



R Park

Comprehensive Annual Financial Report

For the Fiscal Year Ending December 31, 2014



City of Roeland Park, Kansas

City of Roeland Park, Kansas



**Comprehensive Annual Financial Report
for the fiscal year ended December 31, 2014**

Prepared by:

Jennifer Jones-Lacy, Assistant City Administrator/Finance Director

INTRODUCTORY SECTION

City of Roeland Park

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City of Roeland Park

April 28, 2015

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

The Comprehensive Annual Financial Report (CAFR) of the City of Roeland Park for fiscal year ending December 31, 2014 is submitted to you. 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 the requirements for fiscal year ending December 31, 2014.

Letter of Transmittal

For the Fiscal Year
Ended December 31, 2014

City of Roeland Park, Kansas

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the government. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included which includes management's discussion and analysis.

The management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that; (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

This letter of transmittal provides a non-technical summary of City finances, economic prospects, and achievements. The Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the City's basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The independent auditing firm of McGladrey, LLP, has issued an unmodified ("clean") opinion on the City of Roeland Park's financial statements for the year ending December 31, 2014. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the Government-wide

and Fund Financial Statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report is located at the front of the financial section of this report.

CITY OF ROELAND PARK PROFILE

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 6,700. The City's population is at the same population as it was in 1950. During the 1960's through 1980's the city saw a 6-10% population increase each decade. During the past three decades, the City's population has decreased with the 2010 census reporting 6731. The City's population has decreased approximately 18% since 1980.

The City of Roeland Park operates under the Mayor-Council-Administrator form of government. The City is divided into four wards with two councilpersons elected from each ward to serve staggered four year terms. The Mayor is elected by the City at large for a four year term. Policy-making and legislative authority are vested in a Governing Body consisting of the Mayor and eight council members, all elected on a non-partisan basis. The City Council directly appoints the following officers: City Administrator, City Attorney, City Engineer, City Prosecutor, Special Ethics Attorney and Municipal Judge who have full responsibility for carrying out City Council policies and administering day-to-day City operations.

The City Administrator hires the heads of the various departments. The City Administrator is responsible for administering all City programs and departments in accordance with policies and the annual budget adopted by the council. The City provides a full range of municipal services including police protection; the construction and maintenance of streets, storm drainage and other infrastructure, and recreational and cultural activities. Fire and health services are provided by the County and utilities are a service provided by the private sector. The City has an independent contract with a solid waste collector for the annual recycling, composting and residential solid waste disposal.

The City of Roeland Park is also financially accountable for a legally separate Public Building Commission and 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 annual budget serves as the foundation for Roeland Park's financial planning and control. The City Council formally adopts the budget and legally allocates, or appropriates, available monies for the City's various funds. The Council is required to adopt a final budget for the next fiscal year by no later than August 25th of the current year. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The City Administrator has the authority to transfer resources within a department and between departments. The City is empowered to levy a property tax on both real and personal property located within its boundaries.

LOCAL ECONOMY

The City of Roeland Park is a small community that has a lot to offer its citizens and visitors. The Roeland Park Community Campus is home to the Community Center, originally built in 1971 as a elementary school, a year round swimming pool, a sports dome that offers volleyball and basketball, as well as soccer. The facility abuts Nall Park, a 10 ½ acres natural conservation area with a walking trail, rain gardens, playground and covered shelter area. The City of Roeland Park's newest park, R Park was opened in March 2010. The park currently has basketball courts, multi-use fields, playground equipment, tennis courts and a walking trail.

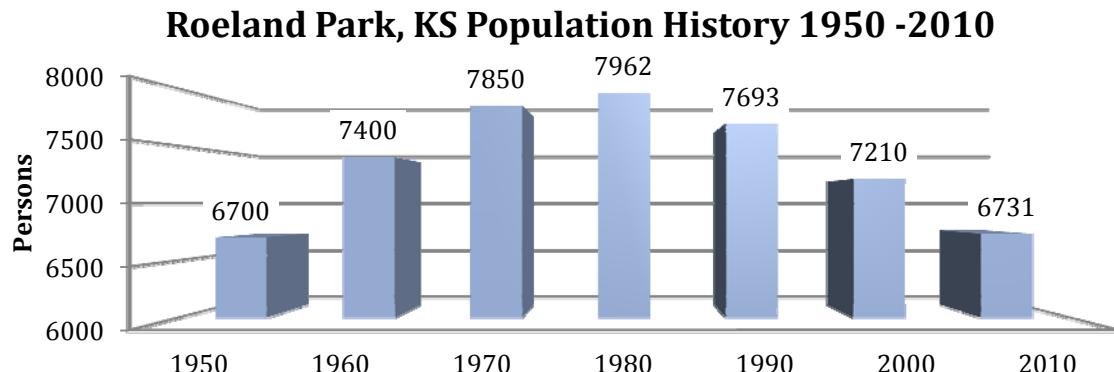
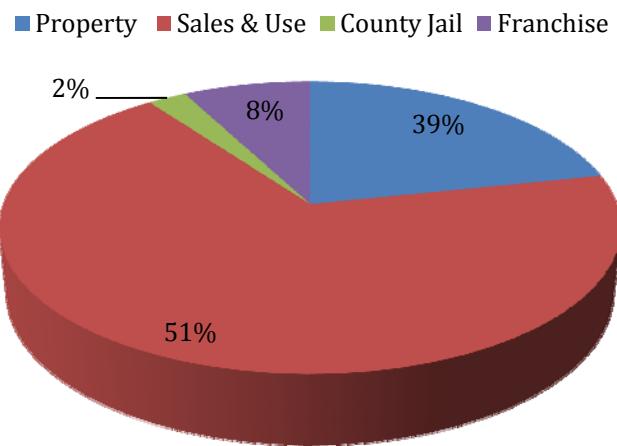
The City of Roeland Park's tax revenue base consists of a variety of tax categories; the most significant being taxes applicable to sales tax followed by real property. The FY 2014 Budget increased the property tax levy by 10.947 mills to build up reserves in anticipation of the departure of the City's largest retailer. In prior years, sales tax comprised the largest share of City tax revenues. The City has major industries located within the government's boundaries or in close proximity, which include major grocery stores, major department stores and convenience stores, as well as several financial institutions and insurance companies. The City's sales and use tax increased by approximately 62% compared to 2004.

Residential building permit revenues for remodeling and additions have increased in 2014 over the prior year by 10.9%. Assessed valuations of residential and commercial properties increased by approximately 2.57% in 2014 as Johnson County assessed valuations continue to recover from the economic downturn.

In 2014, the City adopted the Johnson County Contractor Licensing Program that requires all contractors obtaining a building, electrical, mechanical, plumbing or demolition permit are to be licensed with the County. The program ensures contractors understand building codes and requires annual continuing education classes to maintain the licensure. The program helps provide homeowners with assurance that contractors in Roeland Park understand City codes, have the required level of insurance and are professionals in their fields.

Median household incomes within the City of Roeland Park are higher than for the state and the nation. According to the census data from the year 2010, median household income was \$64,696 for the City of Roeland Park and \$51,273 for the state.

2014 Tax Revenues by Source, Governmental Funds



Corrected 2000 population count from original 6817 based on Census Count Question Resolution Program.

The City of Roeland Park's population has decreased 3.7 percent in the last 10 years due to the changing demographics of the area. The median single family home price was \$156,400 according to the 2009-2013 Census estimates.

FINANCIAL ANALYSIS

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this 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 are recognized as revenue as soon as all eligibility requirements have been met.
- Program Revenues, such as charges to customers for goods and services, are recognized in the period they are earned.

Government 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.

- The City considers revenues to be available if they are collected within 60 days of the end of the year.
- Expenditures are generally recorded when a liability is incurred.
- Debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

LONG TERM FINANCIAL PLANNING

The City began using a long range financial forecasting module in 2012 to develop the City's annual budget. The purpose of the module is to assist the Governing Body in creating a sustainable budget and to stabilize taxes. The module will also help in the preparation of the City's Capital Improvement Plan and forecasting of debt service payments.

Each department prepares a 3 year proposed budget, with the current year budget as their base. A review of each proposed departmental budget is completed by the council prior to being added to the forecasting module. The budget process includes input from departments, the City Administrator, the City Council and residents at community budget meetings. The Governing Body adopts the budget for the following year in mid-August.

In addition to the budget process, departments submit updated 5 year capital plans for review and approval based upon available funding. The Capital Improvement Plan includes all of the City owned facilities, equipment and infrastructure needs, including the Community Center and Aquatic Center. As part of the process, revenue from property taxes, sales taxes and user fees are updated to determine fund availabilities for long-term projects.

MAJOR INITIATIVES

The Roeland Park Community Foundation helps enhance livability in the City

In late October 2013, the City Council established the Roeland Park Community Foundation, which allows the public to make tax deductible donations to various City initiatives. In its first full year, citizens helped to fund several special events including the annual Christmas Tree lighting, the Neighborhood Block Party and helped to fund several enhancements in R Park.

The Sunflower Foundation also awarded the City and the Citizen's Fundraising Initiative for R Park a grant to build a crushed limestone trail around R Park, add signage and install shade trees along the trail. The Sunflower Foundation provided more than \$18,000 in matching funds. The balance of the funding was paid for in large part by fundraising efforts spearheaded by the Citizen's Initiative. The group hosted its first major fundraiser, Bacon, Blues and Brews in October at the Roeland Park Community Center. Boulevard Brewery and Cinder Block Brewery provided beer, Mass Street Soda in Lawrence provided root beer and several local residents and restaurants attended and donated their bacon themed treats. Attendees were able to enjoy local brews with their bacon treats including bacon flavored snack mix, chocolate covered bacon, and bacon flavored soda. The event raised more than \$8,000 for improvements in R Park.

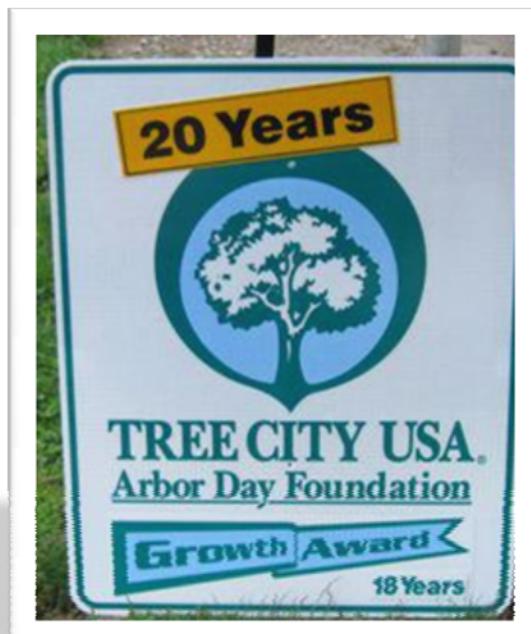
Roeland Park launches the Citizen's Academy

In an effort to educate residents on the basics of their local government, the City of Roeland Park began its first Citizen's Academy in fall 2014. The academy provided citizens with six sessions to showcase the work of the City and its partners. These sessions focused on police, fire and public safety, public works and code enforcement, City financials and budget, recreation, and Class size was limited to keep the sessions intimate and allow plenty of opportunity for questions from participants.

Tree City USA and Growth Award

The Arbor Day Foundation announced that Roeland Park was named a Tree City USA community in honor of its commitment to effective urban forest management. 2014 was the 21st year Roeland Park earned the national designation. Roeland Park achieved Tree City USA recognition by meeting the program's four requirements: a tree board or department, a tree-care ordinance, an annual community forestry budget of at least \$2 per capita and an Arbor Day observance and proclamation.

The Tree City USA Growth Award is awarded by the Arbor Day Foundation to recognize higher levels of tree care by participating Tree City USA communities. The Growth Award highlights innovative programs and projects, increased commitment resources for urban forestry and provides an opportunity to share new ideas and successes across the country. Roeland Park is a Sterling Community, receiving 10 or more growth awards.



RELEVANT FINANCIAL POLICIES

During the FY 2014 budget planning process, the Governing Body increased the City's property tax levy by nearly 11 mills. The goal of the FY 2015 budget was to maintain the mill levy at those levels to continue to provide consistent City services while building General Fund reserves. The 2015 budget was created based upon the following assumptions:

- *No loss in sales tax from the anticipated move of Wal-Mart in 2015 greater than the \$700,000 previously estimated by the City's Financial Advisor*
- *Property values increase by 1.5 percent annually*
- *Franchise fee revenues are projected to be down for gas, telephone, telecable and video in 2015, 2016 and 2017 compared to 2014*

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 approved two Transportation Development Districts (TDDs) which enable long term debt to be retired through the use of excess sales tax. During 2012 the City approved the first Community Improvement District (CID). The CID enables improvements within the district through the use of an excess sales tax.

FUTURE INITIATIVES

The Governing Body annually prepares goals for the upcoming year. They continue to work on the following objectives:

Monetary Goals

- Review/Assess programming needs of public works facility
- Work to implement the Neighbor-to-Neighbor Strategic Plan and review strategic visioning process
- Reconnection initiative with area businesses

Non-Monetary Goals

- Follow-up Citizen Survey
- Implement the interior inspection program for rental housing
- Research stormwater utility - long term maintenance plan
- Work toward redevelopment of Johnson Drive corridor

The above initiatives are currently being discussed to assess the need and costs involved. These items may or may not be funded as a future initiatives.

The City continues to seek developers for the vacant former Roeland Park Pool property at 48th and Roe Parkway. In 2014 the City entered into an interlocal agreement with the City of Mission to jointly develop the property at the northeast corner of Johnson Drive and Roe Boulevard. A steering committee is in the process of collecting citizen feedback on future development, working to obtain right-of-way from KDOT with the hopes of developing a Request for Proposals to develop on the site. The Commerce Bank development at the northwest corner of Roe Boulevard and Johnson Drive has also made headway as the developer investigates a full access interchange to the property from Roe Boulevard. The bank plans to build a branch and drive through facility on the property and hopes to lease additional space to another retailer. The building will include sustainable elements incorporated into the design.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Roeland Park for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2013. This was the 20th consecutive year the city government has received this prestigious award. In order to be awarded a Certificate of Achievement, the city government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy 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 comprehensive annual financial report 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 dedicated and efficient service of the entire staff of the 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 Council for their constant support for maintaining the highest standards of professionalism in the management of the City of Roeland Parks finances.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Jennifer Jones-Lacy". The signature is fluid and cursive, with "Jennifer" on the top line and "Jones-Lacy" on the bottom line.

Jennifer Jones-Lacy
Assistant City Administrator/Director of Finance



Government Finance Officers Association

**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, 2013

A handwritten signature in black ink, appearing to read "Jeffrey R. Emen".

Executive Director/CEO

CITY COUNCIL



Front row from left to right: Becky Fast, Teresa Kelly, Megan England, Sheri McNeil

Back row from left to right: Michael Rhoades, Joel Marquardt, Jennifer Gunby, Marek Gliniecki, Mel Croston

2014 DEPARTMENT HEADS AND APPOINTED OFFICIALS

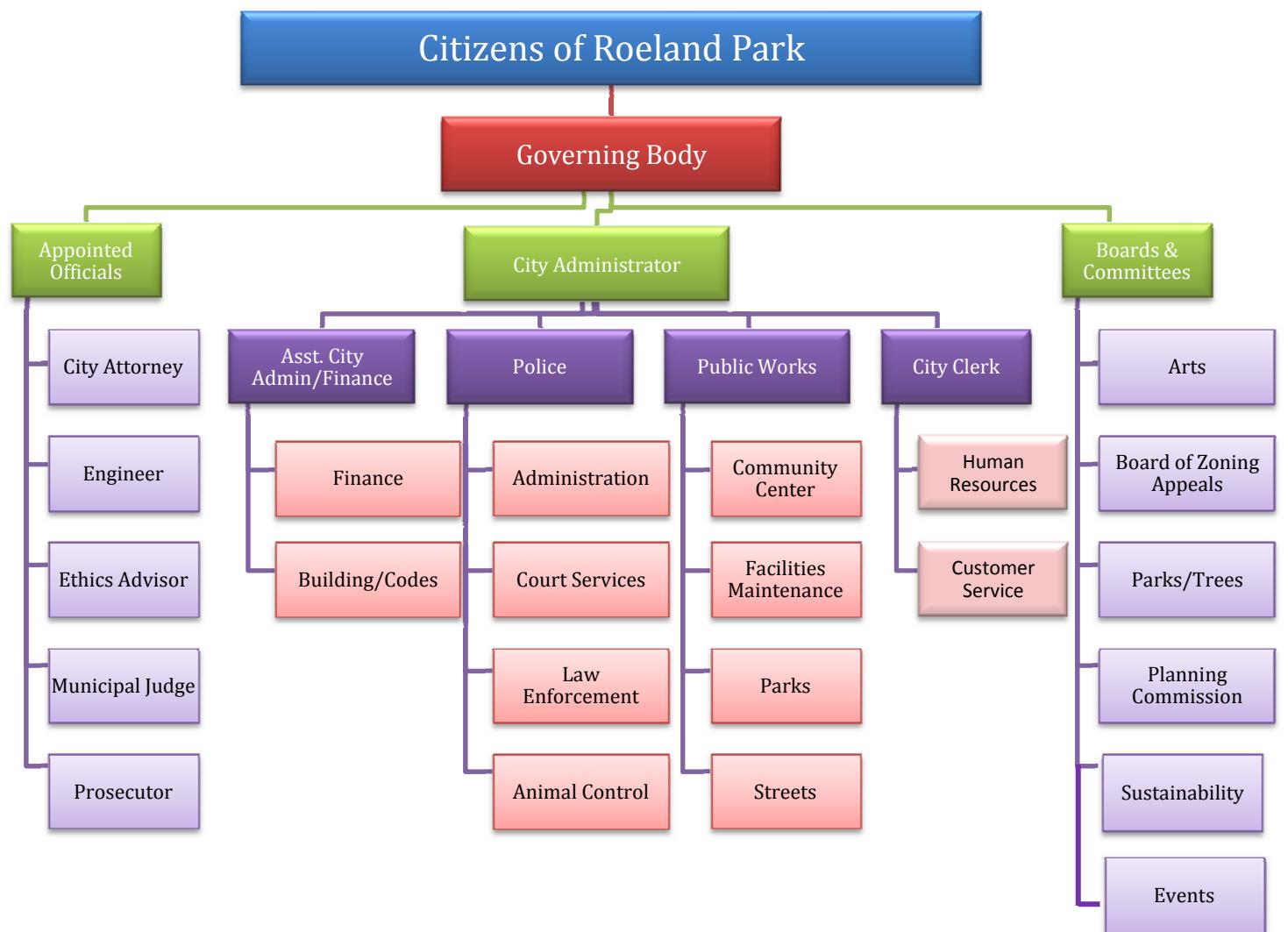
Department Heads

| | |
|---|----------------------------|
| <i>City Administrator</i> | <i>Aaron A. Otto</i> |
| <i>Assistant City Administrator/Director of Finance</i> | <i>Jennifer Jones-Lacy</i> |
| <i>City Clerk</i> | <i>Kelley Bohon</i> |
| <i>Chief of Police</i> | <i>Edward John Morris</i> |
| <i>Director of Public Works</i> | <i>Jose Leon</i> |

Appointed Officials

| | |
|------------------------------------|---|
| <i>City Attorney</i> | <i>Neil R. Shortridge, Esq.</i> |
| <i>Municipal Court Judge</i> | <i>Karen Torline</i> |
| <i>City Prosecutor</i> | <i>Frank Gilman</i> |
| <i>City Engineer</i> | <i>Shafer, Kline & Warren, Inc.</i> |
| <i>City Ethics Attorney</i> | <i>David Waters</i> |

ORGANIZATION CHART



City of Roeland Park

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City of Roeland Park

FINANCIAL SECTION

City of Roeland Park

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Independent Auditor's Report

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

Report on the Financial Statements

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 (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2014, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 10, schedule of funding progress on page 38 and budgetary comparison information on pages 39 through 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The accompanying introductory, statistical section and other supplemental statistical section, as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2015, on our consideration of the City of Roeland Park, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Roeland Park, Kansas' internal control over financial reporting and compliance.



Kansas City, Missouri
April 28, 2015

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2014

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, 2014. 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 and deferred outflows of resources of the City of Roeland Park exceeded its liabilities and deferred inflows of resources as of December 31, 2014 by \$14,627,000 (net position). The assets and deferred outflows of resources of the City of Roeland Park exceeded its liabilities and deferred inflows of resources as of December 31, 2013 by \$13,043,066 (net position).
- The government's total net position increased by \$1,583,934 and \$1,141,575 for 2014 and 2013, respectively. The increase in total net position during fiscal year 2014 was primarily due to an increase in pooled cash. The City Council, due to the upcoming loss of a major sales tax producing entity, has started to build reserves. These reserves will be utilized during the years the property is vacant to offset increasing the Mill Levy beyond the increase levied for fiscal year 2014.
- The City of Roeland Park's governmental funds reported combined ending fund balances of \$5,898,874 and \$4,172,987 as of December 31, 2014 and 2013, respectively. Unassigned fund balance for fiscal years 2014 and 2013 was \$723,121 and \$(3,818), respectively.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,922,771, or 46 percent of total General Fund expenditures compared to the 2013 balance of \$1,314,949, or 33 percent of total General Fund expenditures.
- The City of Roeland Park's total debt, excluding compensated absences, decreased by \$1,172,473 (6 percent) during fiscal year ended December 31, 2014. The City of Roeland Park's total debt, excluding compensated absences, decreased by \$2,445,170 (12 percent) during fiscal year ended December 31, 2013. The majority of the decrease was due to 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 position presents information on all of the City of Roeland Park's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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, 2014

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 17 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 TIF Fund, Debt Service Fund and TDD #2 – Lowe's Fund all of which are considered to be major funds. Data from the other 13 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 other postemployment benefit plan and 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.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's total net position has increased from a year ago. The following table reflects total net position for 2014 of \$14,627,000 and 2013 of \$13,043,066 which represents an increase of \$1,583,934 from 2013.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2014

The City of Roeland Park's restricted net position (\$2,924,033 and \$2,083,763 for fiscal years 2014 and 2013, respectively) represent resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted net position (\$2,106,264) and (\$3,040,705) for 2014 and 2013, respectively.

City of Roeland Park's Net Position

| | Governmental Activities 2014 | Governmental Activities 2013 | Change |
|--------------------------------------|------------------------------------|------------------------------------|---------------------|
| Current and other assets | \$ 13,188,756 | \$ 11,712,859 | \$ 1,475,897 |
| Capital assets | 22,475,850 | 23,450,838 | (974,988) |
| Total assets | 35,664,606 | 35,163,697 | 500,909 |
| Total deferred outflows of resources | 104,431 | 116,839 | (12,408) |
| Noncurrent liabilities | 14,018,417 | 15,219,041 | (1,200,624) |
| Other liabilities | 3,838,422 | 3,963,592 | (125,170) |
| Total liabilities | 17,856,839 | 19,182,633 | (1,325,794) |
| Total deferred inflows of resources | 3,285,198 | 3,054,837 | 230,361 |
| Net position: | | | |
| Net investment in capital assets | 13,809,231 | 14,000,008 | (190,777) |
| Restricted | 2,924,033 | 2,083,763 | 840,270 |
| Unrestricted (deficit) | (2,106,264) | (3,040,705) | 934,441 |
| Total net position | \$ 14,627,000 | \$ 13,043,066 | \$ 1,583,934 |

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 position 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 position category invested in capital assets is reduced by debt funding used to purchase prior year's infrastructure.

Net position may serve over time as one useful indicator of a government's financial condition. The City's net position increased by \$1,583,934, or 12 percent, for the fiscal year ended December 31, 2014.

Current and Other Assets – The City's current and other assets increased by \$1.5 million from \$11.7 million to \$13.2 million. The increase is attributable to increased property taxes, franchise fees and miscellaneous revenues, primarily from solid waste fees and lease revenues, from the prior year. The City's capital assets decreased by nearly \$1 million or a 4 percent decrease. The primary element of this decrease is due to the depreciation of capital assets.

Noncurrent liabilities decreased by 7.9 percent primarily due to scheduled debt payments. Noncurrent liabilities, excluding debt, include \$107,108 of other postemployment benefits. Other liabilities decreased by 3.2 percent.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2014

The largest portion of the government's net position for governmental activities (94.4 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related outstanding debt used to acquire those assets. The government uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the government's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Capital assets include all assets, still in use, acquired from 1952 through December 31, 2014.

Restricted net position totals \$2,924,033 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 position, of (\$2,106,264), consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

The changes in net position 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 position.

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 position follows:

City of Roeland Park's Changes in Net Position

| | Governmental Activities 2014 | Governmental Activities 2013 | Change |
|------------------------------------|-------------------------------------|-------------------------------------|----------------|
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 682,000 | \$ 662,318 | \$ 19,682 |
| Operating grants and contributions | 369,442 | 345,189 | 24,253 |
| Capital grants and contributions | - | - | - |
| General revenues: | | | |
| Property taxes | 2,733,711 | 2,258,333 | 475,378 |
| Sales and use taxes | 3,558,501 | 3,478,737 | 79,764 |
| County jail tax | 155,176 | 149,409 | 5,767 |
| Franchise taxes | 517,297 | 493,139 | 24,158 |
| Investment earnings | 17,898 | 17,921 | (23) |
| Miscellaneous | 596,702 | 526,344 | 70,358 |
| Total revenues | 8,630,727 | 7,931,390 | 699,337 |
| Expenses: | | | |
| General government | 2,106,504 | 2,080,869 | 25,635 |
| Highways and streets | 2,558,464 | 2,095,342 | 463,122 |
| Public safety | 1,522,496 | 1,583,758 | (61,262) |
| Culture and recreation | 191,761 | 196,798 | (5,037) |
| Interest on long-term debt | 667,568 | 833,048 | (165,480) |
| Total expenses | 7,046,793 | 6,789,815 | 256,978 |
| Increase in net position | 1,583,934 | 1,141,575 | 442,359 |
| Net position, beginning | 13,043,066 | 11,901,491 | 1,141,575 |
| Net position, ending | \$ 14,627,000 | \$ 13,043,066 | \$ 1,583,934 |

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2014

Total governmental activities revenue was \$8,630,727 and \$7,931,390 in fiscal years 2014 and 2013, respectively.

Certain revenues are generated that are specific to governmental program activities. These totaled \$1,051,442 and \$1,007,507 in 2014 and 2013, respectively. The graphs in Tables 1 and 2 of the statistical section as listed in the table of contents, show the composition of the fiscal year's governmental activities revenue and expenses.

Total governmental activities expenses were \$7,046,793 and \$6,789,815 in fiscal years 2014 and 2013, respectively.

Several of the revenue and expense categories fluctuated between 2014 and 2013. Highlights include the following:

Revenues:

- Property taxes increased by \$475,378 from 2013 as a result of a higher mill levy to build City reserves in preparation for the loss of a major sales tax producer.
- Sales and use taxes increased by \$79,764 from 2013 as a result of increased revenue in the Community Improvement District and increased revenues from County sales and use taxes.

Expenditures:

- The highway and streets expenditures increased by 22.1 percent from 2013 due to increased street maintenance that occurred in 2014.
- Interest on long-term debt expenditures decreased by 19.9 percent primarily due to paying down long-term G.O. Bond debt.

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, unrestricted 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 of \$5,898,874, an increase of \$1,725,887 in comparison with the prior year. Fund balance is restricted to indicate that it is not available for new spending because it has already been committed to pay debt service \$2,670,190, special highway \$48,877, capital expansion and improvements \$1,944,469 and Roeland Park property owners association of \$10,722.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2014

The General Fund is the chief operating fund of the City of Roeland Park. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,922,771, while total fund balance was \$2,090,538. This is more than the 2013 unassigned fund balance of \$1,314,949 and the total 2013 General Fund balance of \$1,472,816. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 46 percent of total General Fund expenditures, while total fund balance represents 50 percent of that same amount. Unassigned fund balance represented 33 percent of total General Fund expenditures for 2013, while total fund balance represents 36 percent of that same amount.

The fund balance of the City of Roeland Park's General Fund increased by \$617,722 during fiscal year 2014 and increased \$53,223 during fiscal year 2013. The increase is due to an increase in revenues and a less significant increase in expenditures. Total expenditures in the general fund increased \$187,927 or 4.7 percent, while revenues increased \$465,456 or 10.3 percent. Net other financing sources decreased \$286,970 or 99 percent due to eliminating the transfer out of the General Fund to the Capital Projects Fund.

The Bella Roe/Walmart TIF Fund had an ending fund balance of \$1,508,082. The net increase in fund balance was \$26,149 for the year. The net increase in fund balance was insignificant.

The Debt Service Fund had a total fund balance of \$479,137, all of which is restricted 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 \$19,230. The net increase in fund balance was due to increased reserve balances for future debt service.

The TDD #2 – Lowe's Fund had an ending fund balance of \$(1,199,557). The net increase in fund balance was \$119,210 for the year. The net increase in fund balance was due to the accelerated debt schedule and a higher proportion of debt service payments being applied to principal. TDD #2 went into default in 2013 due to sales tax revenue associated with the district being insufficient to cover the bond payments.

General Fund Budgetary Highlights

The legally adopted budget for the General Fund was not amended by the Governing Body in 2014. On a budgetary basis, which can be found in the required supplementary information on page 39, expenditures were less than revenues and other sources, which resulted in an increase in fund balance by \$617,722. Actual revenues were \$37,259 more than budgeted revenues.

General Fund expenditures were lower than the final budget by \$1,526,057.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2014

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, 2014 and 2013, respectively, was \$22,475,850 and \$23,450,838 (net of accumulated depreciation). This investment in capital assets includes land, construction-in-progress, buildings, improvements and infrastructure and machinery and equipment. The total decrease 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 | |
|--|-------------------------|----------------------|
| | 2014 | 2013 |
| Land | \$ 1,396,272 | \$ 1,396,272 |
| Artwork | 12,620 | 12,620 |
| Construction-in-progress | - | 141,595 |
| Buildings | 4,399,473 | 4,399,473 |
| Improvements other than buildings and infrastructure | 26,963,548 | 26,160,922 |
| Machinery and equipment | 1,660,857 | 1,622,490 |
| Accumulated depreciation | (11,956,920) | (10,282,534) |
| Total | \$ 22,475,850 | \$ 23,450,838 |

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 \$17,069,534. Of this amount, \$7,995,000 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 \$9,074,534.

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

| | Governmental Activities | |
|---|-------------------------|----------------------|
| | 2014 | 2013 |
| General obligation bonds | \$ 7,995,000 | \$ 8,395,000 |
| Special obligation tax increment revenue bonds | 3,645,147 | 3,879,226 |
| Transportation development district sales tax revenue bonds | 4,495,859 | 4,805,151 |
| Capital leases | 933,528 | 1,162,630 |
| Total | \$ 17,069,534 | \$ 18,242,007 |

The City of Roeland Park's total debt decreased by \$1,172,473 (6 percent) during the current fiscal year. The majority of the decrease was due to 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.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2014

Economic Factors and Next Year's Budgets and Rates

Economic conditions are currently positive with the expectation that they will decline once Wal-Mart leaves the City. However, we anticipate a later departure date than previously estimated. Property taxes increased in 2014 due to an increased mill levy to build reserves. Preliminary reports for 2015 show an increase in assessed valuation of approximately 4 percent over the prior year. However, a portion of that increased revenue will remain in the TIF districts.

The City has financial policies that govern financial decision making. These policies help the governing body:

- Ensure financial sustainability
- Provide transparency to residents and stakeholders
- Establish strategic intent for financial management and a consistent methodology

2015 Budget

The council approved the 2015 budget based upon information provided in the three year forecast. Utilizing a forecasting module allows the governing body to understand future revenue and expense projections, in turn providing a clearer picture of the future financial needs.

Factors used in creating the forecasting model for 2015-2017:

- No loss in sales tax from the move of Wal-Mart greater than the \$700,000 previously estimated by the City's Financial Advisor.
- Property values remain relatively flat, not increasing by more than 2 percent in 2016 and 2017.
- Franchise fees and court revenues remain in line with 3-5 year trend analysis.
- Maintain the same level of services that were experienced in the 2014 budget
- Place funds in the General Fund Reserve in order to manage the reduction in sales tax revenue from the upcoming loss of Wal-Mart (February 2017) and devaluation on commercial and residential property.

Proposed Three Year Outlook - Mill Levy

| | 2015 | 2016 | 2017 |
|--------------------------|---------------|---------------|---------------|
| Mill Levy | 33.337 | 33.337 | 33.337 |
| Increase needed annually | 0 | 0 | 0 |
| Total Mill Levy | 33.337 | 33.337 | 33.337 |

Forecasting of city property values were projected to increase by 2 percent in 2016 and 2017.

All of these factors were considered in preparing the City of Roeland Park's budget for fiscal year 2015.

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: Jennifer Jones-Lacy, Assistant City Administrator/Director of Finance, City of Roeland Park, 4600 West 51st Street, Roeland Park, Kansas 66205.

City of Roeland Park

BASIC FINANCIAL STATEMENTS

City of Roeland Park

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City of Roeland Park

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City of Roeland Park, Kansas

Statement of Net Position
December 31, 2014

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Assets | |
| Current assets: | |
| Cash and cash equivalents | \$ 4,228,573 |
| Receivables: | |
| Taxes | 4,013,409 |
| Special assessments | 2,299,505 |
| Intergovernmental | 44,455 |
| Other | 22,275 |
| Other assets | 70,676 |
| Total current assets | 10,678,893 |
| Noncurrent assets: | |
| Restricted assets, pooled cash | 2,509,863 |
| Capital assets: | |
| Nondepreciable: | |
| Land | 1,396,272 |
| Artwork | 12,620 |
| Depreciable: | |
| Buildings | 4,399,473 |
| Improvements other than buildings and infrastructure | 26,963,548 |
| Machinery and equipment | 1,660,857 |
| Accumulated depreciation | (11,956,920) |
| Total noncurrent assets | 24,985,713 |
| Total assets | 35,664,606 |
| Deferred Outflows of Resources | |
| Deferred charge on refunding | \$ 104,431 |

See Notes to Basic Financial Statements.

| | Governmental Activities |
|---|----------------------------|
| Liabilities | |
| Current liabilities: | |
| Accounts payable and accrued liabilities | \$ 484,320 |
| Interest payable | 144,553 |
| Compensated absences | 76,433 |
| Capital lease obligations | 235,257 |
| Tax increment revenue bonds | 280,000 |
| General obligation bonds | 1,202,000 |
| Transportation development district sales tax revenue bonds | 1,415,859 |
| Total current liabilities | 3,838,422 |
| Noncurrent liabilities: | |
| Compensated absences | 28,655 |
| Capital lease obligations | 698,271 |
| Tax increment revenue bonds, net bond discounts | 3,342,300 |
| Transportation development district sales tax revenue bonds, net bond discounts | 3,039,836 |
| General obligation bonds, net bond premiums | 6,802,247 |
| Net OPEB obligation | 107,108 |
| Total noncurrent liabilities | 14,018,417 |
| Total liabilities | 17,856,839 |
| Deferred Inflows of Resources | |
| Property taxes | 3,285,198 |
| Net Position | |
| Net investment in capital assets | 13,809,231 |
| Restricted for: | |
| Debt service | 1,086,690 |
| Special highway | 48,877 |
| Capital expansion and improvement | 1,777,744 |
| Roeland Park property owners association | 10,722 |
| Unrestricted (deficit) | (2,106,264) |
| Total net position | \$ 14,627,000 |

City of Roeland Park, Kansas

Statement of Activities
Year Ended December 31, 2014

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position |
|--------------------------------------|--------------------------------------|--|--|---------------------------------------|--|
| | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions | Primary Governmental Activities | |
| Expenses | | | | | |
| Primary Government | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 2,106,504 | \$ 323,727 | \$ 6,325 | \$ - | \$ (1,776,452) |
| Highways and streets | 2,558,464 | - | 363,117 | - | (2,195,347) |
| Public safety | 1,522,496 | 358,273 | - | - | (1,164,223) |
| Culture and recreation | 191,761 | - | - | - | (191,761) |
| Interest on long-term debt | 667,568 | - | - | - | (667,568) |
| Total governmental activities | \$ 7,046,793 | \$ 682,000 | \$ 369,442 | \$ - | \$ (5,995,351) |
| General Revenues | | | | | |
| Taxes: | | | | | |
| Property taxes | | | | | 2,733,711 |
| Sales and use taxes | | | | | 3,558,501 |
| County jail tax | | | | | 155,176 |
| Franchise taxes | | | | | 517,297 |
| Investment earnings | | | | | 17,898 |
| Miscellaneous | | | | | 596,702 |
| Total general revenues | | | | | 7,579,285 |
| Changes in net position | | | | | |
| Net position beginning of year | | | | | 1,583,934 |
| Net position end of year | | | | | \$ 14,627,000 |

See Notes to Basic Financial Statements.

City of Roeland Park

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City of Roeland Park, Kansas

Balance Sheet
Governmental Funds
December 31, 2014

| | General Fund | Bella Roe/ Walmart TIF Fund | Debt Service Fund |
|---|---------------------|-----------------------------------|----------------------|
| Assets | | | |
| Pooled cash | \$ 1,825,183 | \$ 104,528 | \$ 479,137 |
| Receivables: | | | |
| Taxes | 2,266,408 | 475,266 | 335,183 |
| Special assessments | - | - | 2,299,505 |
| Intergovernmental | - | - | - |
| Other | 22,275 | - | - |
| Due from other funds | 3,118 | - | - |
| Other assets | 70,676 | - | - |
| Restricted assets, cash | 157,500 | 1,403,554 | - |
| Total assets | \$ 4,345,160 | \$ 1,983,348 | \$ 3,113,825 |
| Liabilities | | | |
| Accounts payable and accrued liabilities | \$ 320,480 | \$ - | \$ - |
| Due to other funds | - | - | - |
| Matured long-term debt in default | - | - | - |
| Total liabilities | 320,480 | - | - |
| Deferred inflows of resources | | | |
| Unavailable revenue - property taxes | 1,934,142 | 475,266 | 335,183 |
| Unavailable revenue - special assessments | - | - | 2,299,505 |
| Total deferred inflows of resources | 1,934,142 | 475,266 | 2,634,688 |
| Fund balances (deficits) | | | |
| Restricted | 157,500 | 1,381,082 | 479,137 |
| Committed | - | 127,000 | - |
| Assigned | 10,267 | - | - |
| Unassigned | 1,922,771 | - | - |
| Total fund balances | 2,090,538 | 1,508,082 | 479,137 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 4,345,160 | \$ 1,983,348 | \$ 3,113,825 |

See Notes to Basic Financial Statements.

| TDD #2 - Lowe's Fund | Nonmajor Governmental Funds | Total |
|-------------------------|-----------------------------------|----------------------|
| \$ - | \$ 1,819,725 | \$ 4,228,573 |
| 20,081 | 916,471 | 4,013,409 |
| - | - | 2,299,505 |
| - | 44,455 | 44,455 |
| - | - | 22,275 |
| - | - | 3,118 |
| - | - | 70,676 |
| 1,749 | 947,060 | 2,509,863 |
| \$ 21,830 | \$ 3,727,711 | \$ 13,191,874 |
| <hr/> | <hr/> | <hr/> |
| \$ 398 | \$ 163,442 | \$ 484,320 |
| 130 | 2,988 | 3,118 |
| 1,220,859 | - | 1,220,859 |
| 1,221,387 | 166,430 | 1,708,297 |
| <hr/> | <hr/> | <hr/> |
| - | 540,607 | 3,285,198 |
| - | - | 2,299,505 |
| - | 540,607 | 5,584,703 |
| <hr/> | <hr/> | <hr/> |
| - | 2,656,539 | 4,674,258 |
| - | - | 127,000 |
| - | 364,228 | 374,495 |
| (1,199,557) | (93) | 723,121 |
| (1,199,557) | 3,020,674 | 5,898,874 |
| <hr/> | <hr/> | <hr/> |
| \$ 21,830 | \$ 3,727,711 | \$ 13,191,874 |

City of Roeland Park, Kansas

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2014**

| | | |
|---|----|----------------------|
| Total governmental fund balances | \$ | 5,898,874 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, | | |
| are not reported in the funds: | | |
| Capital assets | | 34,432,770 |
| Accumulated depreciation | | (11,956,920) |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as a deferred inflow of resources in the funds, unavailable revenues | | |
| | | 2,299,505 |
| 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 | \$ | (76,433) |
| Compensated absences, noncurrent | | (28,655) |
| Interest payable | | (144,553) |
| Premium on bonds, net | | (9,247) |
| Discount on bonds, net | | 63,011 |
| Deferred charge on refunding, net | | 104,431 |
| General obligation bonds, current | | (1,202,000) |
| General obligation bonds, noncurrent | | (6,793,000) |
| Tax increment revenue bonds, current | | (280,000) |
| Tax increment revenue bonds, noncurrent | | (3,365,147) |
| Transportation development district sales tax revenue bonds, current | | (195,000) |
| Transportation development district sales tax revenue bonds, noncurrent | | (3,080,000) |
| Capital lease obligations, current | | (235,257) |
| Capital lease obligations, noncurrent | | (698,271) |
| Net OPEB obligation | | (107,108) |
| Net position of governmental activities | | \$ 14,627,000 |

See Notes to Basic Financial Statements.

City of Roeland Park

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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, 2014

| | General Fund | Bella Roe/ Walmart TIF Fund | Debt Service Fund |
|---|---------------------|-----------------------------------|----------------------|
| Revenues: | | | |
| Taxes | \$ 2,578,947 | \$ 423,683 | \$ 275,053 |
| Special assessments | 3,008 | - | 256,800 |
| Intergovernmental | 1,091,542 | - | - |
| Licenses and permits | 171,320 | - | - |
| Fines and forfeitures | 284,977 | - | - |
| Interest | 204 | 17,675 | - |
| Other | 712,811 | - | - |
| Total revenues | 4,842,809 | 441,358 | 531,853 |
| Expenditures: | | | |
| Current: | | | |
| General government | 1,729,968 | 4,040 | - |
| Highways and streets | 544,428 | - | - |
| Public safety | 1,054,081 | - | - |
| Culture and recreation | - | - | - |
| Employee benefits | 671,559 | - | - |
| Capital outlay | 11,051 | - | - |
| Debt service: | | | |
| Principal retirement | 180,000 | 220,000 | 890,000 |
| Interest and fiscal charges | 30,465 | 191,169 | 177,623 |
| Bond issuance costs | - | - | - |
| Total expenditures | 4,221,552 | 415,209 | 1,067,623 |
| Revenues over (under) expenditures | 621,257 | 26,149 | (535,770) |
| Other financing sources (uses): | | | |
| Issuance of long term debt | - | - | - |
| Transfers in | 210,465 | - | 555,000 |
| Transfers out | (214,000) | - | - |
| Total other financing sources (uses) | (3,535) | - | 555,000 |
| Changes in fund balances | 617,722 | 26,149 | 19,230 |
| Fund balances, beginning of year, | 1,472,816 | 1,481,933 | 459,907 |
| Fund balances (deficits), end of year | \$ 2,090,538 | \$ 1,508,082 | \$ 479,137 |

See Notes to Basic Financial Statements.

| TDD #2 - Lowe's Fund | | Nonmajor Governmental Funds | | Total |
|-------------------------|-----------------------|-----------------------------------|---------------------|---------------------|
| \$ | 126,773 | \$ | 2,660,797 | \$ 6,065,253 |
| | - | | - | 259,808 |
| | - | | 177,334 | 1,268,876 |
| | - | | - | 171,320 |
| | - | | - | 284,977 |
| | 3 | | 16 | 17,898 |
| | - | | 35,799 | 748,610 |
| | 126,776 | | 2,873,946 | 8,816,742 |
| | | | | |
| | - | | 69,937 | 1,803,945 |
| | - | | 175,023 | 719,451 |
| | - | | - | 1,054,081 |
| | - | | 98,340 | 98,340 |
| | - | | - | 671,559 |
| | - | | 1,001,261 | 1,012,312 |
| | - | | 403,181 | 1,693,181 |
| | 7,566 | | 258,277 | 665,100 |
| | - | | 22,886 | 22,886 |
| | 7,566 | | 2,028,905 | 7,740,855 |
| | | | | |
| | 119,210 | | 845,041 | 1,075,887 |
| | | | | |
| | - | | 650,000 | 650,000 |
| | - | | 446,622 | 1,212,087 |
| | - | | (998,087) | (1,212,087) |
| | | | | |
| | - | | 98,535 | 650,000 |
| | | | | |
| | 119,210 | | 943,576 | 1,725,887 |
| | | | | |
| | (1,318,767) | | 2,077,098 | 4,172,987 |
| | \$ (1,199,557) | | \$ 3,020,674 | \$ 5,898,874 |

City of Roeland Park, Kansas

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
of Governmental Funds to the Statement of Activities
Year Ended December 31, 2014**

| | | |
|---|-----------|--------------------|
| Net change in fund balances - governmental funds | \$ | 1,725,887 |
| 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 | | |
| Depreciation: | | 744,880 |
| General government | \$ | (137,903) |
| Public safety | | (40,374) |
| Culture and recreation | | (93,421) |
| Highways and streets | | <u>(1,448,170)</u> |
| | | (1,719,868) |
| Revenues in the statement of activities that do not provide current financial resources are not reported in the funds | | (186,015) |
| 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 | | (39,466) |
| Change in net OPEB obligation | | (5,083) |
| Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position: | | |
| Principal payments on long-term debt | | 1,693,181 |
| Amortization of bond premium, bond discounts and deferred charge on refunding | | (17,912) |
| Issuance of long-term debt | | (650,000) |
| Change in accrued interest | | 38,330 |
| Change in net position of governmental activities | \$ | 1,583,934 |

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 6,800 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 Association are included in the accompanying basic financial activities as part of the Special Revenue Funds. The PBC had no current year activity to present in the financial statements. Complete unaudited 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 position 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. Interfund services provided and used are not eliminated 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 any 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues and expenditures. 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 TIF: A debt service fund created to account for monies received which are restricted for the purpose of retiring tax increment bonds issued by the Roeland Park Redevelopment LLC project. Currently, this includes the Series 2005, Special Obligation Tax Increment Revenue Bonds dated February 1, 2005 for original issuance amount of \$4,495,000.

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)

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

TDD #2 – Lowe's: A debt service 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.

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.

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.

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, licenses and permits, fines and forfeitures 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 revenue when earned since they are both measurable and available.

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)

Property taxes are recognized as a receivable at the time they become an enforceable legal claim. The current taxes receivable represent the 2014 levy plus any uncollected amounts from the 2013 levy. Property taxes that are not available for current year operations are shown as a deferred inflow of resources. 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.

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 based on quoted market prices. The City invests in the Kansas Municipal Investment Pool, which is administered by the Kansas Office of State Treasurer and is an external investment pool not SEC registered, 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. In addition, certain resources set aside are classified as restricted assets on the balance sheet because their use is limited by applicable bond requirements, as either bond reserve accounts, debt service accounts or unspent bond proceeds restricted for capital projects.

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.

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)

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, except for any individual items greater than \$5,000, which are reported as nondepreciable capital assets. 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.

Deferred outflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt using the straight-line method which approximates the effective interest method.

Deferred inflows of resources: In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the City's government-wide statements, only the property tax revenues remain as a deferred inflow of resources and will become an inflow in the year for which they are levied.

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 statement of revenues, expenditures and changes in fund balance.

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)

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 balance: In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through ordinance approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned: Amounts constrained by the City's intent to use them for a specific purpose. It is the City's policy that the authority to assign fund balance has been delegated by the City Council to the Assistant City Administrator/Director of Finance and City Administrator.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Restricted deficit amounts of other governmental funds would also be reported as unassigned.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the City's procedure is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

Net position: Represent the difference between assets and liabilities. Net investment in capital assets 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 position is 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 position restricted through enabling legislation consist of \$1,086,690 for debt service, \$48,877 for special highway, \$1,777,744 for capital expansion and improvements and \$10,722 for Roeland Park property owner's association.

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)

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

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 are deferred and amortized over the life of the bonds using a method which approximates the effective interest method. Bond issuance costs are reported as debt service expenditures in the period that the debt is issued.

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 bills 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 corresponding accounts 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, 2014, the City had \$157,500 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, 2014 is less than one year. As of December 31, 2014, the City also had \$577,011 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, 2014 is 39 days. The City also had \$449,500 invested in a Repurchase Agreement – Treasury Bond, which is not subject to interest rate risk as it is guaranteed by the U.S. government.

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, 2014, the City's investment in the Kansas Municipal Investment Pool was rated AAAf/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 AAAm by Standard & Poor's and Aaa-mf by Moody's Investor Services. The City's investment in the Repurchase Agreement – Treasury Bond, is not subject to credit risk as it is guaranteed by the U.S. government.

Concentration of credit risk: The City places no limit on the amount the City may invest in any one issuer. As of December 31, 2014, the City's investments are not subject to concentration of credit risk.

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, 2014, the City's bank balances of deposits with financial institutions of \$5,734,000 were not exposed to custodial credit risk. As of December 31, 2014, the City's investment in the Kansas Municipal Investment Pool, Federated Money Market Treasury Obligations Fund and the Repurchase Agreement – Treasury Bond were not subject to custodial credit risk.

Note 3. Capital Assets

The following is a summary of changes in capital assets for the year ended December 31, 2014:

| | 2013 Balance | Additions | Deletions | 2014 Balance |
|--|----------------------|---------------------|-------------------|----------------------|
| Governmental Activities | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 1,396,272 | \$ - | \$ - | \$ 1,396,272 |
| Artwork | 12,620 | - | - | 12,620 |
| Construction-in-progress | 141,595 | - | 141,595 | - |
| Total capital assets not being depreciated | 1,550,487 | - | 141,595 | 1,408,892 |
| Capital assets being depreciated: | | | | |
| Buildings | 4,399,473 | - | - | 4,399,473 |
| Improvements other than buildings and infrastructure | 26,160,922 | 802,626 | - | 26,963,548 |
| Machinery and equipment | 1,650,325 | 83,849 | 73,317 | 1,660,857 |
| Total capital assets being depreciated | 32,210,720 | 886,475 | 73,317 | 33,023,878 |
| Less accumulated depreciation for: | | | | |
| Buildings | 1,802,923 | 80,227 | - | 1,883,150 |
| Improvements other than buildings and infrastructure | 7,514,971 | 1,494,325 | - | 9,009,296 |
| Machinery and equipment | 992,475 | 145,316 | 73,317 | 1,064,474 |
| Total accumulated depreciation | 10,310,369 | 1,719,868 | 73,317 | 11,956,920 |
| Total capital assets being depreciated, net | 21,900,351 | (833,393) | - | 21,066,958 |
| Governmental activities capital assets, net | \$ 23,450,838 | \$ (833,393) | \$ 141,595 | \$ 22,475,850 |

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 3. Capital Assets (Continued)

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

Governmental Activities:

| | |
|--|----------------------------|
| General government | \$ 137,903 |
| Public safety | 40,374 |
| Culture and recreation | 93,421 |
| Highways and streets | <u>1,448,170</u> |
| Total depreciation expense, governmental activities | <u>\$ 1,719,868</u> |

Note 4. Long-Term Debt

A summary of changes in long-term debt for the year ended December 31, 2014 follows:

| Type of Issue | Balance | | | Balance | | | Due Within One Year |
|-------------------------------------|----------------------|-------------------|---------------------|----------------------|---------------------|-----------|------------------------|
| | December 31, 2013 | Additions | Retirements | December 31, 2014 | | | |
| General obligation bonds | \$ 8,395,000 | \$ 650,000 | \$ 1,050,000 | \$ 7,995,000 | \$ 1,202,000 | | |
| Tax increment revenue bonds | 3,879,226 | - | 234,079 | 3,645,147 | | 280,000 | |
| Transportation development district | | | | | | | |
| sales tax revenue bonds | 4,805,151 | - | 309,292 | 4,495,859 | | 1,415,859 | |
| Add premiums | 10,039 | - | 792 | 9,247 | | - | |
| Less discounts | (69,307) | - | (6,296) | (63,011) | | - | |
| Capital leases | 1,162,630 | - | 229,102 | 933,528 | | 235,257 | |
| Compensated absences | 65,622 | 105,088 | 65,622 | 105,088 | | 76,433 | |
| Total long-term debt | \$ 18,248,361 | \$ 755,088 | \$ 1,882,591 | \$ 17,120,858 | \$ 3,209,549 | | |

Compensated absences are normally liquidated by the General Fund.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Long-Term Debt (Continued)

A detailed listing of the City's long-term debt outstanding as of December 31, 2014 follows:

| Debt Issue | Date Issued | Original Amount | Interest Rate | Balance |
|--|-------------|-----------------|---------------|---------------------|
| Long-Term Debt: | | | | |
| General Obligations Bonds: | | | | |
| Internal Improvement, Series 2008 | 8/15/08 | \$ 4,185,000 | 3.15-4.30% | \$ 705,000 |
| General Obligations Bonds, Series 2010-1 | 8/19/10 | 3,345,000 | 1.50-3.50 | 2,270,000 |
| General Obligations Bonds, Series 2011-1 | 4/28/11 | 525,000 | 0.65-2.05 | 210,000 |
| General Obligations Bonds, Series 2011-2 | 8/25/11 | 1,565,000 | 2.00-3.40 | 1,380,000 |
| General Obligations Bonds, Series 2012-1 | 8/1/12 | 2,950,000 | 0.65-2.40 | 2,780,000 |
| General Obligations Bonds, Series 2014-A | 11/25/14 | 650,000 | 2.25 | 650,000 |
| | | | | <u>\$ 7,995,000</u> |
| Special Obligation Tax Increment | | | | |
| Revenue Bonds: | | | | |
| Series 2000, Valley State Bank Project | 2/1/00 | 695,000 | 7.00 | \$ 405,147 |
| Series 2005, Roeland Park | | | | |
| Redevelopment LLC Project | 2/1/05 | 4,495,000 | 4.60-5.75 | 3,240,000 |
| | | | | <u>\$ 3,645,147</u> |
| Revenue Bonds: | | | | |
| Transportation Development District: | | | | |
| Sales Tax Revenue Bonds, 2005 | 11/1/05 | 3,555,000 | 4.50-5.75 | \$ 2,440,000 |
| Sales Tax Revenue Bonds, 2006A | 1/1/06 | 1,090,000 | 5.875 | 835,000 |
| Sales Tax Revenue Bonds, 2006B | 1/1/06 | 1,690,000 | 5.125 - 5.875 | 1,220,859 |
| | | | | <u>\$ 4,495,859</u> |
| Capital Lease Obligations: | | | | |
| Pool | 9/1/01 | 2,673,908 | 5.10-5.30 | \$ 720,000 |
| Street sweeper | 9/23/10 | 212,550 | 3.84 | 113,712 |
| Trucks | 8/24/11 | 167,788 | 2.79 | 99,816 |
| | | | | <u>\$ 933,528</u> |

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

| | Year | Principal | Interest | Total |
|--------------|------|---------------------|-------------------|---------------------|
| GO Bonds: | | | | |
| | | | | |
| 2015 | | \$ 1,202,000 | \$ 183,229 | \$ 1,385,229 |
| 2016 | | 1,190,000 | 157,388 | 1,347,388 |
| 2017 | | 1,137,000 | 129,088 | 1,266,088 |
| 2018 | | 1,165,000 | 109,381 | 1,274,381 |
| 2019 | | 847,000 | 86,916 | 933,916 |
| 2020 - 2024 | | 2,129,000 | 207,889 | 2,336,889 |
| 2025 - 2029 | | 325,000 | 14,848 | 339,848 |
| Total | | \$ 7,995,000 | \$ 888,739 | \$ 8,883,739 |

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Long-Term Debt (Continued)

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 |
|----------------|---------------------|---------------------|---------------------|-------|
| Tax Increment: | | | | |
| 2015 | \$ 280,000 | \$ 199,768 | \$ 479,768 | |
| 2016 | 300,000 | 184,793 | 484,793 | |
| 2017 | 325,000 | 167,855 | 492,855 | |
| 2018 | 360,000 | 149,493 | 509,493 | |
| 2019 | 390,000 | 129,074 | 519,074 | |
| 2020 - 2024 | 1,990,147 | 309,824 | 2,299,971 | |
| Total | \$ 3,645,147 | \$ 1,140,807 | \$ 4,785,954 | |

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 |
|--------------|---------------------|---------------------|---------------------|-------|
| TDD: | | | | |
| 2015 | \$ 1,415,859 | \$ 421,453 | \$ 1,837,312 | |
| 2016 | 215,000 | 261,642 | 476,642 | |
| 2017 | 230,000 | 244,967 | 474,967 | |
| 2018 | 250,000 | 226,864 | 476,864 | |
| 2019 | 270,000 | 207,363 | 477,363 | |
| 2020 - 2024 | 1,705,000 | 679,579 | 2,384,579 | |
| 2025 - 2029 | 410,000 | 49,812 | 459,812 | |
| Total | \$ 4,495,859 | \$ 2,091,680 | \$ 6,587,539 | |

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

| | Year | Principal | Interest | Total |
|-----------------|-------------------|------------------|---------------------|-------|
| Capital Leases: | | | | |
| 2015 | \$ 235,257 | \$ 32,277 | \$ 267,534 | |
| 2016 | 241,460 | 25,039 | 266,499 | |
| 2017 | 252,241 | 17,589 | 269,830 | |
| 2018 | 204,570 | 7,842 | 212,412 | |
| Total | \$ 933,528 | \$ 82,747 | \$ 1,016,275 | |

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, 2014, the statutory limit for the City was \$20,535,644 providing a debt margin of \$11,607,116. Included in the legal debt margin calculation are outstanding general obligation bonds as of December 31, 2014 of \$7,995,000 and capital lease obligations of \$933,528.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Long-Term Debt (Continued)

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 \$157,500 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. During 2013, the Boulevard Apartments debt was paid off. Total principal and interest remaining on the Valley State Bank bonds is \$470,073 payable through 2020. For the current year, principal and interest paid and total incremental property tax revenues were \$47,748 and \$205,585, 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, 2014 were \$449,500 and \$954,054, respectively, and are shown as restricted assets in the Bella Roe/Walmart Fund. Total principal and interest remaining on the bonds is \$4,315,882 payable through 2024. For the current year, principal and interest paid and total incremental property tax revenues were \$411,169 and \$423,683, respectively.

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 balance of the bond reserve as of December 31, 2014 was \$11,005 and is shown as restricted assets in the TDD #1 – Price Chopper Fund. Total principal and interest remaining to be paid on the bonds is \$4,718,727. Principal and interest paid for the current year and total TDD #1 sales taxes were \$374,869 and \$279,682, respectively.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 4. Long-Term Debt (Continued)

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 balance of the bond reserve fund as of December 31, 2014 was \$1,749 and is shown as restricted assets in the TDD #2 – Lowe's Fund. Total principal and interest remaining to be paid on the bonds is \$1,868,812. Principal and interest paid for the current year and total TDD #2 sales taxes were \$133,000 and \$126,773, respectively.

Notice of Acceleration: In 2012, the City did not make a scheduled principal payment of \$60,000 payable on December 1, 2012 for the 2006B Transportation Development District Sales Tax Revenue Bond due to insufficient sales tax revenues deposited in the debt service reserve fund. The City filed a notice of the missed payment with the Municipal Securities Rulemaking Board and its bondholders. As this qualified as an event of default, the bondholders have the ability to file written notice with the trustee to accelerate the maturity of the bonds. In 2013, the bondholders exercised this right and the bond issue was put into a notice of acceleration by the bondholders to accelerate the maturity of the bonds. The notice of acceleration was a result of insufficient sales tax revenue received and therefore insufficient funds held in the bond reserve account. The outstanding principal due on the bonds of \$1,220,859 as of December 31, 2014 has been recorded as a liability in the TDD #2 – Lowe's Fund balance sheet as the liability has matured.

Note 5. Transfers

Transfers for the year ended December 31, 2014 consisted of:

| | Transfers In | Transfers Out |
|---|---------------------------|---------------------------|
| General Fund | \$ 210,465 | \$ 214,000 |
| Debt Service Fund | 555,000 | - |
| Special revenue funds, nonmajor governmental funds | - | 998,087 |
| Capital projects funds, nonmajor governmental funds | 446,622 | - |
| | <hr/> <u>\$ 1,212,087</u> | <hr/> <u>\$ 1,212,087</u> |

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.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

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 2014 is 9.69 percent. The City's contributions to KPERS for the years ended December 31, 2014, 2013 and 2012 were \$66,220, \$55,418 and \$52,177, 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.

The City rate established for calendar year 2014 is 19.92 percent. The City contributions to KP&F for the years ended December 31, 2014, 2013 and 2012 were \$145,651, \$152,089 and \$123,676, 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.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 6. Commitments and Contingencies (Continued)

(c) Risk Management

The City is a member of Midwest Public Risk (MPR), a not-for-profit corporation consisting of governmental entities incorporated in 2009 to acquire insurance for its members. MPR operates as a purchasing pool and is not a joint venture activity of the City. The City has no control over budgeting, financing, management selection or the governing body. MPR provides both conventional and self-insurance coverage for its members including medical, dental, property, casualty, general liability and worker's compensation. The City participates in health care coverage. The City purchases commercial insurance for property, casualty, general liability and worker's compensation insurance coverages.

MPR manages the cash and investment pool, funded by insurance premiums, on behalf of its members. MPR's investment pool consists of interest bearing deposits, U.S. Treasury strips, U.S. governmental agency obligations and collateralized mortgage obligations.

In the event that a deficit occurs with respect to any fiscal year of MPR for which the City was a participant at any time during such year; and in the event that MPR determines that an assessment is required in order to provide additional funds for the obligations of MPR for such year; and further, in the event that the City was covered by the types of benefits requiring the assessment during the time period in which the assessment arose, the City is obligated to pay its pro rata share of any such assessment, irrespective of whether or not the City is a member of MPR at the time of such assessment. MPR has not had deficiencies 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.

Note 7. Other Postemployment Benefits

Plan description: In addition to providing the pension benefits described above, the City provides employees an agent multiple-employer plan. At the same time they end their service to the City, the retiree has the opportunity for continuation of medical and dental insurance coverage offered through Midwest Public Risk (MPR). To be eligible, employees must be full-time with at least ten years of service. The City provides retiree healthcare benefits through MPR which is an insurance pool comprised of about 59 entity members.

The City maintains a trust arrangement with MPR to collect premiums and pay claims/administrative costs. This trust arrangement does not qualify as an "OPEB Plan" and is not treated as holding assets in order to offset GASB 45 liabilities. However, GASB does require the "Plan" determine the valuation interest rate (or discount rate) based on expected return of the MPR Health & Dental Fund since it is used to pay retiree claims. The plan is not accounted for as a trust fund since an irrevocable trust has not been established. There is no stand alone financial report for the plan.

Funding policy: The City does not pay retiree benefits directly; they are paid implicitly over time through employer subsidization of active premiums that would be lower if retirees were not part of the experience group. Retirees who elect to continue coverage in the medical and dental plans offered through MPR are required to pay a contribution until the employee becomes eligible for Medicare. Since the retirees pay the premiums each year, the City's share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation. The benefits and benefit levels are governed by City policy and the MPR trust agreement. As of December 31, 2014, there were no City retirees participating in the plan.

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (Continued)

Annual OPEB cost and net OPEB obligation: The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance to the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actuarially contributed to the plan and changes in the City's annual OPEB obligation:

| | |
|--|--------------------------|
| Annual required contribution | \$ 15,514 |
| Interest on net OPEB obligation | 4,591 |
| Adjustment to annual required contribution | <u>(14,022)</u> |
| Annual OPEB cost (expense) | 6,083 |
| Contributions and payments made | <u>(1,000)</u> |
| Increase in net OPEB obligation | 5,083 |
| Net OPEB obligation, beginning of year | <u>102,025</u> |
| Net OPEB obligation, end of year | <u><u>\$ 107,108</u></u> |

The General Fund will liquidate the net other postemployment benefit obligation in future years.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2014 and the two preceding years is as follows:

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | | Net OPEB Obligation |
|-------------------|------------------|--|-------------|---------------------|
| | | Cost Contributed | Annual OPEB | |
| December 31, 2014 | \$ 6,083 | 16.4% | \$ 107,108 | |
| December 31, 2013 | 16,383 | - | 102,025 | |
| December 31, 2012 | 15,322 | - | 85,642 | |

Funded status and funding progress: As of July 1, 2013, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$99,224 and the actuarial value of assets is none resulting in an unfunded actuarial accrued liability (UAAL) of \$99,224. The covered payroll (annual payroll of active employees covered by the plan) was \$1,617,972 and the ratio of the UAAL to the covered payroll was 6.1 percent.

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

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

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 7. Other Postemployment Benefits (Continued)

In the July 1, 2013 actuarial valuation, projected unit credit method was used. The actuarial assumptions included 4.5 percent investment rate of return; general inflation rate of 2.5 percent; dental care cost trend rate of 3.75 percent and 7 percent for medical claims and prescriptions, reduced by decrements to an ultimate rate of 5 percent after eight years. The UAAL is being amortized as open-level dollar over a period of 30 years.

Note 8. Leases

The City is a lessor under rental agreements for the rental of land, a tower and building space. Lease revenue of \$141,038 is included in General Fund other revenue. Future minimum rentals under such leases are as follows:

Year ending December 31:

| | |
|------|-------------------|
| 2015 | \$ 98,108 |
| 2016 | 94,364 |
| 2017 | 20,832 |
| | <u>\$ 213,304</u> |

Note 9. Fund Balance Deficits

The TDD #2 – Lowe's Debt Service Fund had a fund balance deficit of \$1,199,557. This deficit occurred due to the notice of acceleration on the 2006B Transportation Development District Sales Tax Revenue Bond as discussed in Note 4. This deficit will be eliminated through the associated sales tax revenue stream from the Transportation Development District.

The Valley State Bank Fund had a fund balance deficit of \$93. This deficit occurred due to insufficient tax increment revenues generated from property taxes. This deficit will be eliminated through property tax revenues received in 2015.

Note 10. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The classifications of fund balances by opinion unit are as follows:

| Fund Balances: | Bella Roe/ Walmart TIF Fund | | Debt Service Fund | TDD #2 - Lowe's Fund | Nonmajor Governmental Funds | | Total |
|---|-----------------------------------|---------------------|----------------------|----------------------------|-----------------------------------|---------------------|-------|
| | General Fund | | | | | | |
| Restricted: | | | | | | | |
| Debt service | \$ 157,500 | \$ 1,381,082 | \$ 479,137 | - | \$ 652,471 | \$ 2,670,190 | |
| Special highway | - | - | - | - | 48,877 | 48,877 | |
| Capital expansion and improvements | - | - | - | - | 1,944,469 | 1,944,469 | |
| Roeland Park property owners association | - | - | - | - | 10,722 | 10,722 | |
| Total restricted | 157,500 | 1,381,082 | 479,137 | - | 2,656,539 | 4,674,258 | |
| Committed, capital projects | - | 127,000 | - | - | - | 127,000 | |
| Assigned: | | | | | | | |
| Special law | 10,267 | - | - | - | - | 10,267 | |
| Equipment/building | - | - | - | - | 364,228 | 364,228 | |
| | 10,267 | - | - | - | 364,228 | 374,495 | |
| Unassigned | 1,922,771 | - | - | (1,199,557) | (93) | 723,121 | |
| Total fund balances | \$ 2,090,538 | \$ 1,508,082 | \$ 479,137 | \$ (1,199,557) | \$ 3,020,674 | \$ 5,898,874 | |

City of Roeland Park, Kansas

Notes to Basic Financial Statements

Note 11. New Governmental Accounting Standards Board (GASB) Standards

As of December 31, 2014, 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. 68, *Accounting and Financial Reporting for Pensions*, issued June 2012, will be effective for the City beginning with its year ending December 31, 2015. This Statement replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and GASB Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. Under GASB Statement No. 68, each employer in a multiple-employer defined benefit cost-sharing plan will record a previously unrecorded liability representing their "proportionate share" of the plan's net pension liability. This Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information.
- GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, issued November 2013, will be effective for the City beginning with its year ending December 31, 2015. This Statement eliminates a potential source of understatement of restated beginning net position and expense in a government's first year of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. To correct this potential understatement, Statement 71 requires a state or local government, when transitioning to the new pension standards, to recognize a beginning deferred outflow of resources for its pension contributions made during the time between the measurement date of the beginning net pension liability and the beginning of the initial fiscal year of implementation. This amount will be recognized regardless of whether it is practical to determine the beginning amounts of all other deferred outflows of resources and deferred inflows of resources related to pensions.

As a result of implementing these two statements, management will record a net pension liability on the financial statements for the City's proportionate share of the state defined benefit plans they participate in.

- GASB Statement No. 72, *Fair Value Measurement and Application*, issued February 2015, will be effective for the City with its year ending December 31, 2016. This Statement defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements.

This Statement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments, which generally are measured at fair value, are defined as a security or other asset that governments hold primarily for the purpose of income or profit and the present service capacity of which are based solely on their ability to generate cash or to be sold to generate cash. The related disclosures have been expanded to categorize fair values according to their relative reliability and to describe positions held in many alternative investments.

Management intends to adopt this Statement by the required date and will modify and expand its disclosures accordingly.

City of Roeland Park, Kansas

Required Supplementary Information
Other Postemployment Benefit Plan

SCHEDULE OF FUNDING PROGRESS

| Fiscal Year Ended | Actuarial Valuation Date | Actuarial Value of Net Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll [(b-a)/c] |
|-------------------|--------------------------|--------------------------------------|---|-----------------------|-----------------------|------------------------|--|
| 2014 | 7/1/13 | \$ - | \$ 99,224 | \$ 99,224 | - % | 1,617,972 | 6.1% |
| 2013 | 7/1/11 | - | 98,264 | 98,264 | - | 1,550,396 | 6.3 |
| 2012 | 7/1/11 | - | 98,264 | 98,264 | - | 1,442,948 | 6.8 |

The information presented in the required supplementary schedules was determined as part of the actuarial valuation date as of July 1, 2013. Additional information follows:

- a. The cost method used to determine the ARC is the projected unit credit method.
- b. The actuarial assumptions included 4.5 percent investment rate of return; general inflation rate of 2.5 percent; dental care cost trend rate of 3.75 percent and 7 percent for medical claims and prescriptions, reduced by decrements to an ultimate rate of 5 percent after 8 years.
- c. The amortization method is level dollar, open.

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, 2014

| | Budget | | Final Budget | |
|---|---------------------|---------------------|---------------------|---------------------|
| | Original | Final | Actual | to Actual Variance |
| Revenues: | | | | |
| Taxes | \$ 2,743,778 | \$ 2,743,778 | 2,578,947 | \$ (164,831) |
| Special assessments | 5,700 | 5,700 | 3,008 | (2,692) |
| Intergovernmental | 1,002,929 | 1,002,929 | 1,091,542 | 88,613 |
| Licenses and permits | 137,025 | 137,025 | 171,320 | 34,295 |
| Fines and forfeitures | 251,121 | 251,121 | 284,977 | 33,856 |
| Interest | 300 | 300 | 204 | (96) |
| Other | 664,697 | 664,697 | 712,811 | 48,114 |
| Total revenues | 4,805,550 | 4,805,550 | 4,842,809 | 37,259 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 3,090,788 | 3,090,788 | 1,729,968 | 1,360,820 |
| Highway and streets | 606,000 | 606,000 | 544,428 | 61,572 |
| Public safety | 1,145,755 | 1,145,755 | 1,054,081 | 91,674 |
| Employee benefits | 694,600 | 694,600 | 671,559 | 23,041 |
| Capital Outlay | - | - | 11,051 | (11,051) |
| Debt service: | | | | |
| Principal retirement | 180,000 | 180,000 | 180,000 | - |
| Interest and fiscal charges | 30,466 | 30,466 | 30,465 | 1 |
| Total expenditures | 5,747,609 | 5,747,609 | 4,221,552 | 1,526,057 |
| Revenues over (under) expenditures | (942,059) | (942,059) | 621,257 | 1,563,316 |
| Other financing sources (uses): | | | | |
| Transfers in | 210,465 | 210,465 | 210,465 | - |
| Transfers out | (220,000) | (220,000) | (214,000) | 6,000 |
| Changes in fund balance | \$ (951,594) | \$ (951,594) | \$ 617,722 | \$ 1,569,316 |
| Fund balance, beginning of year | | | 1,472,816 | |
| Fund balance, end of year | | | \$ 2,090,538 | |

See Note to Required Supplementary Information.

City of Roeland Park, Kansas

Note to Required Supplementary Information Year Ended December 31, 2014

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 Roe Blvd Project Fund, a Capital Projects 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.

City of Roeland Park

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City of Roeland Park

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.

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.

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). In addition, payments are made from this fund to service General Obligation long-term debt of the City. 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.

McDonald's/Granada Park/City Hall: Established to account for monies received to promote development in the district, as well as retire any bonds associated with the projects. Projects approved in the area include City Hall Remodel/Technology updates and Granada Park improvements.

City of Roeland Park

CID #1 – Roeland Park Shopping Center: Created to account for monies received within the Community Improvement District to be solely used to pay the costs of the approved project. The projected improvement is to reconstruct the existing Wal-Mart space into three tenant spaces; construct a new 4,800 square-foot retail building and a new 2,800 square foot retail building; reconfigure the parking lot; street and sidewalk improvements; the estimated cost of the project. The estimated cost of the Project is Nine Million Dollars (\$9,000,000) of which the maximum CID eligible cost is Three Million Dollars (\$3,000,000). The proposed method of financing the project: That the proposed Project be financed through the use of a Special Sales Tax on a Pay-As-You-Go basis, as defined in the Act. That the proposed amount of Community Improvement District sales tax shall be one percent (1%) for 22 years, or such lesser number of years as may be required to produce revenues sufficient for the payment of the maximum CID eligible cost.

Capital Projects Funds: Are used to account for all resources which are restricted, committed or assigned for the acquisition and construction of capital facilities and other capital assets.

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.

Streetlights: A fund created to account for the purchase of streetlights. Financing provided by the issuance of general obligation bonds Series 2014-A dated November 25, 2014 in the amount of \$650,000.

Debt Service Funds: Are used to account for all resources which are restricted, committed or assigned for the payment of principal and interest on long-term debt.

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.

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. In 2013, these bonds were paid off. Future tax collections through this fund will pay for improvements to the TIF district. Collections are expected to be transferred to a capital projects fund in 2015.

TDD #1 – Price Chopper: 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.

City of Roeland Park

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City of Roeland Park, Kansas

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

| | Special Revenue | | | | |
|---|----------------------|-----------------------|--------------------|----------------------------------|------------------------|
| | Special Highway Fund | Community Center Fund | Old Pool Area Fund | Property Owners Association Fund | Roeland Park City Hall |
| Assets | | | | | |
| Pooled cash | \$ 4,422 | \$ 31,965 | \$ 376,964 | \$ 10,722 | |
| Receivables: | | | | | |
| Taxes | - | 33,550 | 43,926 | | - |
| Intergovernmental | 44,455 | - | - | | - |
| Restricted cash | - | - | - | | - |
| Total assets | \$ 48,877 | \$ 65,515 | \$ 420,890 | \$ 10,722 | |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ 408 | \$ - | \$ - | - |
| Due to other funds | - | - | - | - | - |
| Total liabilities | - | 408 | - | - | |
| Deferred inflows of resources | | | | | |
| Unavailable revenue - property taxes | - | - | 43,926 | | - |
| Fund balances (deficits): | | | | | |
| Restricted | 48,877 | 65,107 | 376,964 | 10,722 | |
| Assigned | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| Total fund balances | 48,877 | 65,107 | 376,964 | 10,722 | |
| Total liabilities, deferred inflows of resources and fund balances | \$ 48,877 | \$ 65,515 | \$ 420,890 | \$ 10,722 | |

(Continued)

| Special Revenue | | | | Capital Projects | | |
|---------------------|-----------------------------|--|--|------------------------|---|--|
| Special Street Fund | Special Infrastructure Fund | McDonald's/Granada Park/City Hall Fund | CID #1 - Roeland Park Shopping Center Fund | Equipment Reserve Fund | | |
| \$ 270,075 | \$ 96,620 | \$ 364,326 | - | \$ 446,286 | | |
| 134,208 | 67,104 | 261,564 | 90,850 | - | - | |
| - | - | - | - | - | - | |
| - | - | - | 769,330 | - | - | |
| \$ 404,283 | \$ 163,724 | \$ 625,890 | \$ 860,180 | \$ 446,286 | | |
| <hr/> | | | | | | |
| \$ 9,715 | \$ 70,161 | - | - | \$ 82,058 | | |
| - | - | - | - | - | - | |
| 9,715 | 70,161 | - | - | 82,058 | | |
| <hr/> | | | | | | |
| - | - | 261,564 | - | - | - | |
| <hr/> | | | | | | |
| 394,568 | 93,563 | 364,326 | 860,180 | - | | |
| - | - | - | - | 364,228 | | |
| - | - | - | - | - | - | |
| 394,568 | 93,563 | 364,326 | 860,180 | 364,228 | | |
| <hr/> | | | | | | |
| \$ 404,283 | \$ 163,724 | \$ 625,890 | \$ 860,180 | \$ 446,286 | | |

City of Roeland Park, Kansas

Combining Balance Sheet (Continued)

Nonmajor Governmental Funds

December 31, 2014

| | Capital Projects | | Debt Service | | | Totals |
|---|-------------------|------------------------|---------------------------|-----------------------------|---------------------|--------|
| | Streetlights Fund | Valley State Bank Fund | Boulevard Apartments Fund | TDD #1 - Price Chopper Fund | | |
| | | | | | | |
| Assets | | | | | | |
| Pooled cash | \$ - | \$ 2 | \$ 217,642 | \$ 701 | \$ 1,819,725 | |
| Receivables: | | | | | | |
| Taxes | - | 48,330 | 186,787 | 50,152 | 916,471 | |
| Intergovernmental | - | - | - | - | 44,455 | |
| Restricted cash | 166,725 | - | - | 11,005 | 947,060 | |
| Total assets | \$ 166,725 | \$ 48,332 | \$ 404,429 | \$ 61,858 | \$ 3,727,711 | |
| Liabilities | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ - | \$ - | \$ 1,100 | \$ 163,442 | |
| Due to other funds | - | 95 | - | 2,893 | 2,988 | |
| Total liabilities | - | 95 | - | 3,993 | 166,430 | |
| Deferred inflows of resources | | | | | | |
| Unavailable revenue - property taxes | - | 48,330 | 186,787 | - | 540,607 | |
| Fund balances (deficits): | | | | | | |
| Restricted | 166,725 | - | 217,642 | 57,865 | 2,656,539 | |
| Assigned | - | - | - | - | 364,228 | |
| Unassigned | - | (93) | - | - | (93) | |
| Total fund balances | 166,725 | (93) | 217,642 | 57,865 | 3,020,674 | |
| Total liabilities, deferred inflows of resources and fund balances | | | | | | |
| | \$ 166,725 | \$ 48,332 | \$ 404,429 | \$ 61,858 | \$ 3,727,711 | |

City of Roeland Park

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City of Roeland Park, Kansas

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2014**

| | Special Revenue | | | |
|---|----------------------|-----------------------|--------------------|--|
| | Special Highway Fund | Community Center Fund | Old Pool Area Fund | Roeland Park City Hall Property Owners Association Fund |
| | \$ | \$ | \$ | \$ |
| Revenues: | | | | |
| Taxes | - | 192,024 | 44,823 | - |
| Intergovernmental | 177,334 | - | - | - |
| Interest | - | - | - | - |
| Other | - | - | - | 33,847 |
| Total revenues | 177,334 | 192,024 | 44,823 | 33,847 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | 4,493 | 31,918 |
| Highways and streets | 85,867 | - | - | - |
| Culture and recreation | - | 98,340 | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Bond Issuance Costs | - | - | - | - |
| Total expenditures | 85,867 | 98,340 | 4,493 | 31,918 |
| Excess of revenues over (under) expenditures | 91,467 | 93,684 | 40,330 | 1,929 |
| Other financing sources (uses): | | | | |
| Issuance of long term debt | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers out | (120,624) | (111,998) | - | - |
| Total other financing sources (uses) | (120,624) | (111,998) | - | - |
| Changes in fund balances | (29,157) | (18,314) | 40,330 | 1,929 |
| Fund balances, beginning of year | 78,034 | 83,421 | 336,634 | 8,793 |
| Fund balances (deficits), end of year | \$ 48,877 | \$ 65,107 | \$ 376,964 | \$ 10,722 |

(Continued)

| | | Special Revenue | | | Capital Projects | |
|---------------------|------------------|-----------------------------|--|--|------------------------|-------|
| | | Special Infrastructure Fund | McDonald's/Granada Park/City Hall Fund | CID #1 - Roeland Park Shopping Center Fund | Equipment Reserve Fund | |
| Special Street Fund | | | | | | |
| \$ | 768,097 | \$ 384,050 | \$ 375,809 | \$ 455,550 | \$ | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 1,952 |
| 768,097 | 384,050 | 375,809 | 455,550 | 1,952 | | |
| | | | | | | |
| - | 23,143 | 10,383 | - | - | - | - |
| 86,656 | 2,500 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 36,626 | 209,946 | - | - | - | 294,300 | |
| - | - | 160,000 | - | - | 49,102 | |
| - | - | 11,670 | - | - | 8,867 | |
| - | - | - | - | - | - | - |
| 123,282 | 235,589 | 182,053 | - | 352,269 | | |
| | | | | | | |
| 644,815 | 148,461 | 193,756 | 455,550 | (350,317) | | |
| | | | | | | |
| - | - | - | - | - | - | - |
| - | - | - | - | - | 446,622 | |
| (555,000) | (210,465) | - | - | - | - | - |
| | | | | | | |
| (555,000) | (210,465) | - | - | - | 446,622 | |
| | | | | | | |
| 89,815 | (62,004) | 193,756 | 455,550 | 96,305 | | |
| | | | | | | |
| 304,753 | 155,567 | 170,570 | 404,630 | 267,923 | | |
| \$ 394,568 | \$ 93,563 | \$ 364,326 | \$ 860,180 | \$ 364,228 | | |

City of Roeland Park, Kansas

**Combining Statement of Revenues, Expenditures and Changes in
Fund Balances (Continued)**
Nonmajor Governmental Funds
Year Ended December 31, 2014

| | Capital Projects | | Debt Service | | | Totals | |
|---|----------------------|------------------------------|---------------------------------|--------------------------------|---------------------|--------|--|
| | Streetlights Fund | Valley State Bank Fund | Boulevard Apartments Fund | TDD #1 - Price Chopper Fund | | | |
| | | | | | | | |
| Revenues: | | | | | | | |
| Taxes | \$ - | \$ 47,748 | \$ 113,014 | \$ 279,682 | \$ 2,660,797 | | |
| Intergovernmental | - | - | - | - | 177,334 | | |
| Interest | - | - | - | 16 | 16 | | |
| Other | - | - | - | - | 35,799 | | |
| Total revenues | - | 47,748 | 113,014 | 279,698 | 2,873,946 | | |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| General government | - | - | - | - | 69,937 | | |
| Highways and streets | - | - | - | - | 175,023 | | |
| Culture and recreation | - | - | - | - | 98,340 | | |
| Capital outlay | 460,389 | - | - | - | 1,001,261 | | |
| Debt service: | | | | | | | |
| Principal retirement | - | 14,079 | - | 180,000 | 403,181 | | |
| Interest and fiscal charges | - | 35,721 | 250 | 201,769 | 258,277 | | |
| Bond issuance costs | 22,886 | - | - | - | 22,886 | | |
| Total expenditures | 483,275 | 49,800 | 250 | 381,769 | 2,028,905 | | |
| Excess of revenues over (under) expenditures | (483,275) | (2,052) | 112,764 | (102,071) | 845,041 | | |
| Other financing sources (uses): | | | | | | | |
| Issuance of long term debt | 650,000 | - | - | - | 650,000 | | |
| Transfers in | - | - | - | - | 446,622 | | |
| Transfers out | - | - | - | - | (998,087) | | |
| Total other financing sources (uses) | 650,000 | - | - | - | 98,535 | | |
| Changes in fund balances | 166,725 | (2,052) | 112,764 | (102,071) | 943,576 | | |
| Fund balances, beginning of year | - | 1,959 | 104,878 | 159,936 | 2,077,098 | | |
| Fund balances (deficits), end of year | \$ 166,725 | \$ (93) | \$ 217,642 | \$ 57,865 | \$ 3,020,674 | | |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Debt Service Fund
Year Ended December 31, 2014**

| | Budget | Actual |
|--------------------------------------|---------------------|------------------|
| Revenues: | | |
| Taxes | \$ 314,763 | \$ 275,053 |
| Special assessments | 252,986 | 256,800 |
| Total revenues | 567,749 | 531,853 |
| Expenditures: | | |
| Debt service: | | |
| Principal retirement | 1,322,246 | 890,000 |
| Interest and fiscal charges | 177,624 | 177,623 |
| Total expenditures | 1,499,870 | 1,067,623 |
| Revenues (under) expenditures | (932,121) | (535,770) |
| Other financing sources (uses): | | |
| Transfers in | 555,000 | 555,000 |
| Transfers out | (50,000) | - |
| Changes in fund balance | \$ (427,121) | 19,230 |
| Fund balance, beginning of year | | 459,907 |
| Fund balance, end of year | \$ 479,137 | |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Special Highway Fund
Year Ended December 31, 2014**

| | <u>Budget</u> | <u>Actual</u> |
|--|--------------------|------------------|
| Revenues, intergovernmental | \$ 180,000 | \$ 177,334 |
| Expenditures, current, highway and streets | 106,100 | 85,867 |
| Revenues over expenditures | <u>73,900</u> | <u>91,467</u> |
| Other financing (uses), transfers out | (120,624) | (120,624) |
| Changes in fund balance | <u>\$ (46,724)</u> | <u>(29,157)</u> |
| Fund balance, beginning of year | | 78,034 |
| Fund balance, end of year | | <u>\$ 48,877</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, 2014**

| | <u>Budget</u> | <u>Actual</u> |
|---|--------------------|------------------|
| Revenues, taxes | \$ 193,000 | \$ 192,024 |
| Expenditures, current, culture and recreation | 133,500 | 98,340 |
| Revenues over expenditures | <u>59,500</u> | <u>93,684</u> |
| Other financing (uses), transfers out | (111,998) | (111,998) |
| Changes in fund balance | <u>\$ (52,498)</u> | <u>(18,314)</u> |
| Fund balance, beginning of year | | 83,421 |
| Fund balance, end of year | | <u>\$ 65,107</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, 2014**

| | <u>Budget</u> | <u>Actual</u> |
|---|-------------------------|---------------------|
| Revenues, other | \$ 33,847 | \$ 33,847 |
| Expenditures, current, general government | <u>33,847</u> | <u>31,918</u> |
| Changes in fund balance | <u><u>\$ -</u></u> | <u><u>1,929</u></u> |
| Fund balance, beginning of year | <u>8,793</u> | |
| Fund balance, end of year | <u><u>\$ 10,722</u></u> | |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Special Street Fund
Year Ended December 31, 2014**

| | <u>Budget</u> | <u>Actual</u> |
|---------------------------------------|--------------------|-------------------|
| Revenues, taxes | \$ 720,000 | \$ 768,097 |
| Expenditures: | | |
| Current, highways and streets | 40,000 | 86,656 |
| Capital outlay | 200,000 | 36,626 |
| Revenues over expenditures | 480,000 | 644,815 |
| Other financing (uses), transfers out | (555,000) | (555,000) |
| Changes in fund balance | \$ (75,000) | \$ 89,815 |
| Fund balance, beginning of year | | 304,753 |
| Fund balance, end of year | | \$ 394,568 |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Special Infrastructure Fund
Year Ended December 31, 2014**

| | Budget | Actual |
|---------------------------------------|---------------------|-----------------|
| Revenues, taxes | \$ 355,000 | \$ 384,050 |
| Expenditures: | | |
| Current, general government | 233,311 | 23,143 |
| Current, highways and streets | - | 2,500 |
| Capital outlay | 80,000 | 209,946 |
| Revenues over expenditures | 41,689 | 148,461 |
| Other financing (uses), transfers out | (210,465) | (210,465) |
| Changes in fund balance | \$ (168,776) | (62,004) |
| Fund balance, beginning of year | 155,567 | |
| Fund balance, end of year | \$ 93,563 | |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - McDonald's/Granada Park/City Hall Fund
Year Ended December 31, 2014**

| | Budget | Actual |
|------------------------------------|-----------------------------|--------------------|
| Revenues, taxes | \$ 220,000 | \$ 375,809 |
| Expenditures: | | |
| Current, general government | 172,826 | 10,383 |
| Debt service: | | |
| Principal retirement | 160,000 | 160,000 |
| Interest and fiscal charges | 11,670 | 11,670 |
| Total expenditures | 344,496 | 182,053 |
| Changes in fund balance | <u>(124,496)</u> | 193,756 |
| Fund balance, beginning of year | 170,570 | |
| Fund balance, end of year | <u>\$ 364,326</u> | |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - CID #1 - Roeland Park Shopping Center Fund
Year Ended December 31, 2014**

| | Budget | Actual |
|---|----------------------------|-----------------------|
| Revenues, taxes | \$ 390,000 | \$ 455,550 |
| Expenditures, current, general government | 762,276 | - |
| Changes in fund balance | <u>\$ (372,276)</u> | <u>455,550</u> |
| Fund balance, beginning of year | 404,630 | |
| Fund balance, end of year | <u>\$ 860,180</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, 2014**

| | Budget | Actual |
|---------------------------------------|---------------------|----------------|
| Revenues, other | \$ - | \$ 1,952 |
| Expenditures: | | |
| Capital outlay | 714,545 | 294,300 |
| Debt service: | | |
| Principal retirement | - | 49,102 |
| Interest and fiscal charges | - | 8,867 |
| Total expenditures | 714,545 | 352,269 |
| Other financing sources, transfers in | 446,622 | 446,622 |
| Changes in fund balance | \$ (267,923) | 96,305 |
| Fund balance, beginning of year | | 267,923 |
| Fund balance, end of year | \$ 364,228 | |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - TDD #1 - Price Chopper Fund
Year Ended December 31, 2014**

| | Budget | Actual |
|--|----------------------|------------------|
| Revenues: | | |
| Taxes | \$ 393,550 | \$ 279,682 |
| Interest | - | 16 |
| Total revenues | 393,550 | 279,698 |
| Expenditures: | | |
| Current, general government | 2,500 | - |
| Debt service: | | |
| Principal retirement | 180,000 | 180,000 |
| Interest and fiscal charges | 211,050 | 201,769 |
| Total expenditures | 393,550 | 381,769 |
| Revenues (under) expenditures | \$ - | (102,071) |
| Fund balance, beginning of year | 159,936 | |
| Fund balance, end of year | \$ 57,865 | |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - TDD #2 - Lowe's Fund
Year Ended December 31, 2014**

| | Budget | Actual |
|-----------------------------------|----------------|-----------------------|
| Revenues: | | |
| Taxes | \$ 149,344 | \$ 126,773 |
| Interest | - | 3 |
| Total revenues | 149,344 | 126,776 |
| Expenditures: | | |
| Debt service: | | |
| Principal retirement | 70,000 | - |
| Interest and fiscal charges | 79,344 | 7,566 |
| Total expenditures | 149,344 | 7,566 |
| Revenues over expenditures | \$ - | 119,210 |
| Fund balance, beginning of year | | (1,318,767) |
| Fund balance, end of year | | \$ (1,199,557) |

* The City retired \$129,297 in principal on TDD #2 in 2014. As this bond issue is reported as a current liability based on events disclosed in Note 4, principal payments are recorded as a reduction in the liability and not as an expenditure.

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Bella Roe/Walmart TIF Fund
Year Ended December 31, 2014**

| | Budget | Actual |
|---|-------------------|---------------------|
| Revenues: | | |
| Taxes | \$ 450,000 | \$ 423,683 |
| Interest | 27,000 | 17,675 |
| Total revenues | 477,000 | 441,358 |
| Expenditures: | | |
| Current, general government | 71,576 | 4,040 |
| Debt service: | | |
| Principal retirement | 220,000 | 220,000 |
| Interest and fiscal charges | 191,169 | 191,169 |
| Total expenditures | 482,745 | 415,209 |
| Revenues over (under) expenditures | \$ (5,745) | 26,149 |
| Fund balance, beginning of year | | 1,481,933 |
| Fund balance, end of year | | \$ 1,508,082 |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Valley State Bank Fund
Year Ended December 31, 2014**

| | Budget | Actual |
|------------------------------------|-----------------------|--------------------|
| Revenues, taxes | <u>\$ 50,000</u> | <u>\$ 47,748</u> |
| Expenditures: | | |
| Current, general government | 2,500 | - |
| Debt service: | | |
| Principal retirement | 49,459 | 14,079 |
| Interest and fiscal charges | - | 35,721 |
| Total expenditures | <u>51,959</u> | <u>49,800</u> |
| Changes in fund balance | <u>\$ (1,959)</u> | <u>(2,052)</u> |
| Fund balance, beginning of year | 1,959 | |
| Fund balance, end of year | <u>\$ (93)</u> | |

City of Roeland Park, Kansas

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Boulevard Apartments Fund
Year Ended December 31, 2014**

| | <u>Budget</u> | <u>Actual</u> |
|---|----------------------------|---------------|
| Revenues, taxes | \$ 113,000 | \$ 113,014 |
| Expenditures, current, general government | <u>217,877</u> | 250 |
| Changes in fund balance | <u>\$ (104,877)</u> | 112,764 |
| Fund balance, beginning of year | <u>104,878</u> | |
| Fund balance, end of year | <u><u>\$ 217,642</u></u> | |

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, 2014**

| | Budget | Actual |
|---|----------------------------|--------------------------|
| Revenues, taxes | \$ 42,000 | \$ 44,823 |
| Expenditures, current, general government | 377,454 | 4,493 |
| Changes in fund balance | <u>\$ (335,454)</u> | <u>40,330</u> |
| Fund balance, beginning of year | | 336,634 |
| Fund balance, end of year | | <u>\$ 376,964</u> |

City of Roeland Park, Kansas

Schedule of Capital Assets by Source

December 31, 2014

(With Comparative Totals as of December 31, 2013)

| | 2014 | 2013 |
|--|----------------------|----------------------|
| Capital assets: | | |
| Land | \$ 1,396,272 | \$ 1,396,272 |
| Artwork | 12,620 | 12,620 |
| Construction-in-progress | - | 141,595 |
| Buildings | 4,399,473 | 4,399,473 |
| Improvements other than buildings and infrastructure | 26,963,548 | 26,160,922 |
| Machinery and equipment | 1,660,857 | 1,622,490 |
| | \$ 34,432,770 | \$ 33,733,372 |

Investment in capital assets from:

| | | |
|---------------------------------|----------------------|----------------------|
| General Fund revenues | \$ 4,572,993 | \$ 4,483,588 |
| Special revenue funds revenues | 5,551,878 | 5,402,274 |
| Debt Service Fund revenues | 11,336,896 | 11,336,896 |
| Capital projects funds revenues | 12,971,003 | 12,510,614 |
| | \$ 34,432,770 | \$ 33,733,372 |

City of Roeland Park, Kansas

Schedule of Capital Assets by Function and Activity
December 31, 2014

| Function and Activity | Land | Artwork | Buildings | Buildings and Infrastructure | Improvements Other Than Buildings and Infrastructure | Machinery and Equipment | Total |
|-----------------------------|---------------------|------------------|---------------------|------------------------------|---|----------------------------|-------|
| Highways and streets | \$ 323,801 | \$ - | \$ 131,303 | \$ 24,380,370 | \$ 875,956 | \$ 25,711,430 | |
| Public safety | - | - | - | 12,605 | 421,750 | 434,355 | |
| Culture and recreation | 1,112 | 12,620 | 2,860,000 | 919,013 | 30,345 | 3,823,090 | |
| General government | 1,071,359 | - | 1,408,170 | 1,651,560 | 332,806 | 4,463,895 | |
| Total capital assets | \$ 1,396,272 | \$ 12,620 | \$ 4,399,473 | \$ 26,963,548 | \$ 1,660,857 | \$ 34,432,770 | |

City of Roeland Park, Kansas

Schedule of Changes in Capital Assets by Function and Activity
Year Ended December 31, 2014

| Function and Activity | Capital Assets December 31, | | | Capital Assets December 31, | |
|-----------------------------|--------------------------------|-------------------|---------------------|--------------------------------|--|
| | 2013 | Additions | Deductions | 2014 | |
| General government | \$ 4,456,644 | \$ 7,250 | \$ - | \$ 4,463,894 | |
| Public safety | 430,031 | 48,634 | (44,310) | 434,355 | |
| Culture and recreation | 3,622,449 | 200,642 | - | 3,823,091 | |
| Highways and streets | 25,252,083 | 629,950 | (170,603) | 25,711,430 | |
| Total capital assets | \$ 33,761,207 | \$ 886,476 | \$ (214,913) | \$ 34,432,770 | |

STATISTICAL SECTION

City of Roeland Park

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City of Roeland Park

Supplemental Statistical Section (Unaudited)

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.

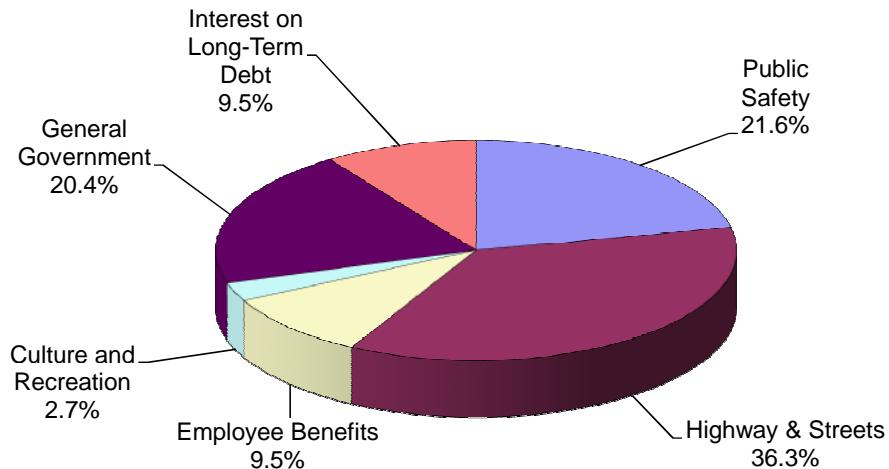
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year. The City implemented GASB 34 in fiscal year 2004; schedules presenting government-wide information include information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

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 |
|-------------------------------------|---------------------|---------------------|-------------------|---------------------------|-----------------------|----------------------------------|---------------------|
| 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 |
| 2009 | \$ 1,659,009 | \$ 1,977,515 | \$ 748,170 | \$ 143,537 | \$ 1,236,627 | \$ 1,141,986 | \$ 6,906,844 |
| 2010 | \$ 1,613,703 | \$ 1,918,971 | \$ 697,445 | \$ 148,485 | \$ 1,937,892 | \$ 1,013,861 | \$ 7,330,357 |
| 2011 | \$ 1,599,006 | \$ 2,052,826 | \$ 640,757 | \$ 136,601 | \$ 1,374,638 | \$ 935,023 | \$ 6,738,851 |
| 2012 | \$ 1,628,167 | \$ 1,950,919 | \$ 663,741 | \$ 184,096 | \$ 1,352,100 | \$ 924,701 | \$ 6,703,724 |
| 2013 | \$ 1,583,758 | \$ 2,095,342 | \$ 602,801 | \$ 196,798 | \$ 1,478,068 | \$ 833,048 | \$ 6,789,815 |
| 2014 | \$ 1,522,496 | \$ 2,558,464 | \$ 671,559 | \$ 191,761 | \$ 1,434,945 | \$ 667,568 | \$ 7,046,793 |

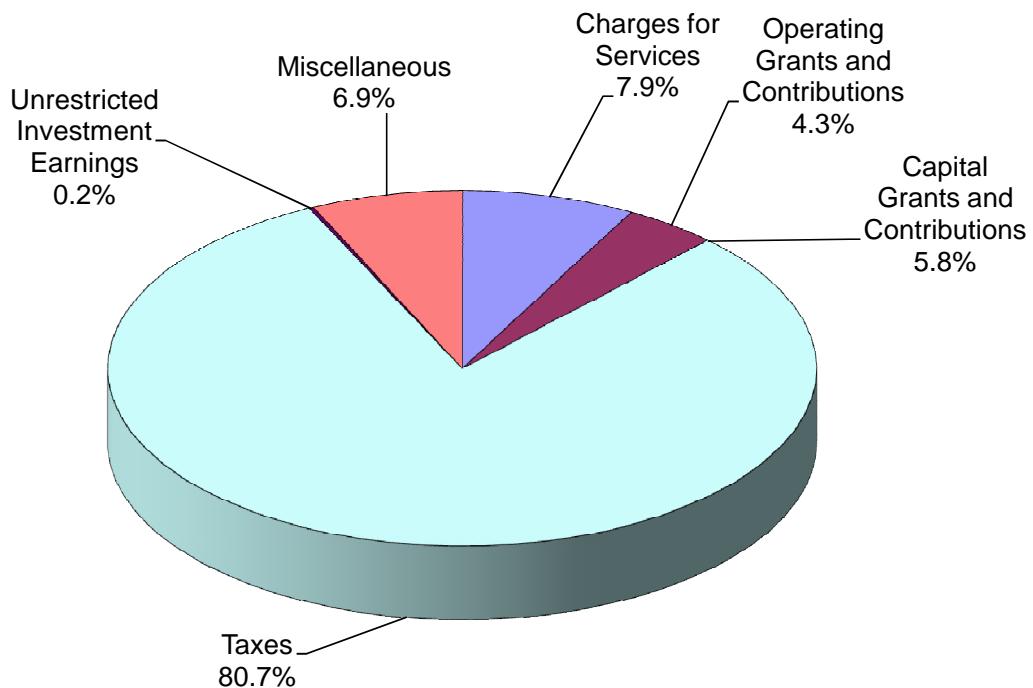
**Expenses and Charges for Services -
Government-Type Activities 2014**



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

| Fiscal Year Ended December 31 | Program Revenues | | | General Revenues | | | | |
|-------------------------------------|-------------------------|--|--|------------------|--|---|---------------|---------------|
| | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Taxes | Unrestricted Investment Earnings | Unrestricted Grants and Contributions | Miscellaneous | Total |
| 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 |
| 2009 | \$ 579,850 | \$ 355,046 | \$ 2,766,672 | \$ 5,506,024 | \$ 49,796 | \$ - | \$ 420,611 | \$ 9,677,999 |
| 2010 | \$ 1,949,647 | \$ 399,406 | \$ 1,955,710 | \$ 5,270,200 | \$ 62,401 | \$ - | \$ 541,237 | \$ 10,178,601 |
| 2011 | \$ 2,083,731 | \$ 273,711 | \$ 524,531 | \$ 5,513,726 | \$ 71,599 | \$ - | \$ 656,070 | \$ 9,123,368 |
| 2012 | \$ 412,275 | \$ 535,553 | \$ 312,757 | \$ 5,628,962 | \$ 21,642 | \$ - | \$ 1,264,988 | \$ 8,176,177 |
| 2013 | \$ 662,318 | \$ 345,189 | \$ - | \$ 6,379,618 | \$ 17,921 | \$ - | \$ 526,344 | \$ 7,931,390 |
| 2014 | \$ 682,000 | \$ 369,442 | \$ - | \$ 6,964,685 | \$ 17,898 | \$ - | \$ 596,702 | \$ 8,630,727 |

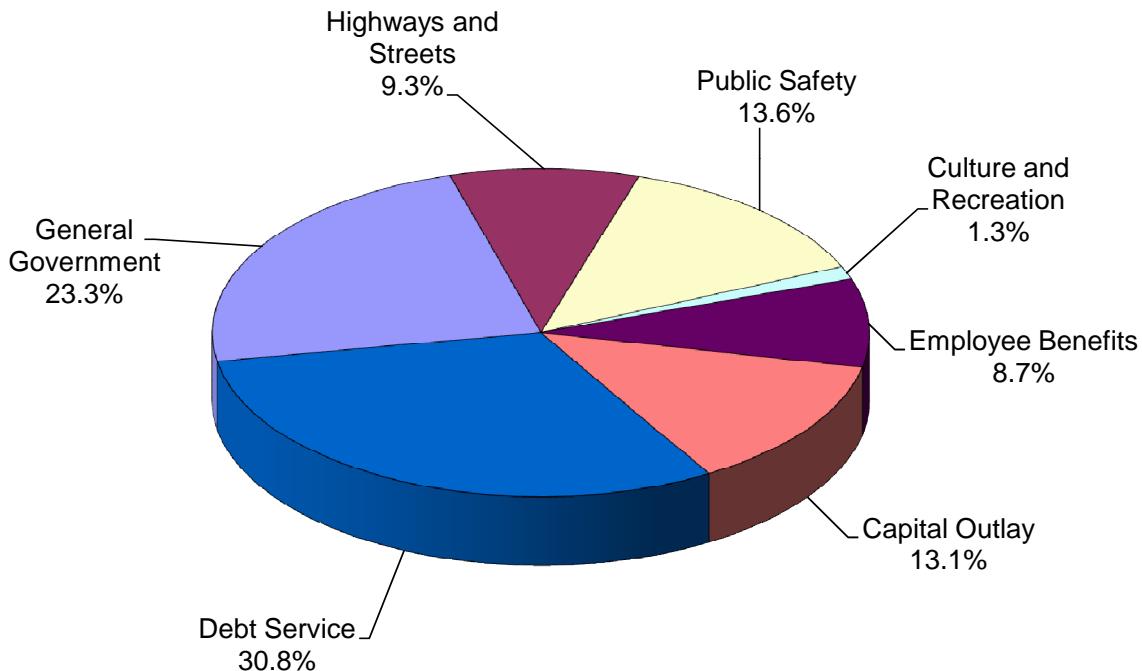
Revenue by Source - Government Activities - 2014



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 |
|------------------------|--------------------|----------------------|---------------|------------------------|-------------------|----------------|--------------|---------------|
| 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 |
| 2009 | \$1,811,515 | \$ 1,124,513 | \$ 1,202,635 | \$ 59,549 | \$ 748,170 | \$ 6,718,722 | \$ 2,217,917 | \$ 13,883,021 |
| 2010 | \$1,894,423 | \$ 1,076,574 | \$ 1,177,174 | \$ 64,497 | \$ 697,445 | \$ 3,806,144 | \$ 2,800,156 | \$ 11,516,413 |
| 2011 | \$1,944,844 | \$ 559,475 | \$ 1,114,836 | \$ 146,941 | \$ 640,757 | \$ 530,099 | \$ 2,260,661 | \$ 7,197,613 |
| 2012 | \$3,387,176 | \$ 522,275 | \$ 1,165,306 | \$ 90,675 | \$ 663,741 | \$ 1,175,008 | \$ 2,522,448 | \$ 9,526,629 |
| 2013 | \$1,852,078 | \$ 508,702 | \$ 1,141,180 | \$ 103,377 | \$ 599,959 | \$ 180,120 | \$ 3,636,664 | \$ 8,022,080 |
| 2014 | \$1,803,945 | \$ 719,451 | \$ 1,054,081 | \$ 98,340 | \$ 671,559 | \$ 1,012,312 | \$ 2,381,167 | \$ 7,740,855 |

**General Governmental Expenditures
by Function for 2014**



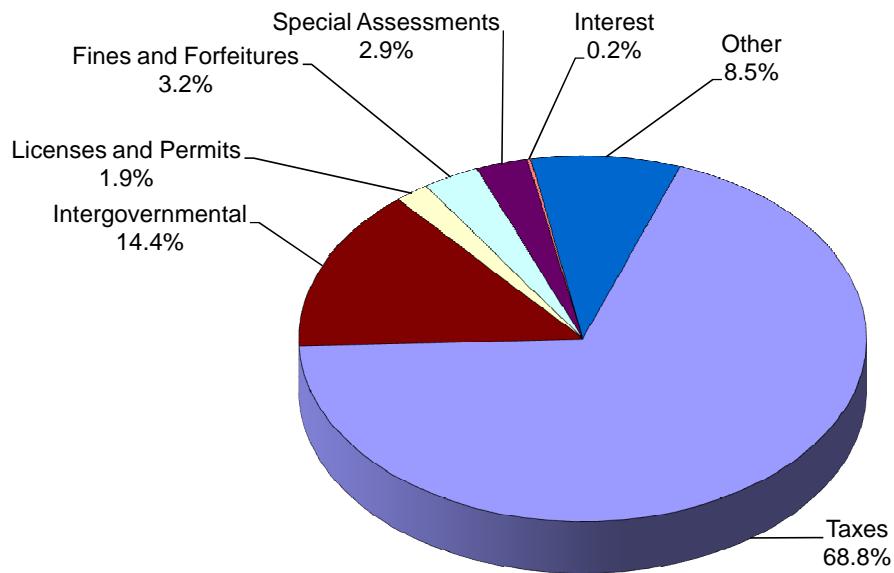
(1) Includes General, Special Revenue, Debt Service and Capital Project Funds

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 |
|----------------------------|--------------|-------------------|-------------------------|--------------------------|------------------------|------------|------------|---------------|
| 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 |
| 2009 | \$ 4,176,141 | \$ 4,420,264 | \$ 131,477 | \$ 338,502 | \$ 76,330 | \$ 49,796 | \$ 519,727 | \$ 9,712,237 |
| 2010 | \$ 4,574,437 | \$ 2,990,032 | \$ 135,627 | \$ 335,526 | \$ 322,381 | \$ 62,401 | \$ 601,786 | \$ 9,022,190 |
| 2011 | \$ 4,685,496 | \$ 1,647,894 | \$ 125,226 | \$ 285,711 | \$ 295,374 | \$ 71,599 | \$ 739,799 | \$ 7,851,099 |
| 2012 | \$ 4,799,321 | \$ 1,556,514 | \$ 136,320 | \$ 221,046 | \$ 303,366 | \$ 21,642 | \$ 714,493 | \$ 7,752,702 |
| 2013 | \$ 5,517,739 | \$ 1,296,628 | \$ 155,456 | \$ 281,099 | \$ 274,790 | \$ 17,921 | \$ 662,346 | \$ 8,205,979 |
| 2014 | \$ 6,065,253 | \$ 1,268,876 | \$ 171,320 | \$ 284,977 | \$ 259,808 | \$ 17,898 | \$ 748,610 | \$ 8,816,742 |

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

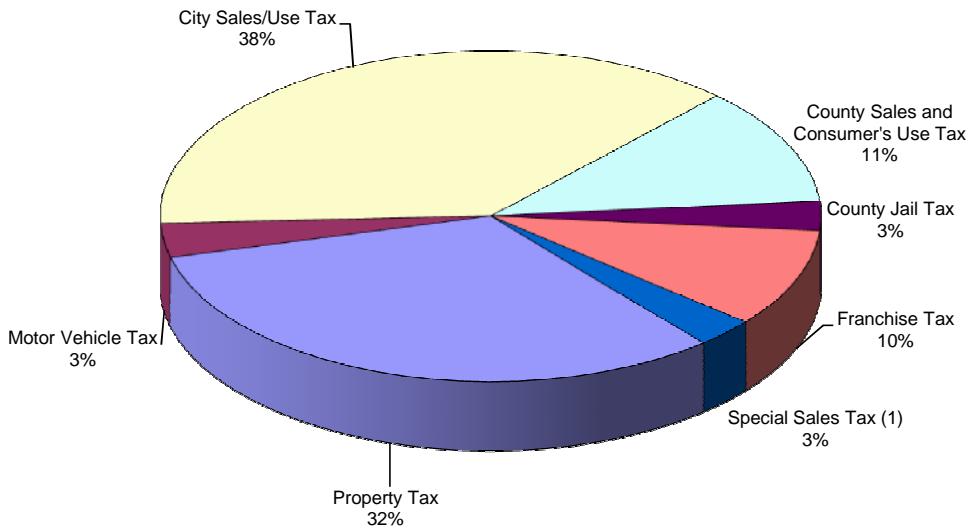
**General Governmental Revenues
by Source for 2014**



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

| Fiscal Year December 31 | County Sales and City Sales/Use Tax | | | | | | | Franchise Tax | Special Sales Tax (1) | Total |
|----------------------------|---|----------------------|-----------------------|--------------------|-------------------|-------------------|-------------------|---------------------|--------------------------|-------|
| | Property Tax | Motor Vehicle Tax | Consumer's Use Tax | County Jail Tax | | | | | | |
| 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 | | |
| 2009 | \$ 1,115,109 | \$ 143,680 | \$ 1,697,927 | \$ 498,368 | \$ 124,833 | \$ 485,644 | \$ 124,833 | \$ 4,190,395 | | |
| 2010 | \$ 1,079,867 | \$ 135,368 | \$ 1,701,609 | \$ 474,781 | \$ 117,736 | \$ 505,688 | \$ 117,736 | \$ 4,132,785 | | |
| 2011 | \$ 1,240,389 | \$ 133,730 | \$ 1,747,903 | \$ 558,206 | \$ 139,554 | \$ 504,815 | \$ 139,554 | \$ 4,464,151 | | |
| 2012 | \$ 1,268,477 | \$ 152,665 | \$ 1,815,977 | \$ 568,541 | \$ 142,136 | \$ 488,483 | \$ 142,136 | \$ 4,578,415 | | |
| 2013 | \$ 1,385,532 | \$ 170,617 | \$ 1,925,141 | \$ 597,634 | \$ 149,409 | \$ 493,139 | \$ 149,409 | \$ 4,870,881 | | |
| 2014 | \$ 1,728,634 | \$ 177,334 | \$ 2,028,841 | \$ 620,713 | \$ 155,177 | \$ 517,297 | \$ 155,177 | \$ 5,383,173 | | |

**Tax Revenues
By Source for 2014**



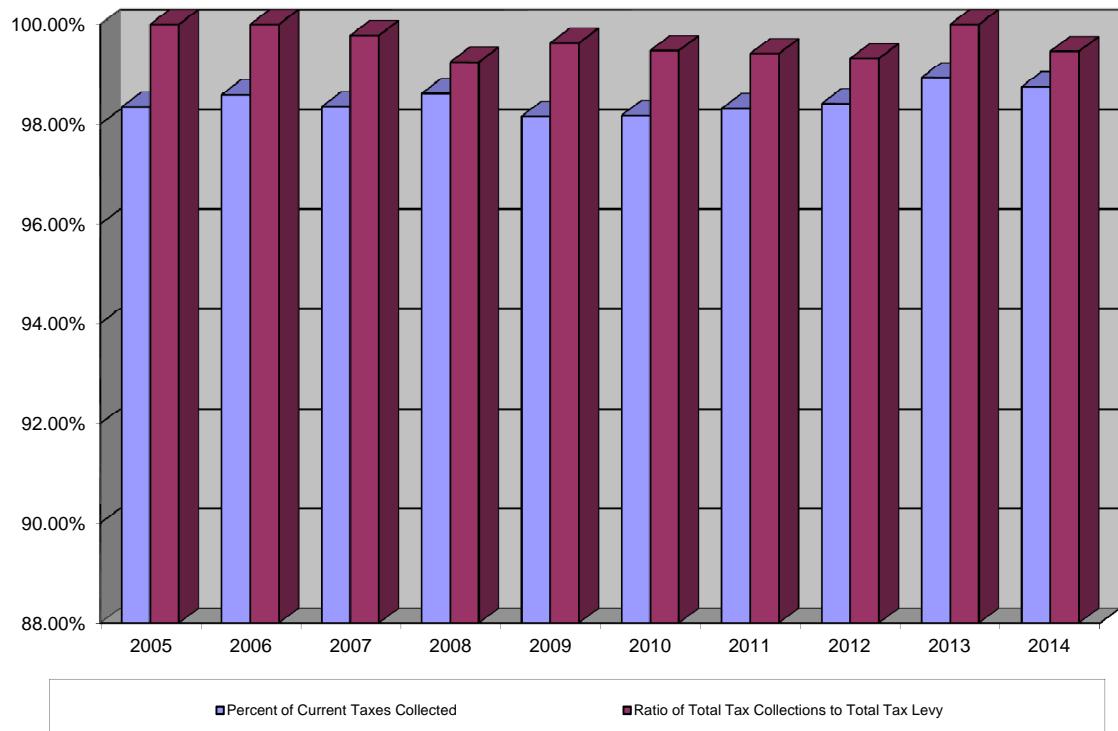
(1) 2004-2008 School Sales Tax, in 2009 changed to Safety Sales Tax

Note: The above summary excludes tax revenue from tax increment financing districts.

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 |
|---------------------------|---------------------|----------------------------|--|----------------------------------|--------------------------|---|------------------|------------------------------------|---|
| | | | | | | | | | |
| 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% | |
| 2009 | \$ 1,112,550 | \$ 1,092,093 | 98.16% | \$ 16,330 | \$ 1,108,422 | 99.63% | \$ 20,457 | 1.84% | |
| 2010 | \$ 1,085,143 | \$ 1,065,374 | 98.18% | \$ 14,098 | \$ 1,079,473 | 99.48% | \$ 19,769 | 1.82% | |
| 2011 | \$ 1,247,673 | \$ 1,226,655 | 98.32% | \$ 13,734 | \$ 1,240,389 | 99.42% | \$ 21,018 | 1.68% | |
| 2012 | \$ 1,277,186 | \$ 1,256,944 | 98.42% | \$ 11,528 | \$ 1,268,472 | 99.32% | \$ 20,242 | 1.58% | |
| 2013 | \$ 1,377,143 | \$ 1,362,458 | 98.93% | \$ 23,074 | \$ 1,385,532 | 100.61% | \$ 14,685 | 1.07% | |
| 2014 | \$ 1,735,299 | \$ 1,713,664 | 98.75% | \$ 12,330 | \$ 1,725,994 | 99.46% | \$ 21,635 | 1.25% | |

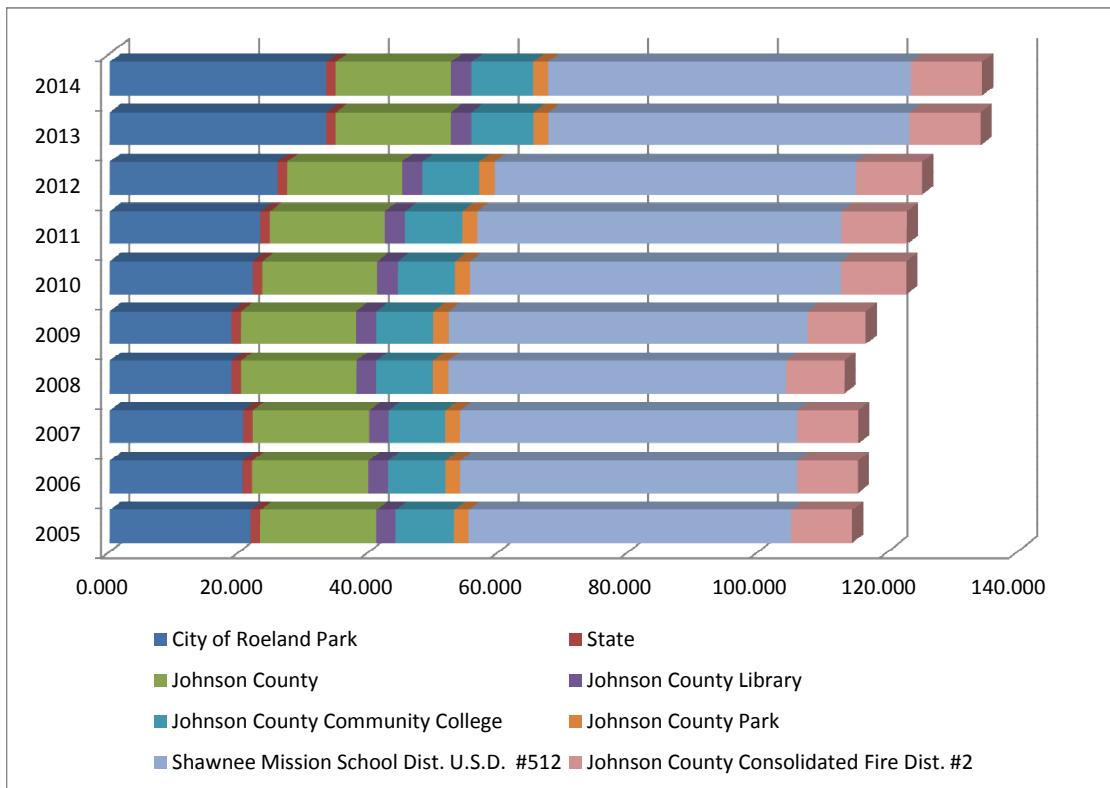
Tax Levies and Tax Collections



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)

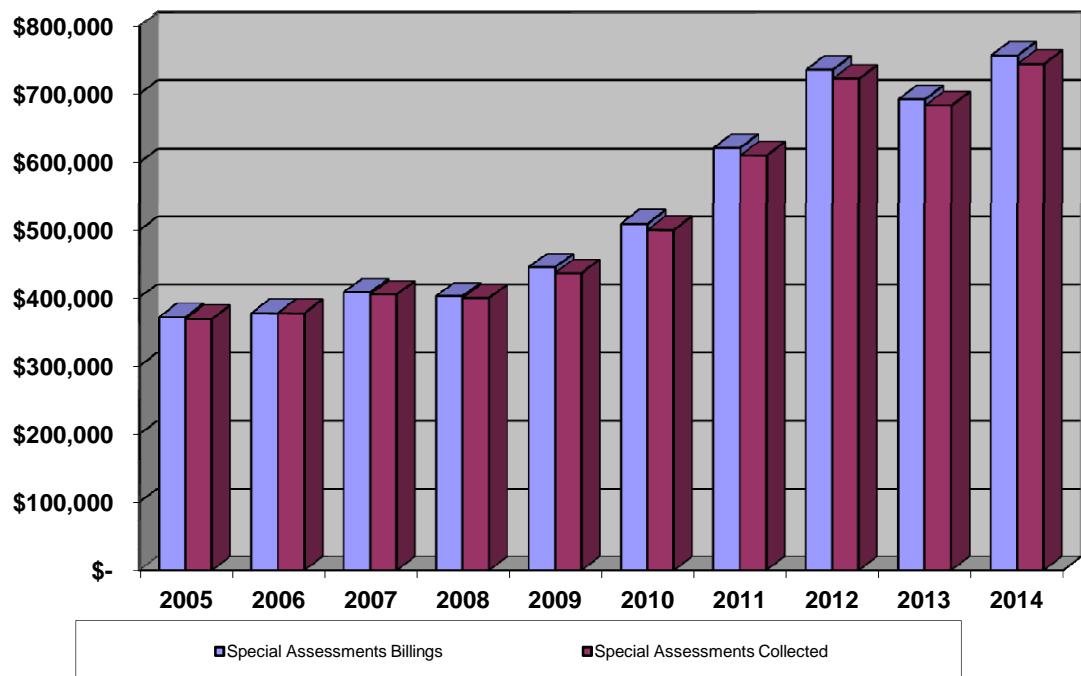
| Mill Levy Year | City of Roeland Park | State | Johnson County | Johnson County Library | Johnson County Community College | Johnson County Park | Shawnee Mission School Dist. U.S.D. #512 | Johnson County Consolidated Fire Dist. #2 | Total |
|----------------|----------------------|-------|----------------|------------------------|----------------------------------|---------------------|--|---|---------|
| 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 |
| 2009 | 18.770 | 1.500 | 17.716 | 3.151 | 8.784 | 2.346 | 55.318 | 8.991 | 116.576 |
| 2010 | 22.030 | 1.500 | 17.748 | 3.158 | 8.799 | 2.350 | 57.192 | 10.074 | 122.851 |
| 2011 | 23.225 | 1.500 | 17.700 | 3.145 | 8.776 | 2.343 | 56.135 | 10.098 | 122.922 |
| 2012 | 25.872 | 1.500 | 17.717 | 3.149 | 8.785 | 2.343 | 55.766 | 10.187 | 125.319 |
| 2013 | 33.379 | 1.500 | 17.745 | 3.155 | 9.551 | 2.347 | 55.611 | 11.004 | 134.292 |
| 2014 | 33.378 | 1.500 | 17.764 | 3.157 | 9.461 | 2.349 | 55.911 | 11.003 | 134.523 |



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 |
|---------------------------|------------------------------------|-------------------------------------|
| 2005 | \$ 371,664 | \$ 369,051 |
| 2006 | \$ 377,502 | \$ 377,486 |
| 2007 | \$ 407,918 | \$ 404,683 |
| 2008 | \$ 401,954 | \$ 399,081 |
| 2009 | \$ 445,397 | \$ 436,783 |
| 2010 | \$ 509,392 | \$ 500,629 |
| 2011 | \$ 621,451 | \$ 610,307 |
| 2012 | \$ 735,268 | \$ 722,171 |
| 2013 | \$ 692,350 | \$ 683,226 |
| 2014 | \$ 755,870 | \$ 743,624 |

Special Assessment Billings and Collections



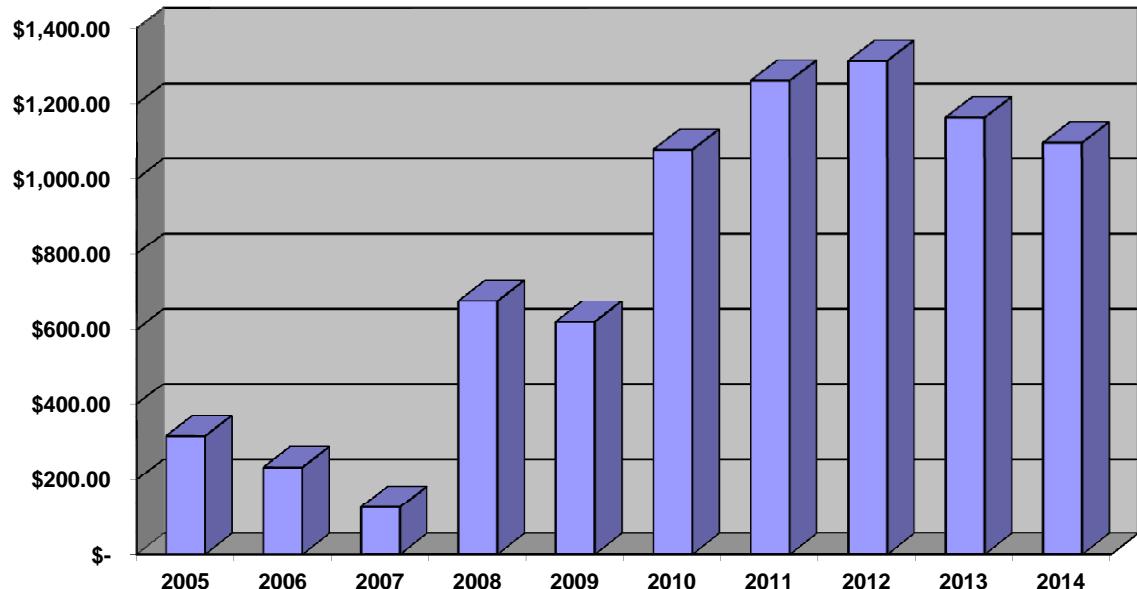
NOTE: Levy is for the tax year prior to the year of collection; e.g., 2009 is tax year 2008

Beginning in 2004 Trash Service was included in the special assessments billings/collections

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 |
|---------------------------|---------------|----------------------|----------------------|---------------------------|-----------------------|---|----------------------------------|
| 2005 | 7034 | \$ 59,582,110 | \$ 2,370,000 | \$ 155,842 | \$ 2,214,158 | 3.7% | \$ 314.78 |
| 2006 | 6975 | \$ 63,374,190 | \$ 1,780,000 | \$ 159,326 | \$ 1,620,674 | 2.6% | \$ 232.35 |
| 2007 | 6954 | \$ 68,731,513 | \$ 1,175,000 | \$ 291,079 | \$ 883,921 | 1.3% | \$ 127.11 |
| 2008 | 6951 | \$ 70,737,341 | \$ 5,065,000 | \$ 373,212 | \$ 4,691,788 | 6.6% | \$ 674.98 |
| 2009 | 6960 | \$ 70,177,168 | \$ 4,630,000 | \$ 313,476 | \$ 4,316,524 | 6.2% | \$ 620.19 |
| 2010 | 6731 | \$ 65,889,739 | \$ 7,480,000 | \$ 213,348 | \$ 7,266,652 | 11.0% | \$ 1,079.58 |
| 2011 | 6731 | \$ 63,789,417 | \$ 8,920,000 | \$ 432,827 | \$ 8,487,173 | 13.3% | \$ 1,260.91 |
| 2012 | 6841 | \$ 60,457,328 | \$ 9,260,000 | \$ 421,769 | \$ 8,838,231 | 14.6% | \$ 1,313.06 |
| 2013 | 6816 | \$ 59,270,263 | \$ 8,395,000 | \$ 459,907 | \$ 7,935,093 | 13.4% | \$ 1,164.19 |
| 2014 | 6845 | \$ 60,830,643 | \$ 7,995,000 | \$ 479,137 | \$ 7,515,863 | 12.4% | \$ 1,098.01 |

Net Bonded Debt Per Capita



(1) Certified Populations to the Kansas Secretary of State by Division of the Budget on July 1, 2013

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.

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| These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time. | | 76 - 83 |
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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.

City of Roeland Park

Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

| | Fiscal Year | | |
|---|------------------------------|------------------------------|--------------------------|
| | 2005 | 2006 | 2007 |
| Governmental activities: | | | |
| Net investment in capital assets | \$ 1,066,431 | \$ 3,242,771 | \$ 6,684,065 |
| Restricted | 2,819,252 | 3,445,579 | 3,481,896 |
| Unrestricted (deficit) | <u>(7,883,808)</u> | <u>(9,008,954)</u> | <u>(9,556,205)</u> |
| Total governmental activities net position | <u>\$ (3,998,125)</u> | <u>\$ (2,320,604)</u> | <u>\$ 609,756</u> |
| Primary government: | | | |
| Net investment in capital assets | \$ 1,066,431 | \$ 3,242,771 | \$ 6,684,065 |
| Restricted | 2,819,252 | 3,445,579 | 3,481,896 |
| Unrestricted (deficit) | <u>(7,883,808)</u> | <u>(9,008,954)</u> | <u>(9,556,205)</u> |
| Total primary government net position | <u>\$ (3,998,125)</u> | <u>\$ (2,320,604)</u> | <u>\$ 609,756</u> |

GASB Statement No. 34 Implemented in Fiscal Year 2004

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

| Fiscal Year | | | | | | | |
|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|--|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | |
| \$ 8,659,121 | \$ 12,336,193 | \$ 13,455,476 | \$ 13,442,965 | \$ 14,387,590 | \$ 14,000,008 | \$ 13,809,231 | |
| 3,362,134 | 3,115,716 | 2,987,693 | 1,846,236 | 1,262,832 | 2,083,763 | 2,924,033 | |
| (9,181,115) | (9,840,614) | (7,983,630) | (4,445,145) | (3,748,931) | (3,040,705) | (2,106,264) | |
| \$ 2,840,140 | \$ 5,611,295 | \$ 8,459,539 | \$ 10,844,056 | \$ 11,901,491 | \$ 13,043,066 | \$ 14,627,000 | |
| <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | |
| \$ 8,659,121 | \$ 12,336,193 | \$ 13,455,476 | \$ 13,442,965 | \$ 14,387,590 | \$ 14,000,008 | \$ 13,809,231 | |
| 3,362,134 | 3,115,716 | 2,987,693 | 1,846,236 | 1,262,832 | 2,083,763 | 2,924,033 | |
| (9,181,115) | (9,840,614) | (7,983,630) | (4,445,145) | (3,748,931) | (3,043,705) | (2,106,264) | |
| \$ 2,840,140 | \$ 5,611,295 | \$ 8,459,539 | \$ 10,844,056 | \$ 11,901,491 | \$ 13,040,066 | \$ 14,627,000 | |

City of Roeland Park

Changes In Net Position Last Ten Fiscal Years (*accrual basis of accounting*) (Unaudited)

| | Fiscal Year | | |
|--|-----------------------|---------------------|---------------------|
| | 2005 | 2006 | 2007 |
| Expenses: | | | |
| Governmental activities: | | | |
| General government | \$ 8,611,309 | \$ 4,458,665 | \$ 2,452,942 |
| Highway & Streets | 785,531 | 971,684 | 1,282,612 |
| Public safety | 1,100,107 | 1,486,533 | 1,583,568 |
| Culture and recreation | 144,551 | 179,246 | 157,134 |
| Employee Benefits | 539,977 | *** | *** |
| Interest on long-term debt | 626,826 | 1,151,443 | 1,084,725 |
| Total governmental activities expenses | 11,808,301 | 8,247,571 | 6,560,981 |
| Total primary government expenses | 11,808,301 | 8,247,571 | 6,560,981 |
| Program revenue: | | | |
| Governmental activities: | | | |
| Charges for services: | | | |
| General government | 324,763 | 261,903 | 263,879 |
| Highway and streets | 59,493 | - | - |
| Public safety | 286,691 | 298,827 | 355,306 |
| Culture and recreation | - | 4,310 | 3,325 |
| Operating grants and contributions: | | | |
| General government | - | - | - |
| Highway and streets | - | 1,413,736 | 1,134,609 |
| Public safety | - | 1,227 | - |
| Culture and recreation | - | 100,000 | - |
| Capital grants and contributions, highways and streets | 1,371,239 | 1,081,185 | |
| Total governmental activities program revenue | 670,947 | 3,451,242 | 2,838,304 |
| Total primary government program revenues | 670,947 | 3,451,242 | 2,838,304 |
| Net (expense) revenue: | | | |
| Governmental activities | (11,137,354) | (4,796,329) | (3,722,677) |
| Total primary government net expense | (11,137,354) | (4,796,329) | (3,722,677) |
| General revenues and other changes in net position: | | | |
| Governmental activities: | | | |
| Taxes: | | | |
| Property taxes | 1,772,230 | 1,405,371 | 1,193,601 |
| Sales and use taxes | * | 3,587,696 | 3,931,194 |
| County jail taxes | * | 155,924 | 150,285 |
| Franchise taxes | * | 446,130 | 471,427 |
| Intergovernment | 2,277,840 | ** | ** |
| Other taxes | 1,377,243 | ** | ** |
| Investment earnings | 161,117 | 472,195 | 439,638 |
| Miscellaneous | 386,847 | 406,534 | 466,892 |
| Gain on disposal of capital Assets | - | - | - |
| Total governmental activities | 5,975,277 | 6,473,850 | 6,653,037 |
| Total primary government | 5,975,277 | 6,473,850 | 6,653,037 |
| Changes in net position: | | | |
| Governmental activities | (5,162,077) | 1,677,521 | 2,930,360 |
| Total primary government | \$ (5,162,077) | \$ 1,677,521 | \$ 2,930,360 |

* 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

| Fiscal Year | | | | | | | | | | | | | |
|---------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|--------------------|------------------|
| | 2008 | | 2009 | | 2010 | | 2011 | | 2012 | | 2013 | | 2014 |
| \$ | 2,145,402 | \$ | 1,984,797 | \$ | 2,635,337 | \$ | 2,015,395 | \$ | 2,015,841 | \$ | 2,080,869 | \$ | 2,106,504 |
| 1,498,495 | | 1,977,515 | | 1,918,971 | | 2,052,826 | | 1,950,919 | | 2,095,342 | | 2,558,464 | |
| 1,670,306 | | 1,659,009 | | 1,613,703 | | 1,599,006 | | 1,628,167 | | 1,583,758 | | 1,522,496 | |
| 172,434 | | 143,537 | | 148,485 | | 136,601 | | 184,096 | | 196,798 | | 191,761 | |
| *** | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** | |
| 1,100,260 | | 1,141,986 | | 1,013,861 | | 935,023 | | 924,701 | | 833,048 | | 667,568 | |
| 6,586,897 | | 6,906,844 | | 7,330,357 | | 6,738,851 | | 6,703,724 | | 6,789,815 | | 7,046,793 | |
| 6,586,897 | | 6,906,844 | | 7,330,357 | | 6,738,851 | | 6,703,724 | | 6,789,815 | | 7,046,793 | |
| 241,575 | | 259,639 | | 280,817 | | 328,111 | | 138,559 | | 313,360 | | 323,727 | |
| 621,446 | | - | | 245,419 | | 149,120 | | - | | - | | - | |
| 328,304 | | 320,211 | | 1,423,411 | | 1,606,500 | | 273,716 | | 348,958 | | 358,273 | |
| 2,896 | | - | | - | | - | | - | | - | | - | |
| - | | - | | - | | - | | 163,000 | | 440 | | 6,325 | |
| 893,035 | | 353,813 | | 385,566 | | 273,711 | | 372,553 | | 344,749 | | 363,117 | |
| - | | 1,233 | | 13,840 | | - | | - | | - | | - | |
| - | | - | | - | | - | | - | | - | | - | |
| 262,237 | | 2,766,672 | | 1,955,710 | | 524,531 | | 312,757 | | - | | - | |
| 2,349,493 | | 3,701,568 | | 4,304,763 | | 2,881,973 | | 1,260,585 | | 1,007,507 | | 1,051,442 | |
| 2,349,493 | | 3,701,568 | | 4,304,763 | | 2,881,973 | | 1,260,585 | | 1,007,507 | | 1,051,442 | |
| (4,237,404) | | (3,205,276) | | (3,025,594) | | (3,856,878) | | (5,443,139) | | (5,782,308) | | (5,995,351) | |
| (4,237,404) | | (3,205,276) | | (3,025,594) | | (3,856,878) | | (5,443,139) | | (5,782,308) | | (5,995,351) | |
| 1,217,707 | | 1,115,109 | | 1,079,867 | | 1,240,389 | | 1,268,477 | | 1,385,532 | | 2,733,711 | |
| 4,040,997 | | 3,780,438 | | 3,566,909 | | 3,628,968 | | 3,729,866 | | 4,351,538 | | 3,558,501 | |
| 141,087 | | 124,833 | | 117,736 | | 139,554 | | 142,136 | | 149,409 | | 155,176 | |
| 486,913 | | 485,644 | | 505,688 | | 504,815 | | 488,483 | | 493,139 | | 517,297 | |
| ** | ** | ** | ** | ** | ** | ** | ** | - | - | - | - | - | |
| ** | ** | ** | ** | ** | ** | ** | ** | - | - | - | - | - | |
| 178,114 | | 49,796 | | 62,401 | | 71,599 | | 21,642 | | 17,921 | | 17,898 | |
| 402,970 | | 420,611 | | 541,237 | | 656,070 | | 581,845 | | 526,344 | | 596,702 | |
| - | | - | | - | | - | | 683,143 | | - | | - | |
| 6,467,788 | | 5,976,431 | | 5,873,838 | | 6,241,395 | | 6,915,592 | | 6,923,883 | | 7,579,285 | |
| 6,467,788 | | 5,976,431 | | 5,873,838 | | 6,241,395 | | 6,915,592 | | 6,923,883 | | 7,579,285 | |
| 2,230,384 | | 2,771,155 | | 2,848,244 | | 2,384,517 | | 1,472,453 | | 1,141,575 | | 1,583,934 | |
| \$ 2,230,384 | \$ | 2,771,155 | \$ | 2,848,244 | \$ | 2,384,517 | \$ | 1,472,453 | \$ | 1,141,575 | \$ | 1,583,934 | |

City of Roeland Park

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

| | Fiscal Year | | |
|---|---------------------|---------------------|-----------------------|
| | 2005 | 2006 | 2007 |
| General Fund: | | | |
| Nonspendable | \$ - | \$ - | \$ - |
| Restricted | - - | - - | - - |
| Committed | - - | - - | - - |
| Assigned | - - | - - | - - |
| Unassigned | - - | - - | - - |
| Reserved | 253,471 | 399,859 | 253,690 |
| Unreserved | 951,720 | 935,930 | 966,376 |
| Total General Fund | \$ 1,205,191 | \$ 1,335,789 | \$ 1,220,066 |
| All Other Governmental Funds: | | | |
| Nonspendable | \$ - | \$ - | \$ - |
| Restricted | - - | - - | - - |
| Committed | - - | - - | - - |
| Assigned | - - | - - | - - |
| Unassigned | - - | - - | - - |
| Reserved | 1,484,714 | 2,190,909 | 2,106,262 |
| Unreserved, reported in: | | | |
| Special revenue funds | 987,500 | 1,145,067 | 1,706,745 |
| Debt service funds | - - | - - | - - |
| Capital projects funds | (1,242,233) | (3,650,852) | (5,422,364) |
| Total all other government funds | \$ 1,229,981 | \$ (314,876) | \$ (1,609,357) |

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, implemented in Fiscal Year 2011

| Fiscal Year | | | | | | | | | |
|---------------------|-----------------------|-------------------|---------------------|---------------------|---------------------|---------------------|------|------|------------------|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | 157,500 | 166,027 | 157,500 | 157,500 | | | 157,500 |
| - | - | - | - | - | - | - | | | - |
| - | - | - | 21,522 | 367 | 367 | 367 | | | 10,267 |
| - | - | - | 404,462 | 1,253,199 | 1,314,949 | 1,314,949 | | | 1,922,771 |
| 251,721 | 258,410 | 179,022 | - | - | - | - | | | - |
| 728,708 | 320,523 | 230,883 | - | - | - | - | | | - |
| \$ 980,429 | \$ 578,933 | \$ 409,905 | \$ 583,484 | \$ 1,419,593 | \$ 1,472,816 | \$ 2,090,538 | | | |
| <hr/> | | | | | | | | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | 3,236,959 | 2,764,735 | 3,624,015 | 4,516,758 | | | |
| - | - | - | 127,000 | 127,000 | 127,000 | 127,000 | | | 127,000 |
| - | - | - | - | 91,013 | 267,923 | 364,228 | | | |
| - | - | - | (50,271) | (413,253) | (1,318,767) | (1,199,650) | | | |
| 7,917,013 | 7,342,112 | 2,827,013 | - | - | - | - | | | - |
| 1,230,075 | 1,116,629 | 1,089,663 | - | - | - | - | | | - |
| - | 116,511 | 55,848 | - | - | - | - | | | - |
| (6,163,469) | (9,316,611) | (3,427,335) | - | - | - | - | | | - |
| \$ 2,983,619 | \$ (3,182,885) | \$ 545,189 | \$ 3,313,688 | \$ 2,569,495 | \$ 2,700,171 | \$ 3,808,336 | | | |

City of Roeland Park

Changes In Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

| | Fiscal Year | | |
|--|--------------------|-----------------------|-----------------------|
| | 2005 | 2006 | 2007 |
| Revenues: | | | |
| Taxes | 3,149,473 | 4,518,414 | 4,879,899 |
| Special Assessments | 59,493 | 58,371 | 68,656 |
| Intergovernmental | 2,213,506 | 2,751,694 | 4,202,787 |
| Licenses and Permits | 169,556 | 156,820 | 156,152 |
| Fines and Forfeitures | 286,691 | 297,424 | 354,062 |
| Interest | 161,117 | 472,195 | 439,638 |
| Other | 542,054 | 503,410 | 584,243 |
| Total revenues | 6,581,890 | 8,758,328 | 10,685,437 |
| Expenditures: | | | |
| General government | 8,531,899 | 4,242,127 | 2,299,427 |
| Highways and streets | 672,954 | 989,813 | 807,707 |
| Public Safety | 1,088,427 | 1,091,294 | 1,164,536 |
| Culture and recreation | 68,668 | 97,997 | 105,686 |
| Employee Benefits | 539,977 | 619,849 | 662,098 |
| Capital Outlay | 1,718,214 | 3,786,698 | 4,523,237 |
| Debt Service: | | | |
| Principal retirement | 912,563 | 944,625 | 1,543,464 |
| Interest and fiscal Charges | 486,060 | 1,109,618 | 1,077,333 |
| Issuance costs | 298,479 | 108,796 | - |
| Total expenditures | 14,317,241 | 12,990,817 | 12,183,488 |
| Excess of revenues (under) expenditures | (7,735,351) | (4,232,489) | (1,498,051) |
| Other financing sources (uses): | | | |
| Capital Lease Obligations | 27,106 | - | - |
| Issuance of certificates of participation | 700,000 | - | - |
| Issuance of long-term Debt | - | 2,837,984 | 41,809 |
| Issuance of Long-term Refunding Debt | - | - | - |
| Payment to refunded bond escrow agent | - | - | - |
| Transfers in | 567,541 | 786,795 | 634,390 |
| Transfers out | (567,541) | (786,795) | (634,390) |
| Proceeds from sale of assets | | | 46,038 |
| Issuance of bonds | 8,050,000 | - | - |
| Premium on bonds | - | - | - |
| Discount on bonds | (102,599) | (19,754) | - |
| Total other financing sources (uses) | 8,674,507 | 2,818,230 | 87,847 |
| Net changes in fund balance | \$ 939,156 | \$ (1,414,259) | \$ (1,410,204) |

Debt service as a percentage of noncapital expenditures

13%

24%

34%

| Fiscal Year | | | | | | |
|--------------|----------------|--------------|--------------|-------------|-------------|---------------------|
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| 5,072,612 | 4,781,852 | 4,574,437 | 4,685,496 | 4,799,321 | 5,517,739 | 6,065,253 |
| 56,909 | 76,330 | 322,381 | 295,374 | 303,366 | 274,790 | 259,808 |
| 1,907,675 | 3,814,553 | 2,990,032 | 1,647,894 | 1,556,514 | 1,296,628 | 1,268,876 |
| 147,990 | 131,477 | 135,627 | 125,226 | 136,320 | 155,456 | 171,320 |
| 326,038 | 338,502 | 335,526 | 285,711 | 221,046 | 281,099 | 284,977 |
| 178,114 | 49,796 | 62,401 | 71,599 | 21,642 | 17,921 | 17,898 |
| 500,917 | 519,727 | 601,786 | 739,799 | 714,493 | 662,346 | 748,610 |
| 8,190,255 | 9,712,237 | 9,022,190 | 7,851,099 | 7,752,702 | 8,205,979 | 8,816,742 |
| | | | | | | |
| 1,943,701 | 1,811,515 | 1,894,423 | 1,944,844 | 3,387,176 | 1,852,078 | 1,803,945 |
| 1,035,974 | 1,124,513 | 1,076,574 | 559,475 | 522,275 | 508,702 | 719,451 |
| 1,193,771 | 1,202,635 | 1,177,174 | 1,114,836 | 1,165,306 | 1,141,180 | 1,054,081 |
| 87,800 | 59,549 | 64,497 | 146,941 | 90,675 | 103,377 | 98,340 |
| 697,081 | 748,170 | 697,445 | 640,757 | 663,741 | 599,959 | 671,559 |
| 1,072,858 | 6,718,722 | 3,806,144 | 530,099 | 1,175,008 | 180,120 | 1,012,312 |
| 964,519 | 1,068,359 | 1,756,419 | 1,289,914 | 1,550,334 | 2,875,321 | 1,693,181 |
| 979,709 | 1,149,558 | 1,007,374 | 921,373 | 817,222 | 761,343 | 665,100 |
| 47,152 | - | 36,363 | 49,374 | 154,892 | - | 22,886 |
| 8,022,565 | 13,883,021 | 11,516,413 | 7,197,613 | 9,526,629 | 8,022,080 | 7,740,855 |
| | | | | | | |
| 167,690 | (4,170,784) | (2,494,223) | 653,486 | (1,773,927) | 183,899 | 1,075,887 |
| | | | | | | |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 4,185,000 | 44,310 | 3,583,243 | 2,257,788 | 973,500 | - | - |
| - | - | - | - | 1,976,500 | - | 650,000 |
| - | - | - | - | (1,916,485) | - | - |
| 1,594,726 | 818,625 | 683,721 | 335,249 | 1,636,546 | 1,382,985 | 1,212,087 |
| (1,594,726) | (818,625) | (683,721) | (335,249) | (1,636,546) | (1,382,985) | (1,212,087) |
| 649 | - | 28,500 | 18,916 | 832,328 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | 11,888 | - | - | - |
| - | - | - | - | - | - | - |
| | | | | | | |
| 4,185,649 | 44,310 | 3,611,743 | 2,288,592 | 1,865,843 | - | 650,000 |
| | | | | | | |
| \$ 4,353,339 | \$ (4,126,474) | \$ 1,117,520 | \$ 2,942,078 | \$ 91,916 | \$ 183,899 | \$ 1,725,887 |

29% 31% 36% 34% 30% 46% 35%

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 |
|-------------|------------------|------------------|----------------|----------------|------------------|
| 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 |
| 2009 | 1,115,109 | 3,780,438 | 124,833 | 485,644 | 5,506,024 |
| 2010 | 1,079,867 | 3,566,909 | 117,736 | 505,688 | 5,270,200 |
| 2011 | 1,240,389 | 3,628,968 | 139,554 | 504,815 | 5,513,726 |
| 2012 | 1,268,477 | 3,729,866 | 142,136 | 488,483 | 5,628,962 |
| 2013 | 1,385,532 | 4,351,538 | 149,409 | 493,139 | 6,379,618 |
| 2014 | 2,733,711 | 3,558,501 | 155,176 | 517,297 | 6,964,685 |
| Change | | | | | |
| 2005-2014 | 961,481 | 1,366,973 | (853) | 85,643 | 2,413,244 |

Source: City records.

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

*TIF revenue is recognized in the property tax category instead of sales and use beginning in 2014

City of Roeland Park

Principal Taxpayers (Roeland Park)

Current Year and Ten Years Ago

(Unaudited)

| Taxpayer | 2014 | | | 2004 | | |
|------------------------------|--------------------|------|--|--------------------|------|--|
| | Assessed Valuation | Rank | Percentage of Total Assessed Valuation | Assessed Valuation | Rank | Percentage of Total Assessed Valuation |
| | | | | | | |
| BOULEVARD APARTMENTS, LLC | 2,466,060 | 1 | 3.86% | * | * | * |
| TMM ROELAND PARK CENTER, LLC | 2,340,163 | 2 | 3.67% | 2,553,883 | 1 | 4.42% |
| BELLA ROE LOTS 2, 3 AND 6 07 | 1,985,987 | 3 | 3.11% | * | * | * |
| BELLA ROE LOTS 1 AND 4 07 A | 1,697,145 | 4 | 2.66% | * | * | * |
| WALGREEN CO. | 590,909 | 5 | 0.93% | 613,326 | 5 | 1.06% |
| ALDI INC. | 492,741 | 6 | 0.77% | 304,851 | 9 | 0.53% |
| MEREDITH PROPERTIES, INC. | 326,652 | 7 | 0.51% | 314,843 | 8 | 0.55% |
| MISSION BANK (THE) | 301,001 | 8 | 0.47% | * | * | * |
| JL GROUP HOLDINGS I, LLC | 294,501 | 9 | 0.46% | * | * | * |
| ROE MARKETPLACE, LLC | 274,501 | 10 | 0.43% | 386,275 | 7 | 0.67% |

Source:

City of Roeland Park CAFR 2004

* Not a Taxpayer in 2004

Johnson County Records and Tax Administration

City of Roeland Park

Principal Sales Tax Industries

Current Year

(Unaudited)

| <u>Industry Type (NAICS)</u> | Percentage of Total City Sales Tax Revenues |
|--|--|
| Department Stores | 27.98% |
| Supermarkets and Other Grocery (except Convenience) Stores | 17.09% |
| Home Centers | 17.09% |
| Wireless Telecommunications Carriers | 3.86% |
| Other Electric Power Generation | 3.75% |
| Full Service Restaurants | 3.08% |
| Limited Service Restaurants | 3.00% |
| Gas Stations with Convenience Stores | 2.69% |
| Natural Gas Distribution | 2.24% |
| Pharmacies and Drug Stores | 1.57% |
| Total Percentage of Sales Tax Revenues | 82.4% |

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

City of Roeland Park

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City of Roeland Park

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | Governmental Activities | | | | |
|-------------|--------------------------|-----------------------------|---------------|-------------------------------------|------------------------------|
| | General Obligation Bonds | Tax Increment Revenue Bonds | Revenue Bonds | Transportation Development District | Certificate of Participation |
| 2005 | \$ 2,370,000 | \$ 5,572,112 | \$ 325,000 | \$ 3,555,000 | \$ 700,000 |
| 2006 | 1,780,000 | 5,481,816 | 250,000 | 6,335,000 | 700,000 |
| 2007 | 1,175,000 | 5,278,145 | 170,000 | 5,920,000 | 700,000 |
| 2008 | 5,065,000 | 5,080,732 | 85,000 | 5,770,000 | 650,000 |
| 2009 | 4,630,000 | 4,865,502 | - | 5,610,000 | 650,000 |
| 2010 | 7,480,000 | 4,627,394 | - | 5,430,000 | - |
| 2011 | 8,920,000 | 4,398,941 | - | 5,235,000 | - |
| 2012 | 9,260,000 | 4,106,044 | - | 5,080,000 | - |
| 2013 | 8,395,000 | 3,879,226 | - | 4,805,151 | - |
| 2014 | 8,004,247 | 3,622,299 | - | 4,455,696 | - |

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

(1) Personal income amounts are obtained from the demographic and economic statistics table of this section. The 2009 percentage of personal income is based off of the 2008 personal income information as 2009 was unavailable.

| Capital Leases | Total Primary Government | Percentage of Personal Income (1) | Debt Per Capita |
|----------------|--------------------------|-----------------------------------|-----------------|
| \$ 2,296,697 | \$ 14,818,809 | 62.31% | 2,107 |
| 2,165,352 | 16,712,168 | 64.86% | 2,396 |
| 1,967,368 | 15,210,513 | 56.50% | 2,187 |
| 1,780,262 | 18,430,994 | 59.84% | 2,652 |
| 1,651,443 | 17,406,945 | 61.50% | 2,501 |
| 1,642,243 | 19,179,637 | 65.30% | 2,849 |
| 1,593,570 | 20,147,511 | 64.43% | 2,993 |
| 1,381,133 | 19,827,177 | 59.49% | 2,898 |
| 1,162,630 | 18,182,739 | 54.56% | 2,668 |
| 933,528 | 17,015,770 | 49.97% | 2,493 |

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 | Percentage of Personal Income (1) |
|-------------|--------------------------|---------------------------------------|-------------------------|-------------------------------------|-----------------|-----------------------------------|
| | General Obligation Bonds | Less Amount Available in Debt Service | Net General Bonded Debt | | | |
| 2005 | \$ 2,370,000 | \$ 155,842 | \$ 2,214,158 | 3.7% | \$ 315 | 9.3% |
| 2006 | 1,780,000 | 159,326 | 1,620,674 | 2.4% | \$ 232 | 6.3% |
| 2007 | 1,175,000 | 291,079 | 883,921 | 1.3% | \$ 127 | 3.3% |
| 2008 | 5,065,000 | 373,212 | 4,691,788 | 6.7% | \$ 675 | 15.2% |
| 2009 | 4,630,000 | 313,476 | 4,316,524 | 5.9% | \$ 620 | 15.3% |
| 2010 | 7,480,000 | 213,348 | 7,266,652 | 10.2% | \$ 1,080 | 24.7% |
| 2011 | 8,920,000 | 432,827 | 8,487,173 | 12.2% | \$ 1,261 | 27.1% |
| 2012 | 9,260,000 | 421,769 | 8,838,231 | 14.6% | \$ 1,292 | 26.5% |
| 2013 | 8,395,000 | 459,907 | 7,945,132 | 13.4% | \$ 1,166 | 23.8% |
| 2014 | 8,004,247 | 479,137 | 7,525,110 | 12.7% | \$ 1,099 | 22.6% |

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

(1) Personal income amounts are obtained from the demographic and economic statistics table of this section. The 2009 percentage of personal income is based off of the 2008 personal income information as 2009 was unavailable.

City of Roeland Park

Direct and Overlapping Governmental Activities Debt
For the Year Ended December 31, 2014
(Unaudited)

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|--|------------------|---------------------------------|-------------------------------------|
| Johnson County (1) | 316,465,935 | 0.77% | \$ 2,436,788 |
| Johnson County Consolidated Fire District #2 (1) | 725,000 | 8.33% | 60,393 |
| Johnson County Parks and Recreation (1) | 2,315,000 | 0.77% | 17,826 |
| Shawnee Mission School Dist. - U.S.D. #512 (1) | 194,477,739 | 2.06% | 4,006,241 |
| Water District #1 of Johnson County (3) | 284,710,000 | 1.65% | 4,706,195 |
| Subtotal, overlapping debt | | | \$ 11,227,442 |
| City Direct Debt | | | 17,015,770 |
| Total direct and overlapping debt | | | \$ 28,243,212 |

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

(1) Data as of December 31, 2014

The percentage of overlapping debt applicable is estimated using taxable assessed property values.
 Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the government's boundaries and dividing it by the County total taxable assessed value.

City of Roeland Park

Legal Debt Margin Information

Last Ten Fiscal Years

(dollars in thousands)

(Unaudited)

| | 2005 | 2006 | 2007 | 2008 |
|---|-------------------|-------------------|-------------------|-------------------|
| Debt limit | \$ 20,366,682 | \$ 21,476,321 | \$ 21,203,471 | \$ 21,097,420 |
| Total net debt applicable to limit | <u>11,732,368</u> | <u>12,600,352</u> | <u>11,732,368</u> | <u>12,580,262</u> |
| Legal debt margin | \$ 8,634,314 | \$ 8,875,969 | \$ 9,471,103 | \$ 8,517,158 |
| Total net debt applicable to the limit as a percentage of debt limit | | | | |
| | 57.61% | 58.67% | 55.33% | 59.63% |

Source: City Records

| | | | | | |
|--|----------------------|---------------|---------------|---------------|-------------------|
| Legal Debt Margin Calculation for Fiscal Year 2014 | | | | | |
| Assessed value | \$ 68,452,147 | | | | |
| Debt limit (30% of assessed value) | <u>20,535,644</u> | | | | |
| Debt applicable to limit: | | | | | |
| General obligation bonds | 7,995,000 | | | | |
| Temporary Notes | - | | | | |
| Certificates of Participation | - | | | | |
| Capital Leases | <u>933,528</u> | | | | |
| Total net debt applicable to limit | <u>8,928,528</u> | | | | |
| Legal debt margin | <u>\$ 11,607,116</u> | | | | |
| 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| \$ 21,991,649 | \$ 21,293,651 | \$ 20,807,621 | \$ 20,327,553 | \$ 20,070,973 | \$ 20,535,644 |
| 12,731,443 | 11,907,243 | 10,513,570 | 11,501,333 | 10,513,343 | <u>11,607,116</u> |
| \$ 9,260,206 | \$ 9,386,408 | \$ 10,294,051 | \$ 8,826,220 | \$ 20,070,973 | \$ 8,928,528 |
| 57.89% | 55.92% | 50.53% | 56.58% | 52.38% | 56.52% |

City of Roeland Park

Pledged-Revenue Coverage

Last Ten 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 | |
| 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 |
| 2009 | 397,637 | 160,000 | 321,694 | 0.83 |
| 2010 | 372,955 | 180,000 | 313,937 | 0.76 |
| 2011 | 381,398 | 195,000 | 305,182 | 0.76 |
| 2012 | 396,732 | 155,000 | 301,944 | 0.87 |
| 2013 | 390,626 | 274,849 | 248,408 | 0.73 |
| 2014 | 406,455 | 309,292 | 237,465 | 0.74 |

Revenue Bonds

Funding Source: Revenues and Interest Earnings

| Fiscal Year | Revenue Bonds | Debt Service | | Coverage |
|-------------|---------------|--------------|----------|----------|
| | | Principal | Interest | |
| 2005 | - | 75,000 | 20,109 | - |
| 2006 | - | 75,000 | 16,115 | - |
| 2007 | - | 80,000 | 11,890 | - |
| 2008 | - | 85,000 | 7,289 | - |
| 2009 | - | 85,000 | 2,444 | - |
| 2010 | - | - | - | - |
| 2011 | - | - | - | - |
| 2012 | - | - | - | - |
| 2013 | - | - | - | - |
| 2014 | - | - | - | - |

Tax Increment Bonds

Funding Source: Tax Increment Revenues and Interest Earnings

| Fiscal Year | Tax Increment | Debt Service | | Coverage |
|-------------|----------------|----------------|----------------|-------------|
| | | Principal | Interest | |
| 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 |
| 2009 | 146,667 | 75,231 | 63,770 | 1.06 |
| 2010 | 126,208 | 78,109 | 42,768 | 1.04 |
| 2011 | 106,272 | 58,453 | 49,697 | 0.98 |
| 2012 | 363,974 | 107,897 | 251,614 | 1.01 |
| 2013 | 609,451 | 226,818 | 284,053 | 1.19 |
| 2014 | 629,268 | 234,079 | 224,490 | 1.37 |

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) |
|----------------------------|----------------|--------------------------------|---------------------|----------------|-----------------------|-----------------------|
| 2005 | 7,034 | 47,809 | 23,784,296 | 35.90 | 339 | 3.9% |
| 2006 | 6,975 | 51,797 | 25,768,269 | 36.30 | 330 | 3.5% |
| 2007 | 6,954 | 54,110 | 26,918,953 | 36.00 | 296 | 3.7% |
| 2008 | 6,951 | 57,880 | 30,802,101 | 36.20 | 347 | 4.8% |
| 2009 | 6,960 | 52,472 | 28,303,211 | 35.70 | 359 | 6.0% |
| 2010 | 7,026 | 53,821 | 29,372,416 | 36.40 | 379 | 6.0% |
| 2011 | 6,731 | 56,550 | 31,271,376 | 36.50 | 386 | 5.1% |
| 2012 | 6,841 | 59,524 | 33,328,220 | 34.80 | 370 | 4.5% |
| 2013 | 6,816 | 59,524 | * 33,328,220 | * 34.80 | * 370 | 3.8% |
| 2014 | 6,845 | 60,068 | * 34,054,458 | * 36.50 | * 400 | 3.7% |

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, Johnson County, Kansas
- (5) Shawnee Mission School District, elementary public schools only
- (6) Bureau of Labor Statistics

* Data Not Available

City of Roeland Park

Principal Employers (Johnson County)

Current Year and Ten Years Ago

(Unaudited)

| Employer | 2015 | | | 2005 | | |
|---------------------------------|-------------------------------|------|---|----------------------------|------|---|
| | Employees in County (1) | Rank | Percentage of Total County Employment (2) | Employees in County (1) | Rank | Percentage of Total County Employment |
| Cerner Corporation | 9,289 | 1 | 3.02% | * | * | * |
| Sprint Corp. | 7,500 | 2 | 2.44% | * | * | * |
| Ford Motor Company | 7,000 | 3 | 2.28% | * | * | * |
| Black & Veatch | 6,794 | 4 | 2.21% | * | * | * |
| AT&T Corp.-Mission | 3,772 | 5 | 1.23% | * | * | * |
| Shawnee Mission School District | 3,716 | 6 | 1.21% | * | * | * |
| Olathe School District | 3,713 | 7 | 1.21% | * | * | * |
| Johnson County, KS | 3,531 | 8 | 1.15% | * | * | * |
| UnitedHealth Group | 3,500 | 9 | 1.14% | * | * | * |
| UPS | 3,263 | 10 | 1.06% | * | * | * |

Source:

(1) ThinkKC Regional Employers, Johnson County KS 4/5/2014

(2) Bureau of Labor Statistics

* Data Not Available

City of Roeland Park

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City of Roeland Park

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

| Functions/Program | Full-Time Equivalent Employees as of December 31 | | | |
|---------------------|--|-----------|-----------|-----------|
| | 2014 | 2013 | 2012 | 2011 |
| General Government: | | | | |
| City Administrator | 1 | 1 | 1 | 1 |
| City Clerk | 1 | 1 | 1 | 1 |
| Personnel | 2 | 2 | 2 | 2 |
| Building Safety | 2 | 1 | 1 | 1 |
| Police: | | | | |
| Officers | 16 | 17 | 17 | 17 |
| Public Works: | | | | |
| Administration | 1 | 1 | 1 | 1 |
| Street Maintenance | 5 | 5 | 4 | 5 |
| Street Sweeping | 1 | 1 | 1 | 1 |
| Total | 29 | 29 | 28 | 29 |

Source: City Records

Full-Time Equivalent Employees as of December 31

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|-----------|-----------|-----------|-----------|-----------|-----------|
| 1 | 1 | 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 17 | 18 | 18 | 18 | 18 | 20 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 5 | 5 | 5 | 5 | 5 | 4 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 30 | 31 | 31 | 31 | 31 | 32 |

City of Roeland Park**Operating Indicators By Function/Program**
Last Ten Fiscal Years
(Unaudited)

| Function/Program | Calendar Year | | | |
|-------------------------|---------------|---------------|--------------|--------------|
| | 2005 | 2006 | 2007 | 2008 |
| Police: | | | | |
| Adult arrest | 498 | 428 | 589 | 429 |
| Moving citations only | 763 | 781 | 836 | 310 |
| Traffic citations | 3,253 | 5,161 | 5,632 | 2,665 |
| Building Safety: | | | | |
| Total building permits | 427 | 429 | 474 | 496 |
| Total value all permits | \$ 9,261,776 | \$ 11,682,007 | \$ 4,215,977 | \$ 3,103,909 |

Source: City Records

| Calendar Year | | | | | |
|---------------|--------------|--------------|--------------|--------------|--------------|
| 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| 400 | 383 | 281 | 362 | 315 | 313 |
| 279 | 336 | 365 | 430 | 305 | 406 |
| 2,853 | 2,915 | 2,240 | 3,374 | 2,281 | 2,712 |
| 475 | 441 | 388 | 433 | 487 | 525 |
| \$ 2,703,038 | \$ 2,092,406 | \$ 2,107,123 | \$ 4,111,694 | \$ 3,119,141 | \$ 3,846,616 |

City of Roeland Park**Capital Asset Statistics By Function/Program**
Last Ten Fiscal Years
(Unaudited)

| Function/Program | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---------------------------------|------|------|------|------|------|------|
| Public Works: | | | | | | |
| Number of Streetlights | 676 | 676 | 609 | 596 | 596 | 596 |
| Streets (Lane Miles) | 35.1 | 35.1 | 35.1 | 35.1 | 35.1 | 35.1 |
| Public Safety: | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 |
| Culture and Recreation: | | | | | | |
| Acreage | 15 | 15 | 15 | 15 | 15 | 18 |
| Parks | 6 | 6 | 6 | 6 | 6 | 8 |
| Tennis Courts | 1 | 1 | 1 | 1 | 1 | 1 |
| Swimming pools | 1 | 1 | 1 | 1 | 1 | 1 |
| Parks with Playground Equipment | 2 | 2 | 2 | 2 | 2 | 3 |
| Picnic Shelters | 1 | 1 | 1 | 1 | 1 | 1 |
| Community Centers | 1 | 1 | 1 | 1 | 1 | 1 |
| Skateboard Park | 1 | 1 | 1 | 1 | 1 | 1 |

Source: City Records

| 2011 | 2012 | 2013 | 2014 |
|------|------|------|-------------|
| 596 | 596 | 595 | 595 |
| 35.1 | 35.1 | 35.1 | 35.1 |
| 1 | 1 | 1 | 1 |
| 18 | 13 | 13 | 13 |
| 9 | 8 | 8 | 8 |
| 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 |
| 3 | 3 | 3 | 3 |
| 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 |

City of Roeland Park

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