0.3%			
CRP-2 Holdings, LLC	Real estate	7,314,001	8	0.3%			
CRP-2 Commerce Plaza, LLC	Real estate	6,807,750	9	0.2%			
Fountains, LLC (The)	Real estate	6,785,252	10	0.2%			
Knickerbocker Properties, Inc.	Office park/hotel				61,179,533	1	2.5%
Challenger, Inc.	Shops and malls				32,438,885	2	1.3%
Sprint	Telecommunications				22,242,376	3	0.9%
ASP Lighton, LLC	Office building/real estate				15,761,377	4	0.6%
Carl J. Privitera	Real estate				12,126,138	5	0.5%
OP Regional Medical Center	Hospital				9,640,358	6	0.4%
FP Office, Inc.	Real estate				9,232,753	7	0.4%
AMLI Residential Properties	Real estate				9,083,089	8	0.4%
Yellow Corporation	Trucking/Shipping				8,580,468	9	0.3%
OPTC II, LLC	Real estate				8,250,913	10	0.3%
Total		<u>168,171,450</u>		<u>5.9%</u>	<u>188,535,890</u>		<u>7.6%</u>

Source: Johnson County

¹Vehicles included

City of Overland Park, Kansas

**Property Tax Levies and Collections
2002 to 2011 Inclusive**

Year ¹	Total Tax Levy	Current Tax Collections	Percentage Current Tax Collections	Prior Years Tax Collected ²	Total Tax Collection	Percentage Total Collection to Current Levy
2002	16,700,837	16,372,733	98.04	111,242	16,483,975	98.70
2003	17,490,753	17,137,949	97.98	236,731	17,374,680	99.34
2004	20,974,303	20,908,035	99.68	291,296	21,199,331	101.07
2005	21,844,930	21,612,001	98.93	312,514	21,924,515	100.36
2006	22,715,783	22,516,352	99.12	196,105	22,712,457	99.99
2007	24,096,385	23,721,863	98.45	198,397	23,920,260	99.27
2008	25,247,135	24,812,853	98.28	168,540	24,981,393	98.95
2009	25,428,930	25,117,573	98.78	408,190	25,525,763	100.38
2010	24,445,509	24,026,057	98.28	176,811	24,202,868	99.01
2011	23,033,426	22,642,564	98.30	368,115	23,010,679	99.90

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

Note: Johnson County does not provide delinquent tax collection information by levy year, only collection year.

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

Source: City Finance Department

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City of Overland Park, Kansas

**Taxable Sales by Category
2002 to 2011 Inclusive**

	2002	2003	2004	2005
Depart. Stores - Elastic	\$ 501,843,700	\$ 459,463,600	\$ 447,827,200	\$ 422,608,474
Utilities	388,540,500	368,471,800	383,305,900	389,215,215
Restaurants	279,440,700	296,950,500	330,707,800	337,016,099
Depart. Stores - Inelastic	249,967,600	254,452,000	306,391,000	337,845,018
Car Dealers, Rental, Leasing	305,607,600	339,872,600	303,939,200	297,305,717
Grocery Stores	259,569,800	262,237,000	255,321,500	258,707,343
Construction & Home Repair	122,872,300	140,527,900	206,474,000	214,782,659
Clothing & Shoe Stores	185,057,600	174,382,000	195,075,400	206,967,545
Computer & Office Supplies	161,874,500	144,957,200	155,516,800	143,515,336
Specialty Stores	166,271,600	155,199,000	152,348,100	154,565,336
All Others	634,621,900	667,178,400	735,262,700	726,050,277
Total	<u>\$ 3,255,667,800</u>	<u>\$ 3,263,692,000</u>	<u>\$ 3,472,169,600</u>	<u>\$ 3,488,579,019</u>
City direct sales tax rate	1.125%	1.125%	1.125%	1.125%

Source:
City Finance Department

City of Overland Park, Kansas

**Taxable Sales by Category
2002 to 2011 Inclusive**

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

City of Overland Park, Kansas
Direct and Overlapping Sales Tax Rates
2002 to 2011 Inclusive

Year	General	Street Improvement	Total City	County
2002	1.000%	0.125%	1.125%	0.975%
2003	1.000%	0.125%	1.125%	0.850%
2004	1.000%	0.125%	1.125%	1.100%
2005	1.000%	0.125%	1.125%	1.100%
2006	1.000%	0.125%	1.125%	1.100%
2007	1.000%	0.125%	1.125%	1.100%
2008	1.000%	0.125%	1.125%	1.100%
2009	1.000%	0.125%	1.125%	1.225%
2010	1.000%	0.125%	1.125%	1.225%
2011	1.000%	0.125%	1.125%	1.225%

Source: City Finance Department

City of Overland Park, Kansas

**Ratios of Outstanding Debt
2002 to 2011 Inclusive**

Year	Governmental Activities			Business Activities		Revenue		Total Primary Government	Percentage of Personal Income ¹	Per Capita ²
	General Obligation	Special Assessment	Capital Leases	General Obligation	Capital Leases	Bonds	Other			
2002	100,312,825	18,377,175	-	1,605,000	-	-	-	120,295,000	1.7%	754
2003	107,428,400	16,507,650	-	1,308,950	318,442	-	-	125,563,442	1.7%	778
2004	115,261,841	15,242,709	-	1,085,450	262,508	-	-	131,852,508	1.7%	806
2005	106,375,879	13,088,764	-	920,357	203,418	-	-	120,588,418	1.5%	728
2006	132,350,147	11,524,853	-	690,000	-	-	-	144,565,000	1.7%	862
2007 ³	184,455,324	11,539,676	-	585,000	400,852	111,725,000	1,501,449	310,207,301	3.4%	1,821
2008	170,780,549	9,029,451	-	475,000	275,653	111,725,000	1,607,093	293,892,746	3.1%	1,703
2009	185,120,952	5,938,958	-	355,090	142,217	111,195,000	1,715,945	304,468,162	3.1%	1,741
2010	188,187,034	-	-	177,966	-	110,595,000	2,021,240	300,981,240	3.0%	1,736
2011	179,811,050	-	-	63,950	-	109,890,000	2,132,232	291,897,232	2.9%	1,668

¹ Until 2002, the Golf Course Activity was reported in the General Fund.

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

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

Source: City Finance Department

City of Overland Park, Kansas

**Personal Income
2002 to 2011 Inclusive**

Year	Johnson County Personal Income ¹	Johnson County Population ²	Overland Park Population ²	Population as a % of Johnson Co. Population	Overland Park Personal Income
2002	21,259,506,000	476,029	159,530	33.5%	7,124,626,845
2003	21,807,727,000	486,730	161,423	33.2%	7,232,487,853
2004	23,266,071,000	496,571	163,677	33.0%	7,668,834,272
2005	24,171,193,000	505,769	165,548	32.7%	7,911,700,122
2006	26,741,852,000	516,381	167,657	32.5%	8,682,462,524
2007	28,458,590,000	526,096	170,345	32.4%	9,214,627,204
2008	29,101,440,000	534,989	172,601	32.3%	9,388,861,538
2009 ³	30,567,834,107	542,777	174,907	32.2%	9,850,321,882
2010 ³	32,108,118,430	549,661	173,372	31.5%	10,127,421,644
2011 ³	31,500,522,578	552,222	175,018	31.7%	9,983,590,767

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

² Department of Planning and Development Services

³ 2009 and 2010 Jo. Co. Personal Income is estimated based on prior years' growth.

City of Overland Park, Kansas

**Ratios of Net General Bonded Debt Outstanding
2002 to 2011 Inclusive**

Year	Net General Bonded Debt ¹	Assessed Valuation ¹	Debt as a Percentage of Assessed Valuation	Population ²	Debt Per Capita
2002	101,917,822	2,228,973,358	4.6%	159,530	643
2003	108,737,350	2,315,811,352	4.7%	161,423	678
2004	116,347,291	2,417,276,913	4.8%	163,677	716
2005	107,296,235	2,513,641,908	4.3%	165,548	652
2006	133,040,147	2,710,809,259	4.9%	167,657	800
2007	185,040,321	2,858,597,461	6.5%	170,345	1,095
2008	171,255,549	2,872,676,019	6.0%	172,601	1,000
2009	185,476,042	2,749,776,214	6.7%	174,907	1,068
2010	181,923,754	2,595,023,004	7.0%	173,372	1,049
2011	174,270,062	2,633,259,498	6.6%	175,018	996

Sources:

¹ City Finance Department

² Department of Planning and Development Services

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City of Overland Park, Kansas

**Ratios of General Bonded Debt Outstanding and Legal Debt Margin
2002 to 2011 Inclusive**

	2002	2003	2004
Assessed Valuation	2,228,973,358	2,315,811,352	2,417,276,913
Assessed Valuation on Motor Vehicles	227,521,594	236,982,038	245,582,290
Total Assessed Valuation	2,456,494,952	2,552,793,390	2,662,859,203
General obligation bonded Indebtedness	120,295,000	125,245,000	131,590,000
Temporary Indebtedness	-	-	-
Total Indebtedness	120,295,000	125,245,000	131,590,000
Legal debt limit ¹	736,948,486	765,838,017	798,857,761
Legal debt margin	616,653,486	640,593,017	667,267,761
Legal debt margin as a percentage of the debt limit	83.68%	83.65%	83.53%

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

Source: City Finance Department

2005	2006	2007	2008	2009	2010	2011
2,513,641,908	2,710,809,259	2,858,597,461	2,872,676,019	2,749,776,214	2,595,023,004	2,633,259,498
251,829,226	260,025,293	262,242,638	262,440,854	257,293,054	248,634,631	248,660,175
2,765,471,134	2,970,834,552	3,120,840,099	3,135,116,873	3,007,069,268	2,843,657,635	2,881,919,673
120,385,000	157,030,000	196,580,000	180,285,000	191,415,000	188,365,000	179,875,000
-	-	-	-	-	-	-
120,385,000	157,030,000	196,580,000	180,285,000	191,415,000	188,365,000	179,875,000
829,641,340	891,250,366	936,252,030	940,535,062	902,120,780	853,097,291	864,575,902
709,256,340	734,220,366	739,672,030	760,250,062	710,705,780	664,732,291	684,700,902
85.49%	82.38%	79.00%	80.83%	78.78%	77.92%	79.20%

City of Overland Park, Kansas

**Statement of Direct and Overlapping Debt
as of December 31, 2011**

	Debt Outstanding	Estimated ⁽¹⁾ Percentage Applicable	City of Overland Park Share of Debt
Overlapping debt			
Blue Valley Unified School District	\$ 341,235,443	66.20%	225,897,863
Olathe Unified School District	347,365,000	13.76%	47,797,424
Shawnee Mission Unified School District	222,340,000	30.69%	68,236,146
Spring Hill Unified School District	51,855,000	2.74%	1,420,827
Johnson County	240,750,000	34.64%	83,395,800
Johnson County Parks and Recreation District	3,625,000	34.64%	1,255,700
Johnson County Fire #2	4,045,000	21.40%	865,630
Total overlapping debt			<u>428,869,390</u>
Direct debt			
Bonded debt:			
General obligation debt			\$ 174,270,062
Special assessment			5,604,938
Total general obligation bonded debt			<u>179,875,000</u>
Temporary note debt			<u>-</u>
Total direct debt			<u>179,875,000</u>
Combined direct and overlapping debt			<u>\$ 608,744,390</u>
Total net general obligation and overlapping debt			<u>\$ 603,139,452</u>

Source: City Finance Department

⁽¹⁾ Ratio of assessed valuation of property within the overlapping unit to assessed valuation of property within the City of Overland Park.

City of Overland Park, Kansas

**Demographic and Economic Statistics
2002 to 2011 Inclusive**

Year	Population	Personal Income ¹	Per Capita Personal Income	Unemployment Rate ²
2002	159,530	7,124,626,845	44,660	4.2%
2003	161,423	7,232,487,653	44,805	4.9%
2004	163,677	7,668,834,272	46,853	4.4%
2005	165,548	7,911,700,122	47,791	3.9%
2006	167,657	8,682,462,524	51,787	4.2%
2007	170,345	9,214,627,204	54,094	4.0%
2008	172,601	9,388,861,538	54,396	4.9%
2009	174,907	9,850,321,882	56,317	6.4%
2010	173,372	10,127,421,644	58,414	6.6%
2011	175,018	9,983,590,767	57,043	6.7%

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

² Kansas Labor Information Center

City of Overland Park, Kansas

**Principal Employers
2011 and 2002**

<u>Taxpayer</u>	2011			2002		
	Employees	Rank	Percentage of Total City Employees	Employees	Rank	Percentage of Total City Employees
Sprint/Nextel	8,000	1	8.9%	18,000	1	21.4%
Shawnee Mission School District	3,704	2	4.1%	2,877	2	
Blue Valley School District	3,208	3	3.6%	2,525	3	3.0%
Johnson County Community College	2,784	4	3.1%			0.0%
Black & Veatch Engineering Consultants	2,253	5	2.5%	1,350	4	1.6%
Prescription Solutions	2,000	6	2.2%			
CenturyLink	1,800	7	2.0%			
City of Overland Park	1,447	9	1.6%			
Overland Park Regional Medical Center	1,100	10	1.2%	1,030	5	
YRC Worldwide	1,000	11	1.1%			0.0%
Total	<u>27,296</u>		<u>30.2%</u>	<u>25,782</u>		<u>30.6%</u>

Source:

Kansas Labor Information Center

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

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City of Overland Park, Kansas

**Full-time Equivalent City Government Employees by Function/Program
2002 to 2011 Inclusive**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General Government				
Mayor and Council	11	13	13	13
City Manager's Office/Communications	10	9	9	8
Information Technology	35	35	32	34
Municipal Court	28	27	26	26
Law	15	15	14	12
Finance, Budget and Administration	29	28	28	27
Human Resources	18	18	15	15
Public Safety				
Police	271	270	275	293
Fire ¹	-	-	148	146
Public Works	131	131	128	128
Parks and Recreation	69	52	61	57
Planning and Development	95	109	87	86
Total	<u><u>712</u></u>	<u><u>707</u></u>	<u><u>836</u></u>	<u><u>845</u></u>

Source: City Budgets

¹ Overland Park Fire Department became a City Department in August 2003.

City of Overland Park, Kansas

**Full-time Equivalent City Government Employees by Function/Program
2002 to 2011 Inclusive**

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
13	13	13	13	13	13
9	9	9	9	9	8
34	35	37	37	37	33
28	28	28	28	28	26
12	12	13	14	14	13
27	26	26	25	24	19
17	17	17	17	16	14
302	311	319	317	316	308
155	155	159	158	158	155
129	131	132	136	136	132
61	63	64	69	66	26
88	89	89	87	84	29
<u>875</u>	<u>889</u>	<u>906</u>	<u>910</u>	<u>901</u>	<u>776</u>

City of Overland Park, Kansas
Operating Indicators by Function/Program
2002 to 2011 Inclusive

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Safety										
Police										
DUI Arrests	515	619	917	989	841	802	876	879	882	655
Parking Violations	1,594	2,287	2,060	1,868	1,686	1,688	1,162	1,187	701	635
Traffic Tickets	28,963	34,753	32,873	36,041	36,840	34,891	41,085	43,076	46,362	36,478
Alarm calls	7,225	7,033	6,532	6,220	6,402	6,328	6,148	5,645	5,326	6,412
Fire ¹										
Fire calls			3,641	3,627	3,455	3,508	3,488	3,200	3,393	3,403
EMS calls			9,984	11,610	12,314	12,062	12,836	13,476	14,380	15,284
Parks & Recreation										
Recreational program participants	10,388	16,334	18,051	18,415	19,160	22,533	58,111	89,280	91,474	86,491
Pool participants	225,683	242,266	157,640	207,885	213,121	190,646	174,221	170,246	181,354	177,794
Planning and Development										
Building permits	4,273	4,508	4,150	4,107	4,282	3,742	3,468	3,250	3,279	3,508
Plans Reviewed	2,246	2,039	4,960	5,028	3,975	3,747	3,092	2,609	2,704	3,360
Solid Waste permits	137	111	100	84	116	113	123	104	114	103
Sign and special event permits	1,181	1,209	1,150	1,178	1,159	1,153	1,129	1,048	1,149	1,235
Pool permits	362	386	348	365	393	356	408	415	422	428
Convention Center ²										
Events		406	420	439	451	388	333	280	285	341
Attendance		286,990	386,667	339,630	309,494	314,957	328,852	287,751	251,021	235,097

¹ Overland Park Fire Department became a City department in August 2003.

² The Convention Center opened in late 2002.

City of Overland Park, Kansas

**Capital Asset Statistics by Function/Program
2002 to 2011 Inclusive**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Works										
Streets (miles)	1,616	1,630	1,650	1,680	1,736	1,704	1,811	1,853	1,866	1,878
Streetlights	N/A	N/A	10,200	12,156	12,488	12,940	13,664	13,832	14,345	14,536
Traffic Signals	224	227	229	236	243	244	252	253	255	258
Stormsewers (miles)	N/A	N/A	394	422	581	593	593	627	630	638
Parks and Recreation										
Park Acreage	1,380	1,393	1,441	1,430	1,440	1,450	1,450	1,450	1,460	1,460
Parks	81	81	81	82	83	83	83	83	83	83
Police Department										
Automobiles	35	35	37	37	38	40	44	39	41	41
Police Stations	3	3	3	3	3	4	4	4	4	4

Source: City of Overland Park Employees

CITY OF OVERLAND PARK, KANSAS
SCHEDULE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS
As of 12/31/11

Company	Interest Rate	Interest Payment Date	Date Issued	Maturity Date	Serial Payment	Payment Date Year	Authorized & Issued	Outstanding Amount
Black & Veatch Series 2009	4.00%	July 1st & Jan 1st	07/01/09	7/1/2019	Term 7/1/2019		\$60,000,000	\$60,000,000
Sprint/United Mgmt Co Project Series 1997	7%	December 1	12/17/97	12/01/37	Term payment on Dec 1, 2037		\$57,000,000	\$57,000,000
Series 1998	6.825%	December 1	12/23/98	12/01/38	Term payment on Dec 1, 2038		\$130,524,076	\$130,524,076
Series 1999	7.79%	December 1	12/15/99	12/01/39	Term payment on Dec 1, 2039		\$238,550,830	\$238,550,830
Series 2000	8.55%	December 1	12/22/00	12/01/40	Term payment on Dec 1, 2040		\$260,159,876	\$260,159,876
Series 2001	7.75%	December 1	12/12/01	12/01/41	Term payment on Dec 1, 2041		\$228,000,000	\$228,000,000
Series 2002	10%	December 1	12/18/02	12/01/42	Term payment on Dec 1, 2042		\$57,000,000	\$57,000,000
Series 2003	7.45%	December 1	12/17/03	12/01/43	Term payment on Dec 1, 2043		\$48,000,000	\$48,000,000
Universal Underwriters Group Project	7.86%	15th of the month	12/29/98	02/15/19	\$1,135,548.88 \$1,228,667.04 \$1,328,599.44 \$1,436,872.44 \$1,553,643.75 \$1,680,718.90 \$1,817,550.48 \$9,257,969.92	2012 2013 2014 2015 2016 2017 2018 2019	\$28,285,000	\$19,439,571
Prescription Solutions Series 2005	7.25%	December 15	12/28/05	12/15/15	\$300,000.00 \$300,000.00 \$300,000.00 \$300,000.00	2012 2013 2014 2015	\$3,795,354.32	\$1,200,000.00
Prescription Solutions Series 2007	7.25%	December 15	8/13/2007	12/15/2017	\$ 1,470,435.83 \$ 1,577,042.43 \$ 1,691,378.01 \$ 1,814,002.91 \$ 1,945,518.13 \$ 2,110,068.20	2012 2013 2014 2015 2016 2017	\$15,071,012.99	\$ 10,608,445.51

CITY OF OVERLAND PARK, KANSAS
SCHEDULE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS
As of 12/31/11

Company	Interest Rate	Interest Payment Date	Date Issued	Maturity Date	Serial Payment	Payment Date Year	Authorized & Issued	Outstanding Amount
K City, LLC, US Bank Series 2006	6%	March 15 June 15 September 15 December 15	9/18/2006	12/31/2016	\$506,094.69 \$537,150.46 \$570,111.92 \$605,096.00 \$25,547,081.48	2012 2013 2014 2015 2016	\$29,980,000	\$27,765,535
TKCC XCVI, LLC, Quintiles Transnational Corp. Series 2006	5%	December 26	12/22/2006	12/26/2016	\$3,050,000 \$3,050,000 \$3,050,000 \$3,050,000 \$3,050,000	2012 2013 2014 2015 2016	\$30,500,000	\$15,250,000
Total								<u>\$1,153,498,333</u>

Source: IRB transcript

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