

City of Roeland Park, Kansas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended December 31, 2008

Prepared by
Debra L. Mootz
City Clerk

CITY OF ROELAND PARK, KANSAS
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2008



Prepared by
Debra L. Mootz
City Clerk/Director of Finance

INTRODUCTORY SECTION

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The City of Roeland Park, Kansas

*4600 West Fifty-First Street
Roeland Park, Kansas 66205
City Hall (913) 722-2600 – Fax (913) 722-3713*

May 15, 2009

Honorable Mayor, Members of the Governing Body, and Citizens of Roeland Park:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2008.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

McGladrey & Pullen, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Roeland Park's financial statements for the year ended December 31, 2008. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City of Roeland Park was incorporated in 1951 and is located in the northeastern part of Johnson County, Kansas. The City occupies 1.64 square miles and serves a population of approximately 7,000. The City of Roeland Park is empowered to levy a property tax on both real and personal property located within its boundaries. The average residential value in the city is \$160,346.

The City of Roeland Park operates under the Mayor-Council form of government. Policy-making and legislative authority are vested in a governing body consisting of the mayor and eight other members, all elected on a non-partisan basis. The Council appoints the City Administrator who in turn appoints the heads of the various departments. Council members serve four-year terms, with four members elected every two years. The mayor is elected for a four year term. The mayor is elected at large; the remaining Council members are elected by ward.

The City of Roeland Park provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets and other infrastructure; and recreational and cultural activities.

The City of Roeland Park provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets and other infrastructure; and recreational and cultural activities. The City of Roeland Park is also financially accountable for a legally separate Public Building Commission and a legally separate Property Owners Association, both of which are reported separately within the City of Roeland Park's financial statements. Additional information on both of these legally separate entities can be found in the notes to the financial statements (See Note 1).

The Council is required to adopt a final budget for the next fiscal year by no later than August 25th of the current year. This annual budget serves as the foundation for the City of Roeland Park's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may transfer resources within a department as they see fit. Transfers between departments, however, need special approval from the governing body.

LOCAL ECONOMY

Major industries located within the government's boundaries or in close proximity include property developers, major grocery stores, major department stores and convenience stores, as well as several financial institutions and insurance companies.

The local economy has seen an increase in jobs and sales tax due to redevelopment and revitalization of the City's central business district over the past couple of years. There has been an increase in residential building permits for remodeling and additions, which is evident by the increased valuations of residential properties within the city limits during 2008. In an effort to help the residents of Roeland Park, the City partnered with Mid-America Regional Council's First Suburbs Coalition. This program allows homeowners to add modern amenities to homes. The First Suburbs Coalition partnered with CommunityAmerica Credit Union to provide low-interest, fixed-rate home equity loans to fund the remodeling and modernizations.

LONG TERM FINANCIAL PLANNING

Over the next several years the City will be faced with an increasing debt service. This is due to a major program to replace the aging infrastructure within the City. Numerous stormwater drainage systems are being installed in many of the older neighborhoods throughout the city. Funding from Johnson County (SMAC) as well as local funds will help in reducing the costs that will be passed along to the residents.

The City's Sales and Use Tax increased by approximately 128% since 1999 and 2.79% over the previous year. Total government revenues have increased by approximately 88% since 1999.

The City is constantly monitoring the General Fund Reserve to maintain a balance which will cover approximately three months of expenditures.

RELEVANT FINANCIAL POLICIES

The City has adopted a resolution which will reserve funds for the construction of the RC12-012 and RC12-014 stormwater projects. Those reserves will aid in reducing the assessments to property owners whose homes are located within those two benefit districts.

The governing body has utilized tax increment financing (TIF) as a means of financing major projects within the City. This has proven to be a vital tool in reducing the amount of City funds that are needed to spur development. The City also created two Transportation Development Districts (TDDs) which enable long term debt to be retired through the use of excess sales tax.

MAJOR INITIATIVES

August 2008, the City issued \$4,185,000 in general obligation bonds, permanently financing significant improvements to the City's infrastructure. The RC12-013 Benefit District special assessment was certified on the Johnson County tax rolls. Homes within the benefit district were assessed based upon a square foot charge. The City received the first of 20 annual installments from the benefit district, which will offset the costs of the stormwater project.

In 2008, the governing body continued to invest in infrastructure improvements throughout the city. Construction designs were completed to add sidewalks to Rosewood Drive, Sycamore Drive, and Roeland Drive. Stormwater Project RC12-012 was awarded, which will add approximately \$6 million to the City's capital asset improvements. The City of Roeland Park takes pride in the quality of the streets within its jurisdiction and budgets for street maintenance projects yearly to maintain the street surface quality.



Community Survey 2008

The City contracted with ETC, Institute, to administer a community survey to assess citizen satisfaction with the delivery of major city services and to help determine ongoing priorities for the community.

The City gained benchmarking data which can be used to understand how its' results compare to similar communities. Information was obtained in 30 areas of service delivery and compared to the metro area and nationally.



Roeland Park ranked as "Metro Leader" in four areas:

- Visibility of police in neighborhoods
- Snow removal on major City streets
- Maintenance of City Streets
- Maintenance of sidewalks

Residents ranked their overall satisfaction with city services above average for national benchmarks in the following areas:

- Quality of customer service from employees
- Effectiveness of City communication
- Quality of stormwater runoff/management
- Flow of traffic and congestion management

Residents rate the City of Roeland Park above average for national benchmarks in the following areas:

- Value received for your tax dollar
- Quality of life in the City

Services that residents believe should receive the most emphasis from the City. The three services that residents thought were the most important for the City to emphasize over the next two years were: (1) the maintenance of City buildings and facilities, (2) the quality of parks and recreation programs and facilities, and (3) the management of traffic flow and congestion.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Roeland Park for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2007. This was the Fourteenth consecutive year that the city government has received this prestigious award. In order to be awarded a Certificate of Achievement, the city government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance and administration department. I wish to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the city administrator, mayor and the governing body for their constant support for maintaining the highest standards of professionalism in the management of the City of Roeland Parks' finances.

Respectfully Submitted,


Debra L. Mootz
City Clerk/Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Roeland Park
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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.



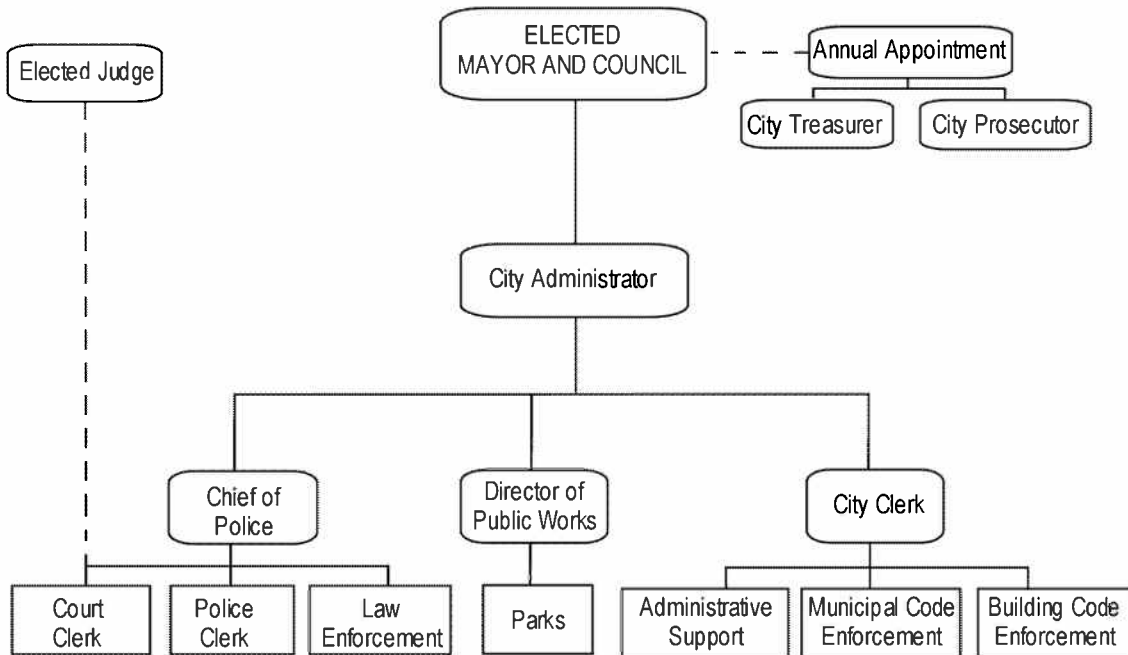


President


Executive Director

ORGANIZATIONAL CHART

City of Roeland Park



City of Roeland Park

STEVE PETREHN, MAYOR

CITY COUNCIL:

Toni HullWard 1
Debbi SchraederWard 1
Scott GregoryWard 2
Robert Meyers.....Ward 2
Megan EnglandWard 3
Mark KohlesWard 3
Bill Art.....Ward 4
Adrienne Foster.....Ward 4

City Administrator John E. Carter
City Clerk/Director of Finance Debra L. Mootz
City Treasurer..... Josh Zaroor
City Attorney.....Neil R. Shortlidge, Esq.
Municipal Court Judge.....Michelle DeCicco
Police Chief Rex Taylor
Public Works Director Patrick R. Mundis

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS McGladrey & Pullen, LLP

FINANCIAL SECTION

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Roeland Park, Kansas as of and for the year ended December 31, 2008, 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 Roeland Park, Kansas' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the City of Roeland Park, Kansas as of December 31, 2008, and the respective changes in financial position, where applicable, thereof 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 May 12, 2009, on our consideration of the City of Roeland 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 of 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 read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3 through 9, and budgetary comparison information on pages 40 through 45 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Roeland 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 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The accompanying introductory, statistical sections and other supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Kansas City, Missouri
May 12, 2009

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2008

We offer those interested in the City of Roeland Park's financial statements this narrative overview and analysis of the financial activities of the City of Roeland Park for the fiscal year ended December 31, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the City of Roeland Park exceeded its liabilities as of December 31, 2008 by \$2,840,140 (net assets). The liabilities of the City of Roeland Park exceeded its assets as of December 31, 2007 by \$609,756 (net assets).
- The government's total net assets increased by \$2,230,384 and \$2,930,360 for 2008 and 2007, respectively. The increase in total net assets during fiscal year 2008 was primarily due to an increase in City infrastructure. Street projects to improve City infrastructure were continued during 2008.
- The City of Roeland Park's governmental funds reported combined ending fund balances (deficit) of \$3,964,048 and (\$389,291) as of December 31, 2008 and 2007, respectively. For fiscal years 2008 and 2007, (\$6,163,469) and (\$2,749,243) respectively, is unreserved fund balance.
- At the end of the current fiscal year, unreserved undesignated fund balance for the General Fund was \$728,708, or 17 percent of total General Fund expenditures compared to the 2007 balance of \$926,376, or 22 percent of total General Fund expenditures.
- The City of Roeland Park's total debt, excluding compensated absences, increased by \$415,481 (2 percent) during fiscal year ended December 31, 2008. The City of Roeland Park's total debt, excluding compensated absences, decreased by \$1,566,655 (6 percent) during fiscal year ended December 31, 2007. The majority of the increase was due to debt issued during the year and scheduled principal payments on the debt.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Roeland Park's basic financial statements. The City of Roeland Park's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide a broad overview of the City of Roeland Park's finances in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City of Roeland Park's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Roeland Park is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2008

The government-wide financial statements reflect functions of the City of Roeland Park that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the City of Roeland Park include public safety, highways and streets, culture and recreation, employee benefits and general government.

The government-wide financial statements include the City of Roeland Park itself (known as the primary government). The financial statements also include the Public Building Commission and the Roeland Park City Hall Property Owners Association, the component units of the City of Roeland Park. The component units, although legally separate entities, are included in the City's reporting entity as blended component units because of their significant operational or financial relationship with the City.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Roeland Park, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Roeland Park are governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Roeland Park maintains 26 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Bella Roe/Walmart Fund, TDD #1 – Price Chopper Fund, TDD #2 – Lowe's Fund, Debt Service Fund, RC 12-13 Stormwater/Street Project Fund, RC 12-12 Stormwater/Street Project Fund all of which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Notes to basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. The City's budgetary comparison schedules are presented as required supplementary information immediately following the notes to the basic financial statements. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2008

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's total net assets have increased from a year ago. The following table reflects total net assets for 2008 of \$2,840,140 and 2007 of \$609,756, which represents an increase of \$2,230,384 from 2007.

City of Roeland Park's Net Assets			
	Governmental Activities 2008	Governmental Activities 2007	Change
Current and other assets	\$ 13,562,516	\$ 11,439,026	\$ 2,123,490
Capital assets	16,486,416	15,916,377	570,039
Total assets	30,048,932	27,355,403	2,693,529
Noncurrent liabilities	17,398,489	21,429,077	(4,030,588)
Other liabilities	9,810,303	5,316,570	4,493,733
Total liabilities	27,208,792	26,745,647	463,145
Net assets:			
Invested in capital assets, net of related debt	8,659,121	6,684,065	1,975,056
Restricted	3,362,134	3,481,896	(119,762)
Unrestricted	(9,181,115)	(9,556,205)	375,090
Total net assets	\$ 2,840,140	\$ 609,756	\$ 2,230,384

The City of Roeland Park's restricted net assets (\$3,362,134 and \$3,481,896 for fiscal years 2008 and 2007, respectively) represent resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted net assets (\$9,181,115) and (\$9,556,205) for 2008 and 2007, respectively.

At the end of the current fiscal year, the City of Roeland Park is able to report positive balances in two of the three categories of net assets for the government as a whole. The City's investment in capital assets is net of any debt used to acquire capital assets, less any unspent debt proceeds. Retroactive reporting of infrastructure assets is not required to be reported by the City of Roeland Park; however, the net assets category invested in capital assets is reduced by debt funding used to purchase prior year's infrastructure.

Prior to the 2007 fiscal year, the City's total net assets were in a deficit position primarily due to the issuance of transportation development district (TDD) debt, whereas the proceeds from the debt issuances were for development projects which were not capitalized by the City since the assets are not owned by the City. The City expects this deficit to reverse in future fiscal years, as the City makes payments on the TDD debt with proceeds generated from sales tax collected within the TDD districts. At the end of the current fiscal year, the City was able to report a positive total net asset balance.

Net assets may serve over time as one useful indicator of a government's financial condition. The City's net assets increased by \$2,230,384, or 365 percent, for the fiscal year December 31, 2008.

Current and Other Assets – Cash increased due to special assessment collections for the RC12-013 Stormwater Project. Additionally, cash increased in the amount of approximately \$4.7 from the issuance of a temporary note which is being utilized to finance capital improvement projects in 2008 and 2009.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2008

Capital asset increases are a result of capital project construction by the City during the year.

Other liabilities decreased because temporary note borrowing was less than the prior year.

Long-term debt increased in 2008 as capital improvement projects were completed and bonded. More information on this can be found in Note 4.

Invested in capital assts, net of related debt represents the City's investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment) less any related debt still outstanding that was issued to acquire those items. Capital assts include all assets, still in use, acquired from 1952 through December 31, 2008.

Restricted net assets total \$3,362,134 and represent assets with constraints placed on their use by either external groups such as creditors, grantors, contributors, laws or regulations of other governments, or law through constitutional provisions or enabling legislation. Unrestricted net assets, of \$9,181,115, consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The changes in net assets are highlighted in the following table, which shows the City's revenues and expenses for the fiscal year. These two main components are subtracted to yield the change in net assets.

Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for sales and services, operating grants and contributions, and capital grants and contributions. General revenue includes taxes, investment income and other unrestricted revenue sources.

A summary of the City's changes in net assets follows:

City of Roeland Park's Changes in Net Assets			
	Governmental Activities 2008	Governmental Activities 2007	Change
Revenues:			
Program revenues:			
Charges for services	\$ 1,194,221	\$ 622,510	\$ 571,711
Operating grants and contributions	893,035	1,134,609	(241,574)
Capital grants and contributions	262,237	1,081,185	(818,948)
General revenues:			
Property taxes	1,217,707	1,193,601	24,106
Sales and use taxes	4,040,997	3,931,194	109,803
County jail tax	141,087	150,285	(9,198)
Franchise taxes	486,913	471,427	15,486
Investment earnings	178,114	439,638	(261,524)
Miscellaneous	402,970	466,892	(63,922)
Total revenues	8,817,281	9,491,341	(674,060)
Expenses:			
General government	2,145,402	2,452,942	(307,540)
Highways and streets	1,498,495	1,282,612	215,883
Public safety	1,670,306	1,583,568	86,738
Culture and recreation	172,434	157,134	15,300
Interest on long-term debt	1,100,260	1,084,725	15,535
Total expenses	6,586,897	6,560,981	25,916
Increase in net assets	2,230,384	2,930,360	(699,976)
Net assets, beginning	609,756	(2,320,604)	2,930,360
Net assets, ending	\$ 2,840,140	\$ 609,756	\$ 2,230,384

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2008

Total governmental activities revenue was \$8,817,281 and \$9,491,341 in fiscal years 2008 and 2007, respectively.

Certain revenues are generated that are specific to governmental program activities. These totaled \$2,349,493 and \$2,838,304 in 2008 and 2007, respectively. The graphs in Tables 3 and 4 of the other supplementary information as listed in the table of contents, show the composition of the fiscal year's governmental activities revenue as expenses.

Total governmental activities expenses were \$6,586,897 and \$6,560,981 in fiscal years 2008 and 2007, respectively.

Financial Analysis of the Governmental Funds

As noted earlier, the City of Roeland Park uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Roeland Park's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City of Roeland Park's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Roeland Park's governmental funds reported combined ending fund balances (deficits) of \$3,964,048, an increase of \$4,353,339 in comparison with the prior year. Fund balance is reserved to indicate that it is not available for new spending because it has already been committed to pay construction \$204, debt service \$907,165, bond reserves \$1,284,739, special law \$12,348 and encumbrances of \$5,964,278.

The General Fund is the chief operating fund of the City of Roeland Park. At the end of the current fiscal year, unreserved, undesignated fund balance of the General Fund was \$728,708, while total fund balance was \$980,429. This is less than the 2007 unreserved, undesignated fund balance of \$926,376 and the total 2007 General Fund balance of \$1,220,066. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved, undesignated fund balance and total fund balance to total fund expenditures. Unreserved undesignated fund balance represents 17 percent of total General Fund expenditures, while total fund balance represents 23 percent of that same amount. Unreserved undesignated fund balance represented 22 percent of total General Fund expenditures for 2007, while total fund balance represents 29 percent of that same amount.

The fund balance of the City of Roeland Park's General Fund decreased by \$239,637 during fiscal year 2008 and \$115,723 during fiscal year 2007. The decrease is due primarily to the fact that tax revenues had decreased, while expenditures continue to increase. Total expenditures in the general fund increased \$25,916 or 0.40 percent, while revenues decreased \$674,060 or 7.10 percent. The major source of the decrease in revenue was due to reduced grants and investment earnings.

The Bella Roe/Walmart Fund had an ending fund balance of \$1,001,881. The net increase in fund balance was \$282,613 for the year. The TDD #1 Price Chopper Fund and the TDD #2 Lowe's Fund had ending fund balances of \$572,465 and \$170,524, respectively. The RC 12-13 Stormwater/Street Project Fund and the RC 12-12 Stormwater/Street Project Fund had an ending fund balance of \$0 and \$212,379, respectively.

The Debt Service Fund had a total fund balance of \$145,442, all of which is reserved for the payment of debt service (i.e., payment of general obligation principal and interest). The net increase in fund balance during the current year in the Debt Service Fund was \$140,498.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2008

General Fund Budgetary Highlights

The legally adopted budget for the General Fund was not amended by the Governing Body in 2008. On a budgetary basis, which can be found in the required supplementary information on page 40, expenditures were greater than revenues and other sources, which resulted in a decrease in fund balance by \$239,637. Actual revenues were \$183,881 less than budgeted revenues. The General Fund experienced a decrease in intergovernmental and investment earnings, however, licenses and permits, and fines and forfeitures revenue increased.

General Fund expenditures were lower than the final budget by approximately \$1 million. However, \$962,500 of this unspent budget was the General Fund Reserve.

Several of the revenue and expense categories fluctuated between 2008 and 2007. Highlights include the following:

Revenues:

- Charges for services in 2008 were \$1,194,221 compared to \$622,510 in 2007. In 2008, the increase of \$621,446 was for special assessment to build stormwater improvements.
- Capital grants and contributions decreased by \$818,948 due to exhausting a federal grant for stormwater improvements.
- Property taxes increased due to an increase in assessed valuation from 2007.
- Sales and use tax revenue increased from \$3.9 million in 2007 to \$4 million in 2008 an increase of 3 percent over 2007. The sales tax can be attributed to the selection of local retailers.
- Investment earnings decreased due to poor economic conditions.

Expenditures:

- General government expenditures budget includes a reserve of \$962,500. Any unbudgeted general expenditures are typically paid out of this reserve.
- Employee benefits continue to increase due to rising health insurance costs and mandatory contributions to retirement programs.

Capital Asset and Debt Administration

Capital assets. The City of Roeland Park's investment in capital assets for its governmental activities as of December 31, 2008 and 2007, respectively, was \$16,486,416 and \$15,916,377 (net of accumulated depreciation). This investment in capital assets includes land, construction-in-progress, buildings, improvements and infrastructure and machinery and equipment. The total increase in the City of Roeland Park's investment in capital assets for the current fiscal year was 4 percent.

City of Roeland Park's Capital Assets

	Governmental Activities	
	2008	2007
Land	\$ 1,898,271	\$ 1,736,673
Construction-in-progress	1,120,974	859,277
Buildings	4,399,473	4,399,473
Improvements other than buildings and infrastructure	11,661,732	10,764,182
Machinery and equipment	1,245,745	1,230,069
Accumulated depreciation	(3,839,779)	(3,073,297)
Total	\$ 16,486,416	\$ 15,916,377

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2008

Additional information on the City of Roeland Park's capital assets can be found in Note 3 of this report.

Long-term debt. At the end of the current fiscal year, the City of Roeland Park had total bonded debt outstanding of \$23,515,994. Of this amount, \$5,065,000 comprises debt backed by the full faith and credit of the government. The remainder of the City of Roeland Park's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds) and temporary notes of \$18,450,994.

City of Roeland Park's Outstanding Debt General Obligation and Revenue Bonds

	Governmental Activities	
	2008	2007
Temporary notes	\$ 5,085,000	\$ 7,890,000
General obligation bonds	5,065,000	1,175,000
Special obligation tax increment revenue bonds	5,080,732	5,278,145
Revenue bonds	85,000	170,000
Transportation development district sales tax revenue bonds	5,770,000	5,920,000
Certificate of participation	650,000	700,000
Capital leases	1,780,262	1,967,368
Total	\$ 23,515,994	\$ 23,100,513

The City of Roeland Park's total debt increased by \$415,481 (2 percent) during the current fiscal year. The majority of the increase was due to debt issued during the year and scheduled principal payments on the debt.

Additional information on the City of Roeland Park's long-term debt can be found in Note 4 of this report.

Economic Factors and Next Year's Budgets and Rates

- Economic conditions are mix in Roeland Park. Real estate taxes have decreased for the first time in 10 years with assessed valuations decreasing by 3.5 percent. However, the City sales and use tax collections have been increasing by 2.5 percent during the same time period.

All of these factors were considered in preparing the City of Roeland Park's budget for fiscal year 2009.

Requests for Information

This financial report is designed to provide a general overview of the City of Roeland Park's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Debra L. Mootz, City Clerk, City of Roeland Park, 4600 West 51st Street, Roeland Park, Kansas 66205.

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BASIC FINANCIAL STATEMENT

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City of Roeland Park, Kansas

Statement of Net Assets
December 31, 2008

	Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents	\$ 7,024,722
Receivables:	
Taxes	3,142,416
Special assessments	742,996
Intergovernmental	118,608
Other	169,139
Other assets	27,151
Restricted assets, pooled cash	1,828,243
Total current assets	13,053,275
Noncurrent assets:	
Bond issuance costs, net	408,455
Bond discount, net	100,786
Capital assets:	
Nondepreciable:	
Land	1,898,271
Construction-in-progress	1,120,974
Depreciable:	
Buildings	4,399,473
Improvements other than buildings and infrastructure	11,661,732
Machinery and equipment	1,245,745
Accumulated depreciation	(3,839,779)
Total noncurrent assets	16,995,657
Total assets	\$ 30,048,932

See Notes to Basic Financial Statements.

	Governmental Activities
Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 582,254
Temporary notes	5,085,000
Interest payable	268,918
Unearned revenue	2,725,696
Compensated absences	110,372
Capital lease obligations	151,129
Revenue bonds	85,000
Tax increment revenue bonds	201,376
General obligation bonds	435,000
Transportation development district sales tax revenue bonds	160,000
Premium on bonds, net	5,558
Total current liabilities	9,810,303
Noncurrent liabilities:	
Certificates of participation	650,000
Capital lease obligations	1,629,133
Tax increment revenue bonds	4,879,356
Transportation development district sales tax revenue bonds	5,610,000
General obligation bonds	4,630,000
Total noncurrent liabilities	17,398,489
Total liabilities	27,208,792
Net Assets	
Invested in capital assets, net of related debt	8,659,121
Restricted for:	
Bond reserve	239,373
Debt service	145,442
Recreational purposes	35,825
Streets and highways	935,071
Tax increment financing districts	1,251,086
Transportation development districts	742,989
Special law	12,348
Unrestricted	(9,181,115)
Total net assets	2,840,140
Total liabilities and net assets	\$ 30,048,932

City of Roeland Park, Kansas

Statement of Activities
Year Ended December 31, 2008

Functions/Programs	Program Revenues				Net (Expense)
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
Primary Government					
Governmental activities:					
General government	\$ 2,145,402	\$ 241,575	\$ -	\$ -	\$ (1,903,827)
Highways and streets	1,498,495	621,446	893,035	262,237	278,223
Public safety	1,670,306	328,304	-	-	(1,342,002)
Culture and recreation	172,434	2,896	-	-	(169,538)
Interest on long-term debt	1,100,260	-	-	-	(1,100,260)
Total governmental activities	\$ 6,586,897	\$ 1,194,221	\$ 893,035	\$ 262,237	(4,237,404)
General Revenues					
Taxes:					
Property taxes					1,217,707
Sales and use taxes					4,040,997
County jail tax					141,087
Franchise taxes					486,913
Investment earnings					178,114
Miscellaneous					402,970
Total general revenues					6,467,788
Changes in net assets					2,230,384
Net assets beginning of year					609,756
Net assets end of year					\$ 2,840,140

See Notes to Basic Financial Statements.

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City Of Roeland Park, Kansas

Balance Sheet
Governmental Funds
December 31, 2008

	General Fund	Bella Roe/Walmart Fund	TDD #1 - Price Chopper Fund
Assets			
Pooled cash	\$ 916,315	\$ 16,944	\$ 45,792
Receivables:			
Taxes	1,520,723	707,441	-
Special assessments	-	-	-
Intergovernmental	-	-	58,024
Other	42,267	7,023	-
Due from other funds	-	5,000	-
Other assets	-	-	-
Restricted assets, cash	239,373	972,914	468,649
Total assets	\$ 2,718,678	\$ 1,709,322	\$ 572,465
Liabilities and Fund Balances (Deficits)			
Liabilities:			
Accounts payable and accrued liabilities	\$ 373,122	\$ -	\$ -
Temporary notes	-	-	-
Due to other funds	-	-	-
Deferred revenue	1,365,127	707,441	-
Total liabilities	1,738,249	707,441	-
Fund balances (deficits):			
Fund balances:			
Reserved for:			
Construction	-	-	178
Debt service	-	523,414	10,535
Bond reserve	239,373	449,500	457,936
Special law	12,348	-	-
Encumbrances	-	-	-
Unreserved:			
Designated for, contingency reported in special revenue funds	-	-	-
Undesignated reported in:			
General Fund	728,708	-	-
Special revenue funds	-	28,967	103,816
Capital projects funds	-	-	-
Total fund balances (deficits)	980,429	1,001,881	572,465
Total liabilities and fund balances (deficits)	\$ 2,718,678	\$ 1,709,322	\$ 572,465

See Notes to Basic Financial Statements.

TDD #2 - Lowe's Fund	Debt Service Fund	RC 12-12 Stormwater/Street Project Fund	Nonmajor Governmental Funds	Total
\$ 17,802	\$ 145,442	\$ 4,267,801	\$ 1,614,626	\$ 7,024,722
14,762	166,654	-	732,836	3,142,416
-	742,996	-	-	742,996
-	-	-	60,584	118,608
-	-	8,160	111,689	169,139
-	-	-	-	5,000
-	-	21,605	5,546	27,151
137,960	-	-	9,347	1,828,243
<u>\$ 170,524</u>	<u>\$ 1,055,092</u>	<u>\$ 4,297,566</u>	<u>\$ 2,534,628</u>	<u>\$ 13,058,275</u>
\$ -	\$ -	\$ 38,758	\$ 170,374	\$ 582,254
-	-	4,046,429	1,038,571	5,085,000
-	-	-	5,000	5,000
-	909,650	-	439,755	3,421,973
-	909,650	4,085,187	1,653,700	9,094,227
26	-	-	-	204
4	145,442	-	227,770	907,165
137,930	-	-	-	1,284,739
-	-	-	-	12,348
-	-	5,776,334	187,944	5,964,278
-	-	-	30,000	30,000
-	-	-	-	728,708
32,564	-	-	1,034,728	1,200,075
-	-	(5,563,955)	(599,514)	(6,163,469)
<u>170,524</u>	<u>145,442</u>	<u>212,379</u>	<u>880,928</u>	<u>3,964,048</u>
<u>\$ 170,524</u>	<u>\$ 1,055,092</u>	<u>\$ 4,297,566</u>	<u>\$ 2,534,628</u>	<u>\$ 13,058,275</u>

City of Roeland Park, Kansas

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets
December 31, 2008

Total governmental fund balances	\$	3,964,048
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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 funds:

Capital assets	20,326,195
Accumulated depreciation	(3,839,779)

Other long-term assets are not available to pay for current period expenditures
and, therefore, are deferred in the funds, deferred revenues

696,277

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

Compensated absences, current	\$	(110,372)	
Interest payable		(268,918)	
Premium on bonds, net		(5,558)	
Discount on bonds, net		100,786	
Bond issuance costs, net		408,455	
General obligation bonds, current		(435,000)	
General obligation bonds, noncurrent		(4,630,000)	
Tax increment revenue bonds, current		(201,376)	
Tax increment revenue bonds, noncurrent		(4,879,356)	
Transportation development district sales tax revenue bonds, current		(160,000)	
Transportation development district sales tax revenue bonds, noncurrent		(5,610,000)	
Certificates of participation		(650,000)	
Revenue bonds, current		(85,000)	
Capital lease obligations, current		(151,129)	
Capital lease obligations, noncurrent		(1,629,133)	(18,306,601)
Net assets of governmental activities			<u><u>\$ 2,840,140</u></u>

See Notes to Basic Financial Statements.

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City of Roeland Park, Kansas

Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Governmental Funds
Year Ended December 31, 2008

	General Fund	Tax Increment Fund	TDD #1 - Price Chopper Fund
Revenues:			
Taxes	\$ 1,509,145	\$ 717,969	\$ 322,395
Special assessments	150	-	-
Intergovernmental	966,800	-	-
Licenses and permits	147,990	-	-
Fines and forfeitures	326,038	-	-
Interest	64,820	26,210	10,995
Other	470,842	-	-
Total revenues	3,485,785	744,179	333,390
Expenditures:			
Current:			
General government	1,689,660	118,796	7,404
Highways and streets	428,197	-	-
Public safety	1,193,771	-	-
Culture and recreation	-	-	-
Employee benefits	697,081	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	145,727	105,300	105,000
Interest and fiscal charges	132,635	237,470	235,188
Bond issuance costs	-	-	-
Total expenditures	4,287,071	461,566	347,592
Revenues over (under) expenditures	(801,286)	282,613	(14,202)
Other financing sources (uses):			
Issuance of long-term debt	-	-	-
Proceeds from sale of capital assets	649	-	-
Transfers in	641,000	-	-
Transfers out	(80,000)	-	-
Total other financing sources (uses)	561,649	-	-
Changes in fund balances	(239,637)	282,613	(14,202)
Fund balances (deficits), beginning of year	1,220,066	719,268	586,667
Fund balances (deficits), end of year	\$ 980,429	\$ 1,001,881	\$ 572,465

See Notes to Basic Financial Statements.

TDD #2 - Lowe's Fund	Debt Service Fund	RC 12-13 Stormwater/Street Project Fund	RC 12-12 Stormwater/Street Project Fund	Nonmajor Governmental Funds	Total
\$ 98,186	\$ 229,008	\$ -	\$ -	\$ 2,195,909	\$ 5,072,612
-	56,759	-	-	-	56,909
-	-	390,433	83,993	466,449	1,907,675
-	-	-	-	-	147,990
-	-	-	-	-	326,038
4,461	3,253	15,248	34,591	18,536	178,114
-	-	-	-	30,075	500,917
102,647	289,020	405,681	118,584	2,710,969	8,190,255
2,000	3,744	-	-	122,097	1,943,701
-	-	-	-	607,777	1,035,974
-	-	-	-	-	1,193,771
-	-	-	-	87,800	87,800
-	-	-	-	-	697,081
-	-	103,069	267,310	702,479	1,072,858
45,000	107,228	-	-	456,264	964,519
93,744	40,987	34,645	61,400	143,640	979,709
-	28,000	10,771	-	8,381	47,152
140,744	179,959	148,485	328,710	2,128,438	8,022,565
(38,097)	109,061	257,196	(210,126)	582,531	167,690
-	-	2,353,610	-	1,831,390	4,185,000
-	-	-	-	-	649
-	31,437	-	750,000	172,289	1,594,726
-	-	(17,225)	-	(1,497,501)	(1,594,726)
-	31,437	2,336,385	750,000	506,178	4,185,649
(38,097)	140,498	2,593,581	539,874	1,088,709	4,353,339
208,621	4,944	(2,593,581)	(327,495)	(207,781)	(389,291)
\$ 170,524	\$ 145,442	\$ -	\$ 212,379	\$ 880,928	\$ 3,964,048

City of Roeland Park, Kansas

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended December 31, 2008**

Net change in fund balances - governmental funds	\$	4,353,339
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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. The following is the detail of the amount by which capital outlays exceeded depreciation in the current year:

Capital outlay		1,336,521
Depreciation:		
General government	\$ (40,323)	
Public safety	(26,484)	
Culture and recreation	(84,634)	
Highways and streets	<u>(615,041)</u>	(766,482)

Revenues in the statement of activities that do not provide current financial resources are not reported in the funds	626,377
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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, change in compensated absences	(25,491)
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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:

Issuance of long-term debt	(4,185,000)	
Principal payments on long-term debt	964,519	
Bond issuance costs	47,152	
Amortization of issuance costs, bond premium and bond discounts	(29,202)	
Change in accrued interest	<u>(91,349)</u>	(3,293,880)
Change in net assets of governmental activities	<u><u>\$</u></u>	<u><u>2,230,384</u></u>

See Notes to Basic Financial Statements.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies

Nature of operations:

The City of Roeland Park, Kansas (the City) is a second-class city with a mayor-council form of government and a City Administrator. The City was incorporated in 1951 and covers an area of approximately 1.64 square miles in Johnson County, Kansas. The City has approximately 7,000 residents. The City's organization consists of the general governmental departments of Administration, Police, Public Works and Recreation.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America applicable to local governments. The following represent the more significant accounting and reporting policies and practices of the City.

Reporting entity:

Accounting principles generally accepted in the United States of America require the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

As required, the accompanying basic financial statements present the City and its component units for which the City is considered to be financially accountable. Financial accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships).

Component units' year-ends are December 31 and are reported in the City's basic financial statements as follows:

Blended component units are the Public Building Commission (PBC) of Roeland Park and the Roeland Park City Hall Property Owners Association (the Association), both of which are governed by the same governing body as the City. Although they are legally separate from the City, the PBC and the Association are reported as if they were part of the primary government as blended component units. The PBC's sole function is to finance through issuance of bonds the construction, equipping and furnishing of a building or buildings or other facilities of a revenue-producing character, including parking facilities. The Association's primary function is to act as an agent for the unit owners within City Hall. The Association administers various functions within City Hall, establishes the means and methods of collecting assessments and charges and arranges for the management of City Hall. The activities of the PBC and Association are included in the accompanying basic financial activities as part of the Special Revenue Funds. Complete financial statements of the individual component units can be obtained from the Finance Department at City Hall:

City of Roeland Park
Finance Department
4600 West 51st Street
Roeland Park, Kansas 66205

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Basis of presentation:

Government-wide and fund financial statements: The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the City. For the most part, the effect of interfund activity has been removed from these statements. 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 City does not have business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. The focus of fund financial statements is on major funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

Fund accounting: The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, reserves, fund balance/net assets, revenues and expenditures or expenses, as appropriate. The City has the following funds:

Governmental fund types: Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's major governmental funds:

General: The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Bella Roe/Walmart: A special revenue fund created to account for monies received to retire tax increment bonds included in the \$750,000 Main Trafficway Improvement Bond Issue, Series 1993A, dated March 1, 1993.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

TDD #1 – Price Chopper: A special revenue fund created to establish transportation development districts ("transportation districts") to acquire interests in property and to construct any project or undertaking relating thereto to improve any bridge, street, road, highway access road, interchange, intersection, signing, signalization, parking lot, bus stop, station, garage, terminal, hangar, shelter, rest area, dock, wharf, lake or river port, airport, railroad, light rail or other mass transit facility and any similar or related project or infrastructure (collectively, "transportation projects"); and the Act further authorizes said governing body, in order to pay the costs of such transportation projects, to impose a transportation district sales tax on the selling of tangible personal property at retail or rendering or furnishing services within transportation districts in any increment of .10 percent or .25 percent not to exceed 1.0 percent and/or the levy of special assessments upon property within such transportation districts, and to issue revenue bonds payable from such sales taxes and/or special assessments. The District covers all of Lots 1, 3, 4, 5 and 6 and Tract "A", Roeland Park Shopping Center, a subdivision of land in Roeland Park, Kansas.

TDD #2 – Lowe's: A special revenue fund created to establish transportation development districts ("transportation districts") within such jurisdiction, to acquire interests in property and to construct any project or undertaking relating thereto to improve any bridge, street, road, highway access road, interchange, intersection, signing, signalization, parking lot, bus stop, station, garage, terminal, hangar, shelter, rest area, dock, wharf, lake or river port, airport, railroad, light rail or other mass transit facility and any similar or related project or infrastructure (collectively, "transportation projects"); and the Act further authorizes said governing body, in order to pay the costs of such transportation projects, to impose a transportation district sales tax on the selling of tangible personal property at retail or rendering or furnishing services within transportation districts in any increment of .10 percent or .25 percent not to exceed 1.0 percent and/or the levy of special assessments upon property within such transportation districts, and to issue revenue bonds payable from such sales taxes and/or special assessments. The District covers all of Lot 2, Roeland Park Shopping Center, a subdivision of land in Roeland Park, Kansas.

Debt Service: A debt service fund used to account for the servicing of the general long-term debt of the City.

RC 12-13 Stormwater/Street Project: A capital projects fund created to construct a stormwater conveyance system in the City comprised of new inlets and pipes, improvements to the drainage of 52nd Terrace by curbing, guttering and repaving, and other related improvements. The improvements will be generally located between Sycamore Drive on the north and 55th Street on the south and between Roe Avenue on the west and Buena Vista Drive on the east.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

RC 12-12 Stormwater/Street Project: A capital projects fund created to pay the costs of improvements to portions of the storm drainage system of the City. In an area generally bounded by the following streets: on the north by 47th Street, on the east by Reinhardt Street, on the south by 53rd Street (including a portion of the work extending south and east of the intersection of 53rd and Reinhardt Streets into the City of Fairway, Kansas ("Fairway"), which is necessary to connect the City's improvements to the storm drainage system of Fairway) and on the west by Parish Drive, all as contemplated by RC 12-12.

The TDD #1 – Price Chopper Fund and the TDD #2 – Lowe's Fund, special revenue funds, and the RC 12-13 Stormwater/Street Project Fund, a capital projects fund, are presented as major funds for public interest purposes.

The other governmental funds of the City are considered nonmajor and are as follows:

Special Revenue Funds: Are used to account for the proceeds of specific revenue sources (other than certain capital projects that are legally restricted to expenditures for specific projects).

Special Highway: Established to account for monies sent quarterly from the State Treasurer's office which are the Special City and County Highway Funds distributed and computed in compliance with K.S.A. 79-3425CC.

McDonald's/Granada Park/City Hall: Established to account for the issuance of temporary notes used to pay costs and acquisition and development of real estate for use as a public park. Tax increment bonds were issued in 1996 to retire the temporary note issue and provide monies to make improvements to the real estate acquired. Monies received from the tax increment will be used to retire the tax increment bonds issued.

Street Improvement: Established to pay a portion of the costs of the improvement of Roe Avenue, Roe Lane, Venture Plaza, Venture Lane and 47th Street. Revenues generated in this fund come from an additional retailer's sales tax in the amount of one-half of one percent (.5 percent). Seventy-five percent (75 percent) of the monies raised from this addition (.5 percent) flow into this fund. This fund is referred to as the "27B Fund" of the City. Revenue raised and not required for the payment of the previously described costs shall be transferred to the General Fund of the City.

Community Center: Established to pay the cost of the acquisition, maintenance and utilization of the Skyline School. Revenues generated in this fund come from an additional retailer's sales tax in the amount of one-half of one percent (.5 percent). Twenty-five percent (25 percent) of the monies raised from this addition (.5 percent) flow into this fund. This fund is referred to as the "27C Fund" of the City. Revenue raised and not required for the payment of the previously described costs shall be transferred to the General Fund of the City.

Public Building Commission: Created to finance, through the issuance of bonds, the construction, equipping and furnishing of a building or buildings or other facilities of a revenue producing character, including parking facilities.

Valley State Bank: Created to account for monies received to retire special obligation tax increment revenue bonds Series 2000 dated February 1, 2000 in the amount of \$695,000.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Boulevard Apartments: Established to account for monies received to retire special obligation tax increment revenue bonds Series 1999 dated April 1, 2000 in the amount of \$553,525.

Old Pool Area: Created in order to segregate funds dedicated to the repayment of special obligation tax increment fund bonds issued to fund improvements within the project area.

Roeland Park City Hall Property Owners Association Fund: Created to administer various functions within City Hall and to establish the means and methods of collecting assessments and charges for the management of City Hall.

Special Street: Created for the purpose of paying for the repair, maintenance and improvement of streets, curbs and sidewalks located within the City. Revenues generated in this fund come from a retailer's sales tax of one-half of one percent (.5 percent). This fund is referred to as the "27A Fund" of the City.

Special Infrastructure: Established to pay the cost of public infrastructure projects including buildings. Revenues generated in this fund come from an additional City Retailers' Sales Tax in the amount of one-fourth of one percent (.25 percent) beginning on April 1, 2003, and ending on March 31, 2013. This fund is referred to as the "27D Fund" of the City.

Capital Projects Funds: Are used to account for all resources used in the acquisition and construction of capital facilities and other capital assets, with the exception of those that are financed through proprietary funds.

Equipment Reserve: A fund created to account for the scheduled replacement and construction of equipment and vehicles. Financing provided from assessments based upon a proportionate share of front footage.

Nall Avenue Project: A fund created to improve main trafficways, including the reconstruction of approximately 4,688 linear feet of roadway and the construction and reconstruction of sidewalks.

47th Street Countyline CARS Project: A fund created to improve main trafficways, including the reconstruction of 8,000 linear feet of curb and gutter, and 5,400 linear feet of roadway and the construction of approximately 5,000 linear feet of sidewalks.

Roeland Park Elementary School Project: A fund created to pay the cost of the acquisition and maintenance of the former Roeland Park Elementary School.

Elledge Drive CARS Project: A fund created to improve main trafficways, including the reconstruction of 1,300 linear feet of curb and gutter, and 2,900 linear feet of roadway and the installation of new sidewalk ramps.

RC 12-14 Stormwater Project: A fund created to pay the costs of improvements to portions of the storm drainage system of the City in an area generally bounded by the following streets: on the north by 49th Street, on the east by Roe Blvd., on the south by 55th Street, and on the west by the City limits.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Roe Boulevard Project: A fund created to improve main trafficways, including the reconstruction of 3,039 linear feet of curb and gutter, 26,671 linear feet of roadway, the installation of 3,640 linear feet of new sidewalk along the east side of Roe Blvd. and the installation of new sidewalk ramps.

Roe Lane CARS Project: A fund created to improve main traffic ways, including the reconstruction of 1,600 linear feet of curb and gutter, 3,700 linear feet of roadway and the installation of new sidewalk ramps.

Measurement focus and basis of accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both 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 generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Charges for sales and services and miscellaneous revenues are generally recorded as revenue when received in cash, because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Property taxes are recognized as a receivable at the time they become an enforceable legal claim. The current taxes receivable represent the 2008 levy plus any uncollected amounts from the 2007 levy. Property taxes that are not available for current year operations are shown as deferred revenue. Property taxes are levied each year on all taxable real and personal property in the City. The City's property tax is levied and a lien attached each November 1 on the assessed value as of the prior January 1. The first half is paid on or before December 20th and the second half paid on or before May 10th of the following year.

Taxes receivable represent property, sales and franchise taxes, including interest and penalties, reduced by an appropriate allowance for uncollectible taxes.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Summary of significant accounting policies:

The significant accounting policies followed by the City include the following:

Cash and investments: The City maintains a cash and investment pool to maximize investment opportunities. Income from investments purchased with pooled cash is allocated to individual funds based on the fund's average cash balance and legal requirements. Each fund's portion of total cash and investments is reported as such within this report. In addition, certain investments are separately held by several of the City's funds. Investments are reported at fair value. The City invests in external investment pools not SEC registered, the Kansas Municipal Investment Pool, which is administered by the Kansas Office of State Treasurer and the Federated Money Market Treasury Obligations Fund. The fair value of the position in the external investment pools is the same as the pool shares.

Accounts receivable: Results primarily from miscellaneous services provided to citizens in the governmental funds. All are net of an allowance for uncollectibles.

Capital assets: Including land, construction-in-progress, buildings, improvements, machinery and equipment and infrastructure are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or greater. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The City has not capitalized general governmental infrastructure assets purchased or constructed prior to January 1, 2003 as allowed by Governmental Accounting Standards Board Statement No. 34. Retroactive reporting of general governmental infrastructure assets is not required for the City of Roeland Park, Kansas.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Depreciation has been provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives for each capital asset type are as follows:

Buildings	20 - 50 years
Improvements other than buildings	20 years
Vehicles	3 - 15 years
Machinery and equipment	5 - 20 years
Infrastructure	65 years

The City's collection of works of art, library books and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to City policy that requires proceeds from the sale of these items to be used to acquire other collection items.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Deferred and unearned revenues: In the governmental funds, represent amounts due, which are measurable, but not available. Unearned revenue in the statement of net assets represents property tax levied for future fiscal years and receipts that the City has not met all eligibility requirements imposed by the provider.

Interfund transactions: Transactions, among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government, are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions, which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds' operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds." Those that are longer term in nature are reported as advances to/from other funds.

Compensated absences: Under terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation days up to the amount earned in one year. These benefits of the governmental funds that are considered matured or due are reported as an expenditure and a fund liability of the fund that will pay it. Employees are not paid for accumulated sick leave upon termination. The amount of accumulated unpaid vacation which is payable from available resources is recorded as a liability of the respective fund only if they have matured, for example, as a result of employee retirements and resignations.

Fund equity: Reservations of fund balance represent amounts that are not appropriated or are legally segregated for a specific purpose. Restrictions of net assets are limited to outside third-party restrictions. Designations of fund balance represents tentative management plans that are subject to change.

Net assets: Represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt, exclude unspent debt proceeds of \$4,742,739. Net assets are reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted through enabling legislation consist of \$239,373 for bond reserve, \$145,442 for debt service, \$35,825 for recreational purposes, \$935,071 for streets and highways, \$1,251,086 for tax increment financing districts, \$742,989 for transportation development districts and \$12,348 for special law.

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

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Bond discount, premium and issuance costs: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. 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.

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.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Cash and Investments

Authorized investments: Kansas state statutes authorize the City, with certain restrictions, to deposit or invest in open accounts, time deposits, certificates of deposit, repurchase agreements, United States treasury bill and notes and the State Treasurer's investment pool. Statutes also require that collateral pledged must have a fair market value equal to 100 percent of the deposits (less insured amounts) and investments, and must be assigned for the benefit of the City. The statutes provided for an exception for peak deposit periods during tax-paying time where, for a period of 60 days, the amount of required collateral could be reduced by one-half. The City maintains a pooled money market account that is available for use by all funds. Each fund type's portion of this pool is presented on the combined balance sheet as pooled cash. Interest income is credited to the Tax Increment Fund and Tax Increment Fund No. 2 (special revenue funds) per state statute. Interest is then credited to the General Fund based on the average balance of funds held for future claim liabilities. Remaining interest income is credited to the Debt Service Fund and capital projects funds based on the funds' average investment balance. The City has not adopted a formal investment policy that would further limit its investment choices.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2008, the City had \$239,373 invested in the Kansas Municipal Investment Pool. The Kansas Municipal Investment Pool is authorized under the 1992 Senate Bill 480 Section 1 and funds may be withdrawn at anytime. The average maturity of the Kansas Municipal Investment Pool as of December 31, 2008 is less than one year. As of December 31, 2008, the City also had \$1,370,537 invested in the Federated Money Market Treasury Obligations Fund in which funds may be withdrawn at any time. The average maturity of the Federated Money Market Treasury Obligations Fund as of December 31, 2008 is 30 days. The City also had \$449,500 invested in a Repurchase Agreement – Federal National Mortgage Association (FNMA), with a maturity date of May 15, 2011.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

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. The City has no investment policy that would limit its investment choices. As of December 31, 2008, the City's investment in the Kansas Municipal Investment Pool was rated AAAs/S1+ by Standard & Poor's and was not rated by Moody's Investor Services, the City's investment in Federated Money Market Treasury Obligations Fund was rated AAAs by Standard & Poor's and Aaa by Moody's Investor Services and the City's investment in the Repurchase Agreement – FNMA, was rated AAA by Standard & Poor's and Aaa by Moody's Investor Services.

Concentration of credit risk: The City places no limit on the amount the City may invest in any one issuer. As of December 31, 2008, the only investment subject to concentration credit risk is the repurchase agreement.

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. As of December 31, 2008, the City's bank balances of deposits with financial institutions of \$7,252,726 were not exposed to custodial credit risk. As of December 31, 2008, the City's investment in the Kansas Municipal Investment Pool and Federated Money Market Treasury Obligations Fund were not subject to custodial credit risk. The Repurchase Agreement – FNMA was not exposed to custodial credit risk.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 3. Capital Assets

The following is a summary of changes in capital assets for the year ended December 31, 2008:

	2007 Balance	Additions	Deletions	2008 Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 1,736,673	\$ 161,598	\$ -	\$ 1,898,271
Construction-in-progress	859,277	277,093	15,396	1,120,974
Total capital assets not being depreciated	2,595,950	438,691	15,396	3,019,245
Capital assets being depreciated:				
Buildings	4,399,473	-	-	4,399,473
Improvements other than buildings and infrastructure	10,764,182	897,550	-	11,661,732
Machinery and equipment	1,230,069	15,676	-	1,245,745
Total capital assets being depreciated	16,393,724	913,226	-	17,306,950
Less accumulated depreciation for:				
Buildings	1,299,099	94,430	-	1,393,529
Improvements other than buildings and infrastructure	677,524	599,227	-	1,276,751
Machinery and equipment	1,096,674	72,825	-	1,169,499
Total accumulated depreciation	3,073,297	766,482	-	3,839,779
Total capital assets being depreciated, net	13,320,427	146,744	-	13,467,171
Governmental activities capital assets, net	\$ 15,916,377	\$ 585,435	\$ 15,396	\$ 16,486,416

Depreciation expense was charged to governmental activities functions/programs as follows:

Governmental Activities:	
General government	\$ 40,323
Public safety	26,484
Culture and recreation	84,634
Highways and streets	615,041
Total depreciation expense, governmental activities	\$ 766,482

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Short-Term and Long-Term Debt

A summary of changes in short-term and long-term debt for the year ended December 31, 2008 follows:

Type of Issue	Balance December 31, 2007	Additions	Retirements	Balance December 31, 2008	Due Within One Year
Short-term debt, temporary notes	\$ 7,890,000	\$ 5,085,000	\$ 7,890,000	\$ 5,085,000	\$ 5,085,000
Long-term debt:					
General obligation bonds	1,175,000	4,185,000	295,000	5,065,000	435,000
Tax increment revenue bonds	5,278,145	-	197,413	5,080,732	201,376
Revenue bonds	170,000	-	85,000	85,000	85,000
Transportation development district sales tax revenue bonds	5,920,000	-	150,000	5,770,000	160,000
Certificates of participation	700,000	-	50,000	650,000	-
Capital leases	1,967,368	-	187,106	1,780,262	151,129
Compensated absences	84,881	110,372	84,881	110,372	110,372
Total long-term debt	15,295,394	4,295,372	1,049,400	18,541,366	1,142,877
Total short-term and long-term debt	\$ 23,185,394	\$ 9,380,372	\$ 8,939,400	\$ 23,626,366	\$ 6,227,877

Compensated absences are normally liquidated by the General Fund.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Short-Term and Long-Term Debt (Continued)

A detailed listing of the City's temporary notes and long-term debt outstanding as of December 31, 2008 follows:

Debt Issue	Date Issued	Original Amount	Interest Rate	Balance
Short-term debt, temporary notes, Series 2008A maturing December 1, 2009	8/15/08	\$ 5,085,000	2.25%	<u>\$ 5,085,000</u>
Long-term debt:				
General Obligations Bonds:				
Internal Improvement, Series 2003	3/1/03	1,625,000	2.00-3.25	\$ 705,000
Internal Improvement, Series 2004	1/1/04	2,060,000	2.00-4.00	175,000
Internal Improvement, Series 2008	8/15/08	4,185,000	3.15-4.30	4,185,000
				<u>\$ 5,065,000</u>
Special Obligation Tax Increment Revenue Bonds:				
Series 2000, Valley State Bank Project	2/1/00	695,000	7.00	\$ 490,050
Series 2000, The Boulevard Apartments Project	4/1/00	553,525	8.25	270,682
	5/31/02	39,362		
Series 2005, Roeland Park Redevelopment LLC Project	2/1/05	4,495,000	4.60-5.75	4,320,000
				<u>\$ 5,080,732</u>
Revenue Bonds:				
Public Building Lease Purchase Revenue Bonds, Series 1994A	4/1/94	950,000	4.90-5.75	<u>\$ 85,000</u>
Transportation Development District: Sales Tax Revenue Bonds, 2005	11/1/05	3,555,000	4.50-5.75	\$ 3,165,000
Sales Tax Revenue Bonds, 2006A	1/1/06	1,090,000	5.875	995,000
Sales Tax Revenue Bonds, 2006B	1/1/06	1,690,000	5.125 - 5.875	1,610,000
				<u>\$ 5,770,000</u>
Certificates of Participation, Series 2005A	9/1/05	700,000	4.25	<u>\$ 650,000</u>
Capital Lease Obligations:				
Police car	4/25/07	48,162	6.16	\$ 13,892
Pool	9/1/01	2,673,908	5.10-5.30	1,766,370
				<u>\$ 1,780,262</u>

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Short-Term and Long-Term Debt (Continued)

During 2008, the City issued a series of temporary notes in the amount of \$5,085,000 with a maturity of December 1, 2009 for the purpose of providing interim financing for the construction of various public improvement projects known as the RC 12-12 Stormwater/Street Project, the RC 12-14 Stormwater Project and the Roe Lane CARS project.

Annual debt service requirements for temporary notes to be paid with tax levies are:

Year	Principal	Interest	Total
2009	\$ 5,085,000	\$ 114,413	\$ 5,199,413

Annual debt service requirements for general obligation bonds to be paid with tax levies are:

Year	Principal	Interest	Total
2009	\$ 435,000	\$ 233,308	\$ 668,308
2010	495,000	171,896	666,896
2011	520,000	154,321	674,321
2012	485,000	135,411	620,411
2013	315,000	118,298	433,298
2014-2018	1,820,000	418,876	2,238,876
2019-2023	995,000	130,347	1,125,347
Total	\$ 5,065,000	\$ 1,362,457	\$ 6,427,457

Annual debt service requirements for the special obligation tax increment revenue bonds to be paid for with property tax revenues generated from the tax increment financing district securing the debt are:

Year	Principal	Interest	Total
2009	\$ 201,376	\$ 312,790	\$ 514,166
2010	223,594	284,923	508,517
2011	230,998	273,113	504,111
2012	258,605	261,018	519,623
2013	281,431	235,168	516,599
2014 - 2018	1,644,678	963,827	2,608,505
2019 - 2023	2,000,050	425,096	2,425,146
2024	240,000	13,802	253,802
Total	\$ 5,080,732	\$ 2,769,737	\$ 7,850,469

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Short-Term and Long-Term Debt (Continued)

Annual debt service requirements for revenue bonds to be paid for with lease revenues are:

Year	Principal	Interest	Total
2009	\$ 85,000	\$ 2,444	\$ 87,444

Annual debt service requirements for the transportation development district revenue bonds to be paid for with sales tax revenues generated from the tax increment financing district securing the debt are:

Year	Principal	Interest	Total
2009	\$ 160,000	\$ 337,876	\$ 497,876
2010	180,000	330,119	510,119
2011	195,000	321,362	516,362
2012	215,000	311,324	526,324
2013	230,000	300,239	530,239
2014 - 2018	1,480,000	1,297,411	2,777,411
2019 - 2023	2,190,000	805,505	2,995,505
2024 - 2025	1,120,000	131,249	1,251,249
Total	\$ 5,770,000	\$ 3,835,085	\$ 9,605,085

Annual debt service requirements for the certificates of participation to be paid for with tax levies are:

Year	Principal	Interest	Total
2009	\$ -	\$ 34,125	\$ 34,125
2010	650,000	34,125	684,125
	\$ 650,000	\$ 68,250	\$ 718,250

Annual debt service requirements for capital leases to be paid for with tax levies are:

Year	Principal	Interest	Total
2009	\$ 151,129	\$ 87,326	\$ 238,455
2010	146,091	79,776	225,867
2011	154,945	72,549	227,494
2012	159,372	64,887	224,259
2013	168,226	56,776	225,002
2014 - 2018	1,000,499	137,875	1,138,374
Total	\$ 1,780,262	\$ 499,189	\$ 2,279,451

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Short-Term and Long-Term Debt (Continued)

K.S.A. 10-308 prescribes that indebtedness of a City shall be limited to 30 percent of such City's assessed valuation. As of December 31, 2008, the statutory limit for the City was \$23,351,894 providing a debt margin of \$10,771,632. Included in the legal debt margin calculation are outstanding temporary notes as of December 31, 2008 of \$5,085,000, general obligation bonds of \$5,065,000, certificates of participation of \$650,000 and capital lease obligations of \$1,780,262.

During 1996, the City entered into an Interlocal Cooperation Agreement with the Johnson County Parks and Recreation District, Johnson County, Kansas, to construct, operate and maintain a leisure activity pool within the City. This agreement called for the County to issue bonds to finance construction of the pool. In conjunction with the bond issuance, the City entered into a capital lease agreement.

During 2001, the County refunded the bonds originally issued for the construction of the pool. In conjunction with the bond reissue, the City entered into a new capital lease agreement. Minimum principal and interest payments on the lease as of 2001 totaled \$2,673,908 and \$1,432,282, respectively, over the term of the lease and will be used to pay the principal and interest on the bonds issued by the County. This lease is included in the capital lease annual debt service requirements on the previous page. The City also made payments to the County's Bond Reserve of \$239,373 which is the City's share of the Bond Reserve. These payments are reflected as restricted assets in the General Fund.

During 2000, the City issued \$1,248,525 in two issuances of Special Obligation Tax Increment Financing Revenue Bonds to finance certain eligible tax increment financing projects for the Boulevard Apartments and Valley State Bank. These special obligation bonds under Kansas law are payable solely from property tax increment received with respect to the financed projects. Incremental property taxes were projected to produce \$1,600,858 or 122 percent of the debt service requirements over the life of the bonds. These bonds are not general obligations of the City. It is not considered a default if there is insufficient tax increment to pay the full amount of principal and interest on the bonds. If the tax increment is insufficient to pay the full amount of principal and interest at maturity, the bonds will be deemed satisfied and paid in full. In 2003, the City issued the remaining \$39,362 authorized amount of Special Obligation Tax Increment Financing Revenue Bonds in relation to the Series 2000, The Boulevard Apartments. Total principal and interest remaining on the bonds is \$1,174,709 payable through 2020. For the current year, principal and interest paid and total incremental property tax revenues were \$154,500 and \$219,893, respectively.

During 2005, the City issued \$4,495,000 Special Obligation Tax Increment Revenue Bonds to finance an eligible tax increment financing project. These special obligation bonds under Kansas law are payable solely from property tax increment received with respect to the financial projects. Incremental property taxes were projected to produce \$9,968,920 or 130 percent of the debt service requirements over the life of the bonds. These bonds are not direct obligations of the City. It is not considered a default if there is insufficient tax increment to pay the full amount of principal and interest on the bonds. If the tax increment is insufficient to pay the full amount of principal and interest at maturity, the bonds will be deemed satisfied and paid in full. In accordance with the debt agreement, upon issuance of the bonds, the City established a bond reserve and a debt service reserve fund. The balances of the bond reserve and the debt service reserve funds as of December 31, 2008 were \$449,500 and \$523,414, respectively, and are shown as restricted assets in the Tax Increment Fund. Total principal and interest remaining on the bonds is \$6,675,760 payable through 2024. For the current year, principal and interest paid and total incremental property tax revenues were \$326,428 and \$717,969, respectively.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Short-Term and Long-Term Debt (Continued)

During 2005 and 2006, the City issued \$4,645,000 Transportation Development District Sales Tax Revenue Bonds to finance the TDD #1 project. The TDD #1 Sales Tax Revenues which the City has pledged as security for the bonds are derived from a 1 percent TDD #1 sales tax imposed by the City within Transportation District #1 and the bonds are payable through 2025. The TDD #1 sales tax became effective on October 1, 2005. In accordance with the debt agreement, upon issuance of the bonds, the City established a bond reserve and a debt service reserve fund. The balances of the bond reserve and the debt service reserve funds as of December 31, 2008 were \$457,934 and \$10,535, respectively, and are shown as restricted assets in the TDD #1 – Price Chopper Fund. Total principal and interest remaining to be paid on the bonds is \$6,984,133. Principal and interest paid for the current year and total TDD #1 sales taxes were \$340,188 and \$322,395, respectively.

During 2006, the City issued \$1,690,000 Transportation Development District Sales Tax Revenue Bonds to finance the TDD #2 project. The TDD #2 Sales Tax Revenues which the City has pledged as security for the bonds are derived from a one percent TDD #2 sales tax imposed by the City within Transportation District #2 and the bonds are payable through 2025. The TDD #2 sales tax became effective on October 1, 2005. In accordance with the debt agreement, upon issuance of the bonds, the City established a bond reserve and a debt service reserve fund. The balances of the bond reserve and the debt service reserve funds as of December 31, 2008 were \$137,930 and \$26, respectively, and are shown as restricted assets in the TDD #2 – Lowe's Fund. Total principal and interest remaining to be paid on the bonds is \$2,620,952. Principal and interest paid for the current year and total TDD #2 sales taxes were \$138,744 and \$98,186, respectively.

The City has pledged as security for bonds issued by the Public Building Commission, a portion of the City's sales tax revenue. The bonds issued by the Public Building Commission in 1994 in the amount of \$950,000 for the purpose of acquiring real estate are payable through 2009. The City has committed to appropriate each year, from the sales tax, an amount sufficient to cover the principal and interest requirements on the Public Building Commission's debt. The Public Building Commission has pledged as sole security for the bonds the appropriation from the City. Total principal and interest remaining on the debt is \$87,444 with annual requirements ranging from \$87,444 to \$92,289. Sales taxes, from which the appropriations will be made, have averaged \$92,880 per year over the past 10 years. For the current year, principal and interest paid by the Public Building Commission and the total sales taxes recognized by the City were \$92,289 and \$92,289, respectively.

Note 5. Interfund Balances and Transfers

Transfers for the year ended December 31, 2008 consisted of:

	Transfers In	Transfers Out
General Fund	\$ 641,000	\$ 80,000
Debt Service Fund	31,437	-
RC 12-13 Stormwater/Street Project Fund	-	17,225
RC 12-12 Stormwater/Street Project Fund	750,000	-
Special revenue funds, nonmajor governmental funds	92,289	1,483,289
Capital projects funds, nonmajor governmental funds	80,000	14,212
	<u>\$ 1,594,726</u>	<u>\$ 1,594,726</u>

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 5. Interfund Balances and Transfers (Continued)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Individual interfund receivables and payables as of December 31, 2008 were as follows:

	Due From	Due To
Bella Roe/Walmart Fund	\$ 5,000	\$ -
Special revenue funds, nonmajor governmental funds	-	5,000
	<u>\$ 5,000</u>	<u>\$ 5,000</u>

Note 6. Commitments and Contingencies

(a) Defined Benefit Pension Plans

Kansas Public Employees Retirement System

Plan description. 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. The report may be obtained by writing to KPERS (611 South Kansas Avenue, Suite 100; Topeka, Kansas 66603-3803) or by calling 1-888-275-5737.

Funding policy. Covered employees are required by state statute to contribute 4 to 7 percent 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 legislation placed a statutory limit of 0.6 percent of payroll on increases in contribution rates over the prior year for KPERS members. The City rate established by statute for the calendar year 2008 is 5.93 percent. The City's contributions to KPERS for the years ended December 31, 2008, 2007 and 2006 were \$40,075, \$34,300 and \$29,738, respectively, equal to the statutory required contributions for each year.

Kansas Police and Firemen's Retirement System

Plan description. The City began participating in the Kansas Police and Firemen's Retirement System (KP&F), a cost sharing, multiple-employer defined benefit pension plan as provided by K.S.A 74-4901, *et seq.* on January 1, 2001. KP&F provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KP&F is a component unit of the KPERS plan. The report may be obtained by writing to KPERS (611 South Kansas Avenue, Suite 100; Topeka, Kansas 66603-3803) or by calling 1-888-275-5737.

Funding policy. K.S.A. 74-4967 establishes the KP&F member-employee contribution rate at 7 percent of covered salary. The employer collects and remits the 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 actuarial valuation. KP&F is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KP&F employers.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 6. Commitments and Contingencies (Continued)

The City rate established for calendar year 2008 is 13.88 percent. The City contributions to KP&F for the years ended December 31, 2008, 2007 and 2006 were \$110,624, \$102,599 and \$88,522, respectively, equal to the statutory required contributions for each year.

401(a) Deferred Compensation Plan

Plan description. The City's civilian employees became eligible to participate in an approved deferred compensation matching program, pursuant to section 401(a) of the Internal Revenue Code of 1986, as amended on January 1, 2001. Under the plan, employees voluntarily set aside and invest portions of their current income to a separate Section 457 plan to meet their future financial requirements and supplement their retirement income.

Funding policy. Employees are required to contribute at least 3 percent of their covered salary into the 457 plan. The City's rate is determined by taking the City's contribution rate for KP&F member employees and deducting the City's contribution rate for KPERS member employees. The City rate established by statute for the calendar year 2008 is 5.65 percent. The City's contributions for 401(a) Deferred Compensation Matching Program for the years ended December 31, 2008 and 2007 were \$30,081 and \$30,183, respectively, equal to the statutory required contributions for each year.

(b) Payroll Budget Plan

In 1994, the City established a payroll budget plan, which enables employees to make investments or purchase needed life insurance protection by authorizing regular payroll deductions. The plan is available to full-time employees with at least two months of service and members of the employee's immediate family. The City makes no contribution to the plan. The City reserves the right to amend or cancel the plan. The City has no responsibility for loss due to the investment or failure of investment of funds and assets in the plan. The activity of the Payroll Budget Plan is recorded in the General Fund.

(c) Risk Management

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. These risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(d) Commitments

Normal commitments have been made for future expenditures related to the City's capital projects programs.

Through December 31, 2008, the City has paid a total of \$743,135 for expenses related to the RC 12-12 Stormwater/Street projects. As of December 31, 2008, the City estimates approximately \$5,454,142 of additional costs to complete the project.

Through December 31, 2008, the City has paid a total of \$442,797 for expenses related to the RC 12-14 Stormwater/Street projects. As of December 31, 2008, the City estimates approximately \$3,634,944 of additional costs to complete the project.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 7. Leases

The City is a lessor under two rental agreements for office space on the third floor of City Hall and one rental agreement for the rental of land and a tower. Lease revenue of \$91,860 is included in other revenue. Future minimum rentals under such leases are as follows:

Year ending December 31:

2009	\$ 73,667
2010	53,124
2011	31,740
	<u>\$ 158,531</u>

Note 8. Fund Balance Deficits

The fund balance deficit in the Valley State Bank Fund (Special Revenue Fund) amounting to \$4,719 occurred due to capital outlay expenditures of this fund being financed with short-term borrowings. This deficit will be eliminated when additional revenue is received from the County.

The fund balance deficits in the RC 12-14 Stormwater Project Fund and Roe Lane CARS Project Fund (Capital Projects Funds) amounting to \$348,424 and \$249,992, respectively, occurred due to capital outlay expenditures of these funds being financed with short-term borrowings. These deficits will be eliminated when long-term financing for these projects is obtained.

Note 9. New Governmental Accounting Standards Board (GASB) Standards

The City implemented the following Governmental Accounting Standards Board (GASB) statements during the year ended December 31, 2008:

- GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement establishes uniform financial reporting standards for other postemployment benefit plans (OPEB plans) and supersedes existing guidance. This Statement had no effect on the City in the current year.
- GASB Statement No. 49, *Accounting for Financial Reporting for Pollution Remediation Obligations*. This Statement addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities, such as site assessments and cleanups. This standard requires the government to estimate the components of expected pollution remediation outlays and determine whether the outlays for those components should be accrued as a liability or, if appropriate, capitalized when goods and services are acquired. This Statement had no effect on the City in the current year.
- GASB Statement No. 50, *Pension Disclosures, an amendment of GASB Statement Nos. 25 and 27*. This Statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in notes to the financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. This Statement had no effect on the City in the current year.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 9. New Governmental Accounting Standards Board (GASB) Standards (Continued)

As of December 31, 2008, the GASB had issued several statements not yet implemented by the City of Roeland Park, Kansas. The statements which might impact the City are as follows:

- GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, issued June 2004, will be effective for the City beginning with its year ending December 31, 2009. This Statement establishes standards for the measurement, recognition and display of other postemployment benefit expenses and related liabilities or assets, note disclosures and, if applicable, required supplementary information in the financial reports.
- GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, issued July 2007, will be effective for the City beginning with its year ending December 31, 2010. This Statement provides guidance regarding how to identify, account for and report intangible assets. The new standard characterizes an intangible asset as an asset that lacks physical substance, is nonfinancial in nature and has an initial useful life extending beyond a single reporting period.
- GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, issued November 2007, will be effective for the City beginning with its year ending December 31, 2009. This Statement establishes consistent standards for the reporting of land and other real estate held as investments. Endowments were previously required to report their land and other real estate held for investment purposes at historical cost. However, such investments are reported at fair value by similar entities, such as pension plans. The Statement requires endowments to report land and other real estate investments at fair value. The changes in the fair value are to be reported as investment income.
- GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, issued June 2008, will be effective for the City beginning with its year ending December 31, 2010. This Statement will improve how state and local governments report information about derivative instruments in their financial statements. The Statement specifically requires governments to measure most derivative instruments at fair value in their financial statements that are prepared using the economic resources measurement focus and the accrual basis of accounting. The guidance in this Statement also addresses hedge accounting requirements.
- GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, issued March 2009, will be effective for the City beginning with its year ending December 31, 2011. 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.

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

City of Roeland Park, Kansas

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
Year Ended December 31, 2008

	Budget		
	Original	Final	Actual
Revenues:			
Taxes	\$ 1,670,288	\$ 1,670,288	\$ 1,509,145
Special assessments	6,000	6,000	150
Intergovernmental	1,013,703	1,013,703	966,800
Licenses and permits	117,150	117,150	147,990
Fines and forfeitures	280,000	280,000	326,038
Interest	105,000	105,000	64,820
Other	477,525	477,525	470,842
Total revenues	3,669,666	3,669,666	3,485,785
Expenditures:			
Current:			
General government	2,774,310	2,774,310	1,689,660
Highway and streets	325,309	325,309	428,197
Public safety	1,229,000	1,229,000	1,193,771
Employee benefits	681,575	681,575	697,081
Debt service:			
Principal retirement	161,215	161,215	145,727
Interest and fiscal charges	130,804	130,804	132,635
Total expenditures	5,302,213	5,302,213	4,287,071
Revenues (under) expenditures	(1,632,547)	(1,632,547)	(801,286)
Other financing sources (uses):			
Proceeds from sale of capital assets	-	-	649
Transfers in	650,000	650,000	641,000
Transfers out	(215,000)	(215,000)	(80,000)
Changes in fund balance	\$ (1,197,547)	\$ (1,197,547)	(239,637)
Fund balance, beginning of year			1,220,066
Fund balance, end of year			\$ 980,429

See Note to Required Supplementary Information.

City of Roeland Park, Kansas

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Bella Roe/Walmart Fund
Year Ended December 31, 2008

	Budget		
	Original	Final	Actual
Revenues:			
Taxes	\$ 375,000	\$ 720,000	\$ 717,969
Interest	25,000	21,450	26,210
Total revenues	400,000	741,450	744,179
Expenditures:			
Current, general government	58,503	119,103	118,796
Debt service:			
Principal retirement	105,300	166,620	105,300
Interest and fiscal charges	237,470	330,000	237,470
Total expenditures	401,273	615,723	461,566
Revenues over (under) expenditures	\$ (1,273)	\$ 125,727	282,613
Fund balance, beginning of year			719,268
Fund balance, end of year			<u>\$ 1,001,881</u>

See Note to Required Supplementary Information.

City of Roeland Park, Kansas

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget and Actual - TDD #1 - Price Chopper Fund

Year Ended December 31, 2008

	Budget		
	Original	Final	Actual
Revenues:			
Taxes	\$ 356,368	\$ 356,368	\$ 322,395
Interest	-	-	10,995
Total revenues	356,368	356,368	333,390
Expenditures:			
Current, general government	105,000	105,000	7,404
Debt service:			
Principal retirement	251,368	251,368	105,000
Interest and fiscal charges	-	-	235,188
Total expenditures	356,368	356,368	347,592
Revenues (under) expenditures	\$ -	\$ -	(14,202)
Fund balance, beginning of year			586,667
Fund balance, end of year			\$ 572,465

See Note to Required Supplementary Information.

City of Roeland Park, Kansas

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - TDD #2 - Lowe's Fund
Year Ended December 31, 2008

	Budget		
	Original	Final	Actual
Revenues:			
Taxes	\$ 130,000	\$ 130,000	\$ 98,186
Interest	8,744	8,744	4,461
Total revenues	138,744	138,744	102,647
Expenditures:			
Current, general government	-	-	2,000
Debt service:			
Principal retirement	45,000	45,000	45,000
Interest and fiscal charges	93,744	93,744	93,744
Total expenditures	138,744	138,744	140,744
Revenues (under) expenditures	\$ -	\$ -	(38,097)
Fund balance, beginning of year			208,621
Fund balance, end of year			\$ 170,524

See Note to Required Supplementary Information.

City of Roeland Park, Kansas

Note to Required Supplementary Information Year Ended December 31, 2008

Budgets and Budgetary Accounting

State statutes require that an annual operating budget be legally adopted for the General Fund, special revenue funds (unless specifically exempted by statute), Debt Service Fund and the Equipment Reserve Fund (capital projects funds). The City Council adopted budgets for all of the aforementioned funds, except for the following Capital Projects Funds: the Roe Boulevard Project Fund, the RC 12-13 Stormwater/Street Project Fund, the RC 12-12 Stormwater/Street Project Fund, the 47th Street Countyline CARS Project Fund, the Nall Avenue Project Fund, the Roeland Park Elementary School Project Fund, the Elledge Drive CARS Project Fund, the RC 12-14 Stormwater Project Fund and the Roe Lane CARS Project 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 1st.
- (2) Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
- (3) Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- (4) Adoption on the final budget on or before August 25th.

The annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized on the modified accrual basis. Expenditures include disbursements, accounts payable and encumbrances. Unencumbered appropriations lapse at year-end.

State 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 reported budgetary data represents the final approved budget after amendments as adopted by the City Council.

The City Administrator has the authority to transfer budgeted amounts (including transfers) between line items at the department level and between departments. The statutes also permit transferring budgeted amounts between line items within an individual fund. The statutes prohibit expenditures and transfers out in excess of the total amount of the adopted budget of expenditures and transfers out of individual funds (the legal level of control). Budget comparison statements are presented for each fund type showing actual revenue and expenditures compared to legally budgeted revenue and expenditures.

State statutes prohibit cities from creating indebtedness unless there is money on hand in the proper fund and unencumbered by previous commitments with which to pay the indebtedness. The execution of a contract, or the issuing of a purchase order, automatically encumbers the money in the fund for the payment of the amount represented by the commitment. It makes no difference that the amount may not have to be paid until more monies are in the fund or until the following year. An exception to this cash basis law is the issuance of debt, in the form of bonds, notes or warrants, pursuant to statutory authority, referendum or by the State Board of Tax Appeals. In the event debt is issued, funds need not be on hand for future payments.

(Continued)

City of Roeland Park, Kansas

Note to Required Supplementary Information (Continued)
Year Ended December 31, 2008

During the year ended December 31, 2008, the following funds overexpended its final budget by the indicated amount:

Fund	Budget	Actual
TDD #2 - Lowe's Fund	\$ 138,744	\$ 140,744
Community Center Fund	75,013	87,800

City Of Roeland Park, Kansas

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2008

	Special Revenue		
	Special Highway Fund	McDonald's/Granada Park/City Hall Fund	Street Improvement Fund
Assets			
Pooled cash	\$ 29,654	\$ 50,452	\$ 42,590
Receivables:			
Taxes	-	225,160	92,424
Intergovernmental	60,584	-	-
Other	-	-	-
Other assets	-	-	-
Restricted assets, cash	-	-	-
Total assets	\$ 90,238	\$ 275,612	\$ 135,014
Liabilities and Fund Equity (Deficit)			
Liabilities:			
Accounts payable and accrued liabilities	\$ 11,607	\$ 19,390	\$ -
Temporary notes	-	-	-
Due to other funds	-	-	-
Deferred revenue	15,000	225,160	-
Total liabilities	26,607	244,550	-
Fund balances (deficit):			
Reserved for:			
Debt service	-	-	-
Encumbrances	-	-	-
Unreserved:			
Designated for contingency	30,000	-	-
Undesignated reported in:			
Special revenue funds	33,631	31,062	135,014
Capital projects funds	-	-	-
Total fund balances (deficits)	63,631	31,062	135,014
Total liabilities and fund balances (deficits)	\$ 90,238	\$ 275,612	\$ 135,014

(Continued)

Special Revenue						
Community Center Fund	Valley State Bank Fund	Boulevard Apartments Fund	Old Pool Area Fund	Roeland Park City Hall Property Owners Association Fund	Special Street Fund	
\$ 8,279	\$ 281	\$ 1,572	\$ 216,744	\$ 4,138	\$ 474,937	
30,808	66,110	83,706	49,780	-	123,232	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
\$ 39,087	\$ 66,391	\$ 85,278	\$ 266,524	\$ 4,138	\$ 598,169	
\$ 3,262	\$ -	\$ -	\$ 174	\$ -	\$ 113,323	
-	-	-	-	-	-	
-	5,000	-	-	-	-	
-	66,110	83,705	49,780	-	-	
3,262	71,110	83,705	49,954	-	113,323	
-	281	1,572	216,570	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
35,825	(5,000)	1	-	4,138	484,846	
-	-	-	-	-	-	
35,825	(4,719)	1,573	216,570	4,138	484,846	
\$ 39,087	\$ 66,391	\$ 85,278	\$ 266,524	\$ 4,138	\$ 598,169	

City Of Roeland Park, Kansas

Combining Balance Sheet (Continued)

Nonmajor Governmental Funds

December 31, 2008

	Special Revenue		Capital Projects	
	Special Infrastructure	Equipment	Roeland Park	
	Fund	Reserve	Elementary	
	Fund	Fund	School Project	
	Fund	Fund	Fund	
Assets				
Pooled cash	\$ 253,595	\$ 184,651	\$	2,195
Receivables:				
Taxes	61,616	-		-
Intergovernmental	-	-		-
Other	-	-		-
Other assets	-	-		-
Restricted assets, cash	-	-		9,347
Total assets	315,211	\$ 184,651	\$	11,542
Liabilities and Fund Equity (Deficit)				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$	-
Temporary notes	-	-		-
Due to other funds	-	-		-
Deferred revenue	-	-		-
Total liabilities	-	-		-
Fund balances (deficit):				
Reserved for:				
Debt service	-	-		9,347
Encumbrances	-	-		-
Unreserved:				
Designated for contingency	-	-		-
Undesignated reported in:				
Special revenue funds	315,211	-		-
Capital projects funds	-	184,651		2,195
Total fund balances (deficits)	315,211	184,651		11,542
Total liabilities and fund balances (deficits)	\$ 315,211	\$ 184,651	\$	11,542

Capital Projects			
RC 12-14 Stormwater Project Fund	Roe Lane CARS Project Fund	Totals	
\$ 227,319	\$ 118,219	\$	1,614,626
-	-		732,836
-	-		60,584
11,445	100,244		111,689
3,122	2,424		5,546
-	-		9,347
<u>\$ 241,886</u>	<u>\$ 220,887</u>	<u>\$</u>	<u>2,534,628</u>
\$ 5,641	\$ 16,977	\$	170,374
584,669	453,902		1,038,571
-	-		5,000
-	-		439,755
<u>590,310</u>	<u>470,879</u>		<u>1,653,700</u>
-	-		227,770
187,944	-		187,944
-	-		30,000
-	-		1,034,728
(536,368)	(249,992)		(599,514)
<u>(348,424)</u>	<u>(249,992)</u>		<u>880,928</u>
<u>\$ 241,886</u>	<u>\$ 220,887</u>	<u>\$</u>	<u>2,534,628</u>

City of Roeland Park, Kansas

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits)
Nonmajor Governmental Funds
Year Ended December 31, 2008**

	Special Revenue			
	Special Highway Fund	McDonald's/Granada Park/City Hall Fund	Street Improvement Fund	Community Center Fund
Revenues:				
Taxes	\$ -	\$ 248,281	\$ 518,320	\$ 172,774
Intergovernmental	191,234	-	-	-
Interest	-	2,089	-	-
Other	-	-	-	-
Total revenues	191,234	250,370	518,320	172,774
Expenditures:				
Current:				
General government	-	65,215	-	-
Highways and streets	158,117	-	-	-
Culture and recreation	-	-	-	87,800
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	41,379	7,472	-	-
Interest and fiscal charges	1,997	4,058	-	-
Bond issuance costs	-	-	-	-
Total expenditures	201,493	76,745	-	87,800
Excess of revenue over (under) expenditures	(10,259)	173,625	518,320	84,974
Other financing sources (uses):				
Issuance of long-term debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(92,289)	(531,000)	(110,000)
Total other financing sources (uses)	-	(92,289)	(531,000)	(110,000)
Changes in fund balances	(10,259)	81,336	(12,680)	(25,026)
Fund balances (deficits), beginning of year	73,890	(50,274)	147,694	60,851
Fund balances (deficits), end of year	\$ 63,631	\$ 31,062	\$ 135,014	\$ 35,825

(Continued)

Special Revenue						
Public Building Commission Fund	Valley State Bank Fund	Boulevard Apartments Fund	Old Pool Area Fund	Roeland Park City Hall Property Owners Association Fund	Special Street Fund	
\$ -	\$ 90,725	\$ 84,914	\$ 44,254	\$ -	\$ 691,094	
-	-	-	-	-	-	
-	148	326	4,288	51	-	
-	-	-	-	30,075	-	
-	90,873	85,240	48,542	30,126	691,094	
-	-	44	27,426	29,412	-	
-	-	-	-	-	449,660	
-	-	-	-	-	-	
-	-	-	-	-	-	
85,000	50,337	57,076	-	-	165,000	
7,289	19,663	27,424	-	-	57,433	
-	-	-	-	-	-	
92,289	70,000	84,544	27,426	29,412	672,093	
(92,289)	20,873	696	21,116	714	19,001	
-	-	-	-	-	-	
92,289	-	-	-	-	-	
-	-	-	-	-	-	
92,289	-	-	-	-	-	
-	20,873	696	21,116	714	19,001	
-	(25,592)	877	195,454	3,424	465,845	
\$ -	\$ (4,719)	\$ 1,573	\$ 216,570	\$ 4,138	\$ 484,846	

City of Roeland Park, Kansas

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
Year Ended December 31, 2008**

	Special Revenue		Capital Projects	
	Special Infrastructure Fund	Equipment Reserve Fund	Nall Avenue Project Fund	47th Street Countyline CARS Project Fund
Revenues:				
Taxes	\$ 345,547	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Interest	-	2,154	-	-
Other	-	-	-	-
Total revenues	345,547	2,154	-	-
Expenditures:				
Current:				
General government	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	118,321	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	469	988
Bond issuance costs	-	-	1,070	1,585
Total expenditures	118,321	-	1,539	2,573
Excess of revenue over (under) expenditures	227,226	2,154	(1,539)	(2,573)
Other financing sources (uses):				
Issuance of long-term debt	-	-	233,728	346,293
Transfers in	-	80,000	-	-
Transfers out	(750,000)	-	(1,715)	(2,541)
Total other financing sources (uses)	(750,000)	80,000	232,013	343,752
Changes in fund balances	(522,774)	82,154	230,474	341,179
Fund balances (deficits), beginning of year	837,985	102,497	(230,474)	(341,179)
Fund balances (deficits), end of year	\$ 315,211	\$ 184,651	\$ -	\$ -

Capital Projects						
Roeland Park Elementary School Project Fund	Elledge Drive CARS Project Fund	RC 12-14 Stormwater Project Fund	Roe Boulevard Project Fund	Roe Lane CARS Project Fund	Totals	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,195,909	
-	1,295	96,970	7,083	169,867	466,449	
1,687	1,757	4,950	366	720	18,536	
-	-	-	-	-	30,075	
1,687	3,052	101,920	7,449	170,587	2,710,969	
-	-	-	-	-	122,097	
-	-	-	-	-	607,777	
-	-	-	-	-	87,800	
-	-	164,460	-	419,698	702,479	
50,000	-	-	-	-	456,264	
-	-	17,906	5,532	881	143,640	
-	639	-	5,087	-	8,381	
50,000	639	182,366	10,619	420,579	2,128,438	
(48,313)	2,413	(80,446)	(3,170)	(249,992)	582,531	
-	139,678	-	1,111,691	-	1,831,390	
-	-	-	-	-	172,289	
-	(1,656)	-	(8,300)	-	(1,497,501)	
-	138,022	-	1,103,391	-	506,178	
(48,313)	140,435	(80,446)	1,100,221	(249,992)	1,088,709	
59,855	(140,435)	(267,978)	(1,100,221)	-	(207,781)	
\$ 11,542	\$ -	\$ (348,424)	\$ -	\$ (249,992)	\$ 880,928	

City of Roeland Park, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Special Highway Fund
Year Ended December 31, 2008

	Budget	Actual
Revenues, intergovernmental	\$ 211,000	\$ 191,234
Expenditures:		
Current, highway and streets	213,578	158,117
Debt service:		
Principal retirement	-	41,379
Interest and fiscal charges	-	1,997
Total expenditures	<u>213,578</u>	<u>201,493</u>
Changes in fund balance	<u>\$ (2,578)</u>	(10,259)
Fund balance, beginning of year		73,890
Fund balance, end of year		<u>\$ 63,631</u>

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -
Budget and Actual - McDonald's/Granada Park/City Hall Fund
Year Ended December 31, 2008**

	Budget	Actual
Revenues:		
Taxes	\$ 248,281	\$ 248,281
Interest	2,000	2,089
Total revenues	250,281	250,370
Expenditures:		
Current, general government	61,995	65,215
Debt service:		
Principal retirement	122,472	7,472
Interest and fiscal charges	9,082	4,058
Total expenditures	193,549	76,745
Revenues over expenditures	56,732	173,625
Other financing (uses), transfer out	(92,289)	(92,289)
Changes in fund balance	\$ (35,557)	81,336
Fund balance (deficit), beginning of year		(50,274)
Fund balance, end of year		\$ 31,062

City of Roeland Park, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Street Improvement Fund
Year Ended December 31, 2008

	Budget	Actual
Revenues, taxes	\$ 498,750	\$ 518,320
Expenditures, current, general government	11,577	-
Revenues over expenditures	487,173	518,320
Other financing (uses), transfers out	(525,000)	(531,000)
Changes in fund balance	<u>\$ (37,827)</u>	<u>(12,680)</u>
Fund balance, beginning of year		147,694
Fund balance, end of year		<u>\$ 135,014</u>

City of Roeland Park, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Community Center Fund
Year Ended December 31, 2008

	Budget	Actual
Revenues, taxes	\$ 166,250	\$ 172,774
Expenditures:		
Current:		
Culture and recreation	66,500	87,800
General government	8,513	-
Total expenditures	75,013	87,800
Revenues over expenditures	91,237	84,974
Other financing (uses), transfers out	(125,000)	(110,000)
Changes in fund balance	\$ (33,763)	(25,026)
Fund balance, beginning of year		60,851
Fund balance, end of year		\$ 35,825

City of Roeland Park, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Public Building Commission Fund
Year Ended December 31, 2008

	Budget	Actual
Expenditures:		
Debt service:		
Principal retirement	\$ 85,000	\$ 85,000
Interest and fiscal charges	7,289	7,289
Total expenditures	92,289	92,289
Other financing sources, transfers in	92,289	92,289
Changes in fund balance	\$ -	-
Fund balance, beginning of year		-
Fund balance, end of year		\$ -

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -
Budget and Actual - Valley State Bank Fund
Year Ended December 31, 2008**

	Budget	Actual
Revenues:		
Taxes	\$ 108,499	\$ 90,725
Interest	300	148
Total revenues	108,799	90,873
Expenditures:		
Debt service:		
Principal retirement	110,000	50,337
Interest and fiscal charges	-	19,663
Total expenditures	110,000	70,000
Changes in fund balance	\$ (1,201)	20,873
Fund balance (deficit), beginning of year		(25,592)
Fund balance (deficit), end of year		\$ (4,719)

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Boulevard Apartments Fund
Year Ended December 31, 2008**

	Budget	Actual
Revenues:		
Taxes	\$ 85,000	\$ 84,914
Interest	330	326
Total revenues	85,330	85,240
Expenditures:		
Current, general government	830	44
Debt service:		
Principal retirement	84,500	57,076
Interest and fiscal charges	-	27,424
Total expenditures	85,330	84,544
Changes in fund balance	\$ -	696
		877
Fund balance, beginning of year		\$ 1,573
Fund balance, end of year		

City of Roeland Park, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Old Pool Area Fund
Year Ended December 31, 2008

	Budget	Actual
Revenues:		
Taxes	\$ 25,000	\$ 44,254
Interest	4,500	4,288
Total revenues	29,500	48,542
Expenditures, current, general government	203,543	27,426
Changes in fund balance	<u>\$ (174,043)</u>	21,116
Fund balance, beginning of year		195,454
Fund balance, end of year		<u>\$ 216,570</u>

City of Roeland Park, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Roeland Park City Hall Property Owners Association Fund
Year Ended December 31, 2008

	Budget	Actual
Revenues:		
Interest	\$ -	\$ 51
Other	29,200	30,075
Total revenues	29,200	30,126
Expenditures, current, general government	32,537	29,412
Changes in fund balance	\$ (3,337)	714
Fund balance, beginning of year		3,424
Fund balance, end of year		\$ 4,138

City of Roeland Park, Kansas

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Special Street Fund
Year Ended December 31, 2008

	Budget	Actual
Revenues, taxes	\$ 665,000	\$ 691,094
Expenditures:		
Highways and streets	536,499	449,660
Debt service:		
Principal retirement	165,000	165,000
Interest and fiscal charges	54,913	57,433
Total expenditures	756,412	672,093
Changes in fund balance	\$ (91,412)	19,001
Fund balance, beginning of year		465,845
Fund balance, end of year		\$ 484,846

City of Roeland Park, Kansas

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Special Infrastructure Fund
Year Ended December 31, 2008

	Budget	Actual
Revenues, taxes	\$ 332,500	\$ 345,547
Expenditures, capital outlay	1,104,617	117,486
Revenues over (under) expenditures	(772,117)	228,061
Other financing uses, transfers out	-	(750,000)
Changes in fund balance	<u>\$ (772,117)</u>	<u>(521,939)</u>
Fund balance, beginning of year		837,985
Encumbrances as of December 31, 2007		(835)
Encumbrances as of December 31, 2008		-
Fund balance, end of year		<u>\$ 315,211</u>

City of Roeland Park, Kansas

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Equipment Reserve Fund
Year Ended December 31, 2008

	Budget	Actual
Revenues, interest	\$ -	\$ 2,154
Expenditures, capital outlay	178,519	-
Revenues over (under) expenditures	(178,519)	2,154
Other financing sources, transfers in	80,000	80,000
Changes in fund balance	<u>\$ (98,519)</u>	<u>82,154</u>
Fund balance, beginning of year		102,497
Fund balance, end of year		<u>\$ 184,651</u>

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Debt Service Fund
Year Ended December 31, 2008**

	Budget	Actual
Revenues:		
Taxes	\$ 274,910	\$ 229,008
Special assessments	56,000	56,759
Interest	5,000	3,253
Total revenues	335,910	289,020
Expenditures:		
Current, general government	-	3,744
Debt service:		
Principal retirement	316,394	107,228
Interest and fiscal charges	7,300	40,987
Bond issuance costs	-	28,000
Total expenditures	323,694	179,959
Revenues over expenditures	12,216	109,061
Other financing sources (uses):		
Transfers in	-	31,437
Transfers out	(55,000)	-
Total other financing sources (uses)	(55,000)	31,437
Changes in fund balance	\$ (42,784)	140,498
Fund balance, beginning of year		4,944
Fund balance, end of year		\$ 145,442

City of Roeland Park, Kansas

Schedule of Capital Assets by Source

December 31, 2008

(With Comparative Totals as of December 31, 2007)

	2008	2007
Capital assets:		
Land	\$ 1,898,271	\$ 1,736,673
Construction-in-progress	1,120,974	859,277
Buildings	4,399,473	4,399,473
Improvements other than buildings and infrastructure	11,661,732	10,764,182
Machinery and equipment	1,245,745	1,230,069
	<u>\$ 20,326,195</u>	<u>\$ 18,989,674</u>
Investment in capital assets from:		
General Fund revenues	\$ 4,874,885	\$ 4,874,885
Special revenue funds revenues	3,339,165	3,184,501
Debt Service Fund revenues	10,335,811	10,351,208
Capital projects funds revenues	1,776,334	579,080
	<u>\$ 20,326,195</u>	<u>\$ 18,989,674</u>

City of Roeland Park, Kansas

Schedule of Capital Assets by Function and Activity
December 31, 2008

Function and Activity	Land	Construction-in-Progress	Buildings	Improvements Other Than Buildings and Infrastructure	Machinery and Equipment	Total
Highways and streets	\$ 266,721	\$ 1,120,974	\$ 131,303	\$ 10,846,649	\$ 732,911	\$ 13,098,558
Public safety	-	-	-	12,605	286,222	298,827
Culture and recreation	1,112	-	2,860,000	636,664	30,345	3,528,121
General government	1,630,438	-	1,408,170	165,814	196,267	3,400,689
Total capital assets	\$ 1,898,271	\$ 1,120,974	\$ 4,399,473	\$ 11,661,732	\$ 1,245,745	\$ 20,326,195

City of Roeland Park, Kansas

Schedule of Changes in Capital Assets by Function and Activity
Year Ended December 31, 2008

Function and Activity	Capital Assets December 31, 2007	Additions	Deductions	Capital Assets December 31, 2008
General government	\$ 3,400,689	\$ -	\$ -	\$ 3,400,689
Public safety	298,827	-	-	298,827
Culture and recreation	3,507,196	20,925	-	3,528,121
Highways and streets	11,782,962	1,330,992	(15,396)	13,098,558
Total capital assets	\$ 18,989,674	\$ 1,351,917	\$ (15,396)	\$ 20,326,195

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City of Roeland Park

Other Supplementary Information Supplemental Statistical Section Contents

The supplemental statistical section of the City's comprehensive annual financial report is presented to provide additional 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.

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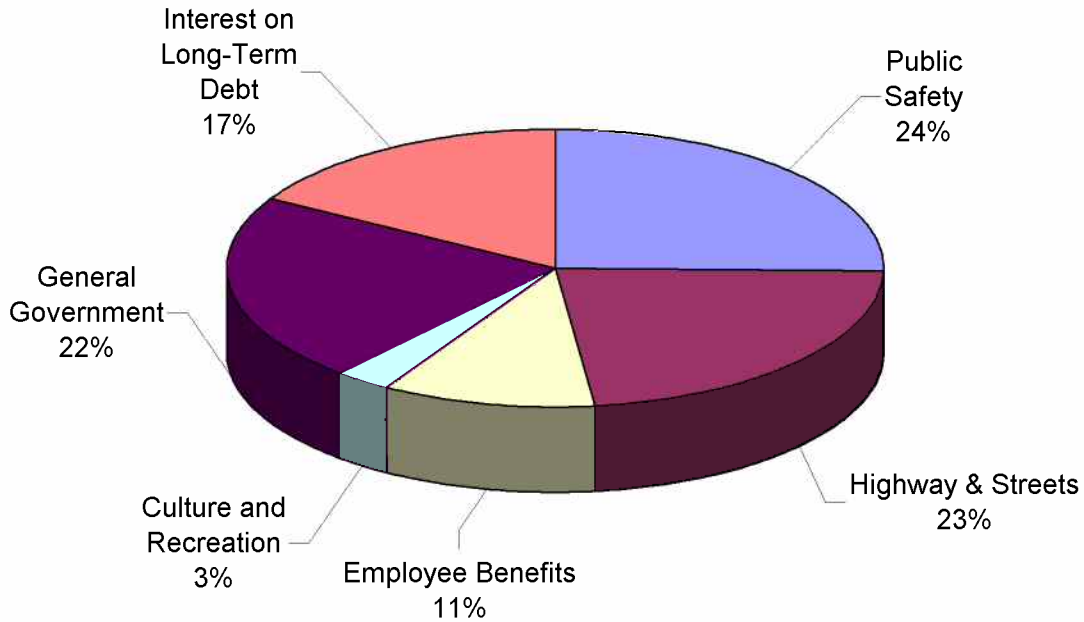
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year. The City implemented GASB 34 in fiscal year 2004; schedules presenting government-wide information include information beginning in that year.

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CITY of ROELAND PARK, KANSAS
Government-Wide Expenses by Function
(Unaudited)

Fiscal Year Ended December 31	Public Safety	Highway & Streets	Employee Benefits	Culture and Recreation	General Government	Interest on Long-Term Debt	Total
2004	\$ 953,159	\$ 414,810	\$ 483,746	\$ 123,156	\$ 1,486,276	\$ 427,273	\$ 3,888,420
2005	\$ 1,100,107	\$ 785,531	\$ 539,977	\$ 144,551	\$ 8,611,309	\$ 626,826	\$ 11,808,301
2006	\$ 1,486,533	\$ 971,684	\$ 619,849	\$ 179,246	\$ 3,838,816	\$ 1,151,443	\$ 8,247,571
2007	\$ 1,583,568	\$ 1,282,612	\$ 662,098	\$ 157,134	\$ 1,790,844	\$ 1,084,725	\$ 6,560,981
2008	\$ 1,670,306	\$ 1,498,495	\$ 697,081	\$ 172,434	\$ 1,448,321	\$ 1,100,260	\$ 6,586,897

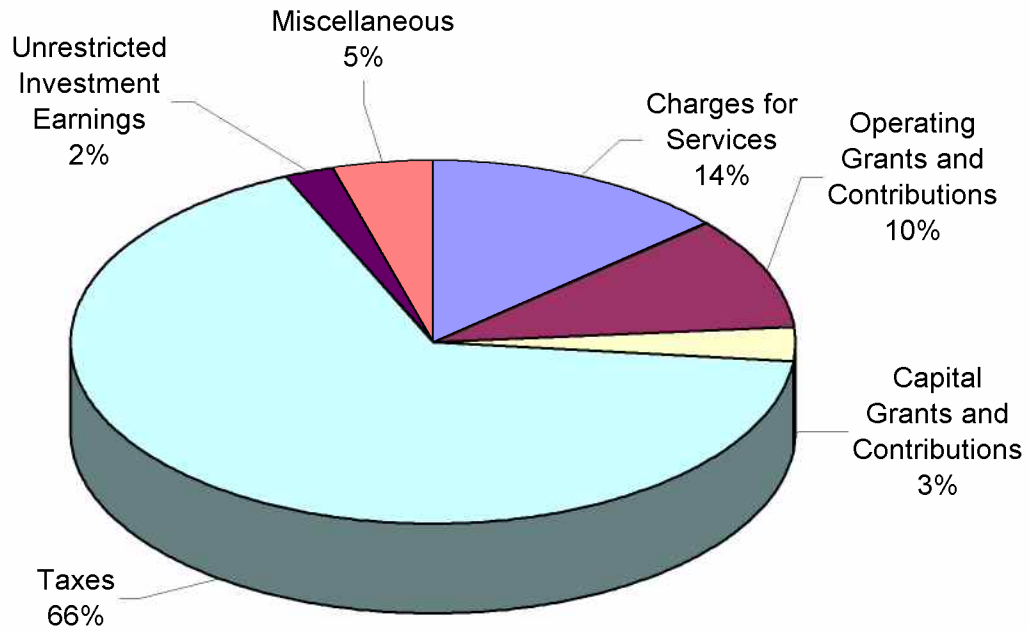
**Expenses and Charges for Services -
Government-Type Activities 2008**



CITY of ROELAND PARK, KANSAS
Government-Wide Revenues
(Unaudited)

Fiscal Year Ended December 31	Program Revenues			General Revenues				
	Operating	Capital		Unrestricted	Unrestricted			
	Charges for Services	Grants and Contributions	Grants and Contributions	Taxes	Investment Earnings	Grants and Contributions	Miscellaneous	Total
2004	\$ 935,976	\$ -	\$ -	\$ 4,938,321	\$ 67,604	\$ -	\$ 316,439	\$ 6,258,340
2005	\$ 622,033	\$ 524,638	\$ 347,650	\$ 5,427,313	\$ 161,117	\$ -	\$ 386,847	\$ 7,469,598
2006	\$ 565,040	\$ 1,514,963	\$ 1,371,239	\$ 5,415,196	\$ 472,195	\$ -	\$ 406,534	\$ 9,745,167
2007	\$ 622,510	\$ 1,134,609	\$ 1,081,185	\$ 5,746,507	\$ 439,638	\$ -	\$ 466,892	\$ 9,491,341
2008	\$ 1,194,221	\$ 893,035	\$ 262,237	\$ 5,886,704	\$ 178,114	\$ -	\$ 402,970	\$ 8,817,281

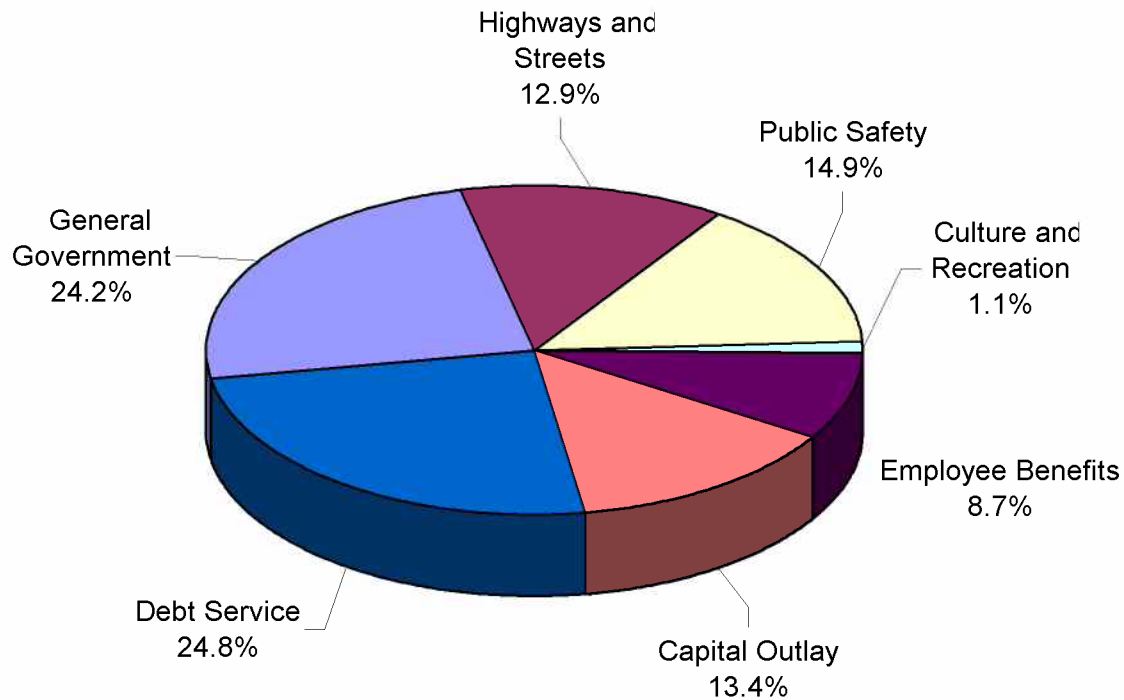
Revenue by Source - Government Activities - 2008



CITY of ROELAND PARK, KANSAS
General Governmental Expenditures by Function (1)
Last Ten Years
(Unaudited)

Year Ended December 31	General Government	Highways and Streets	Public Safety	Culture and Recreation	Employee Benefits	Capital Outlay	Debt Service	Total
1999	\$ 918,980	\$ 666,517	\$ 818,492	\$ 127,135	\$ 286,921	\$ 16,253	\$ 1,401,747	\$ 4,236,045
2000	\$ 937,275	\$ 567,621	\$ 883,005	\$ 152,397	\$ 316,456	\$ 6,545	\$ 1,356,644	\$ 4,219,943
2001	\$ 1,172,167	\$ 758,689	\$ 846,040	\$ 50,468	\$ 337,663	\$ 561,712	\$ 3,816,821	\$ 7,543,560
2002	\$ 1,157,788	\$ 735,267	\$ 947,604	\$ 57,020	\$ 368,357	\$ 719,620	\$ 1,130,906	\$ 5,116,562
2003	\$ 1,182,100	\$ 592,028	\$ 906,644	\$ 60,000	\$ 422,299	\$ 49,990	\$ 1,501,760	\$ 4,714,821
2004	\$ 1,382,367	\$ 994,240	\$ 919,115	\$ 54,429	\$ 483,746	\$ 1,504,976	\$ 3,376,322	\$ 8,715,195
2005	\$ 8,531,899	\$ 672,954	\$ 1,088,427	\$ 68,668	\$ 539,977	\$ 1,718,214	\$ 1,697,102	\$ 14,317,241
2006	\$ 4,242,127	\$ 989,813	\$ 1,091,294	\$ 97,997	\$ 619,849	\$ 3,786,698	\$ 2,163,039	\$ 12,990,817
2007	\$ 2,299,427	\$ 807,707	\$ 1,164,536	\$ 105,686	\$ 662,098	\$ 4,523,237	\$ 2,620,797	\$ 12,183,488
2008	\$ 1,943,701	\$ 1,035,974	\$ 1,193,771	\$ 87,800	\$ 697,081	\$ 1,072,858	\$ 1,991,380	\$ 8,022,565

**General Governmental Expenditures
by Function for 2008**

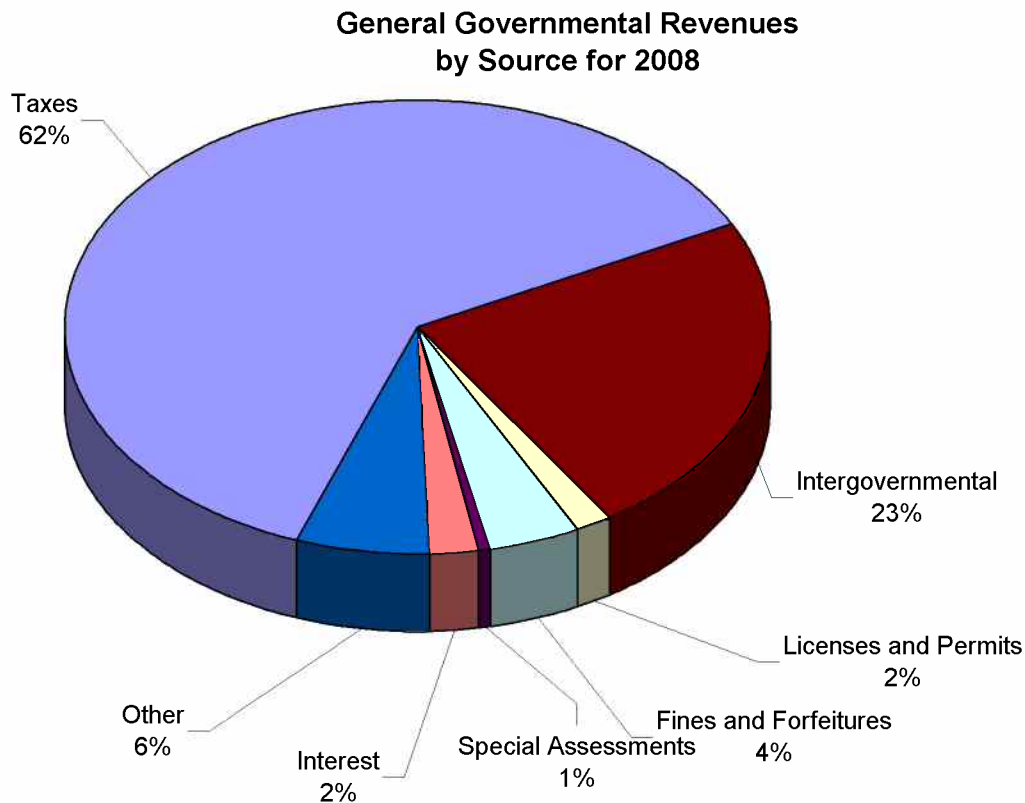


(1) Includes General, Special Revenue, Debt Service and Capital Project Funds

CITY of ROELAND PARK, KANSAS
General Governmental Revenues by Function (1)
Last Ten Years
(Unaudited)

Fiscal Year December 31	Taxes	Intergovernmental	Licenses and Permits	Fines and Forfeitures	Special Assessments	Interest	Other	Total
1999	\$ 2,439,274	\$ 1,232,621	\$ 77,082	\$ 225,401	\$ 60,951	\$ 71,426	\$ 95,138	\$ 4,201,893
2000	\$ 2,817,606	\$ 1,234,623	\$ 120,004	\$ 197,248	\$ 61,963	\$ 93,276	\$ 205,980	\$ 4,730,700
2001	\$ 2,733,971	\$ 1,123,828	\$ 66,376	\$ 174,424	\$ 25,481	\$ 100,703	\$ 142,808	\$ 4,367,591
2002	\$ 2,761,623	\$ 1,159,202	\$ 69,448	\$ 301,244	\$ 60,810	\$ 57,175	\$ 288,707	\$ 4,698,209
2003	\$ 3,028,481	\$ 2,836,835	\$ 68,389	\$ 286,676	\$ 57,135	\$ 31,841	\$ 145,470	\$ 6,454,827
2004	\$ 2,193,219	\$ 2,747,213	\$ 142,688	\$ 325,974	\$ 56,256	\$ 67,604	\$ 711,926	\$ 6,244,880
2005	\$ 3,149,473	\$ 2,213,506	\$ 169,556	\$ 286,691	\$ 59,493	\$ 161,117	\$ 542,054	\$ 6,581,890
2006	\$ 4,518,414	\$ 2,751,694	\$ 156,820	\$ 297,424	\$ 58,371	\$ 472,195	\$ 503,410	\$ 8,758,328
2007	\$ 4,879,899	\$ 4,202,787	\$ 156,152	\$ 354,062	\$ 68,656	\$ 439,638	\$ 584,243	\$ 10,685,437
2008	\$ 5,072,612	\$ 1,907,675	\$ 147,990	\$ 326,038	\$ 56,909	\$ 178,114	\$ 500,917	\$ 8,190,255

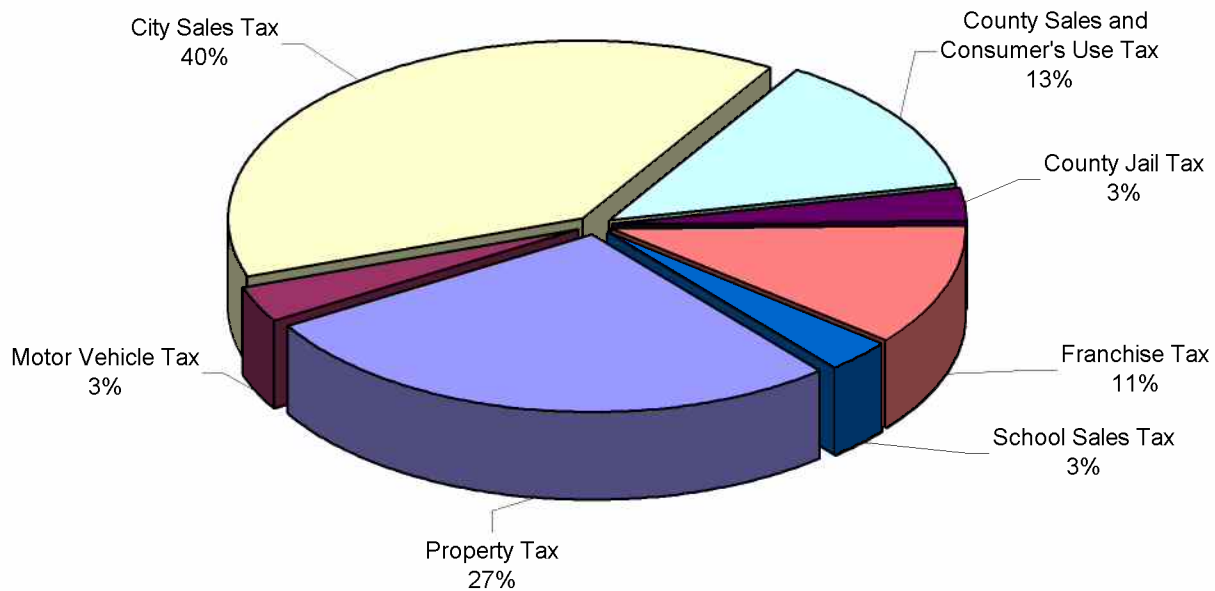
(1) Includes General, Special Revenue, Debt Service and Capital Project Funds



CITY of ROELAND PARK, KANSAS
Tax Revenues by Source
Last Ten Fiscal Years
(Unaudited)

Fiscal Year December 31	Property Tax	Motor Vehicle Tax	City Sales Tax	County Sales and Consumer's Use Tax	County Jail Tax	Franchise Tax	School Sales Tax	Total
1998	\$ 988,000	\$ 193,058	\$ 1,040,193	\$ 545,567	\$ 136,392	\$ 332,904	\$ -	\$ 3,236,114
1999	\$ 869,019	\$ 192,892	\$ 1,222,557	\$ 548,059	\$ 137,015	\$ 347,698	\$ -	\$ 3,317,240
2000	\$ 1,153,180	\$ 172,220	\$ 1,124,114	\$ 552,859	\$ 138,214	\$ 393,031	\$ -	\$ 3,533,618
2001	\$ 1,231,668	\$ 163,049	\$ 1,121,206	\$ 513,616	\$ 115,090	\$ 464,518	\$ -	\$ 3,609,147
2002	\$ 1,279,111	\$ 154,156	\$ 1,085,775	\$ 488,872	\$ 121,954	\$ 396,737	\$ -	\$ 3,526,605
2003	\$ 1,386,390	\$ 156,720	\$ 1,240,640	\$ 513,579	\$ 128,200	\$ 397,908	\$ 128,429	\$ 3,951,866
2004	\$ 1,648,767	\$ 157,060	\$ 1,262,745	\$ 624,370	\$ 154,807	\$ 414,945	\$ 154,807	\$ 4,417,501
2005	\$ 1,772,230	\$ 176,419	\$ 1,414,384	\$ 621,115	\$ 156,029	\$ 431,654	\$ 156,029	\$ 4,727,860
2006	\$ 1,405,371	\$ 178,807	\$ 1,643,019	\$ 623,694	\$ 155,924	\$ 446,130	\$ 155,924	\$ 4,608,869
2007	\$ 1,193,601	\$ 168,551	\$ 1,683,103	\$ 601,138	\$ 150,285	\$ 471,427	\$ 150,285	\$ 4,418,390
2008	\$ 1,217,707	\$ 151,282	\$ 1,727,734	\$ 564,347	\$ 141,087	\$ 486,913	\$ 141,087	\$ 4,430,158

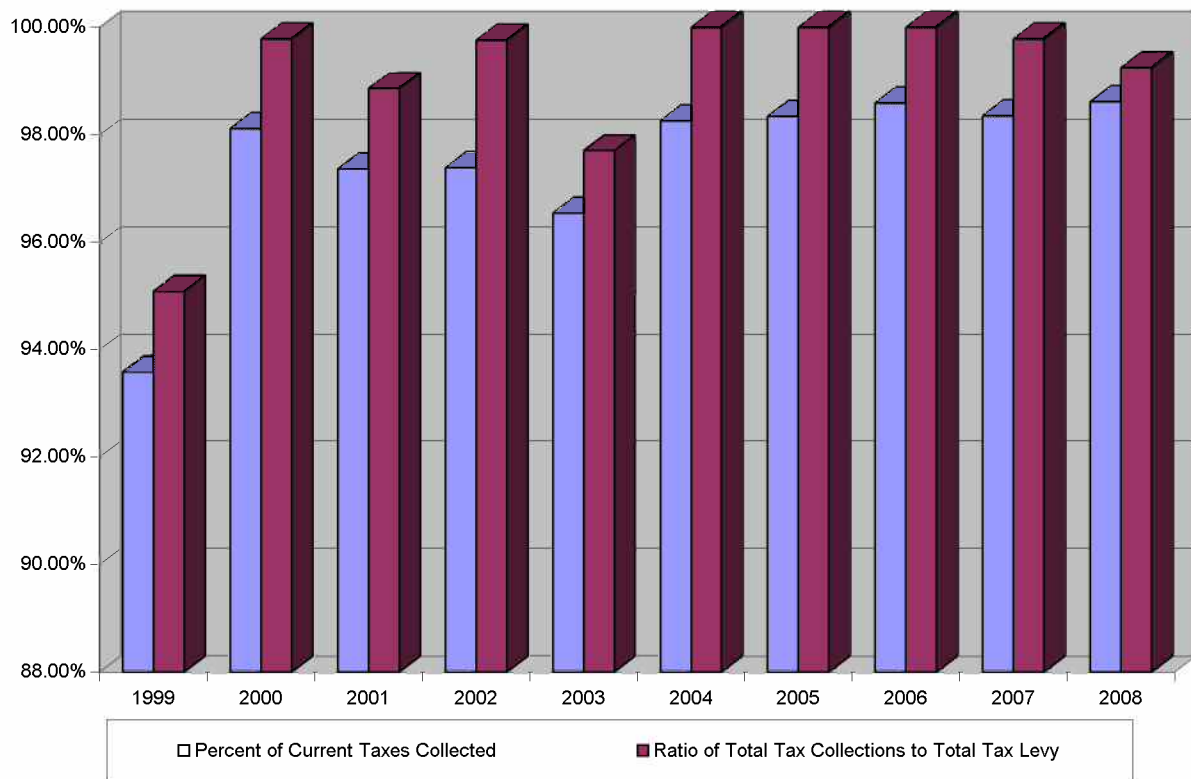
**Tax Revenues
By Source for 2008**



CITY of ROELAND PARK, KANSAS
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Year Ended December 31	Total Tax Levy	Current Taxes Collected	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Tax to Total Tax Levy
1999	\$ 874,281	\$ 818,272	93.59%	\$ 13,050	\$ 831,322	95.09%	\$ 56,009	6.41%
2000	\$ 850,149	\$ 834,115	98.11%	\$ 14,211	\$ 848,326	99.79%	\$ 16,034	1.89%
2001	\$ 831,478	\$ 809,594	97.37%	\$ 12,421	\$ 822,015	98.86%	\$ 21,884	2.63%
2002	\$ 913,290	\$ 889,471	97.39%	\$ 21,643	\$ 911,114	99.76%	\$ 23,819	2.61%
2003	\$ 858,381	\$ 828,690	96.54%	\$ 9,993	\$ 838,683	97.71%	\$ 29,691	3.46%
2004	\$ 1,137,585	\$ 1,117,758	98.26%	\$ 25,427	\$ 1,143,185	100.49%	\$ 19,827	1.74%
2005	\$ 1,170,003	\$ 1,150,647	98.35%	\$ 36,844	\$ 1,187,491	101.49%	\$ 19,356	1.65%
2006	\$ 1,222,863	\$ 1,205,647	98.59%	\$ 19,798	\$ 1,225,445	100.21%	\$ 17,216	1.41%
2007	\$ 1,196,212	\$ 1,176,498	98.35%	\$ 17,103	\$ 1,193,601	99.78%	\$ 19,714	1.65%
2008	\$ 1,221,217	\$ 1,204,298	98.61%	\$ 7,689	\$ 1,211,988	99.24%	\$ 16,918	1.39%

Tax Levies and Tax Collections



Information Provided by Johnson County Treasurer's Office

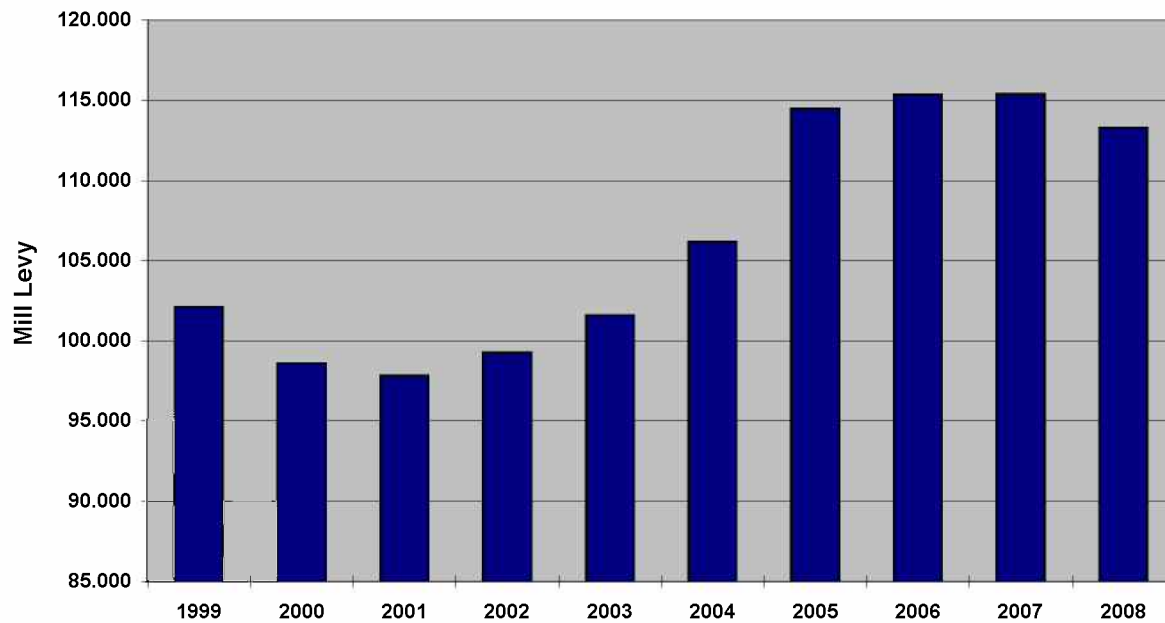
CITY of ROELAND PARK, KANSAS
Property Tax Rates - Direct and Overlapping Governments(1)
(Per \$ 1,000 of Assessed Value)
Last Ten Fiscal Years
(Unaudited)

Mill Levy Year	City of Roeland Park	State	Johnson County	Johnson County Library	Johnson County Community College	Johnson County Park	Shawnee Mission School Dist. U.S.D. #512	Johnson County Consolidated Fire Dist. #2	Johnson County Unified Wastewater (2)	Total
1999	19.439	1.500	16.112	3.137	7.184	1.451	41.246	6.868	5.166	102.103
2000	17.299	1.500	15.676	2.981	7.646	1.322	40.327	7.197	4.647	98.595
2001	17.340	1.500	16.333	2.971	7.743	1.382	38.699	7.703	4.181	97.852
2002	17.334	1.500	16.221	2.948	9.428	1.602	42.238	8.008	-	99.279
2003	21.976	1.500	16.381	2.954	9.432	2.365	37.774	9.240	-	101.622
2004	21.981	1.500	16.041	2.956	9.438	2.367	42.655	9.241	-	106.179
2005	21.719	1.500	17.922	2.955	8.960	2.286	49.748	9.405	-	114.495
2006	20.485	1.500	17.949	2.960	8.872	2.290	51.980	9.335	-	115.371
2007	20.539	1.500	17.985	2.962	8.749	2.295	52.008	9.356	-	115.394
2008	18.783	1.500	17.767	3.057	8.768	2.341	52.094	8.992	-	113.302

(1) Information provided by Johnson County Clerk's Office

(2) Wastewater O&M charges are now based on water use, not property value

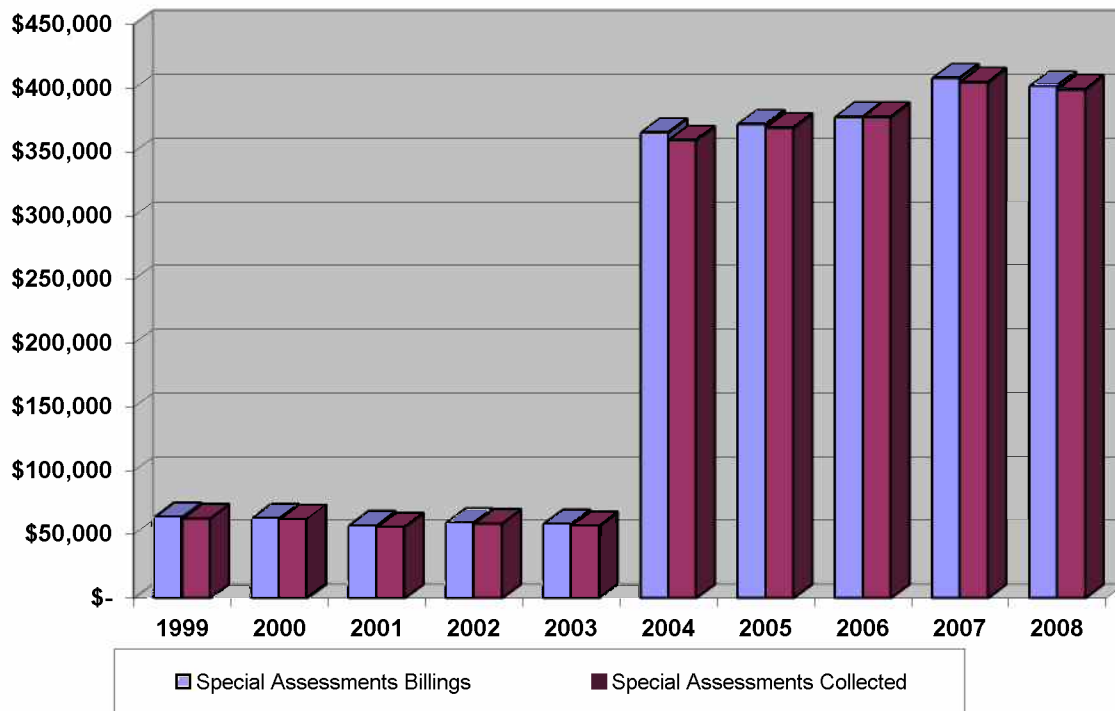
Total Property Tax Rate



CITY of ROELAND PARK, KANSAS
Special Assessment Billings and Collections
Last Ten Fiscal Years
(Unaudited)

Year Ended December 31	Special Assessments Billings	Special Assessments Collected
1999	\$ 63,603	\$ 62,478
2000	\$ 62,587	\$ 61,963
2001	\$ 56,980	\$ 55,716
2002	\$ 59,323	\$ 58,342
2003	\$ 58,205	\$ 56,793
2004	\$ 365,295	\$ 359,187
2005	\$ 371,664	\$ 369,051
2006	\$ 377,502	\$ 377,486
2007	\$ 407,918	\$ 404,683
2008	\$ 401,954	\$ 399,081

Special Assessment Billings and Collections

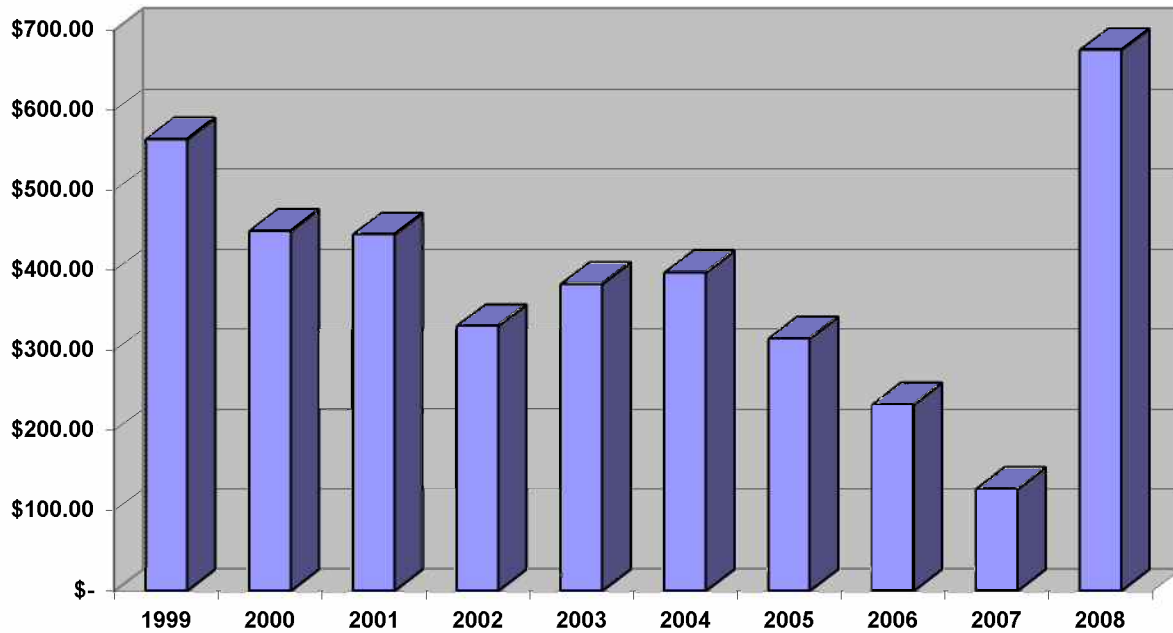


NOTE: Levy is for the tax year prior to the year of collection; e.g., 2007 is tax year 2006

CITY of ROELAND PARK, KANSAS
Ratio of Net General Bonded Debt
to Assessed Value and Net Bonded
Debt Per Capita
Last Ten Fiscal Years
(Unaudited)

Year Ended December 31	Population(1)	Assessed Value	Gross Bonded Debt	Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1999	7644	\$ 40,460,963	\$ 4,555,000	\$ 246,207	\$ 4,308,793	10.6%	\$ 563.68
2000	7644	\$ 43,734,176	\$ 3,860,000	\$ 426,726	\$ 3,433,274	7.9%	\$ 449.15
2001	6817	\$ 48,065,080	\$ 3,330,000	\$ 297,895	\$ 3,032,105	6.3%	\$ 444.79
2002	6772	\$ 52,669,570	\$ 2,785,000	\$ 548,024	\$ 2,236,976	4.2%	\$ 330.33
2003	7210	\$ 54,617,036	\$ 3,460,000	\$ 699,873	\$ 2,760,127	5.1%	\$ 382.82
2004	7075	\$ 57,757,838	\$ 2,940,000	\$ 129,805	\$ 2,810,195	4.9%	\$ 397.20
2005	7034	\$ 59,582,110	\$ 2,370,000	\$ 155,842	\$ 2,214,158	3.7%	\$ 314.78
2006	6975	\$ 63,342,080	\$ 1,780,000	\$ 159,326	\$ 1,620,674	2.6%	\$ 232.35
2007	6954	\$ 68,708,808	\$ 1,175,000	\$ 291,079	\$ 883,921	1.3%	\$ 127.11
2008	6951	\$ 70,324,732	\$ 5,065,000	\$ 373,212	\$ 4,691,788	6.7%	\$ 674.98

Net Bonded Debt Per Capita



(1) Information provided by Johnson County Clerk's Office

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STATISTICAL SECTION

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City of Roeland Park

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.	81 - 88
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, sales tax.	89 - 90
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.	91 - 95
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.	96 - 97
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.	98 - 103

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 2004; schedules presenting government-wide information include information beginning in that year.

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City of Roeland Park

Net Assets By Component
Last Five Fiscal Years
(accrual basis of accounting)
(Unaudited)

	2004	2005	2006
Governmental activities:			
Invested in capital assets, net of related debt	\$ (585,683)	\$ 1,066,431	\$ 3,242,771
Restricted	255,627	2,819,252	3,445,579
Unrestricted	1,494,008	(7,883,808)	(9,008,954)
Total governmental activities net assets	\$ (3,998,125)	\$ (3,998,125)	\$ (2,320,604)
Primary government:			
Invested in capital assets, net of related debt	\$ (585,683)	\$ 1,066,431	\$ 3,242,771
Restricted	255,627	2,819,252	3,445,579
Unrestricted	1,494,008	(7,883,808)	(9,008,954)
Total primary government net assets	\$ 1,163,952	\$ (3,998,125)	\$ (2,320,604)

GASB Statement No. 34 Implemented in Fiscal Year 2004

GASB Statement No. 46 implemented in Fiscal Year 2006; effect on restrict net assets is shown retroactively for Fiscal Year 2005 only.

2007		2008	
\$	6,684,065	\$	8,659,121
	3,481,896		3,362,134
	(9,556,205)		(9,181,115)
\$	609,756	\$	2,840,140
\$	6,684,065	\$	8,659,121
	3,481,896		3,362,134
	(9,556,205)		(9,181,115)
\$	609,756	\$	2,840,140

City of Roeland Park

Changes In Net Assets
Last Five Fiscal Years
(accrual basis of accounting)
(Unaudited)

	2004	2005	2006
Expenses:			
Governmental activities:			
General government	\$ 1,486,276	\$ 8,611,309	\$ 4,458,665
Highway & Streets	414,810	785,531	971,684
Public safety	953,159	1,100,107	1,486,533
Culture and recreation	123,156	144,551	179,246
Employee Benefits	483,746	539,977	***
Interest on long-term debt	427,273	626,826	1,151,443
Total governmental activities expenses	3,888,420	11,808,301	8,247,571
Total primary government expenses	3,888,420	11,808,301	8,247,571
Program revenue:			
Governmental activities:			
Charges for services:			
General government	537,055	324,763	261,903
Highway and streets	56,256	59,493	-
Public safety	342,665	286,691	298,827
Culture and recreation	-	-	4,310
Operating grants and contributions:			
General government	-	-	-
Highway and streets	-	-	1,413,736
Public safety	-	-	1,227
Culture and recreation	-	-	100,000
Capital grants and contributions, highways and streets			1,371,239
Total governmental activities program revenue	935,976	670,947	3,451,242
Total primary government program revenues	935,976	670,947	3,451,242
Net (expense) revenue:			
Governmental activities	(2,952,444)	(11,137,354)	(4,796,329)
Total primary government net expense	(2,952,444)	(11,137,354)	(4,796,329)
General revenues and other changes in net assets:			
Governmental activities:			
Taxes:			
Property taxes	1,648,767	1,772,230	1,405,371
Sales and use taxes	*	*	3,587,696
County jail taxes	*	*	155,924
Franchise taxes	*	*	446,130
Intergovernment	2,745,102	2,277,840	**
Other taxes	544,452	1,377,243	**
Investment earnings	67,604	161,117	472,195
Miscellaneous	316,439	386,847	406,534
Total governmental activities	5,322,364	5,975,277	6,473,850
Total primary government	5,322,364	5,975,277	6,473,850
Changes in net assets:			
Governmental activities	2,369,920	(5,162,077)	1,677,521
Total primary government	\$ 2,369,920	\$ (5,162,077)	\$ 1,677,521

* Taxes not separated out of intergovernmental and other.

** Taxes separated into specific activities.

***Employee benefits expenses were allocated to governmental activities expense functions beginning in Fiscal Year 2006.

GASB Statement No. 34 Implemented in Fiscal Year 2004

	2007	2008	
\$	2,452,942	\$	2,145,402
	1,282,612		1,498,495
	1,583,568		1,670,306
	157,134		172,434
	***		***
	1,084,725		1,100,260
	6,560,981		6,586,897
	6,560,981		6,586,897

	263,879		241,575
	-		621,446
	355,306		328,304
	3,325		2,896
	-		-
	1,134,609		893,035
	-		-
	-		-
	1,081,185		262,237
	2,838,304		2,349,493
	2,838,304		2,349,493
	(3,722,677)		(4,237,404)
	(3,722,677)		(4,237,404)

	1,193,601		1,217,707
	3,931,194		4,040,997
	150,285		141,087
	471,427		486,913
	**		**
	**		**
	439,638		178,114
	466,892		402,970
	6,653,037		6,467,788
	6,653,037		6,467,788
	2,930,360		2,230,384
\$	2,930,360	\$	2,230,384

City of Roeland Park

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	1999	2000	2001	2002
General Fund:				
Reserved	\$ 189,475	\$ 317,700	\$ 239,373	\$ 239,373
Unreserved	210,787	214,796	100,779	79,120
Total General Fund	\$ 400,262	\$ 532,496	\$ 340,152	\$ 318,493
All Other Governmental Funds:				
Reserved	\$ 294,131	\$ 476,726	\$ 347,895	\$ 548,024
Unreserved, reported in:				
Special revenue funds	230,715	280,532	281,582	262,744
Debt service funds	-	-	-	-
Capital projects funds	(934,630)	(759,488)	(627,672)	(1,182,882)
Total all other government funds	\$ (409,784)	\$ (2,230)	\$ 1,805	\$ (372,114)

Fiscal Year											
2003		2004		2005		2006		2007		2008	
\$	239,373	\$	255,627	\$	253,471	\$	399,859	\$	253,690	\$	251,721
	160,944		708,251		951,720		935,930		966,376		728,708
\$	400,317	\$	963,878	\$	1,205,191	\$	1,335,789	\$	1,220,066	\$	980,429
\$	699,873	\$	129,805	\$	1,484,714	\$	2,190,909	\$	2,106,262	\$	7,917,013
	569,413		867,550		987,500		1,145,067		1,706,745		1,230,075
	-										
	84,679		(465,217)		(1,242,233)		(3,650,852)		(5,422,364)		(6,163,469)
\$	1,353,965	\$	532,138	\$	1,229,981	\$	(314,876)	\$	(1,609,357)	\$	2,983,619

City of Roeland Park

Changes In Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	1999	2000	2001	2002
Revenues:				
Taxes	2,439,274	2,817,606	2,733,971	2,761,623
Special Assessments	60,951	31,908	55,536	60,810
Intergovernmental	1,232,621	1,234,623	1,123,828	1,159,202
Licenses and Permits	77,082	120,004	66,376	69,448
Fines and Forfeitures	225,401	197,248	174,424	301,244
Interest	71,426	93,276	100,703	57,175
Other	95,138	205,980	142,808	288,707
Total revenues	4,201,893	4,700,645	4,397,646	4,698,209
Expenditures:				
General government	918,980	937,275	1,172,167	1,157,788
Highways and streets	666,517	567,621	758,689	735,267
Public Safety	818,492	883,005	846,040	947,604
Culture and recreation	127,135	152,397	50,468	57,020
Employee Benefits	286,921	316,456	337,663	368,357
Capital Outlay	16,253	6,545	561,712	719,620
Debt Service:				
Principal retirement	766,243	891,260	3,412,043	765,801
Interest and fiscal Charges	635,504	465,384	404,778	365,105
Issuance costs	-	-	-	-
Total expenditures	4,236,045	4,219,943	7,543,560	5,116,562
Excess of revenues (under) expenditures	(34,152)	480,702	(3,145,914)	(418,353)
Other financing sources (uses):				
Capital Lease Obligations	20,962	34,172	2,840,379	22,775
Issuance of certificates of participation	-	-	-	-
Issuance of long-term Debt	-	-	-	-
Transfers in	632,500	816,952	1,105,442	819,417
Transfers out	(632,500)	(816,952)	(1,105,442)	(819,417)
Proceeds from sale of assets	505	13,915	-	-
Issuance of bonds	-	-	-	-
Premium on bonds	-	-	-	-
Discount on bonds	-	-	-	-
Total other financing sources (uses)	21,467	48,087	2,840,379	22,775
Net changes in fund balance	\$ (12,685)	\$ 528,789	\$ (305,535)	\$ (395,578)
Debt service as a percentage of noncapital expenditures	33%	32%	55%	26%

Fiscal Year					
2003	2004	2005	2006	2007	2008
3,028,341	2,193,219	3,149,473	4,518,414	4,879,899	5,072,612
57,135	56,256	59,493	58,371	68,656	56,909
1,211,975	2,747,213	2,213,506	2,751,694	4,202,787	1,907,675
68,389	142,688	169,556	156,820	156,152	147,990
286,676	325,974	286,691	297,424	354,062	326,038
31,841	67,604	161,117	472,195	439,638	178,114
145,470	711,926	542,054	503,410	584,243	500,917
4,829,827	6,244,880	6,581,890	8,758,328	10,685,437	8,190,255
1,035,600	1,382,367	8,531,899	4,242,127	2,299,427	1,943,701
592,028	994,240	672,954	989,813	807,707	1,035,974
906,644	919,115	1,088,427	1,091,294	1,164,536	1,193,771
60,000	54,429	68,668	97,997	105,686	87,800
422,299	483,746	539,977	619,849	662,098	697,081
49,990	1,504,976	1,718,214	3,786,698	4,523,237	1,072,858
1,202,570	2,895,944	912,563	944,625	1,543,464	964,519
445,690	480,378	486,060	1,109,618	1,077,333	979,709
-	-	298,479	108,796	-	47,152
4,714,821	8,715,195	14,317,241	12,990,817	12,183,488	8,022,565
115,006	(2,470,315)	(7,735,351)	(4,232,489)	(1,498,051)	167,690
56,223	136,953	27,106	-	-	-
-	-	700,000	-	-	-
-	-	-	2,837,984	41,809	4,185,000
733,300	808,190	567,541	786,795	634,390	1,594,726
(733,300)	(808,190)	(567,541)	(786,795)	(634,390)	(1,594,726)
11,674	-	-	-	46,038	649
1,625,000	2,060,000	8,050,000	-	-	-
-	15,096	-	-	-	-
-	-	(102,599)	(19,754)	-	-
1,692,897	2,212,049	8,674,507	2,818,230	87,847	4,185,649
\$ 1,807,903	\$ (258,266)	\$ 939,156	\$ (1,414,259)	\$ (1,410,204)	\$ 4,353,339
35%	47%	13%	24%	34%	29%

City of Roeland Park

Tax Revenues by Source, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

Fiscal Year	Property	Sales & Use	County Jail	Franchise	Total
1999	869,019	1,770,616	137,015	347,698	3,124,348
2000	1,153,180	1,676,973	138,214	393,031	3,361,398
2001	1,231,668	1,634,822	115,090	464,518	3,446,098
2002	1,279,111	1,574,647	121,954	396,737	3,372,449
2003	1,386,390	1,882,648	128,200	397,908	3,795,146
2004	1,648,767	2,041,922	154,807	414,945	4,260,441
2005	1,772,230	2,191,528	156,029	431,654	4,551,441
2006	1,405,371	3,587,696	155,924	446,130	5,595,121
2007	1,193,601	3,931,194	150,285	471,427	5,746,507
2008	1,217,707	4,040,997	141,087	486,913	5,886,704
Change					
1999-2008	40.12%	128.23%	2.97%	40.04%	88.41%

Source: City records.

*Certain reclassifications were made to recategorized Property Tax Revenues beginning in 2006

City of Roeland Park

Principal Sales Tax Industries

Current Year

(Unaudited)

Industry Type (NAICS)	Percentage of Total City Sales Tax Revenues
Department Stores	29.7%
Supermarkets & other grocery (except convenience) stores	26.9%
Home Centers	14.4%
Fossil Fuel Electric Power Generation	3.1%
Natural Gas Distribution	2.7%
Gasoline Stations with Convenience Stores	2.3%
Pharmacies and Drug Stores	1.6%
Cellular and Other Wireless Telecommunications	1.4%
Automotive Body, Paint, and Interior Repair and Maintenance	1.3%
Cable and Other Subscription Programming	1.2%
Total Percentage of Sales Tax Revenues	84.7%

Sources: Sales Tax Records, State of Kansas (NAICS Codes)

City of Roeland Park

**Ratios of Net General Bonded Debt Outstanding by Type
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Governmental Activities			Percentage of Actual Property Value	Debt Per Capita
	General Obligation Bonds	Less Amount Available in Debt Service	Net General Bonded Debt		
1999	4,555,000	246,207	4,308,793	10.6%	564
2000	3,860,000	426,726	3,433,274	7.9%	449
2001	3,330,000	297,895	3,032,105	6.3%	445
2002	2,785,000	548,024	2,236,976	4.2%	330
2003	3,460,000	699,873	2,760,127	5.1%	383
2004	2,940,000	129,805	2,810,195	4.9%	397
2005	2,370,000	155,842	2,214,158	3.7%	315
2006	1,780,000	159,326	1,620,674	2.4%	232
2007	1,175,000	291,079	883,921	1.3%	127
2008	5,065,000	373,212	4,691,788	6.7%	675

Note: Details regarding the City's outstanding debt may be found in the notes to the basic financial statements.

City of Roeland Park

**Direct and Overlapping Governmental Activities Debt
For the Year Ended December 31, 2008
(Unaudited)**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Johnson County	233,180,000	0.86%	2,005,348
Johnson County Community College (1)	3,495,000	0.86%	30,057
Johnson County Consolidated Fire District #2 (1)	1,595,000	9.32%	148,654
Johnson County Parks and Recreation (1)	4,305,000	0.86%	37,023
Shawnee Mission School Dist. - U.S.D. #512 (1)	260,075,000	2.21%	5,747,658
Water District #1 of Johnson County	250,700,000	2.13%	5,339,910
Subtotal, overlapping debt			\$ 13,308,650
City Direct Debt	12,580,262		12,580,262
Total direct and overlapping debt			\$ 25,888,912

Sources: Johnson County, Department of Records and Tax Administration
Water District No. 1

(1) Data as of December 31, 2008

City of Roeland Park

Legal Debt Margin Information

Last Ten Fiscal Years

(dollars in thousands)

(Unaudited)

	1999*	2000	2001	2002
Debt limit	\$ 14,473,472	\$ 15,455,436	\$ 16,900,904	\$ 18,096,265
Total net debt applicable to limit	8,586,823	7,598,735	7,084,071	6,736,745
Legal debt margin	\$ 5,886,649	\$ 7,856,701	\$ 9,816,833	\$ 11,359,520
Total net debt applicable to the limit as a percentage of debt limit	59.33%	49.17%	41.92%	37.23%

Source: City Records

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value	\$ 70,324,732
Debt limit (30% of assessed value)	<u>21,097,420</u>
Debt applicable to limit:	
General obligation bonds	5,065,000
Temporary Notes	5,085,000
Certificates of Participation	650,000
Capital Leases	<u>1,780,262</u>
Total net debt applicable to limit	<u>12,580,262</u>
Legal debt margin	<u>\$ 8,517,158</u>

2003	2004	2005	2006	2007	2008
\$ 18,811,156	\$ 19,770,599	\$ 20,366,682	\$ 21,476,321	\$ 21,203,471	\$ 21,097,420
6,435,273	6,862,312	11,732,368	12,600,352	11,732,368	12,580,262
\$ 12,375,883	\$ 12,908,287	\$ 8,634,314	\$ 8,875,969	\$ 9,471,103	\$ 8,517,158
34.21%	34.71%	57.61%	58.67%	55.33%	59.63%

City of Roeland Park

Pledged-Revenue Coverage

Last Six Fiscal Years

(dollars in thousands)

(Unaudited)

Transportation Development District

Funding Source: Sales Tax Revenue and Interest Earnings

Fiscal Year	Transportation Development District	Debt Service		Coverage
		Principal	Interest	
2003	--	--	--	--
2004	--	--	--	--
2005	112,632	-	-	
2006	458,039	-	354,318	1.29
2007	476,975	415,000	345,834	0.63
2008	436,037	150,000	328,932	0.91

Revenue Bonds

Funding Source: Tax Increment Revenues and Interest Earnings

Fiscal Year	Revenue Bonds	Debt Service		Coverage
		Principal	Interest	
2003	-	65,000	27,050	-
2004	-	65,000	23,751	-
2005	-	75,000	20,109	-
2006	-	75,000	16,115	-
2007	-	80,000	11,890	-
2008		85,000	7,289	-

Tax Increment Bonds

Funding Source: Tax Increment Revenues and Interest Earnings

Fiscal Year	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2003	159,812	20,875	125,625	1.09
2004	177,637	51,030	125,970	1.00
2005	163,765	74,842	88,658	1.00
2006	171,617	90,296	81,704	1.00
2007	168,338	118,761	74,739	0.87
2008	176,113	107,413	47,087	1.14

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: City Records

City of Roeland Park

Demographic and Economic Statistics Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended April 30	Population (1)	Per Capita Personal Income (2)	Personal Income (3)	Median Age (4)	School Enrollment (5)	Unemployment Rate (6)
1999	7,644	40,897	18,135,099	*	522	1.9%
2000	7,644	44,167	20,078,760	35.9	508	2.4%
2001	6,817	43,738	20,289,292	*	504	3.4%
2002	6,772	44,146	21,002,776	*	458	4.3%
2003	7,210	44,173	21,475,037	*	426	4.5%
2004	7,075	46,320	22,981,673	*	407	4.3%
2005	7,034	47,472	23,988,785	36.1	339	3.9%
2006	6,975	50,745	26,147,607	*	330	3.5%
2007	6,954	53,472	28,062,079	*	296	3.7%
2008	6,951	*	*	*	345	4.8%

Sources:

- (1) Johnson County Clerk/Secretary of State - Division of the Budget
- (2) Bureau of Economic Analysis, Table CA1-3, Johnson County, Kansas Per Capita, personal income
- (3) Bureau of Economic Analysis, Table CA1-3, Johnson County, Kansas, personal income
- (4) US Census Bureau
- (5) Shawnee Mission School District, elementary public schools only
- (6) Johnson County Economic Research (CERI) for Johnson County as a whole.

* Information unavailable at time of publication

City of Roeland Park

Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Employer	2008			1998		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment

Note: Due to the confidential nature of this information, the City was not able to obtain the necessary data to complete this section.

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City of Roeland Park

**Full-Time Equivalent City Government Employees By Functions/Programs
Last Ten Fiscal Years
(Unaudited)**

<u>Functions/Program</u>	Full-Time Equivalent Employees as of December 31			
	2008	2007	2006	2005
General Government:				
City Administrator	1	1	1	1
City Clerk	1	1	1	1
Personnel	2	2	2	2
Building Safety	2	2	2	2
Police:				
Officers	18	18	18	20
Public Works:				
Administration	1	1	1	1
Street Maintenance	5	5	5	4
Street Sweeping	1	1	1	1
Total	31	31	31	32

Source: City Records

Full-Time Equivalent Employees as of December 31					
2004	2003	2002	2001	2000	1999
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
2	1	1	1	1	1
20	20	18	21	22	22
1	1	1	1	1	1
4	4	4	4	4	4
1	1	1	1	1	1
32	31	29	32	33	33

City of Roeland Park

**Operating Indicators By Function/Program
Last Ten Fiscal Years
(Unaudited)**

Function/Program	Calendar Year			
	1999	2000	2001	2002
Police:				
Adult arrest	**	**	518	537
Speeding citations only	**	**	742	2,105
Traffic citations	**	**	1,716	2,133
Building Safety:				
Total building permits	268	238	284	418
Total value all permits	\$ 3,844,720	\$ 9,500,619	\$ 2,097,378	\$ 2,668,970

Source: City Records

Note: ** Indicator not available

* Data Not Available prior to 1997

Calendar Year					
2003	2004	2005	2006	2007	2008
447	428	498	428	589	429
1,340	1,262	763	781	836	310
2,869	3,693	3,253	5,161	5,632	2,665
402	358	427	429	474	496
\$ 2,024,255	\$ 10,861,333	\$ 9,261,776	\$ 11,682,007	\$ 4,215,977	\$ 3,103,909

City of Roeland Park

Capital Asset Statistics By Function/Program Last Ten Fiscal Years (Unaudited)

Function/Program	1999	2000	2001	2002
Public Works:				
Number of Streetlights	676	676	676	676
Streets (Lane Miles)	35.1	35.1	35.1	35.1
Public Safety:				
Stations	1	1	1	1
Culture and Recreation:				
Acreage	15	15	15	15
Parks	5	5	5	5
Tennis Courts	2	2	2	2
Swimming pools	1	1	1	1
Parks with Playground Equipment	2	2	2	2
Picnic Shelters	1	1	1	1
Community Centers	1	1	1	1
Skateboard Park	-	-	-	-

Source: City Records

2003	2004	2005	2006	2007	2008
676	676	676	676	609	596
35.1	35.1	35.1	35.1	35.1	35.1
1	1	1	1	1	1
15	15	15	15	15	15
5	5	5	5	5	5
2	2	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
-	1	1	1	1	1

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