



Comprehensive Annual Financial Report

2015

For the Fiscal Year Ending December 31, 2015

City of  
Roeland Park, Kansas

**City of Roeland Park, Kansas**



**Comprehensive Annual Financial Report  
for the fiscal year ended December 31, 2015**

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**Prepared by:**

Jennifer Jones-Lacy, Assistant City Administrator/Finance Director

**INTRODUCTORY SECTION**

**City of Roeland Park**

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May 31, 2016

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, 2015 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, 2015.

#### **Letter of Transmittal**

For the Fiscal Year  
Ended December 31, 2015

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 RSM US LLP, has issued an unmodified ("clean") opinion on the City of Roeland Park's financial statements for the year ending December 31, 2015. 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.

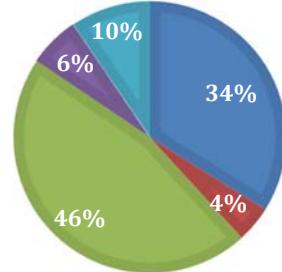
## **LOCAL ECONOMY**

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 and use followed by property tax. Sales taxes include the local generated sales tax as well as a share from the County sales tax that is distributed by population to cities within the County. 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 4.5% compared with 2006.

## 2015 TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

■ Property      ■ Motor Vehicle      ■ Sales/Use Tax  
 ■ County Special      ■ Franchise

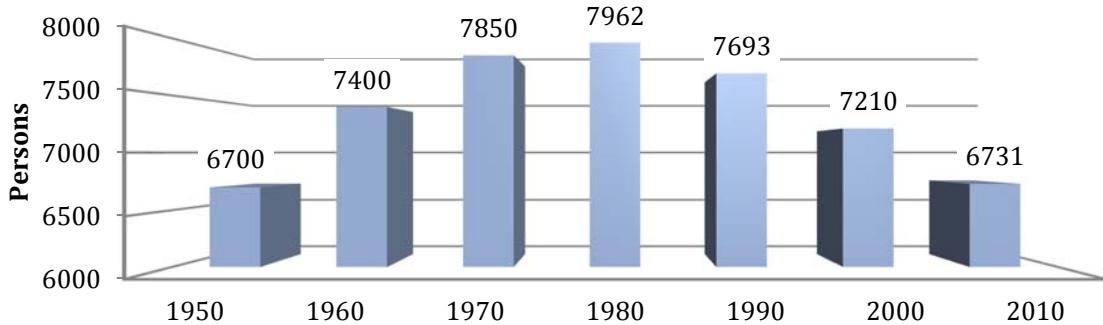


The same number of building permits were issued in 2015 as the prior year. However, revenues associated with building permits in 2015 increased by 7% from 2014. Assessed valuations of residential and commercial properties increased by approximately 4.1% in 2015 as Johnson County assessed valuations continue 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.

## Roeland Park, KS Population History 1950 -2010



*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 sale price was \$167,007 according to the 2015 Johnson County Appraisers' report.

## **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 cash 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 implementing long range financial forecasting in 2012 to develop the City's annual budget to assist the Governing Body in creating a sustainable budget and to stabilize taxes. Looking long-term provides a more complete picture of the City's financial future.

Each department prepares a three year proposed budget, with the current year budget as their base. A review of each proposed departmental budget is completed by the council. 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. As of the 2017 Budget, staff developed a longer-term 10 year capital plan to assess the need for bond 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

### City Completes and Works to Implement the Neighbor to Neighbor Strategic Plan



A group of dedicated citizens spent more than one year working to develop a strategic plan to guide the City on future development and planning. The Neighbor to Neighbor Citizens Committee, City staff and consultants from the Hugo Wall School of Public Affairs at Wichita State University, developed five primary goals for the City to work toward within the next five years. These goals have several related action items to direct staff and council on how to meet these goals.

1. Create a long-term financial plan to diversify revenue supporting Economic Growth.
2. Create a commercial development plan to revitalize underutilized property and leverage available land to create a sustainable community.
3. Market Roeland Park to increase awareness and promote a positive image.
4. Connect citizens to the community through events, places, services and activities.
5. Promote recreational opportunities through enhanced green space, facilities and communication.

A smaller contingency of the Strategic Planning Steering Committee has volunteered to assist with implementation and monitoring of these goals.

### City Embarks Upon Community for All Ages Initiative

Through a collaboration with Mid-America Regional Council (MARC), KC Communities for All Ages and the First Suburbs Coalition, the City of Roeland Park has committed to become a Community for All Ages. The City's Governing Body approved Resolution 638 in January 2015 in support of making Roeland Park a diverse community that supports quality of life for all residents, particularly older adults. The goal is to use a "Community of All Ages" filter when considering legislation, development and process in the City. Improvements to housing, zoning and public infrastructure should all consider older populations when determining a plan for these elements.

The City of Roeland Park has received bronze level recognition from MARC for taking the first steps toward becoming a gold level partner in building a Community for All Ages. This achievement requires the Governing Body to approve a resolution supporting the program, prepare written materials on age-friendly communities and distribute to the public, and publish info on demographic changes on the City's website.

### Granada Park gets a Facelift

Granada Park, located at the intersection of Granada and Sycamore in Roeland Park, got an upgrade in 2015 including installation of picnic tables with new concrete walking path and pad, trash and recycling

bins, a drinking fountain, and a new coat of paint. In addition, the skate park also got a facelift with new concrete and improved drainage. The improvements were financed using Tax Increment Financing (TIF) revenues collected through the Redevelopment District No. 2.



## RELEVANT FINANCIAL POLICIES

The goal of the FY 2016 budget was to maintain the mill levy at those levels to continue to provide consistent City services while building General Fund reserves. The 2016 budget was created based upon the following assumptions:

- *Wal-Mart closes in early 2018 and remains vacant for nearly two years with a 40% loss in city sales tax revenue during that time. We anticipate any new tenant(s) would produce approximately 60% of the retail sales produced by Wal-Mart.*
- *Property values increase by 2% annually*
- *Franchise fees revenues are projected to be down for gas, telephone, teleicable and video in 2016, 2017 and 2018 compared to 2015.*

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) for the Bella Roe/Wal-Mart properties. The CID enables improvements within the district through the use of an additional 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 for the City
- Connect with area business through networking initiatives
- Invest in and support the redevelopment of several properties within the City including the former Cloverleaf properties at Johnson and Roe, 47<sup>th</sup> and Mission, the caves site at 4800 Roe Lane, as well as the Bella Roe property after Wal-Mart's departure
- Repositioning and rebranding the City of Roeland Park

### Non-Monetary Goals

- Community Center needs - discussion to keep, update, replace and/or partnerships
- Conduct a professional citizen satisfaction survey to assess priorities and value of city services
- Partner with neighboring entities to achieve cost savings and efficiencies where attainable
- Research stormwater utility - long term maintenance plan
- Discussion of 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.*

In 2015, the Council appointed four members of the Governing Body to form the Ad Hoc Development Committee focusing on key areas for redevelopment in the City. The initial focus of the committee is on the former pool/caves site at Roe Parkway and West 48th Street. This property is the beneficiary of TIF revenues associated with Redevelopment District 3 which are set to expire in early 2018. As a result, the Council has worked to expedite development through the hiring of a consultant who can assist in the planning and marketing process of this property. 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. Construction has begun on the full access intersection on Roe to the Commerce Bank development at the northwest corner of Roe Boulevard and Johnson Drive. The bank plans to build a branch and drive through facility on the property and hopes to lease additional space to another entity. The building will include sustainable elements incorporated into the design as well as dedicate 1% of construction to art.

#### **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, 2014. This was the 21st 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 Park's finances.

Respectfully Submitted,



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, 2014**

A handwritten signature in black ink that reads "Jeffrey P. Einer".

Executive Director/CEO

## CITY COUNCIL



**Front row from left to right:** Sheri McNeil, Tim Janssen, Ryan Kellerman, Teresa Kelly

**Back row from left to right:** Becky Fast, Michael Rhoades, Joel Marquardt, Erin Thompson, Michael Poppa

## 2015 DEPARTMENT HEADS AND APPOINTED OFFICIALS

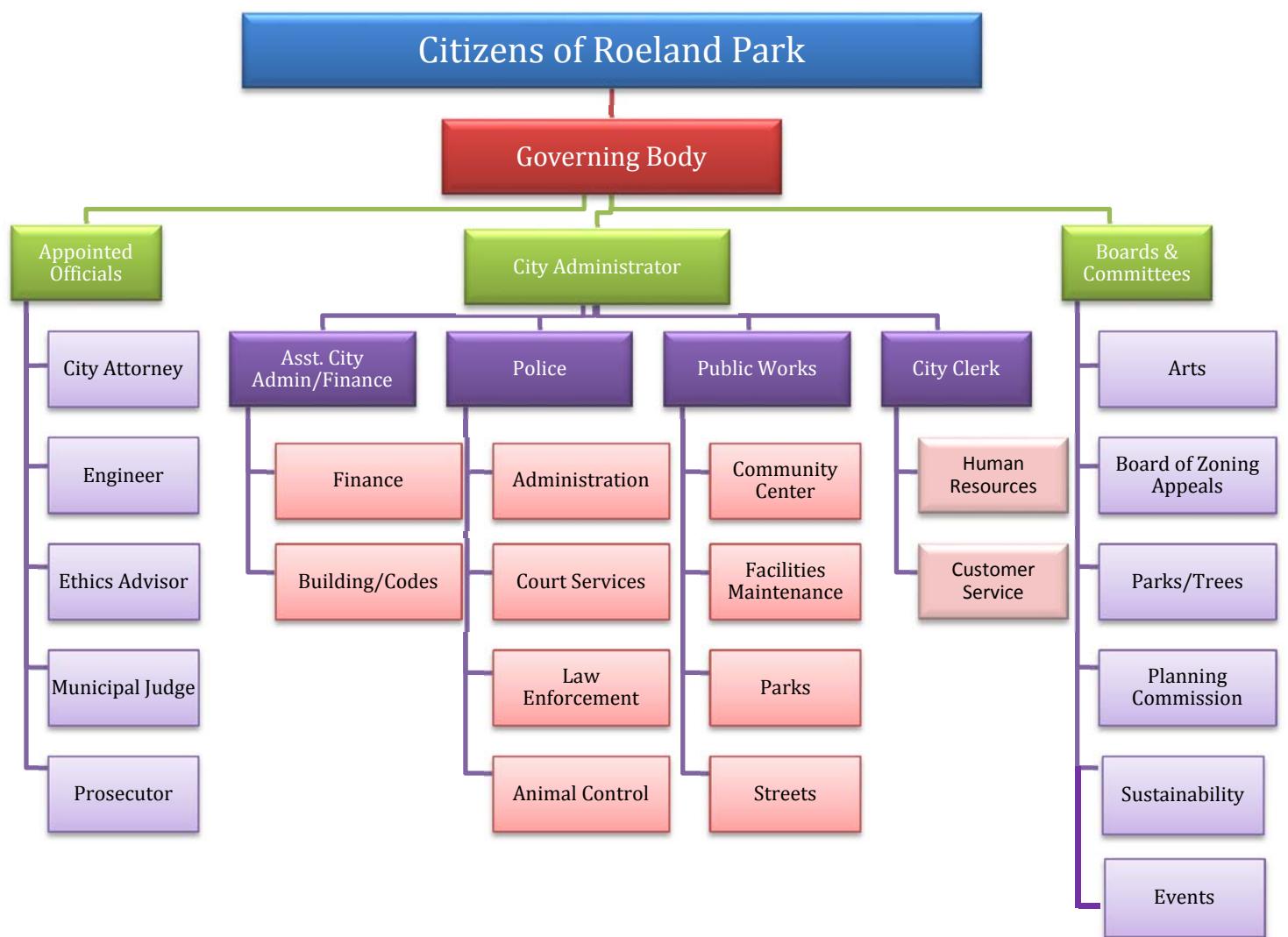
### ***Department Heads***

<i>City Administrator</i> .....	<i>Keith Moody</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 &amp; 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**

RSM US LLP

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, 2015, 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. 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, 2015, 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.

### ***Emphasis of Matter***

As described in Note 6, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which restated beginning net position of the governmental activities to record a net pension liability and deferred outflows of resources. Our opinion is not modified with respect to this matter.

### ***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, the schedule of the City's proportionate share of the net pension liability and schedule of city contributions for the Kansas Public Employees' Retirement System on pages 45 and 46, the schedule of funding progress for other postemployment benefits on page 47, and budgetary comparison information on pages 48 and 49 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 audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

***RSM US LLP***

Kansas City, Missouri  
May 31, 2016

## **City of Roeland Park, Kansas**

### **Management's Discussion and Analysis For Fiscal Year Ended December 31, 2015**

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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, 2015. 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, 2015 by \$14,356,738 (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, 2014 by \$14,627,000 (not restated net position).
- The government's total net position increased by \$1,276,352 and \$1,583,934 for 2015 and 2014, respectively. The increase in total net position during fiscal year 2015 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 2015.
- The City of Roeland Park's governmental funds reported combined ending fund balances of \$6,320,942 and \$5,898,874 as of December 31, 2015 and 2014, respectively. Unassigned fund balance for fiscal years 2015 and 2014 was \$1,195,262 and \$723,121, respectively.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,287,719, or 53 percent of total General Fund expenditures compared to the 2014 balance of \$1,922,771, or 46 percent of total General Fund expenditures.
- The City of Roeland Park's total debt, excluding compensated absences and net pension liability, decreased by \$2,549,653 (15 percent) during fiscal year ended December 31, 2015. The City of Roeland Park's total debt, excluding compensated absences and net pension liability, decreased by \$1,172,473 (6 percent) during fiscal year ended December 31, 2014. 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, 2015**

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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, pension 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 by \$1,276,352. The following table is a condensed version of the government-wide statement of net position comparing fiscal years 2015 and 2014.

## City of Roeland Park, Kansas

### Management's Discussion and Analysis For Fiscal Year Ended December 31, 2015

The City of Roeland Park's restricted net position (\$2,570,695 and \$2,924,033 for fiscal years 2015 and 2014, respectively) represent resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted net position (\$2,018,458) and (\$2,106,264) for 2015 and 2014, respectively.

#### City of Roeland Park's Net Position

	Governmental Activities 2015 (as restated)	Governmental Activities 2014 (not restated)	Change
Current and other assets	\$ 13,511,303	\$ 13,188,756	\$ 322,547
Capital assets	21,211,926	22,475,850	(1,263,924)
<b>Total assets</b>	<b>34,723,229</b>	<b>35,664,606</b>	<b>(941,377)</b>
 Total deferred outflows of resources	 257,836	 104,431	 153,405
 Noncurrent liabilities	 13,307,564	 14,018,417	 (710,853)
Other liabilities	3,648,044	3,838,422	(190,378)
<b>Total liabilities</b>	<b>16,955,608</b>	<b>17,856,839</b>	<b>(901,231)</b>
 Total deferred inflows of resources	 3,668,719	 3,285,198	 383,521
 Net position:			
Net investment in capital assets	13,804,501	13,809,231	(4,730)
Restricted	2,570,695	2,924,033	(353,338)
Unrestricted (deficit)	(2,018,458)	(2,106,264)	87,806
<b>Total net position</b>	<b>\$ 14,356,738</b>	<b>\$ 14,627,000</b>	<b>\$ (270,262)</b>

In the current year, the City implemented GASB Statement Nos. 68 and 71, *Accounting and Financial Reporting for Pensions*. The 2014 numbers presented in Management's Discussion and Analysis have not been restated for this implementation.

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 \$1,276,352, or 10 percent, for the fiscal year ended December 31, 2015.

**Current and Other Assets** – The City's current and other assets increased by \$0.3 million from \$13.2 million to \$13.5 million. The increase is attributable to increased property taxes including taxes redirected to TIF. However, several revenue categories were down in 2015 compared with the prior year due to a decline in sales tax revenues as well as franchise fees due to lower utility rates and mild weather in 2015. The City's capital assets decreased by approximately \$1.3 million or a 6 percent decrease. The primary element of this decrease is due to the depreciation of capital assets.

**Noncurrent Liabilities** decreased by 5.1 percent primarily due to scheduled debt payments. Noncurrent liabilities, excluding debt, include \$120,332 of other postemployment benefits. Other liabilities decreased by 5.0 percent.

## City of Roeland Park, Kansas

### Management's Discussion and Analysis For Fiscal Year Ended December 31, 2015

The largest portion of the government's net position for governmental activities (96.2 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, 2015.

Restricted net position totals \$2,570,695 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 (deficit), of (\$2,018,458), 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 2015 (as restated)	Governmental Activities 2014 (not restated)	Change		
<b>Revenues:</b>					
Program revenues:					
Charges for services	\$ 739,459	\$ 682,000	\$	57,459	
Operating grants and contributions	416,581	369,442		47,139	
General revenues:					
Property taxes	2,799,501	2,733,711		65,790	
Sales and use taxes	3,476,151	3,558,501		(82,350)	
County jail tax	154,964	155,176		(212)	
Franchise taxes	485,823	517,297		(31,474)	
Investment earnings	17,713	17,898		(185)	
Miscellaneous	614,849	596,702		18,147	
<b>Total revenues</b>	<b>8,705,041</b>	<b>8,630,727</b>		<b>74,314</b>	
<b>Expenses:</b>					
General government	2,127,914	2,106,504		21,410	
Highways and streets	2,595,853	2,558,464		37,389	
Public safety	1,705,422	1,522,496		182,926	
Culture and recreation	394,139	191,761		202,378	
Interest on long-term debt	605,361	667,568		(62,207)	
<b>Total expenses</b>	<b>7,428,689</b>	<b>7,046,793</b>		<b>381,896</b>	
<b>Increase in net position</b>	<b>1,276,352</b>	<b>1,583,934</b>		<b>(307,582)</b>	
Net position, beginning	<b>13,080,386</b>	<b>13,043,066</b>		<b>37,320</b>	
Net position, ending	<b>\$ 14,356,738</b>	<b>\$ 14,627,000</b>		<b>\$ (270,262)</b>	

Total governmental activities revenue was \$8,705,041 and \$8,630,727 in fiscal years 2015 and 2014, respectively.

## **City of Roeland Park, Kansas**

### **Management's Discussion and Analysis For Fiscal Year Ended December 31, 2015**

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Certain revenues are generated that are specific to governmental program activities. These totaled \$1,156,040 and \$1,051,442 in 2015 and 2014, 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 \$7,428,689 and \$7,046,793 in fiscal years 2015 and 2014, respectively.

Several of the revenue and expense categories fluctuated between 2015 and 2014. Highlights include the following:

#### Revenues:

- Property taxes increased by \$65,790 from 2014 due to a 4% increase in assessed value on property within the City limits.
- Sales and use taxes decreased by \$82,350 from 2014. This is primarily due to receiving additional delinquent sales tax payments in 2014 that did not materialize in 2015.

#### Expenditures:

- The highway and streets expenditures decreased by 4.1 percent from 2014 due to delaying the construction of several projects to 2016 that were originally programmed for 2015.
- Interest on long-term debt expenditures increased by 11.9 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 \$6,320,942, an increase of \$422,068 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 \$1,819,450, special highway \$76,721, capital expansion and improvements \$1,484,951 and Roeland Park property owners association of \$12,651.

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 \$2,287,719, while total fund balance was \$2,453,432. This is more than the 2014 unassigned fund balance of \$1,922,771 and the total 2014 General Fund balance of \$2,090,538. 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 53 percent of total General Fund expenditures, while total fund balance represents 57 percent of that same amount. Unassigned fund balance represented 46 percent of total General Fund expenditures for 2014, while total fund balance represents 50 percent of that same amount.

## City of Roeland Park, Kansas

### Management's Discussion and Analysis For Fiscal Year Ended December 31, 2015

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The fund balance of the City of Roeland Park's General Fund increased by \$362,894 during fiscal year 2015 and increased \$617,722 during fiscal year 2014. The increase is due to an increase in the mill levy from 2014 to 2015. In addition, the City's assessed valuation increased approximately 2.6% from 2014 to 2015. Total expenditures in the general fund increased \$57,530 or 1.4 percent, while revenues increased \$67,034 or 1.4 percent. Net other financing uses increased \$264,332 due to an increase in court fine revenue and intergovernmental revenues from motor vehicle taxes. In addition, in 2015, contract street maintenance wasn't funded through the General Fund as it was originally planned during the 2015 budget adoption.

The Bella Roe/Walmart TIF Fund had an ending fund balance of \$833,278. The net decrease in fund balance was \$674,804 for the year. The net decrease in fund balance was due to making an additional principal debt payment of \$770,000 in 2015 on the 2005 Series Tax Increment debt due to the availability of funds.

The Debt Service Fund had a total fund balance of \$421,228, all of which is restricted for the payment of debt service (i.e., payment of general obligation principal and interest). The net decrease in fund balance during the current year in the Bond & Interest Fund was \$57,909. The net decrease in fund balance was due to a decrease in the transfer amount from the Special Infrastructure fund to the Bond and Interest Fund. The reserves in the Bond & Interest fund remain at nearly 39 percent of principal and debt payments for 2015, which is well above the 10 percent - 15 percent fund balance policy adopted by Council.

The TDD #2 – Lowe's Fund had an ending fund balance deficit of (\$1,071,688). The net increase in fund balance was \$127,869 for the year. The net increase in fund balance was due to several of the transfers to the trustee taking place in fiscal year 2016 due to the collection of associated sales tax funds 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 2015. On a budgetary basis, which can be found in the required supplementary information on page 48, expenditures were less than revenues and other sources, which resulted in an increase in fund balance by \$362,894. Actual revenues were \$120,059 less than budgeted revenues.

General Fund expenditures were lower than the final budget by \$475,407.

#### 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, 2015 and 2014, respectively, was \$21,211,926 and \$22,475,850 (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 6 percent.

City of Roeland Park's Capital Assets

	Governmental Activities	
	2015	2014
Land	\$ 1,396,272	\$ 1,396,272
Artwork	12,620	12,620
Buildings	4,399,473	4,399,473
Improvements other than buildings and infrastructure	27,321,228	26,963,548
Machinery and equipment	1,644,084	1,660,857
Accumulated depreciation	(13,561,751)	(11,956,920)
<b>Total</b>	<b>\$ 21,211,926</b>	<b>\$ 22,475,850</b>

## **City of Roeland Park, Kansas**

### **Management's Discussion and Analysis For Fiscal Year Ended December 31, 2015**

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

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

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	<b>Governmental Activities</b>	
	<b>2015</b>	<b>2014</b>
General obligation bonds	\$ 6,793,000	\$ 7,995,000
Special obligation tax increment revenue bonds	2,615,657	3,645,147
Transportation development district sales tax revenue bonds	4,413,229	4,495,859
Capital leases	697,995	933,528
<b>Total</b>	<b>\$ 14,519,881</b>	<b>\$ 17,069,534</b>

**Long-term debt.** At the end of the current fiscal year, the City of Roeland Park had total bonded debt outstanding of \$14,519,881. Of this amount, \$6,793,000 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 capital leases of \$7,726,881.

The City of Roeland Park's total debt decreased by \$2,549,653 (15 percent) during the current fiscal year. The majority of the decrease was due to scheduled principal payments on the G.O. and capital lease debt, as well as additional principal payments on the 2005 special revenue bonds in 2015.

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

#### **Economic Factors and Next Year's Budgets and Rates**

Economic conditions are currently positive with the expectation that they will decline when Wal-Mart closes. However, we anticipate a departure date of early 2018, which is a year later than previously estimated. In 2015, the City experienced a 4% valuation increase on property for a total valuation of \$63,329,216. In 2016, the County is currently projecting a nearly 12% increase in valuation or a valuation of \$68,250,474 for the 2017 Budget.

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

#### **2016 Budget**

The Council approved the 2016 budget based upon information provided in the three year forecast.

Factors considered in projecting revenues and expenditures in 2016 include:

- 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 continue to grow at a 2% rate over time.
- 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 2016 budget and include a 3% merit pool for employee raises.

## **City of Roeland Park, Kansas**

### **Management's Discussion and Analysis For Fiscal Year Ended December 31, 2015**

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- 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 2018).

#### **Proposed Three Year Outlook - Mill Levy**

	2015	2016	2017
Mill Levy	33.385	33.385	33.385
Increase needed annually	0	0	0
Total Mill Levy	33.385	33.385	33.385

All of these factors were considered in preparing the City of Roeland Park's budget for fiscal year 2016.

#### **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 51<sup>st</sup> 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, 2015**

	Governmental Activities
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 3,743,051
Receivables:	
Taxes	4,164,836
Special assessments	2,105,831
Intergovernmental	44,977
Other assets	36,677
<b>Total current assets</b>	<b>10,095,372</b>
Noncurrent assets:	
Restricted assets, pooled cash	992,213
Restricted investments	2,423,718
Capital assets:	
Nondepreciable:	
Land	1,396,272
Artwork	12,620
Depreciable:	
Buildings	4,399,473
Improvements other than buildings and infrastructure	27,321,228
Machinery and equipment	1,644,084
Accumulated depreciation	<u>(13,561,751)</u>
<b>Total noncurrent assets</b>	<b>24,627,857</b>
<b>Total assets</b>	<b>34,723,229</b>
<b>Deferred Outflows of Resources</b>	
Deferred charge on refunding	92,025
Pension related amounts	<u>165,811</u>
<b>Total deferred outflows of resources</b>	<b>257,836</b>

See notes to basic financial statements.

Governmental  
Activities

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**Liabilities**

Current liabilities:

Accounts payable and accrued liabilities	\$ 328,785
Interest payable	116,800
Compensated absences	96,086
Capital lease obligations	241,744
Tax increment revenue bonds	321,400
General obligation bonds	1,190,000
Transportation development district sales tax revenue bonds	1,353,229
<b>Total current liabilities</b>	<b>3,648,044</b>

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Noncurrent liabilities:

Compensated absences	11,346
Capital lease obligations	456,251
Tax increment revenue bonds, net bond discounts	2,273,930
Transportation development district sales tax revenue bonds, net bond discounts	3,023,612
General obligation bonds, net bond premiums	5,611,455
Net pension liability	1,810,638
Net OPEB obligation	120,332
<b>Total noncurrent liabilities</b>	<b>13,307,564</b>
<b>Total liabilities</b>	<b>16,955,608</b>

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**Deferred Inflows of Resources**

Property taxes	3,457,516
Pension related amounts	211,203
<b>Total deferred inflows of resources</b>	<b>3,668,719</b>

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**Net Position**

Net investment in capital assets	13,804,501
Restricted for:	
Debt service	996,372
Special highway	76,721
Capital expansion and improvement	1,484,951
Roeland Park property owners association	12,651
Unrestricted (deficit)	<u>(2,018,458)</u>
<b>Total net position</b>	<b>\$ 14,356,738</b>

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**City of Roeland Park, Kansas**

**Statement of Activities**  
**Year Ended December 31, 2015**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions			
<b>Functions/Programs</b>							
<b>Primary Government</b>							
Governmental activities:							
General government	\$ 2,127,914	\$ 332,978	\$ 12,066	\$ -	\$ (1,782,870)		
Highways and streets	2,595,853	-	404,515	-	(2,191,338)		
Public safety	1,705,422	406,481	-	-	(1,298,941)		
Culture and recreation	394,139	-	-	-	(394,139)		
Interest on long-term debt	605,361	-	-	-	(605,361)		
<b>Total governmental activities</b>	<b>\$ 7,428,689</b>	<b>\$ 739,459</b>	<b>\$ 416,581</b>	<b>\$ -</b>	<b>\$ (6,272,649)</b>		
<b>General Revenues</b>							
Taxes:							
Property taxes					2,799,501		
Sales and use taxes					3,476,151		
County jail tax					154,964		
Franchise taxes					485,823		
Investment earnings					17,713		
Miscellaneous					614,849		
<b>Total general revenues</b>					<b>7,549,001</b>		
Changes in net position					1,276,352		
Net position beginning of year, as restated					<u>13,080,386</u>		
Net position end of year					<b><u>\$ 14,356,738</u></b>		

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, 2015**

	General Fund	Bella Roe/ Walmart TIF Fund	Debt Service Fund
<b>Assets</b>			
Pooled cash	\$ 1,026,887	\$ 234,637	\$ 197,510
Receivables:			
Taxes	2,321,581	538,041	350,608
Special assessments	-	-	2,105,831
Intergovernmental	-	-	-
Due from other funds	3,118	-	-
Other assets	36,677	-	-
Restricted cash	157,500	598,641	-
Restricted investments	1,200,000	-	223,718
<b>Total assets</b>	<b>\$ 4,745,763</b>	<b>\$ 1,371,319</b>	<b>\$ 2,877,667</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 291,303	\$ -	\$ -
Due to other funds	-	-	-
Matured long-term debt in default	-	-	-
<b>Total liabilities</b>	<b>291,303</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources</b>			
Unavailable revenue - property taxes	2,001,028	538,041	350,608
Unavailable revenue - special assessments	-	-	2,105,831
<b>Total deferred inflows of resources</b>	<b>2,001,028</b>	<b>538,041</b>	<b>2,456,439</b>
<b>Fund balances (deficits)</b>			
Restricted	157,500	706,278	421,228
Committed	-	127,000	-
Assigned	8,213	-	-
Unassigned	2,287,719	-	-
<b>Total fund balances (deficits)</b>	<b>2,453,432</b>	<b>833,278</b>	<b>421,228</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 4,745,763</b>	<b>\$ 1,371,319</b>	<b>\$ 2,877,667</b>

See notes to basic financial statements.

TDD #2 - Lowe's Fund	Nonmajor Governmental Funds	Total
\$ 45,114	\$ 2,238,903	\$ 3,743,051
20,261	934,345	4,164,836
-	-	2,105,831
-	44,977	44,977
-	-	3,118
-	-	36,677
1,296	234,776	992,213
-	1,000,000	2,423,718
<b>\$ 66,671</b>	<b>\$ 4,453,001</b>	<b>\$ 13,514,421</b>
\$ -	\$ 37,482	\$ 328,785
130	2,988	3,118
1,138,229	160,000	1,298,229
<b>1,138,359</b>	<b>200,470</b>	<b>1,630,132</b>
-	567,839	3,457,516
-	-	2,105,831
-	567,839	5,563,347
-	3,333,090	4,618,096
-	-	127,000
-	372,371	380,584
(1,071,688)	(20,769)	1,195,262
<b>(1,071,688)</b>	<b>3,684,692</b>	<b>6,320,942</b>
<b>\$ 66,671</b>	<b>\$ 4,453,001</b>	<b>\$ 13,514,421</b>

**City of Roeland Park, Kansas**

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position**  
**December 31, 2015**

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Total governmental fund balances	\$ 6,320,942
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	34,773,677
Accumulated depreciation	(13,561,751)
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.	
	2,105,831
Pension related deferred outflows and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds.	
Deferred outflows of resources - pension related amounts	165,811
Deferred inflows of resources - pension related amounts	(211,203)
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	\$ (96,086)
Compensated absences, noncurrent	(11,346)
Interest payable	(116,800)
Premium on bonds, net	(8,455)
Discount on bonds, net	56,715
Deferred charge on refunding, net	92,025
General obligation bonds, current	(1,190,000)
General obligation bonds, noncurrent	(5,603,000)
Tax increment revenue bonds, current	(321,400)
Tax increment revenue bonds, noncurrent	(2,294,257)
Transportation development district sales tax revenue bonds, current	(55,000)
Transportation development district sales tax revenue bonds, noncurrent	(3,060,000)
Capital lease obligations, current	(241,744)
Capital lease obligations, noncurrent	(456,251)
Net pension liability	(1,810,638)
Net OPEB obligation	(120,332) <hr style="width: 20%; margin-left: 0;"/>
<b>Net position of governmental activities</b>	<b>\$ 14,356,738</b>

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, 2015**

	General Fund	Bella Roe/ Walmart TIF Fund	Debt Service Fund
<b>Revenues:</b>			
Taxes	\$ 2,522,290	\$ 501,695	\$ 291,408
Special assessments	3,403	-	258,691
Intergovernmental	1,134,139	-	-
Licenses and permits	171,629	-	-
Fines and forfeitures	400,993	-	-
Interest	209	17,496	-
Other	677,180	-	-
<b>Total revenues</b>	<b>4,909,843</b>	<b>519,191</b>	<b>550,099</b>
<b>Expenditures:</b>			
Current:			
General government	1,523,819	-	-
Highways and streets	422,677	-	-
Public safety	1,066,170	-	-
Culture and recreation	174,124	-	-
Employee benefits	765,620	-	-
Capital outlay	237	3,826	-
Debt service:			
Principal retirement	286,501	1,010,000	940,000
Interest and fiscal charges	39,934	180,169	147,823
<b>Total expenditures</b>	<b>4,279,082</b>	<b>1,193,995</b>	<b>1,087,823</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>630,761</b>	<b>(674,804)</b>	<b>(537,724)</b>
<b>Other financing sources (uses):</b>			
Transfers in	-	-	479,815
Transfers out	(267,867)	-	-
<b>Total other financing sources (uses)</b>	<b>(267,867)</b>	<b>-</b>	<b>479,815</b>
<b>Changes in fund balances (deficits)</b>	<b>362,894</b>	<b>(674,804)</b>	<b>(57,909)</b>
Fund balances (deficits), beginning of year	2,090,538	1,508,082	479,137
Fund balances (deficits), end of year	<b>\$ 2,453,432</b>	<b>\$ 833,278</b>	<b>\$ 421,228</b>

See notes to basic financial statements.

TDD #2 - Lowe's Fund	Nonmajor Governmental Funds	Total
\$ 131,502	\$ 2,571,720	\$ 6,018,615
-		262,094
-	180,266	1,314,405
-	-	171,629
-	-	400,993
3	5	17,713
-	36,086	713,266
<b>131,505</b>	<b>2,788,077</b>	<b>8,898,715</b>
-	234,331	1,758,150
-	479,830	902,507
-	-	1,066,170
-	111,399	285,523
-	-	765,620
-	452,387	456,450
-	390,523	2,627,024
3,636	243,641	615,203
<b>3,636</b>	<b>1,912,111</b>	<b>8,476,647</b>
127,869	875,966	422,068
-	729,575	1,209,390
-	(941,523)	(1,209,390)
-	(211,948)	-
127,869	664,018	422,068
(1,199,557)	3,020,674	5,898,874
<b>\$ (1,071,688)</b>	<b>\$ 3,684,692</b>	<b>\$ 6,320,942</b>

## 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, 2015

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Net change in fund balances - governmental funds	\$	422,068
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		423,161
Depreciation:		
General government	\$	(85,437)
Public safety		(47,982)
Culture and recreation		(108,616)
Highways and streets	<u>\$</u>	<u>(1,445,050)</u>
		(1,687,085)
Revenues in the statement of activities that do not provide current financial resources are not reported in the funds		(193,674)
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		(2,344)
Change in net OPEB obligation		(13,224)
Pension expense		(309,416)
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	2,627,024	
Amortization of bond premium, bond discounts and deferred charge on refunding	(17,911)	
Change in accrued interest	27,753	<u>2,636,866</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>1,276,352</u></b>

See notes to basic financial statements.

## **City of Roeland Park, Kansas**

### **Notes to Basic Financial Statements**

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#### **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 51<sup>st</sup> Street  
Roeland Park, Kansas 66205

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### **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

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#### **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

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#### **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 2015 levy plus any uncollected amounts from the 2014 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 20 and the second half paid on or before May 10 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. Investments other than external investment pools, are stated at fair value, which is based on quoted market prices. 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.

**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

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#### **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) until then. The City has two items that qualify for reporting in this category. The first 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. The second deferred outflow item consists of unrecognized items not yet charged to pension expense and contributions from the City after the measurement date but before the end of the City's reporting period.

**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, the property tax revenues remain as a deferred inflow of resources and will become an inflow in the year for which they are levied. The City's government-wide statements also include pension related deferred inflows, which are the unamortized portion of the difference between expected and actual experience, changes in assumptions and the change in proportion and differences between the City's contributions and proportionate share of contributions all related to the net pension liability.

**Pensions:** The net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Kansas Public Employees' Retirement System (KPERS) and additions to/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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

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

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.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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

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 \$996,372 for debt service, \$76,721 for special highway, \$1,484,952 for capital expansion and improvements and \$12,651 for Roeland Park property owner's association.

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 amounts reported in the financial statements and accompanying notes. 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, direct obligations of the U.S. government or its agencies, 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.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 2. Cash and Investments (Continued)

As of December 31, 2015, the City had the following investments:

Investment Type	Fair Value
Federal Home Loan Bank	\$ 1,224,510
Federal National Mortgage Association	598,764
Freddie Mac	600,444
	<u>\$ 2,423,718</u>

As of December 31, 2015, 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 any time. The average maturity of the Kansas Municipal Investment Pool as of December 31, 2015 is less than one year. As of December 31, 2015, the City also had \$22,098 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, 2015 is 40 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.

**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. All U.S. government agency investments of the City have maturities during fiscal year 2016.

**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, 2015, 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.

The table below illustrates the City's exposure to credit risk for investments outside of pools:

Investment Type	S&P Credit Rating
Federal Home Loan Bank	AA+
Federal National Mortgage Association	AA+
Freddie Mac	AA+

**Concentration of credit risk:** The City places no limit on the amount the City may invest in any one issuer. As of December 31, 2015, the City's investments are invested in FHLB, FNMA and Freddie Mac which represent 50, 25 and 25 percent, respectively, of total investments.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 2. Cash and Investments (Continued)

**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, 2015, the City's bank balances of deposits with financial institutions of \$4,286,875 were not exposed to custodial credit risk. As of December 31, 2015, the City's investment in direct obligations of the U.S. Government, the Kansas Municipal Investment Pool, Federated Money Market Treasury Obligations Fund and the Repurchase Agreement – Treasury Bond were not subject to custodial credit risk. All other City investments were not exposed to custodial credit risk.

#### Note 3. Capital Assets

The following is a summary of changes in capital assets for the year ended December 31, 2015:

	2014 Balance	Additions	Deletions	2015 Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 1,396,272	\$ -	\$ -	\$ 1,396,272
Artwork	12,620	-	-	12,620
Total capital assets not being depreciated	1,408,892	-	-	1,408,892
Capital assets being depreciated:				
Buildings	4,399,473	-	-	4,399,473
Improvements other than buildings and infrastructure	26,963,548	357,680	-	27,321,228
Machinery and equipment	1,660,857	65,481	82,254	1,644,084
Total capital assets being depreciated	33,023,878	423,161	82,254	33,364,785
Less accumulated depreciation for:				
Buildings	1,883,150	80,227	-	1,963,377
Improvements other than buildings and infrastructure	9,009,296	1,460,118	-	10,469,414
Machinery and equipment	1,064,474	146,740	82,254	1,128,960
Total accumulated depreciation	11,956,920	1,687,085	82,254	13,561,751
Total capital assets being depreciated, net	21,066,958	(1,263,924)	-	19,803,034
Governmental activities capital assets, net	\$ 22,475,850	\$ (1,263,924)	\$ -	\$ 21,211,926

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 3. Capital Assets (Continued)

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

##### Governmental Activities

General government	\$ 85,437
Public safety	47,982
Culture and recreation	108,616
Highways and streets	<u>1,445,050</u>
Total depreciation expense, governmental activities	<u>\$ 1,687,085</u>

#### Note 4. Long-Term Debt

A summary of changes in long-term debt for the year ended December 31, 2015 follows:

Compensated absences and the net pension liability are normally liquidated by the General Fund.

Type of Issue	Balance December 31, 2014 (as restated)			Balance December 31, 2015			Due Within One Year
	Additions	Retirements					
General obligation bonds	\$ 7,995,000	\$ -	\$ 1,202,000	\$ 6,793,000	\$ 1,190,000		
Tax increment revenue bonds	3,645,147	-	1,029,490	2,615,657	321,400		
Transportation development district sales tax revenue bonds	4,495,859	-	82,630	4,413,229	1,353,229		
Add premiums	9,247	-	792	8,455	-		
Less discounts	(63,011)	-	(6,296)	(56,715)	-		
Capital leases	933,528	-	235,533	697,995	241,744		
Net pension liability	1,663,431	147,207	-	1,810,638	-		
Compensated absences	105,088	98,430	96,086	107,432	96,086		
<b>Total long-term debt</b>	<b>\$ 18,784,289</b>	<b>\$ 245,637</b>	<b>\$ 2,640,235</b>	<b>\$ 16,389,691</b>	<b>\$ 3,202,459</b>		

## 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, 2015 follows:

Debt Issue	Date Issued	Original Amount	Interest Rate	Balance
<b>Long-Term Debt:</b>				
General Obligations Bonds:				
Internal Improvement, Series 2008	8/15/08	\$ 4,185,000	3.15-4.30%	\$ 360,000
General Obligations Bonds, Series 2010-1	8/19/10	3,345,000	1.50-3.50	1,885,000
General Obligations Bonds, Series 2011-1	4/28/11	525,000	0.65-2.05	105,000
General Obligations Bonds, Series 2011-2	8/25/11	1,565,000	2.00-3.40	1,310,000
General Obligations Bonds, Series 2012-1	8/1/12	2,950,000	0.65-2.40	2,585,000
General Obligations Bonds, Series 2014-A	11/25/14	650,000	2.25	548,000
				<u>\$ 6,793,000</u>
Special Obligation Tax Increment				
Revenue Bonds:				
Series 2000, Valley State Bank Project	2/1/00	695,000	7.00	\$ 385,657
Series 2005, Roeland Park Redevelopment LLC Project	2/1/05	4,495,000	4.60-5.75	<u>2,230,000</u> <u>\$ 2,615,657</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	<u>1,138,229</u> <u>\$ 4,413,229</u>
Capital Lease Obligations:				
Pool	9/1/01	2,673,908	5.10-5.30	\$ 535,500
Street sweeper	9/23/10	212,550	3.84	86,888
Trucks	8/24/11	167,788	2.79	<u>75,607</u> <u>\$ 697,995</u>

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

Year	Principal	Interest	Total
<b>GO Bonds:</b>			
2016	\$ 1,190,000	\$ 159,158	\$ 1,349,158
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	694,000	68,098	762,098
2021 - 2025	1,650,000	150,899	1,800,899
2026 - 2030	110,000	3,740	113,740
	<u>\$ 6,793,000</u>	<u>\$ 707,280</u>	<u>\$ 7,500,280</u>

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### 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
<b>Tax Increment:</b>			
2016	\$ 321,400	\$ 149,894	\$ 471,294
2017	341,400	123,581	464,981
2018	376,400	105,219	481,619
2019	401,400	84,800	486,200
2020	455,057	65,863	520,920
2021 - 2025	720,000	60,663	780,663
	<b>\$ 2,615,657</b>	<b>\$ 590,020</b>	<b>\$ 3,205,677</b>

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
<b>TDD:</b>			
2016	\$ 1,353,229	\$ 389,001	\$ 1,742,230
2017	230,000	228,787	458,787
2018	250,000	210,682	460,682
2019	270,000	191,181	461,181
2020	290,000	169,976	459,976
2021 - 2025	2,020,000	462,331	2,482,331
	<b>\$ 4,413,229</b>	<b>\$ 1,651,958</b>	<b>\$ 6,065,187</b>

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

Year	Principal	Interest	Total
<b>Capital Leases:</b>			
2016	\$ 241,744	\$ 24,755	\$ 266,499
2017	252,532	17,297	269,829
2018	203,719	7,542	211,261
	<b>\$ 697,995</b>	<b>\$ 49,594</b>	<b>\$ 747,589</b>

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, 2015, the statutory limit for the City was \$21,294,949 providing a debt margin of \$13,803,954. Included in the legal debt margin calculation are outstanding general obligation bonds as of December 31, 2015 of \$6,793,000 and capital lease obligations of \$697,995.

## **City of Roeland Park, Kansas**

### **Notes to Basic Financial Statements**

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#### **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 \$440,357 payable through 2020. For the current year, principal and interest paid and total incremental property tax revenues were \$45,950 and \$48,330, 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, 2015 were \$449,543 and \$149,098, respectively, and are shown as restricted assets in the Bella Roe/Walmart Fund. Total principal and interest remaining on the bonds is \$2,765,320 payable through 2024. For the current year, principal and interest paid and total incremental property tax revenues were \$1,190,169 and \$501,695, 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, 2015 was \$15,159 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 \$4,355,131. Principal and interest paid for the current year and total TDD #1 sales taxes were \$185,606 and \$270,346, respectively.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### 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, 2015 was \$1,296 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 \$1,710,056. Principal and interest paid for the current year and total TDD #2 sales taxes were \$85,000 and \$131,502, 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 \$1,138,229 as of December 31, 2015 has been recorded as a liability in the TDD #2 – Lowe's Fund balance sheet as the liability has matured.

**Payment default:** In 2015 the City did not make a scheduled principal payment of \$160,000 payable on December 1, 2015 for the 2005 and 2006A 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 qualifies as an event of default the bondholders have the ability to file written notice with the trustee to accelerate the maturity of the bonds. No such notice has been received as of the date of this report. The \$160,000 has been recorded as a liability in the TDD#1 – Price Chopper Fund balance sheet as the liability has matured.

#### Note 5. Transfers

Transfers for the year ended December 31, 2015 consisted of:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 267,867
Debt Service Fund	479,815	-
Special revenue funds, nonmajor governmental funds	389,120	527,588
Capital projects funds, nonmajor governmental funds	340,455	196,293
Debt Service Fund, nonmajor governmental funds	-	217,642
	<hr/> <u>\$ 1,209,390</u>	<hr/> <u>\$ 1,209,390</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

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#### Note 6. Defined Benefit Pension Plan

As a result of the adoption of GASB Statement Nos. 68 and 71, the beginning net position of the governmental activities was restated. The effect on beginning net position is as follows:

	Governmental Activities
Net position, December 31, 2014, as previously reported	\$ 14,627,000
Net pension liability at December 31, 2014	(1,663,431)
Deferred outflows of resources related to contributions made after June 30, 2014 measurement date	116,817
Net position, December 31, 2014, as restated	<u><u>\$ 13,080,386</u></u>

#### Kansas Public Employees Retirement System

**Plan description:** The City participates in a cost-sharing multiple-employer pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, Financial Reporting for Pension Plans. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
  - State/School employees
  - Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City are included in the local employee group.

KPERS issues a stand-alone comprehensive annual financial report, which is available on the KPERS website at [www.kpers.org](http://www.kpers.org).

**Benefits:** Benefits are established by statute and may only be changed by the General Assembly. Members with ten or more years of credited service, may retire as early as age 55, with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 6. Defined Benefit Pension Plan (Continued)

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50 percent of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas. For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

**Contributions:** Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.0 percent of total payroll for the fiscal year ended June 30, 2015.

The actuarially determined employer contribution rates and the statutory contribution rates for local employees are both 9.48 percent. The actuarially determined employer contribution rates and the statutory contribution rates for Police and Firemen are both 21.36 percent. Member contribution rates as a percentage of eligible compensation in fiscal year 2015 are 5.00 percent or 6.00 percent for public employees, 7.15 percent for Police and Firemen, and 2.00 percent or 6.00 percent for Judges.

**Employer allocations:** Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of June 30, 2015 was based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the year ended June 30, 2015.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2015, the City's proportion was 0.214844 percent, which was a decrease of 0.003239 percent from its proportion measured at June 30, 2014.

## **City of Roeland Park, Kansas**

## Notes to Basic Financial Statements

## **Note 6.      Defined Benefit Pension Plan (Continued)**

**Net pension liability:** The employer's net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. Standard updated procedures were used to roll forward the net pension liability to June 30, 2015. At December 31, 2015, the City reported a liability of \$1,810,638 for its proportionate share of the net pension liability.

**Actuarial assumptions:** The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015, using the following actuarial assumptions:

Price inflation	3.00%
Wage inflation	4.00%
Salary increases, including wage increases	4.00 to 16.00%, including inflation
Long-term rate of return, net of investment expense, and including price inflation	8.00%

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males and Females, with adjustments to better match actual experience. Separate tables apply for males and females as well as each group (State, School, Local, Police and Firemen, and Judges).

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study conducted for three years ending December 31, 2012.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
Global equity	47.00%	6.30%
Fixed income	13.00	0.80
Yield driven	8.00	4.20
Real return	11.00	1.70
Real estate	11.00	5.40
Alternatives	8.00	9.40
Short-term investments	2.00	(0.50)
Total	100.00%	

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 6. Defined Benefit Pension Plan (Continued)

**Discount Rate:** The discount rate used to measure the total pension liability was 8.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State, School and Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the System's Board of Trustees for these groups may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for Police and Firemen, and Judges. Future employer contribution rates were also modeled for Police and Firemen and Judges, assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate:** The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 8.00 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (7.00 percent) or 1-percentage point higher (9.00 percent) than the current rate:

	1% Decrease (7.00%)	Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of net pension liability	\$ 2,611,073	\$ 1,810,638	\$ 1,133,804

**Pension expense:** For the year ended December 31, 2015, the City recognized pension expense of \$133,540, which includes the changes in the collective net pension liability, projected earnings on pension plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

**Deferred outflows of resources and deferred inflows of resources:** At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 11,407	\$ (36,794)
Net differences between projected and actual earnings on investments	-	(61,520)
Changes of assumptions	-	(20,335)
Changes in proportion	26,377	(92,554)
Contributions made subsequent to the measurement date*	128,027	-
<b>Total</b>	<b>\$ 165,811</b>	<b>\$ (211,203)</b>

\* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ended December 31, 2016.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 6. Defined Benefit Pension Plan (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2016	\$ (63,177)
2017	(63,177)
2018	(63,177)
2019	24,465
2020	(8,353)
	<hr/>
	\$ (173,419)

Deferred inflows and outflows of resources related to the difference between expected and actual plan experience, changes in assumptions, and changes in proportion are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of each measurement period. The deferred inflows of resources related to the difference between projected and actual earnings on investments is being amortized over a closed five-year period.

**Pension plan fiduciary net position:** Detailed information about the pension plan's fiduciary net position is available in the separately issued KPERS financial report, which can be located at [www.kpers.org](http://www.kpers.org).

#### Note 7. Commitments and Contingencies

- (a) **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.
- (b) **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.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 7. Commitments and Contingencies (Continued)

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.

(c) Commitments: Normal commitments have been made for future expenditures related to the City's capital projects programs.

#### Note 8. 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 Statement No. 45 liabilities. However, GASB does require the "Plan" determine the valuation interest rate (or discount rate) based on expected return of the MPR Health and 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 standalone 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, 2015, there was one City retiree participating in the plan.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 8. 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	4,225
Adjustment to annual required contribution	(5,515)
Annual OPEB cost (expense)	14,224
Contributions and payments made	(1,000)
Increase in net OPEB obligation	13,224
Net OPEB obligation, beginning of year	107,108
Net OPEB obligation, end of year	<u>\$ 120,332</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 2015 and the two preceding years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2015	\$ 14,224	7.0%	\$ 120,332
December 31, 2014	6,083	16.4	107,108
December 31, 2013	16,383	-	102,025

**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 \$1,496,583 and the ratio of the UAAL to the covered payroll was 6.6 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.

## **City of Roeland Park, Kansas**

### **Notes to Basic Financial Statements**

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#### **Note 8. Other Postemployment Benefits (Continued)**

**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.

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 9. Leases**

The City is a lessor under rental agreements for the rental of land, a tower and building space. Lease revenue of \$91,819 is included in General Fund other revenue. Future minimum rentals under such leases are as follows:

Year ending December 31:

2016	\$ 94,364
2017	20,832
	<hr/> <u>\$ 115,196</u>

#### **Note 10. Fund Balance Deficits**

The TDD #2 – Lowe's Debt Service Fund had a fund balance deficit of \$1,071,688. 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 TDD #1 – Price Chopper Fund had a fund balance deficit of \$20,769. This deficit occurred due to the default on principal payments 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.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### Note 11. 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			TDD #2 - Lowe's		Nonmajor Governmental		Total
	General Fund	Fund	Debt Service Fund	Fund	Funds			
Restricted:								
Debt service	\$ 157,500	\$ 706,278	\$ 421,228			\$ 758,767	\$ 2,043,773	
Special highway							76,721	76,721
Capital expansion and improvements							2,484,951	2,484,951
Roeland Park Property Owners Association							12,651	12,651
Total restricted	157,500	706,278	421,228			3,333,090	4,618,096	
Committed, capital projects		127,000						127,000
Assigned:								
Special law	8,213							8,213
Equipment/building						372,371	372,371	
	8,213					372,371	380,584	
Unassigned	2,287,719				(1,071,688)	(20,769)	1,195,262	
Total fund balances	\$ 2,453,432	\$ 833,278	\$ 421,228	\$ (1,071,688)	\$ 3,684,692	\$ 6,320,942		

#### Note 12. New Governmental Accounting Standards Board (GASB) Standards

As of December 31, 2015, 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. 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.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### **Note 12. New Governmental Accounting Standards Board (GASB) Standards (Continued)**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued in June 2015, will be effective for the City beginning with its fiscal year ending December 31, 2018. The Statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and requires governments to report a liability on the face of the financial statements for the OPEB they provide and outlines the reporting requirements by governments for defined benefit OPEB plans administered through a trust, cost-sharing OPEB plans administered through a trust and OPEB not provided through a trust. The Statement also requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. Some governments are legally responsible to make contributions directly to an OPEB plan or make benefit payments directly as OPEB comes due for employees of other governments. In certain circumstances, called special funding situations, the Statement requires these governments to recognize in their financial statements a share of the other government's net OPEB liability.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, issued July 2015, will be effective for the City beginning with its fiscal year ending December 31, 2016. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55. The first category of authoritative GAAP consists of GASB Statements. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the AICPA that is cleared by the GASB. The Statement also addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB Statement No. 77, *Tax Abatement Disclosures*, issued August 2015, will be effective for the City beginning with its fiscal year ending December 31, 2016. This statement requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues. The disclosures about the government's own tax abatement agreements includes the purpose of the tax abatement program, the tax being abated, the amount of tax being abated, the provisions of recapturing abated taxes, the types of commitments made by tax abatement recipients, and other commitments made by government in tax abatement agreements. The disclosures about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues includes the name of the government entering into the abatement agreement, the tax being abated, and the amount of the reporting government's tax being abated.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, issued December 2015, will be effective for the City beginning with its fiscal year ending December 31, 2016. Statement No. 78 provides guidance to governments that participate in certain private or federally sponsored multiple-employer defined benefit pension plans. This Statement assists these governments by focusing employer accounting and financial reporting requirements for those pension plans on obtainable information. In lieu of the existing requirements under Statement No. 68, the new guidance establishes separate requirements for employers that participate in these pension plans. This Statement establishes the criteria for identifying the applicable pension plans and addresses: (a) measurement and recognition of pension liabilities, expense, and expenditures; (b) note disclosures of descriptive information about the plan, benefit terms, and contribution terms; and (c) required supplementary information presenting required contribution amounts for the past 10 fiscal years.

## City of Roeland Park, Kansas

### Notes to Basic Financial Statements

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#### **Note 12. New Governmental Accounting Standards Board (GASB) Standards (Continued)**

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, issued December 2015, will be effective for the City beginning with its fiscal year ending December 31, 2016. Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants by establishing criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The Statement also establishes additional note disclosure requirements for qualifying external investment pools and for governments that participate in those pools.

GASB Statement No. 80, *Blending Requirements for Certain Component Units*, issued February 2016, will be effective for the City beginning with its fiscal year ending December 31, 2017. Statement No. 80 clarifies the display requirements in GASB Statement No. 14, *The Financial Reporting Entity*, by requiring component units incorporated as not-for-profit corporations to be blended into the primary state or local government's financial statements in a manner similar to a department or activity of the primary government. The guidance addresses diversity in practice regarding the presentation of not-for-profit corporations in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

GASB Statement No. 82, *Pension Issues*, issued April 2016, will be effective for the City beginning with its fiscal year ending December 31, 2017. Statement No. 82 is designed to improve consistency in the application of the pension standards by clarifying or amending related areas of existing guidance with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Management intends to adopt these Statements by the required dates and will modify and expand its disclosures accordingly.

**City of Roeland Park, Kansas**

**Required Supplementary Information**

**Schedule of the City's Proportionate Share of the Net Pension Liability**  
**Kansas Public Employees' Retirement System**

June 30,  
2015

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City's proportion of the net pension liability	0.214844%
City's proportionate share of the net pension liability	\$ 1,810,638
City's covered-employee payroll	\$ 1,513,662
City's proportionate share of the net pension liability as a percentage of its covered payroll	119.62%
Plan fiduciary net position as a percentage of the total pension liability	64.95%

**Note:** GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

**City of Roeland Park, Kansas**

**Required Supplementary Information**  
**Schedule of City Contributions**  
**Kansas Public Employees' Retirement System**

Fiscal Year-End	KPERS - Local Group						Contributions as a Percentage of Covered Employee Payroll	
	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution			City's Covered- Employee Payroll			
		Contribution	Deficiency (Excess)	Contribution				
Fiscal Year-End	Contribution *							
2015	\$ 68,774	\$ 68,774	\$ -	\$ 725,466	9%			
2014	63,395	63,395	-	717,139	9			
2013	50,942	50,942	-	641,763	8			
2012	47,142	47,142	-	640,286	7			
2011	41,029	41,029	-	605,021	7			
2010	41,020	41,020	-	669,507	6			
2009	38,328	38,328	-	691,847	6			
2008	32,757	32,757	-	664,713	5			
2007	27,834	27,834	-	645,805	4			
2006	22,824	22,824	-	599,058	4			

\* Includes KPERS Contribution only, this excludes insurance required through KPERS

Fiscal Year-End	KP&F						Contributions as a Percentage of Covered Employee Payroll	
	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution			City's Covered- Employee Payroll			
		Contribution	Deficiency (Excess)	Contribution				
Fiscal Year-End	Contribution *							
2015	\$ 170,106	\$ 170,106	\$ -	\$ 796,374	21%			
2014	157,038	157,038	-	788,345	20			
2013	145,687	145,687	-	*	N/A			
2012	132,040	132,040	-	*	N/A			
2011	108,581	108,581	-	*	N/A			
2010	108,293	108,293	-	*	N/A			
2009	112,692	112,692	-	*	N/A			
2008	110,623	110,623	-	*	N/A			
2007	102,576	102,576	-	*	N/A			
2006	87,732	87,732	-	*	N/A			

**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]
<b>2015</b>	<b>7/1/13</b>	<b>\$ -</b>	<b>\$ 99,224</b>	<b>\$ 99,224</b>	<b>- %</b>	<b>1,496,583</b>	<b>6.6%</b>
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

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, 2015**

	Budget		Actual	Final Budget to Actual Variance
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 2,785,358	\$ 2,785,358	2,522,290	\$ (263,068)
Special assessments	4,600	4,600	3,403	(1,197)
Intergovernmental	1,137,170	1,137,170	1,134,139	(3,031)
Licenses and permits	138,525	138,525	171,629	33,104
Fines and forfeitures	275,000	275,000	400,993	125,993
Interest	200	200	209	9
Other	689,049	689,049	677,180	(11,869)
<b>Total revenues</b>	<b>5,029,902</b>	<b>5,029,902</b>	<b>4,909,843</b>	<b>(120,059)</b>
<b>Expenditures:</b>				
Current:				
General government	1,483,455	1,483,455	1,523,819	(40,364)
Highway and streets	950,300	950,300	422,677	527,623
Public safety	1,184,608	1,184,608	1,066,170	118,438
Culture and recreation	195,000	195,000	174,124	20,876
Employee benefits	731,560	731,560	765,620	(34,060)
Capital outlay	-	-	237	(237)
Debt service:				
Principal retirement	184,500	184,500	286,501	(102,001)
Interest and fiscal charges	25,066	25,066	39,934	(14,868)
<b>Total expenditures</b>	<b>4,754,489</b>	<b>4,754,489</b>	<b>4,279,082</b>	<b>475,407</b>
<b>Excess of revenues over expenditures</b>	<b>275,413</b>	<b>275,413</b>	<b>630,761</b>	<b>355,348</b>
<b>Other financing sources (uses):</b>				
Transfers in	209,566	209,566	-	(209,566)
Transfers out	(260,407)	(260,407)	(267,867)	(7,460)
<b>Total other financing sources (uses)</b>	<b>(50,841)</b>	<b>(50,841)</b>	<b>(267,867)</b>	<b>(217,026)</b>
<b>Changes in fund balance</b>	<b>\$ 224,572</b>	<b>\$ 224,572</b>	<b>362,894</b>	<b>\$ 138,322</b>
Fund balance, beginning of year			<b>2,090,538</b>	
Fund balance, end of year			<b>\$ 2,453,432</b>	

See note to required supplementary information.

## **City of Roeland Park, Kansas**

### **Note to Required Supplementary Information Year Ended December 31, 2015**

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#### **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 statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

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

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, 2023. 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 percent) 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 were transferred to the Old Pool Area 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, 2015**

	Special Revenue				
	Special Highway Fund	Community Center Fund	Old Pool Area Fund	Roeland Park City Hall Property Owners Association Fund	
<b>Assets</b>					
Pooled cash	\$ 39,817	\$ 226,351	\$ 777,046	\$ 12,651	
Receivables:					
Taxes	-	32,886	228,327		-
Intergovernmental	44,977	-	-		-
Restricted cash	-	-	-		-
Restricted investments	-	-	-		-
<b>Total assets</b>	<b>\$ 84,794</b>	<b>\$ 259,237</b>	<b>\$ 1,005,373</b>	<b>\$ 12,651</b>	
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 8,073	\$ 1,850	\$ 18,884	\$ -	
Due to other funds	-	-	-		-
Matured long-term debt principal payment	-	-	-		-
<b>Total liabilities</b>	<b>8,073</b>	<b>1,850</b>	<b>18,884</b>	<b>-</b>	
<b>Deferred inflows of resources</b>					
Unavailable revenue - property taxes	-	-	228,327	-	
<b>Fund balances (deficits)</b>					
Restricted	76,721	257,387	758,162	12,651	
Assigned	-	-	-		-
Unassigned	-	-	-		-
<b>Total fund balances (deficits)</b>	<b>76,721</b>	<b>257,387</b>	<b>758,162</b>	<b>12,651</b>	
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 84,794</b>	<b>\$ 259,237</b>	<b>\$ 1,005,373</b>	<b>\$ 12,651</b>	

(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			
\$ 274,014	\$ 130,123	\$ 328,490	\$ -	\$ 372,371			
131,545	65,773	281,915	86,677	-			
-	-	-	-	-			
-	-	-	219,617	-			
-	-	-	1,000,000	-			
<b>\$ 405,559</b>	<b>\$ 195,896</b>	<b>\$ 610,405</b>	<b>\$ 1,306,294</b>	<b>\$ 372,371</b>			
<hr/>							
\$ 8,053	\$ 622	\$ -	\$ -	\$ -			
-	-	-	-	-			
-	-	-	-	-			
<b>8,053</b>	<b>622</b>	<b>-</b>	<b>-</b>	<b>-</b>			
<hr/>							
281,915							
<hr/>							
397,506	195,274	328,490	1,306,294	-			
-	-	-	-	372,371			
-	-	-	-	-			
<b>397,506</b>	<b>195,274</b>	<b>328,490</b>	<b>1,306,294</b>	<b>372,371</b>			
<hr/>							
<b>\$ 405,559</b>	<b>\$ 195,896</b>	<b>\$ 610,405</b>	<b>\$ 1,306,294</b>	<b>\$ 372,371</b>			

**City of Roeland Park, Kansas**

**Combining Balance Sheet (Continued)**

**Nonmajor Governmental Funds**

**December 31, 2015**

	Debt Service			
	Valley State Bank Fund	TDD #1 - Price Chopper Fund		Totals
<b>Assets</b>				
Pooled cash	\$ 700	\$ 77,340	\$ 2,238,903	
Investments	-	-	1,000,000	
Receivables:				
Taxes	57,597	49,625	934,345	
Intergovernmental	-	-	44,977	
Restricted cash	-	15,159	234,776	
<b>Total assets</b>	<b>\$ 58,297</b>	<b>\$ 142,124</b>	<b>\$ 4,453,001</b>	
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 37,482	
Due to other funds	95	2,893	2,988	
Matured long-term debt principal payment	-	160,000	160,000	
<b>Total liabilities</b>	<b>95</b>	<b>162,893</b>	<b>200,470</b>	
<b>Deferred inflows of resources</b>				
Unavailable revenue - property taxes	57,597	-	567,839	
<b>Fund balances (deficits)</b>				
Restricted	605	-	3,333,090	
Assigned	-	-	372,371	
Unassigned	-	(20,769)	(20,769)	
<b>Total fund balances (deficits)</b>	<b>605</b>	<b>(20,769)</b>	<b>3,684,692</b>	
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 58,297</b>	<b>\$ 142,124</b>	<b>\$ 4,453,001</b>	

**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, 2015**

	Special Revenue			
	Special Highway Fund	Community Center Fund	Old Pool Area Fund	Roeland Park City Hall Property Owners Association Fund
Revenues:				
Taxes	\$ -	\$ 185,317	\$ 230,713	\$ -
Intergovernmental	180,266	-	-	-
Interest	-	-	-	-
Other	-	-	-	33,847
<b>Total revenues</b>	<b>180,266</b>	<b>185,317</b>	<b>230,713</b>	<b>33,847</b>
Expenditures:				
Current:				
General government	-	-	67,157	31,918
Highways and streets	79,834	8,104	-	-
Culture and recreation	-	111,399	-	-
Capital outlay	-	45,012	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>79,834</b>	<b>164,515</b>	<b>67,157</b>	<b>31,918</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>100,432</b>	<b>20,802</b>	<b>163,556</b>	<b>1,929</b>
Other financing sources (uses):				
Transfers in	-	171,478	217,642	-
Transfers out	(72,588)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(72,588)</b>	<b>171,478</b>	<b>217,642</b>	<b>-</b>
<b>Changes in fund balances</b>	<b>27,844</b>	<b>192,280</b>	<b>381,198</b>	<b>1,929</b>
Fund balances (deficits), beginning of year	48,877	65,107	376,964	10,722
Fund balances (deficits), end of year	<b>\$ 76,721</b>	<b>\$ 257,387</b>	<b>\$ 758,162</b>	<b>\$ 12,651</b>

(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	
\$ 741,268	\$ 370,634	\$ 278,998	\$ 446,114	\$ -	
-	-	-	-	-	
-	-	-	-	-	2,239
<b>741,268</b>	<b>370,634</b>	<b>278,998</b>	<b>446,114</b>	<b>2,239</b>	
-	-	133,574	-	-	
-	249,982	-	-	-	
-	-	-	-	-	
283,330	18,941	-	-	105,104	
-	-	160,000	-	51,033	
-	-	21,260	-	6,936	
<b>283,330</b>	<b>268,923</b>	<b>314,834</b>	<b>-</b>	<b>163,073</b>	
457,938	101,711	(35,836)	446,114	(160,834)	
-	-	-	-	340,455	
(455,000)	-	-	-	(171,478)	
(455,000)	-	-	-	168,977	
2,938	101,711	(35,836)	446,114	8,143	
394,568	93,563	364,326	860,180	364,228	
<b>\$ 397,506</b>	<b>\$ 195,274</b>	<b>\$ 328,490</b>	<b>\$ 1,306,294</b>	<b>\$ 372,371</b>	

**City of Roeland Park, Kansas**

**Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2015**

	Capital Projects	Debt Service				Totals
		Streetlights Fund	Valley State Bank Fund	Boulevard Apartments Fund	TDD #1 - Price Chopper Fund	
Revenues:						
Taxes	\$ -	\$ 48,330	\$ -	\$ 270,346	\$ 2,571,720	
Intergovernmental						180,266
Interest					5	5
Other					-	36,086
<b>Total revenues</b>	<b>-</b>	<b>48,330</b>	<b>-</b>	<b>270,351</b>	<b>2,788,077</b>	
Expenditures:						
Current:						
General government	-	1,682	-	-	234,331	
Highways and streets	141,910	-	-	-	479,830	
Culture and recreation	-	-	-	-	111,399	
Capital outlay	-	-	-	-	452,387	
Debt service:						
Principal retirement	-	19,490	-	160,000	390,523	
Interest and fiscal charges	-	26,460	-	188,985	243,641	
<b>Total expenditures</b>	<b>141,910</b>	<b>47,632</b>	<b>-</b>	<b>348,985</b>	<b>1,912,111</b>	
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(141,910)</b>	<b>698</b>	<b>-</b>	<b>(78,634)</b>	<b>875,966</b>	
Other financing sources (uses):						
Transfers in	-	-	-	-	729,575	
Transfers out	(24,815)	-	(217,642)	-	(941,523)	
<b>Total other financing sources (uses)</b>	<b>(24,815)</b>	<b>-</b>	<b>(217,642)</b>	<b>-</b>	<b>(211,948)</b>	
<b>Changes in fund balances</b>	<b>(166,725)</b>	<b>698</b>	<b>(217,642)</b>	<b>(78,634)</b>	<b>664,018</b>	
Fund balances (deficits), beginning of year	166,725	(93)	217,642	57,865	3,020,674	
Fund balances (deficits), end of year	\$ -	\$ 605	\$ -	\$ (20,769)	\$ 3,684,692	

**City of Roeland Park, Kansas**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual - Debt Service Fund  
Year Ended December 31, 2015**

	Budget	Actual
Revenues:		
Taxes	\$ 338,264	\$ 291,408
Special assessments	262,007	258,691
<b>Total revenues</b>	<b>600,271</b>	<b>550,099</b>
Expenditures:		
Debt service:		
Principal retirement	940,000	940,000
Interest and fiscal charges	157,731	147,823
<b>Total expenditures</b>	<b>1,097,731</b>	<b>1,087,823</b>
<b>(Deficiency) of revenues (under) expenditures</b>	<b>(497,460)</b>	<b>(537,724)</b>
Other financing sources (uses):		
Transfers in	555,000	479,815
Transfers out	(33,580)	-
<b>Total other financing sources</b>	<b>521,420</b>	<b>479,815</b>
<b>Changes in fund balance</b>	<b>\$ 23,960</b>	<b>(57,909)</b>
Fund balance, beginning of year		479,137
Fund balance, end of year	<b>\$ 421,228</b>	

**City of Roeland Park, Kansas**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual - Special Highway Fund  
Year Ended December 31, 2015**

	<b>Budget</b>	<b>Actual</b>
Revenues, intergovernmental	\$ 180,000	\$ 180,266
Expenditures, current, highway and streets	<u>107,410</u>	<u>79,834</u>
<b>Excess of revenues over expenditures</b>	<b>72,590</b>	<b>100,432</b>
Other financing (uses), transfers out	<u>(72,590)</u>	<u>(72,588)</u>
<b>Changes in fund balance</b>	<b><u>\$ -</u></b>	<b>27,844</b>
Fund balance, beginning of year		<u>48,877</u>
Fund balance, end of year	<u><b>\$ 76,721</b></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, 2015**

	Budget	Actual
Revenues, taxes	\$ 180,000	\$ 185,317
Expenditures:		
Highways and streets	10,000	8,104
Culture and recreation	115,000	111,399
Capital outlay	34,000	45,012
<b>Total expenditures</b>	<b>159,000</b>	<b>164,515</b>
<b>Excess of revenues over expenditures</b>	<b>21,000</b>	<b>20,802</b>
Other financing source (uses):		
Transfers in	-	171,478
Transfers out	(21,000)	-
<b>Total other financing sources (uses)</b>	<b>(21,000)</b>	<b>171,478</b>
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>192,280</b>
Fund balance, beginning of year		65,107
Fund balance, end of year	<b>\$ 257,387</b>	

**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, 2015**

	<u>Budget</u>	<u>Actual</u>
Revenues, other	\$ 33,847	\$ 33,847
Expenditures, current, general government	<u>42,640</u>	<u>31,918</u>
<b>Changes in fund balance</b>	<u><u>\$ (8,793)</u></u>	<u><u>1,929</u></u>
Fund balance, beginning of year		<u>10,722</u>
Fund balance, end of year	<u><u>\$ 12,651</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, 2015**

	Budget	Actual
Revenues, taxes	\$ 723,800	\$ 741,268
Expenditures:		
Current, highways and streets	40,110	-
Capital outlay	365,000	283,330
<b>Total expenditures</b>	<b>405,110</b>	<b>283,330</b>
<b>Excess of revenues over expenditures</b>	<b>318,690</b>	<b>457,938</b>
Other financing (uses), transfers out	(555,000)	(455,000)
<b>Changes in fund balance</b>	<b>\$ (236,310)</b>	<b>\$ 2,938</b>
Fund balance, beginning of year		394,568
Fund balance, end of year		<b>\$ 397,506</b>

**City of Roeland Park, Kansas**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual - Special Infrastructure Fund  
Year Ended December 31, 2015**

	Budget	Actual
Revenues, taxes	\$ 361,600	\$ 370,634
Expenditures:		
Current, general government	-	-
Current, highways and streets	251,023	249,982
Capital outlay	97,000	18,941
<b>Total expenditures</b>	<b>348,023</b>	<b>268,923</b>
<b>Excess of revenues over expenditures</b>	<b>13,577</b>	<b>101,711</b>
Other financing (uses), transfers out	<u>(209,566)</u>	-
<b>Changes in fund balance</b>	<b><u>\$ (195,989)</u></b>	<b>101,711</b>
Fund balance, beginning of year		93,563
Fund balance, end of year	<b><u>\$ 195,274</u></b>	

**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, 2015**

	<b>Budget</b>	<b>Actual</b>
Revenues, taxes	\$ 264,000	\$ 278,998
Expenditures:		
Current, general government	289,444	133,574
Debt service:		
Principal retirement	160,000	160,000
Interest and fiscal charges	10,630	21,260
<b>Total expenditures</b>	<b>460,074</b>	<b>314,834</b>
<b>Changes in fund balance</b>	<b>\$ (196,074)</b>	<b>(35,836)</b>
Fund balance, beginning of year		364,326
Fund balance, end of year		<b>\$ 328,490</b>

**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, 2015**

	<b>Budget</b>	<b>Actual</b>
Revenues, taxes	\$ 389,000	\$ 446,114
Expenditures, current, general government	-	-
<b>Changes in fund balance</b>	<b><u>\$ 389,000</u></b>	<b><u>446,114</u></b>
Fund balance, beginning of year		<u>860,180</u>
Fund balance, end of year		<u>\$ 1,306,294</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, 2015**

	Budget	Actual
Revenues, other	\$ -	\$ 2,239
Expenditures:		
Capital outlay	353,997	105,104
Debt service:		
Principal retirement	-	51,033
Interest and fiscal charges	-	6,936
<b>Total expenditures</b>	<b>353,997</b>	<b>163,073</b>
Other financing sources (uses):		
Transfers in	353,997	340,455
Transfers out	-	(171,478)
<b>Total other financing sources</b>	<b>353,997</b>	<b>168,977</b>
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>8,143</b>
Fund balance, beginning of year		364,228
Fund balance, end of year	<b>\$</b>	<b>372,371</b>

**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, 2015**

	Budget	Actual
Revenues:		
Taxes	\$ 432,588	\$ 270,346
Interest	-	5
<b>Total revenues</b>	<b>432,588</b>	<b>270,351</b>
Expenditures:		
Current, general government	5,800	-
Debt service:		
Principal retirement	225,000	160,000
Interest and fiscal charges	201,788	188,985
<b>Total expenditures</b>	<b>432,588</b>	<b>348,985</b>
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>(78,634)</b>
Fund balance, beginning of year		57,865
Fund balance, end of year	<b>\$ (20,769)</b>	

**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, 2015**

	Budget	Actual
Revenues:		
Taxes	\$ 153,756	\$ 131,502
Interest	-	3
<b>Total revenues</b>	<b>153,756</b>	<b>131,505</b>
Expenditures:		
Debt service:		
Principal retirement	75,000	-
Interest and fiscal charges	78,756	3,636
<b>Total expenditures</b>	<b>153,756</b>	<b>3,636</b>
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>127,869</b>
Fund balance (deficit), beginning of year		(1,199,557)
Fund balance (deficit), end of year		<b>\$ (1,071,688)</b>

\* The City retired \$82,630 in principal on TDD #2 in 2015. 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, 2015**

	Budget	Actual
Revenues:		
Taxes	\$ 421,000	\$ 501,695
Interest	17,000	17,496
<b>Total revenues</b>	<b>438,000</b>	<b>519,191</b>
Expenditures:		
Current, general government	15,831	-
Capital outlay	-	3,826
Debt service:		
Principal retirement	240,000	1,010,000
Interest and fiscal charges	180,169	180,169
<b>Total expenditures</b>	<b>436,000</b>	<b>1,193,995</b>
<b>Changes in fund balance</b>	<b>\$ 2,000</b>	<b>(674,804)</b>
Fund balance, beginning of year		1,508,082
Fund balance, end of year	<b>\$ 833,278</b>	

**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, 2015**

	Budget	Actual
Revenues, taxes	<u>\$ 47,740</u>	<u>\$ 48,330</u>
Expenditures:		
Current, general government	2,500	1,682
Debt service:		
Principal retirement	45,240	19,490
Interest and fiscal charges	-	26,460
<b>Total expenditures</b>	<u>47,740</u>	<u>47,632</u>
<b>Changes in fund balance</b>	<u>\$ -</u>	<u>698</u>
Fund balance, beginning of year		(93)
Fund balance, end of year	<u>\$ 605</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, 2015**

	Budget	Actual
Other financing (uses), transfers out	\$ -	\$ (217,642)
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>(217,642)</b>
Fund balance, beginning of year		<u>217,642</u>
Fund balance, end of year	<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, 2015**

	Budget	Actual
Revenues, taxes	\$ 168,000	\$ 230,713
Expenditures, general government	<u>764,597</u>	<u>67,157</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(596,597)</b>	<b>163,556</b>
Other financing sources, transfers in	-	217,642
<b>Changes in fund balance</b>	<b><u>\$ (596,597)</u></b>	<b>381,198</b>
Fund balance, beginning of year	376,964	
Fund balance, end of year	<u>\$ 758,162</u>	

**City of Roeland Park, Kansas**

**Schedule of Capital Assets by Source**  
**December 31, 2015**  
**(With Comparative Totals as of December 31, 2014)**

	<b>2015</b>	<b>2014</b>
Capital assets:		
Land	\$ 1,396,272	\$ 1,396,272
Artwork	12,620	12,620
Buildings	4,399,473	4,399,473
Improvements other than buildings and infrastructure	27,321,228	26,963,548
Machinery and equipment	1,644,084	1,660,857
	<b><u>\$ 34,773,677</u></b>	<b><u>\$ 34,432,770</u></b>
Investment in capital assets from:		
General Fund revenues	\$ 4,734,103	\$ 4,572,993
Special revenue funds revenues	5,259,089	5,551,878
Debt Service Fund revenues	11,632,946	11,336,896
Capital projects funds revenues	13,147,539	12,971,003
	<b><u>\$ 34,773,677</u></b>	<b><u>\$ 34,432,770</u></b>

**City of Roeland Park, Kansas**

**Schedule of Capital Assets by Function and Activity**  
**December 31, 2015**

Function and Activity	Land	Artwork	Buildings	Buildings and Infrastructure	Machinery and Equipment	Total
Highways and streets	\$ 323,801	\$ -	\$ 131,303	\$ 24,617,036	\$ 839,362	\$ 25,911,502
Public safety	-	-	-	12,605	434,398	447,003
Culture and recreation	1,113	12,620	2,860,000	1,040,028	37,517	3,951,278
General government	<u>1,071,358</u>	<u>-</u>	<u>1,408,170</u>	<u>1,651,559</u>	<u>332,807</u>	<u>4,463,894</u>
<b>Total capital assets</b>	<b>\$ 1,396,272</b>	<b>\$ 12,620</b>	<b>\$ 4,399,473</b>	<b>\$ 27,321,228</b>	<b>\$ 1,644,084</b>	<b>\$ 34,773,677</b>

**City of Roeland Park, Kansas**

**Schedule of Changes in Capital Assets by Function and Activity**  
**Year Ended December 31, 2015**

Function and Activity	Capital Assets December 31, 2014	Additions	Deductions	Capital Assets December 31, 2015
General government	\$ 4,463,894	\$ -	\$ -	\$ 4,463,894
Public safety	434,355	58,308	(45,660)	447,003
Culture and recreation	3,823,091	128,187	-	3,951,278
Highways and streets	25,711,430	236,666	(36,594)	25,911,502
<b>Total capital assets</b>	<b>\$ 34,432,770</b>	<b>\$ 423,161</b>	<b>\$ (82,254)</b>	<b>\$ 34,773,677</b>

**STATISTICAL SECTION**

**City of Roeland Park**

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## City of Roeland Park

### Supplemental Statistical Section (Unaudited)

#### Contents

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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.

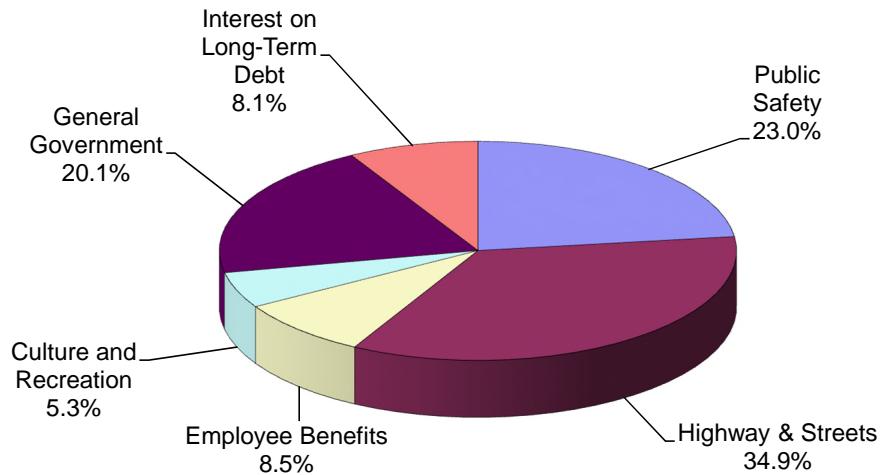
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**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year. The City implemented GASB 34 in fiscal year 2004; schedules presenting government-wide information include 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
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
<b>2015</b>	<b>\$ 1,705,422</b>	<b>\$ 2,595,853</b>	<b>\$ 634,499</b>	<b>\$ 394,139</b>	<b>\$ 1,493,415</b>	<b>\$ 605,361</b>	<b>\$ 7,428,689</b>

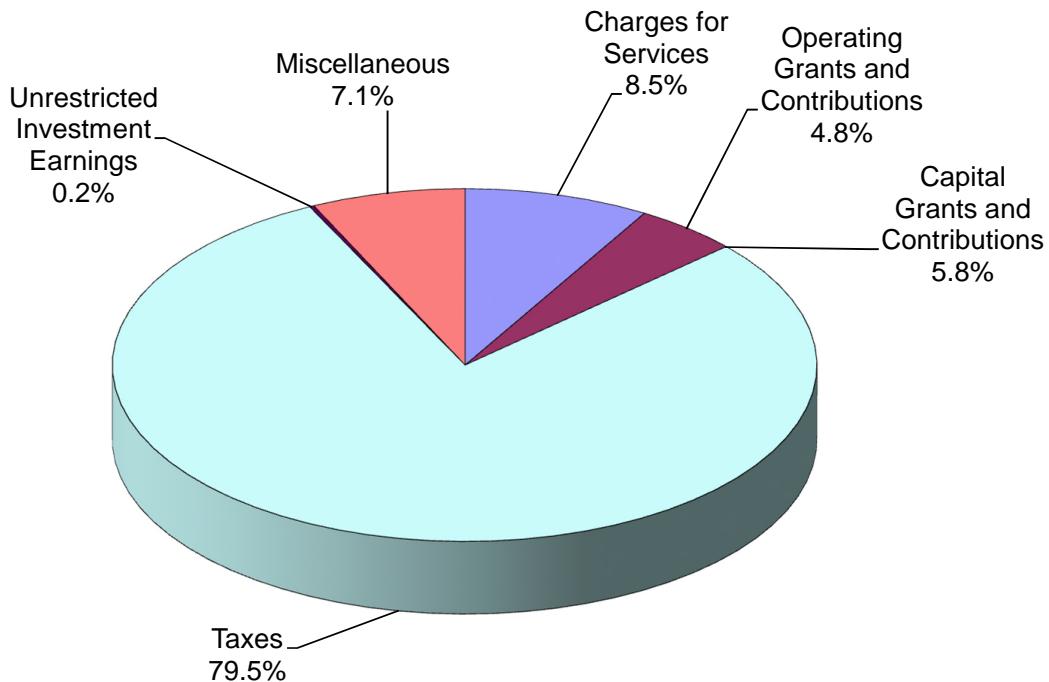
**Expenses and Charges for Services -  
Government-Type Activities 2015**



**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
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
2015	\$ 739,459	\$ 416,581	\$ -	\$ 6,916,439	\$ 17,713	\$ -	\$ 614,849	\$ 8,705,041

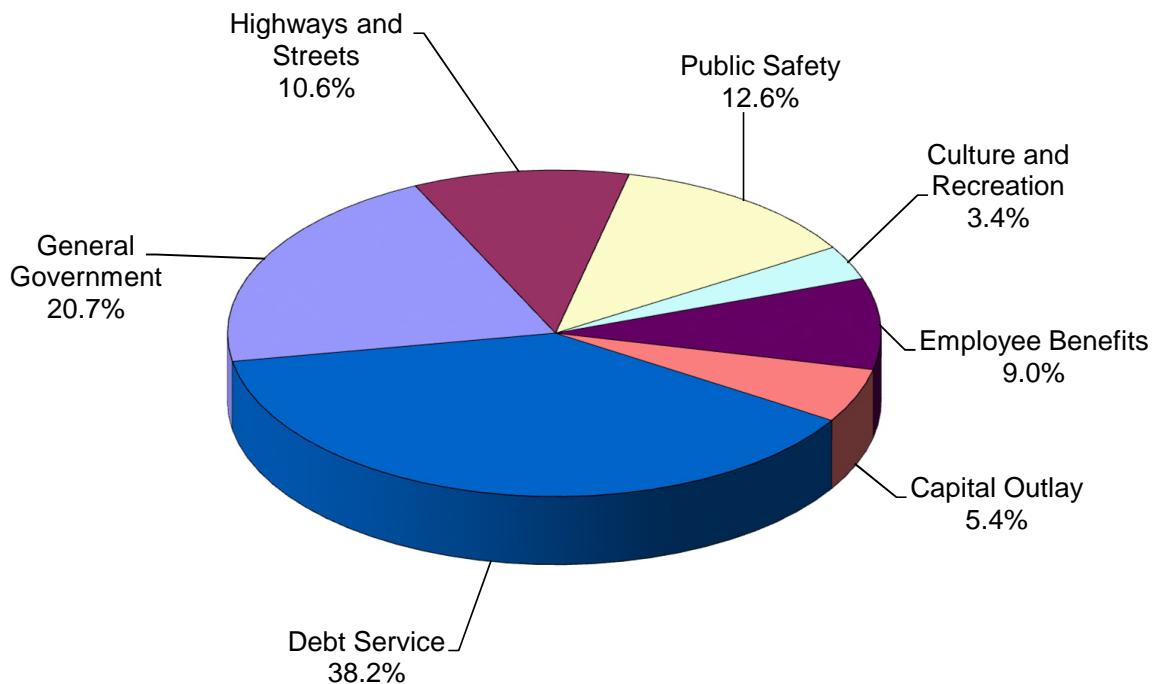
**Revenue by Source - Government Activities - 2015**



**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
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
2015	\$1,758,150	\$ 902,507	\$ 1,066,170	\$ 285,523	\$ 765,620	\$ 456,450	\$ 3,242,227	\$ 8,476,647

**General Governmental Expenditures  
by Function for 2015**



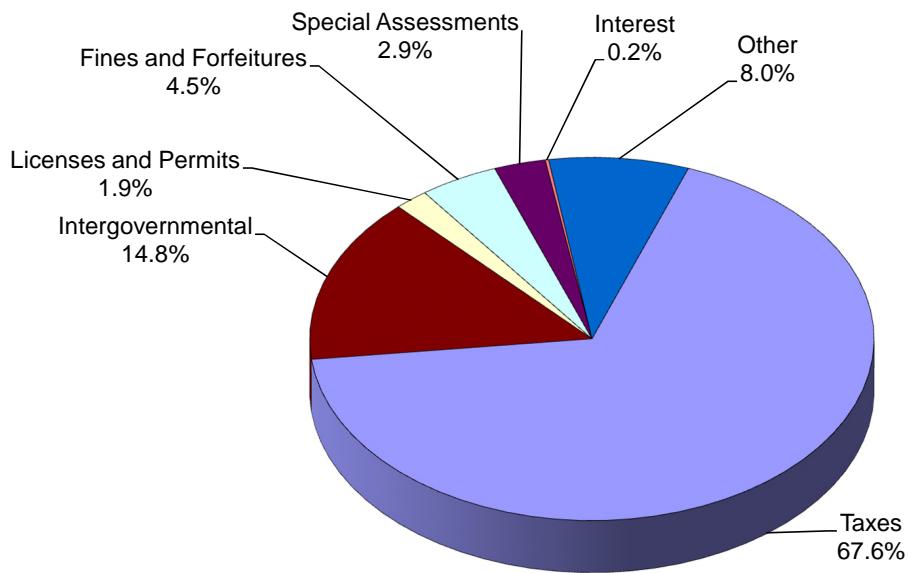
(1) Includes General, Special Revenue, Debt Service and Capital Project Funds

**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
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
2015	\$ 6,018,615	\$ 1,314,405	\$ 171,629	\$ 400,993	\$ 262,094	\$ 17,713	\$ 713,266	\$ 8,898,715

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

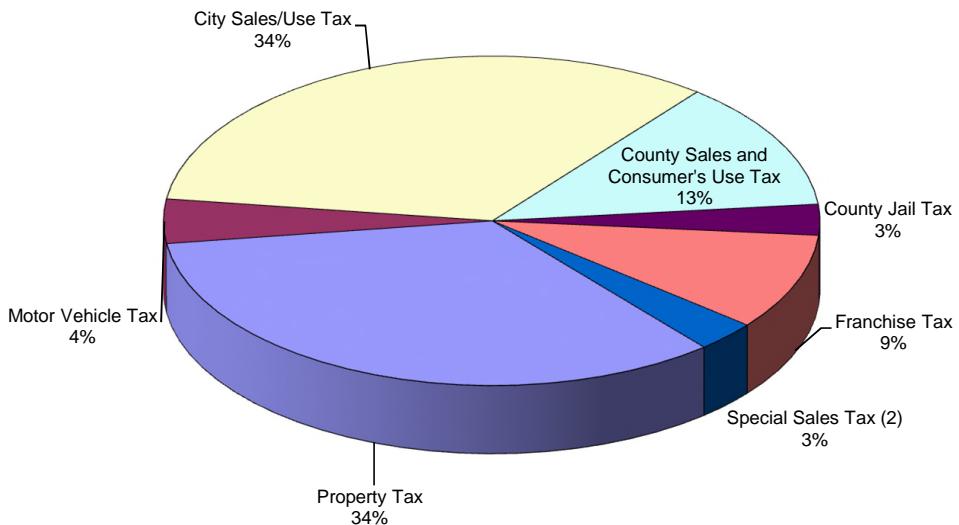
**General Governmental Revenues  
by Source for 2015**



**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 (2)	Total
	Property Tax	Motor Vehicle Tax		Consumer's Use Tax	County Jail Tax					
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		
<b>2015</b>	<b>\$ 1,739,764</b>	<b>\$ 222,591</b>	<b>\$ 1,722,270</b>	<b>\$ 650,665</b>	<b>\$ 154,965</b>	<b>\$ 485,823</b>	<b>\$ 155,004</b>	<b>\$ 5,131,081</b>		

**Tax Revenues  
By Source for 2015**



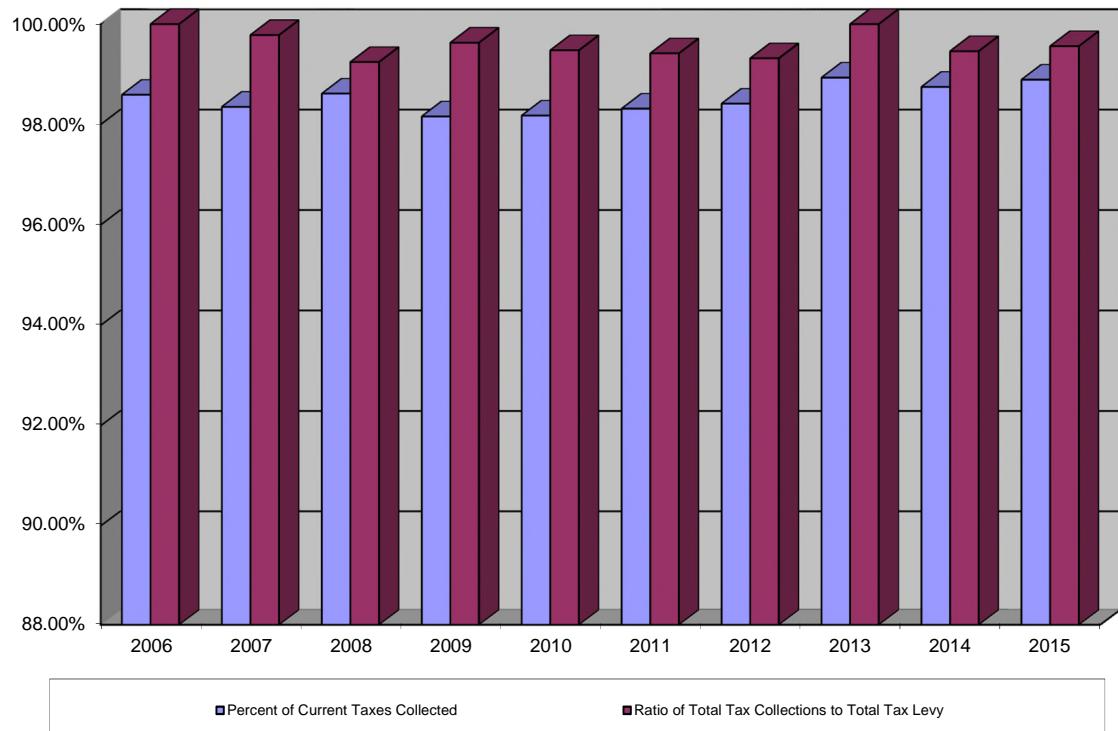
(1) 2004-2008 School Sales Tax, in 2009 changed to Safety Sales Tax

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

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
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%	
<b>2015</b>	<b>\$ 1,750,085</b>	<b>\$ 1,730,710</b>	<b>98.89%</b>	<b>\$ 11,688</b>	<b>\$ 1,742,397</b>	<b>99.56%</b>	<b>\$ 19,375</b>	<b>1.11%</b>	

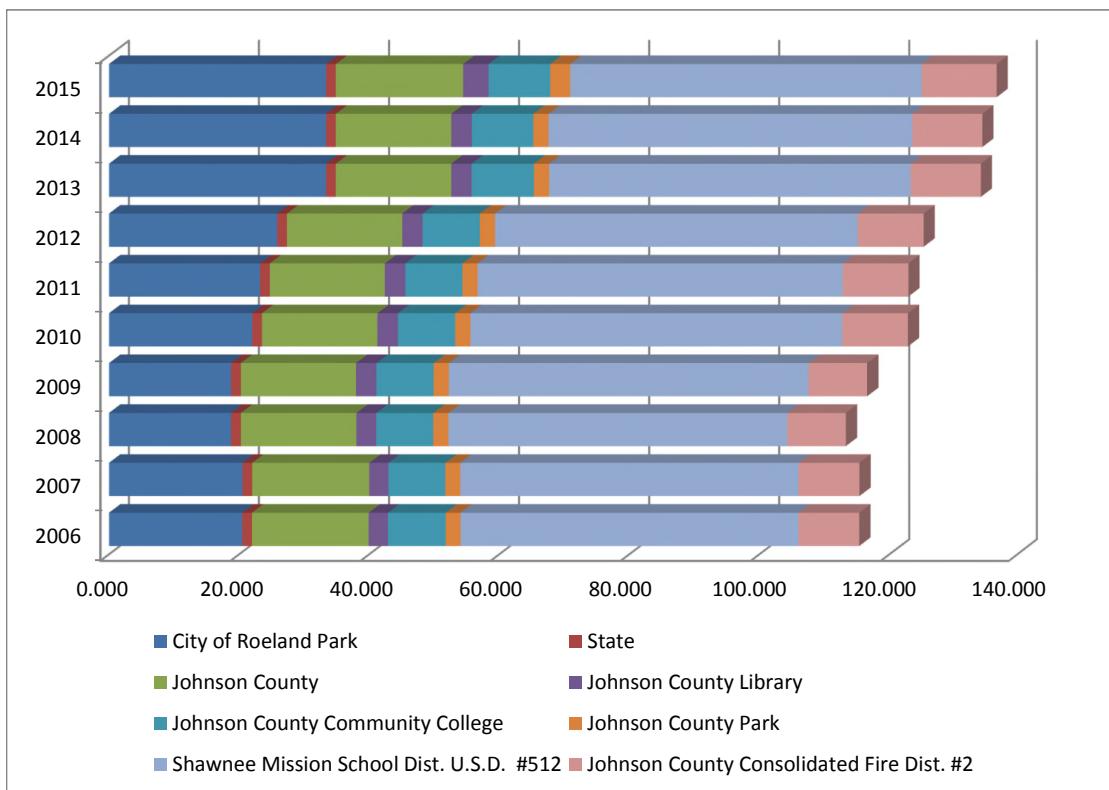
**Tax Levies and Tax Collections**



Information Provided by Johnson County Treasurer's Office - Letter to John Bartolac

**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
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
2015	33.385	1.500	19.582	3.912	9.469	3.101	54.059	11.757	136.765

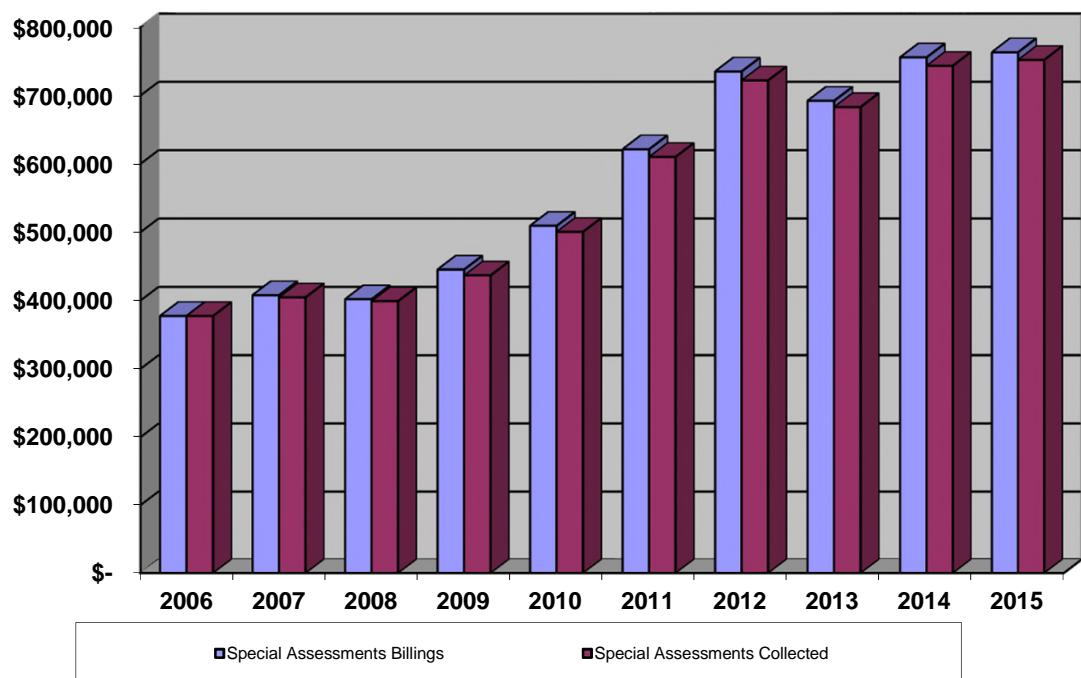


\*SOURCE: Johnson County 2015 Annual Abstract of Taxes (RTA)

**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
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
<b>2015</b>	<b>\$ 763,400</b>	<b>\$ 752,207</b>

### **Special Assessment Billings and Collections**

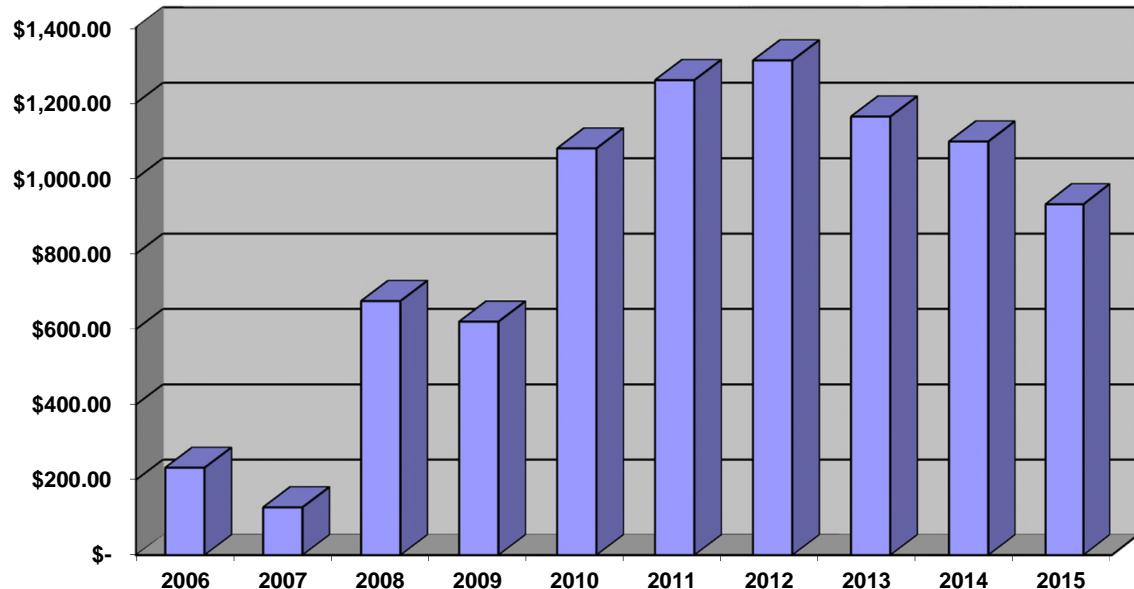


*NOTE: Levy is for the tax year prior to the year of collection; e.g., 2009 is tax year 2008*  
*Beginning in 2004 Trash Service was included in the special assessments billings/collections*

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
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
<b>2015</b>	<b>6840</b>	<b>\$ 63,329,216</b>	<b>\$ 6,793,000</b>	<b>\$ 421,228</b>	<b>\$ 6,371,772</b>	<b>10.1%</b>	<b>\$ 931.55</b>

### Net Bonded Debt Per Capita



(1) Certified Populations to the Kansas Secretary of State by Division of the Budget on July 1, 2013  
[http://budget.ks.gov/files/FY2016/2014\\_Kansas\\_Certified\\_Population\\_7-1-15.pdf](http://budget.ks.gov/files/FY2016/2014_Kansas_Certified_Population_7-1-15.pdf)

## **City of Roeland Park**

### **Statistical Section**

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### **Contents**

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The statistical section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the City's overall financial health.

	Contents	Page
<b>Financial Trends</b>		
These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.		85 - 92
<b>Revenue Capacity</b>		
These schedules contain information to help the reader assess the City's most significant local revenue source, sales tax.		93 - 95
<b>Debt Capacity</b>		
These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.		96 - 102
<b>Demographic and Economic Information</b>		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.		103 - 104
<b>Operating Information</b>		
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.		105 - 110

**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)

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	Fiscal Year		
	2006	2007	2008
<b>Governmental activities:</b>			
Net investment in capital assets	\$ 3,242,771	\$ 6,684,065	\$ 8,659,121
Restricted	3,445,579	3,481,896	3,362,134
Unrestricted (deficit)	(9,008,954)	(9,556,205)	(9,181,115)
<b>Total governmental activities net position</b>	<b>\$ (2,320,604)</b>	<b>\$ 609,756</b>	<b>\$ 2,840,140</b>
<b>Primary government:</b>			
Net investment in capital assets	\$ 3,242,771	\$ 6,684,065	\$ 8,659,121
Restricted	3,445,579	3,481,896	3,362,134
Unrestricted (deficit)	(9,008,954)	(9,556,205)	(9,181,115)
<b>Total primary government net position</b>	<b>\$ (2,320,604)</b>	<b>\$ 609,756</b>	<b>\$ 2,840,140</b>

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.

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Fiscal Year							
2009	2010	2011	2012	2013	2014	2015	
\$ 12,336,193	\$ 13,455,476	\$ 13,442,965	\$ 14,387,590	\$ 14,000,008	\$ 13,809,231	\$ 13,804,501	
3,115,716	2,987,693	1,846,236	1,262,832	2,083,763	2,924,033	2,570,695	
(9,840,614)	(7,983,630)	(4,445,145)	(3,748,931)	(3,040,705)	(2,106,264)	(2,018,458)	
<b>\$ 5,611,295</b>	<b>\$ 8,459,539</b>	<b>\$ 10,844,056</b>	<b>\$ 11,901,491</b>	<b>\$ 13,043,066</b>	<b>\$ 14,627,000</b>	<b>\$ 14,356,738</b>	
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	
\$ 12,336,193	\$ 13,455,476	\$ 13,442,965	\$ 14,387,590	\$ 14,000,008	\$ 13,809,231	\$ 13,804,501	
3,115,716	2,987,693	1,846,236	1,262,832	2,083,763	2,924,033	2,570,695	
(9,840,614)	(7,983,630)	(4,445,145)	(3,748,931)	(3,043,705)	(2,106,264)	(2,018,458)	
<b>\$ 5,611,295</b>	<b>\$ 8,459,539</b>	<b>\$ 10,844,056</b>	<b>\$ 11,901,491</b>	<b>\$ 13,040,066</b>	<b>\$ 14,627,000</b>	<b>\$ 14,356,738</b>	

## City of Roeland Park

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

	Fiscal Year		
	2006	2007	2008
Expenses:			
Governmental activities:			
General government	\$ 4,458,665	\$ 2,452,942	\$ 2,145,402
Highway & Streets	971,684	1,282,612	1,498,495
Public safety	1,486,533	1,583,568	1,670,306
Culture and recreation	179,246	157,134	172,434
Employee Benefits	***	***	***
Interest on long-term debt	1,151,443	1,084,725	1,100,260
<b>Total governmental activities expenses</b>	<b>8,247,571</b>	<b>6,560,981</b>	<b>6,586,897</b>
<b>Total primary government expenses</b>	<b>8,247,571</b>	<b>6,560,981</b>	<b>6,586,897</b>
Program revenue:			
Governmental activities:			
Charges for services:			
General government	261,903	263,879	241,575
Highway and streets	-	-	621,446
Public safety	298,827	355,306	328,304
Culture and recreation	4,310	3,325	2,896
Operating grants and contributions:			
General government	-	-	-
Highway and streets	1,413,736	1,134,609	893,035
Public safety	1,227	-	-
Culture and recreation	100,000	-	-
Capital grants and contributions, highways and streets	1,371,239	1,081,185	262,237
<b>Total governmental activities program revenue</b>	<b>3,451,242</b>	<b>2,838,304</b>	<b>2,349,493</b>
<b>Total primary government program revenues</b>	<b>3,451,242</b>	<b>2,838,304</b>	<b>2,349,493</b>
Net (expense) revenue:			
Governmental activities	(4,796,329)	(3,722,677)	(4,237,404)
<b>Total primary government net expense</b>	<b>(4,796,329)</b>	<b>(3,722,677)</b>	<b>(4,237,404)</b>
General revenues and other changes in net position:			
Governmental activities:			
Taxes:			
Property taxes	1,405,371	1,193,601	1,217,707
Sales and use taxes	3,587,696	3,931,194	4,040,997
County jail taxes	155,924	150,285	141,087
Franchise taxes	446,130	471,427	486,913
Intergovernment	**	**	**
Other taxes	**	**	**
Investment earnings	472,195	439,638	178,114
Miscellaneous	406,534	466,892	402,970
Gain on disposal of capital Assets	-	-	-
<b>Total governmental activities</b>	<b>6,473,850</b>	<b>6,653,037</b>	<b>6,467,788</b>
<b>Total primary government</b>	<b>6,473,850</b>	<b>6,653,037</b>	<b>6,467,788</b>
Changes in net position:			
Governmental activities	1,677,521	2,930,360	2,230,384
<b>Total primary government</b>	<b>\$ 1,677,521</b>	<b>\$ 2,930,360</b>	<b>\$ 2,230,384</b>

\* 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													
	2009		2010		2011		2012		2013		2014		2015
\$	1,984,797	\$	2,635,337	\$	2,015,395	\$	2,015,841	\$	2,080,869	\$	2,106,504	\$	<b>2,127,914</b>
1,977,515			1,918,971		2,052,826		1,950,919		2,095,342		2,558,464		<b>2,595,853</b>
1,659,009			1,613,703		1,599,006		1,628,167		1,583,758		1,522,496		<b>1,705,422</b>
143,537			148,485		136,601		184,096		196,798		191,761		<b>394,139</b>
***			***		***		***		***		***		***
1,141,986			1,013,861		935,023		924,701		833,048		667,568		<b>605,361</b>
6,906,844			7,330,357		6,738,851		6,703,724		6,789,815		7,046,793		<b>7,428,689</b>
6,906,844			7,330,357		6,738,851		6,703,724		6,789,815		7,046,793		<b>7,428,689</b>
259,639			280,817		328,111		138,559		313,360		323,727		<b>332,978</b>
-			245,419		149,120		-		-		-		-
320,211			1,423,411		1,606,500		273,716		348,958		358,273		<b>406,481</b>
-			-		-		-		-		-		-
-			-		-		163,000		440		6,325		<b>12,066</b>
353,813			385,566		273,711		372,553		344,749		363,117		<b>404,515</b>
1,233			13,840		-		-		-		-		-
-			-		-		-		-		-		-
2,766,672			1,955,710		524,531		312,757		-		-		-
3,701,568			4,304,763		2,881,973		1,260,585		1,007,507		1,051,442		<b>1,156,040</b>
3,701,568			4,304,763		2,881,973		1,260,585		1,007,507		1,051,442		<b>1,156,040</b>
(3,205,276)			(3,025,594)		(3,856,878)		(5,443,139)		(5,782,308)		(5,995,351)		<b>(6,272,649)</b>
(3,205,276)			(3,025,594)		(3,856,878)		(5,443,139)		(5,782,308)		(5,995,351)		<b>(6,272,649)</b>
1,115,109			1,079,867		1,240,389		1,268,477		1,385,532		2,733,711		<b>2,799,501</b>
3,780,438			3,566,909		3,628,968		3,729,866		4,351,538		3,558,501		<b>3,476,151</b>
124,833			117,736		139,554		142,136		149,409		155,176		<b>154,964</b>
485,644			505,688		504,815		488,483		493,139		517,297		<b>485,823</b>
**			**		**		-		-		-		-
**			**		**		-		-		-		-
49,796			62,401		71,599		21,642		17,921		17,898		<b>17,713</b>
420,611			541,237		656,070		581,845		526,344		596,702		<b>614,849</b>
-			-		-		683,143		-		-		-
5,976,431			5,873,838		6,241,395		6,915,592		6,923,883		7,579,285		<b>7,549,001</b>
5,976,431			5,873,838		6,241,395		6,915,592		6,923,883		7,579,285		<b>7,549,001</b>
2,771,155			2,848,244		2,384,517		1,472,453		1,141,575		1,583,934		<b>1,276,352</b>
\$ 2,771,155	\$		\$ 2,848,244	\$	\$ 2,384,517	\$	\$ 1,472,453	\$	\$ 1,141,575	\$	\$ 1,583,934	\$	<b>\$ 1,276,352</b>

**City of Roeland Park**

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

---

	Fiscal Year		
	2006	2007	2008
General Fund:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	- -	- -	- -
Committed	- -	- -	- -
Assigned	- -	- -	- -
Unassigned	- -	- -	- -
Reserved	399,859	253,690	251,721
Unreserved	935,930	966,376	728,708
<b>Total General Fund</b>	<b>\$ 1,335,789</b>	<b>\$ 1,220,066</b>	<b>\$ 980,429</b>
All Other Governmental Funds:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	- -	- -	- -
Committed	- -	- -	- -
Assigned	- -	- -	- -
Unassigned	- -	- -	- -
Reserved	2,190,909	2,106,262	7,917,013
Unreserved, reported in:			
Special revenue funds	1,145,067	1,706,745	1,230,075
Debt service funds	- -	- -	- -
Capital projects funds	(3,650,852)	(5,422,364)	(6,163,469)
<b>Total all other government funds</b>	<b>\$ (314,876)</b>	<b>\$ (1,609,357)</b>	<b>\$ 2,983,619</b>

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

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Fiscal Year									
2009		2010		2011		2012		2013	
\$	-	\$	-	\$	-	\$	-	\$	-
-	-	-	-	157,500	-	166,027	-	157,500	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	21,522	-	367	-	367	-
-	-	-	-	404,462	-	1,253,199	-	1,314,949	-
258,410	-	179,022	-	-	-	-	-	10,267	-
320,523	-	230,883	-	-	-	-	-	-	8,213
<b>\$ 578,933</b>	<b>\$ 409,905</b>	<b>\$ 583,484</b>	<b>\$ 1,419,593</b>	<b>\$ 1,472,816</b>	<b>\$ 2,090,538</b>	<b>\$ 2,453,432</b>	<b>\$ 1,922,771</b>	<b>2,287,719</b>	<b>-</b>
<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>
-	-	-	-	3,236,959	-	2,764,735	-	3,624,015	-
-	-	-	-	127,000	-	127,000	-	127,000	-
-	-	-	-	-	-	91,013	-	267,923	-
-	-	-	-	(50,271)	-	(413,253)	-	(1,318,767)	-
7,342,112	-	2,827,013	-	-	-	-	-	-	372,371
1,116,629	-	1,089,663	-	-	-	-	-	-	-
116,511	-	55,848	-	-	-	-	-	127,000	-
(9,316,611)	-	(3,427,335)	-	-	-	-	-	-	4,460,596
<b>\$ (3,182,885)</b>	<b>\$ 545,189</b>	<b>\$ 3,313,688</b>	<b>\$ 2,569,495</b>	<b>\$ 2,700,171</b>	<b>\$ 3,808,336</b>	<b>\$ 3,867,510</b>	<b>(1,199,650)</b>	<b>(1,092,457)</b>	<b>-</b>

## City of Roeland Park

### Changes In Fund Balances, Governmental Funds

#### Last Ten Fiscal Years

*(modified accrual basis of accounting)*

(Unaudited)

	Fiscal Year		
	2006	2007	2008
Revenues:			
Taxes	4,518,414	4,879,899	5,072,612
Special Assessments	58,371	68,656	56,909
Intergovernmental	2,751,694	4,202,787	1,907,675
Licenses and Permits	156,820	156,152	147,990
Fines and Forfeitures	297,424	354,062	326,038
Interest	472,195	439,638	178,114
Other	503,410	584,243	500,917
<b>Total revenues</b>	<b>8,758,328</b>	<b>10,685,437</b>	<b>8,190,255</b>
Expenditures:			
General government	4,242,127	2,299,427	1,943,701
Highways and streets	989,813	807,707	1,035,974
Public Safety	1,091,294	1,164,536	1,193,771
Culture and recreation	97,997	105,686	87,800
Employee Benefits	619,849	662,098	697,081
Capital Outlay	3,786,698	4,523,237	1,072,858
Debt Service:			
Principal retirement	944,625	1,543,464	964,519
Interest and fiscal Charges	1,109,618	1,077,333	979,709
Issuance costs	108,796	-	47,152
<b>Total expenditures</b>	<b>12,990,817</b>	<b>12,183,488</b>	<b>8,022,565</b>
<b>Excess of revenues (under) expenditures</b>	<b>(4,232,489)</b>	<b>(1,498,051)</b>	<b>167,690</b>
Other financing sources (uses):			
Capital Lease Obligations	-	-	-
Issuance of certificates of participation	-	-	-
Issuance of long-term Debt	2,837,984	41,809	4,185,000
Issuance of Long-term Refunding Debt	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers in	786,795	634,390	1,594,726
Transfers out	(786,795)	(634,390)	(1,594,726)
Proceeds from sale of assets	-	46,038	649
Issuance of bonds	-	-	-
Premium on bonds	-	-	-
Discount on bonds	(19,754)	-	-
<b>Total other financing sources (uses)</b>	<b>2,818,230</b>	<b>87,847</b>	<b>4,185,649</b>
<b>Net changes in fund balance</b>	<b>\$ (1,414,259)</b>	<b>\$ (1,410,204)</b>	<b>\$ 4,353,339</b>
Debt service as a percentage of noncapital expenditures	24%	34%	29%

Fiscal Year						
2009	2010	2011	2012	2013	2014	2015
4,781,852	4,574,437	4,685,496	4,799,321	5,517,739	6,065,253	<b>6,018,615</b>
76,330	322,381	295,374	303,366	274,790	259,808	<b>262,094</b>
3,814,553	2,990,032	1,647,894	1,556,514	1,296,628	1,268,876	<b>1,314,405</b>
131,477	135,627	125,226	136,320	155,456	171,320	<b>171,629</b>
338,502	335,526	285,711	221,046	281,099	284,977	<b>400,993</b>
49,796	62,401	71,599	21,642	17,921	17,898	<b>17,713</b>
519,727	601,786	739,799	714,493	662,346	748,610	<b>713,266</b>
<b>9,712,237</b>	<b>9,022,190</b>	<b>7,851,099</b>	<b>7,752,702</b>	<b>8,205,979</b>	<b>8,816,742</b>	<b>8,898,715</b>
1,811,515	1,894,423	1,944,844	3,387,176	1,852,078	1,803,945	<b>1,758,150</b>
1,124,513	1,076,574	559,475	522,275	508,702	719,451	<b>902,507</b>
1,202,635	1,177,174	1,114,836	1,165,306	1,141,180	1,054,081	<b>1,066,170</b>
59,549	64,497	146,941	90,675	103,377	98,340	<b>285,523</b>
748,170	697,445	640,757	663,741	599,959	671,559	<b>765,620</b>
6,718,722	3,806,144	530,099	1,175,008	180,120	1,012,312	<b>456,450</b>
1,068,359	1,756,419	1,289,914	1,550,334	2,875,321	1,693,181	<b>2,627,024</b>
1,149,558	1,007,374	921,373	817,222	761,343	665,100	<b>615,203</b>
-	36,363	49,374	154,892	-	22,886	-
<b>13,883,021</b>	<b>11,516,413</b>	<b>7,197,613</b>	<b>9,526,629</b>	<b>8,022,080</b>	<b>7,740,855</b>	<b>8,476,647</b>
<b>(4,170,784)</b>	<b>(2,494,223)</b>	<b>653,486</b>	<b>(1,773,927)</b>	<b>183,899</b>	<b>1,075,887</b>	<b>422,068</b>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
44,310	3,583,243	2,257,788	973,500	-	-	-
-	-	-	1,976,500	-	650,000	-
-	-	-	(1,916,485)	-	-	-
818,625	683,721	335,249	1,636,546	1,382,985	1,212,087	<b>1,209,390</b>
(818,625)	(683,721)	(335,249)	(1,636,546)	(1,382,985)	(1,212,087)	<b>(1,209,390)</b>
-	28,500	18,916	832,328	-	-	-
-	-	-	-	-	-	-
-	-	11,888	-	-	-	-
-	-	-	-	-	-	-
<b>44,310</b>	<b>3,611,743</b>	<b>2,288,592</b>	<b>1,865,843</b>	<b>-</b>	<b>650,000</b>	<b>-</b>
<b>\$ (4,126,474)</b>	<b>\$ 1,117,520</b>	<b>\$ 2,942,078</b>	<b>\$ 91,916</b>	<b>\$ 183,899</b>	<b>\$ 1,725,887</b>	<b>\$ 422,068</b>
31%	36%	34%	30%	46%	35%	<b>40%</b>

## City of Roeland Park

### Tax Revenues by Source, Governmental Funds

#### Last Ten Fiscal Years

*(modified accrual basis of accounting)*

(Unaudited)

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Fiscal Year	Property	Sales & Use	County Jail	Franchise	Total
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
2015	<b>2,799,501</b>	<b>3,476,151</b>	<b>154,964</b>	<b>485,823</b>	<b>6,916,439</b>
Change					
2006-2015	1,394,130	(111,545)	(960)	39,693	1,321,318

**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)**

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Taxpayer	2015			2005		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
BOULEVARD APARTMENTS, LLC	2,536,785	1	4.00%	*	*	*
TMM ROELAND PARK CENTER, LLC	2,430,788	2	3.84%	3,059,157	1	5.13%
BELLA ROE LOTS 2, 3 AND 6 07	2,237,934	3	3.53%	*	*	*
BELLA ROE LOTS 1 AND 4 07 A	1,821,339	4	2.88%	*	*	*
WALGREEN CO.	637,408	5	1.01%	672,676	4	1.13%
ALDI INC.	546,788	6	0.86%	324,076	8	0.54%
MISSION BANK (THE)	303,250	7	0.48%	*	*	*
MEREDITH PROPERTIES, INC.	276,343	8	0.44%	314,843	9	0.53%
ROE MARKETPLACE, LLC	270,751	9	0.43%	339,325	7	0.57%
TA OPERATING, LLC	247,006	10	0.39%	*	*	*

**Source:**

City of Roeland Park CAFR 2005

\*Unknown

Johnson County Records and Tax Administration

**City of Roeland Park**

**Principal Sales Tax Industries**

**Current Year**

**(Unaudited)**

---

<u>Industry Type (NAICS)</u>	<u>Percentage of Total City Sales Tax Revenues</u>
Department Stores	28.01%
Supermarkets and Other Grocery (except Convenience) Stores	22.06%
Home Centers	18.42%
Other Electric Power Generation	3.89%
Limited Service Restaurants	3.29%
Full Service Restaurants	3.15%
Gas Stations with Convenience Stores	3.01%
Wireless Telecommunications Carriers	2.56%
Natural Gas Distribution	1.83%
Pharmacies and Drug Stores	1.60%
<b>Total Percentage of Sales Tax Revenues</b>	<b>87.8%</b>

**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)**

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Fiscal Year	Governmental Activities				
	General Obligation Bonds	Tax Increment Revenue Bonds	Revenue Bonds	Transportation Development District	Certificate of Participation
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	-
<b>2015</b>	<b>6,801,455</b>	<b>2,615,657</b>	<b>-</b>	<b>4,356,514</b>	<b>-</b>

**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.

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Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Debt Per Capita
\$ 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%	2,849.45
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
<b>697,995</b>	<b>14,471,621</b>	<b>40.64%</b>	2,116

**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			
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%
<b>2015</b>	<b>6,801,455</b>	<b>421,228</b>	<b>6,380,227</b>	<b>10.8%</b>	<b>\$ 933</b>	<b>19.1%</b>

**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, 2015**  
**(Unaudited)**

---

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Johnson County (1)	356,670,000	0.75%	2,675,025
Johnson County Consolidated Fire District #2 (1)	545,000	8.29%	45,181
Johnson County Parks and Recreation (1)	2,315,000	0.84%	19,446
Shawnee Mission School Dist. - U.S.D. #512 (1)	302,299,684	2.03%	6,136,684
Water District #1 of Johnson County (3)	256,450,000	1.60%	4,103,200
<b>Subtotal, overlapping debt</b>	918,279,684		\$ 12,979,535
City Direct Debt			17,015,770
<b>Total direct and overlapping debt</b>			<b>\$ 29,995,305</b>

**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)**

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	2006	2007	2008	2009
Debt limit	\$ 21,476,321	\$ 21,203,471	\$ 21,097,420	\$ 21,991,649
Total net debt applicable to limit	12,600,352	11,732,368	12,580,262	12,731,443
Legal debt margin	\$ 8,875,969	\$ 9,471,103	\$ 8,517,158	\$ 9,260,206
<b>Total net debt applicable to the limit as a percentage of debt limit</b>				
	58.67%	55.33%	59.63%	57.89%

**Source:** City Records

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Legal Debt Margin Calculation for Fiscal Year 2015					
Assessed value	\$ 70,983,164				
Debt limit (30% of assessed value)	<u>21,294,949</u>				
Debt applicable to limit:					
General obligation bonds	6,801,455				
Temporary Notes	-				
Certificates of Participation	-				
Capital Leases	<u>697,995</u>				
Total net debt applicable to limit	<u>7,499,450</u>				
Legal debt margin	<u>\$ 13,795,499</u>				
<hr/>					
2010	2011	2012	2013	2014	2015
\$ 21,293,651	\$ 20,807,621	\$ 20,327,553	\$ 20,070,973	\$ 20,535,644	\$ 21,294,949
11,907,243	10,513,570	11,501,333	10,513,343	11,607,116	13,803,954
\$ 9,386,408	\$ 10,294,051	\$ 8,826,220	\$ 20,070,973	\$ 8,928,528	\$ 7,490,995
55.92%	50.53%	56.58%	52.38%	56.52%	<b>64.82%</b>

**City of Roeland Park**

**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**  
*(dollars in thousands)*  
*(Unaudited)*

<b>Transportation Development District</b>				
<b>Fiscal Year</b>	<b>Transportation Development District</b>	<b>Debt Service</b>		
		<b>Principal</b>	<b>Interest</b>	<b>Coverage</b>
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
<b>2015</b>	<b>401,856</b>	<b>160,000</b>	<b>192,621</b>	<b>1.14</b>

<b>Revenue Bonds</b>				
<b>Fiscal Year</b>	<b>Revenue Bonds</b>	<b>Debt Service</b>		
		<b>Principal</b>	<b>Interest</b>	<b>Coverage</b>
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	-	-	-	-
<b>2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Tax Increment Bonds</b>				
<b>Fiscal Year</b>	<b>Tax Increment</b>	<b>Debt Service</b>		
		<b>Principal</b>	<b>Interest</b>	<b>Coverage</b>
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
<b>2015</b>	<b>550,025</b>	<b>1,029,940</b>	<b>206,629</b>	<b>0.44</b>

**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)
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	*	34.80	*	3.8%
2014	6,845	60,068	*	36.50	*	3.7%
<b>2015</b>	<b>6,840</b>	<b>62,005</b>	<b>35,607,643</b>	<b>36.60</b>	<b>400</b>	<b>3.4%</b>

#### 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)**

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Employer	2016			2007		
	Employees in County (1)	Rank	Percentage of Total County Employment (2)	Employees in County (1)	Rank	Percentage of Total County Employment
Cerner	10,160	1	3.04%	*	*	*
Ford Motor Company	7,400	2	2.21%	*	*	*
Sprint Corp.	6,000	3	1.79%	*	*	*
Johnson County, KS	3,871	4	1.16%	*	*	*
AT&T Corp	3,772	5	1.13%	*	*	*
Shawnee Mission School District	3,716	6	1.11%	*	*	*
UnitedHealth Group	3,500	7	1.05%	*	*	*
Blue Valley School District	3,331	8	1.00%	*	*	*
Garmin International	3,176	9	0.95%	*	*	*
Black & Veatch	3,100	10	0.93%	*	*	*

**Source:**

(1) ThinkKC Regional Employers, Johnson County KS 5/1/2015

(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)**

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Functions/Program	Full-Time Equivalent Employees as of December 31			
	2015	2014	2013	2012
General Government:				
City Administrator	1	1	1	1
City Clerk	1	1	1	1
Finance Director/Asst. City Admin	1	1		
Neighborhood Services	2	2	1	1
Personnel	1	1	2	2
Police:				
Officers	16	16	17	17
Public Works:				
Administration	1	1	1	1
Street Maintenance	5	5	5	4
Street Sweeping	1	1	1	1
<b>Total</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>28</b>

**Source:** City Records

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Full-Time Equivalent Employees as of December 31

2011	2010	2009	2008	2007	2006
1	1	1	1	1	1
1	1	1	1	1	1
1	2	2	2	2	2
2	2	2	2	2	2
17	17	18	18	18	18
1	1	1	1	1	1
5	5	5	5	5	5
1	1	1	1	1	1
<b>29</b>	<b>30</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>

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

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Function/Program	2007	2008	2009	2010
Police:				
Adult arrest	589	429	400	383
Non-moving citations only	836	310	279	336
Total citations	5,632	2,665	2,853	2,915
Building Safety:				
Total building permits	474	496	475	441
Total value all permits	\$ 4,215,977	\$ 3,103,909	\$ 2,703,038	\$ 2,092,406

**Source:** City Records

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Calendar Year				
2011	2012	2013	2014	2015
281	362	315	313	<b>284</b>
365	430	305	406	<b>500</b>
2,240	3,374	2,281	2,712	<b>2,229</b>
388	433	487	525	<b>526</b>
\$ 2,107,123	\$ 4,111,694	\$ 3,119,141	\$ 3,846,616	\$ 4,165,361

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

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Function/Program	2006	2007	2008	2009	2010	2011
Public Works:						
Number of Streetlights	676	609	596	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	18	18
Parks	6	6	6	6	8	9
Tennis Courts	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1
Parks with Playground Equipment	2	2	2	2	3	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

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2012	2013	2014	<b>2015</b>
596	595	595	595
35.1	35.1	35.1	35.1
1	1	1	1
13	13	13	13
8	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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