



Comprehensive Annual Financial Report

For the Fiscal Year Ending December 31, 2018



City of Roeland Park, Kansas

City of Roeland Park, Kansas



**Comprehensive Annual Financial Report
for the fiscal year ended December 31, 2018**

Prepared by:

Jennifer Jones-Lacy
Assistant City Administrator/
Finance Director

CITY OF ROELAND PARK, KANSAS
FINANCIAL STATEMENTS
Year ending December 31, 2018

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Table of Contents	i - iii
Letter of Transmittal	iv – xi
Certificate of Achievement for Excellence in Financial Reporting	xii
List of City Officials	xiii - xiv
Organizational Chart	xv
FINANCIAL SECTION	
Independent Auditor's Report	1 - 2
Management's Discussion and Analysis	3 - 10
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13 - 14
Reconciliation of the Total Governmental Fund Balances to Net Position of Governmental Activities	15
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	16 - 17
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures And Changes in Fund Balances with the Government Wide Statement of Activities	18
Statement of Revenues, Expenditures, and Changes in Fund Balances - Actual and Budget	
General Fund	19
CID #1 – Roeland Park Shopping Center Fund	20
Special Street Fund	21
Notes to the Financial Statements	22 - 50

CITY OF ROELAND PARK, KANSAS
FINANCIAL STATEMENTS
Year ending December 31, 2018

TABLE OF CONTENTS (Continued)

	<u>Page</u>
Required Supplementary Information	
KPERS Pension Plan	
Schedule of City's Proportionate Share of the Net Pension Liability	51
Schedule of City's Contributions	52
Other Postemployment Healthcare Benefits	
Schedule of City's Total OPEB Liability and Related Ratios	53 - 54
Other Supplementary Information	
Combining Statements and Individual Fund Schedules	
Combining Balance Sheet - Nonmajor Governmental Funds	56 - 57
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	58 -59
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget:	
Special Highway Fund	60
Community Center Fund	61
Roeland Park City Hall Property Owner's Association Fund	62
Special Infrastructure Fund	63
TIF 2D - City Hall/Walgreens/QT Fund	64
Equipment and Building Reserve Fund	65
Old Pool and Boulevard Apartments Fund	66
Valley State Bank Fund	67
Bella Roe/Walmart TIF Fund	68
Debt Service Fund	69
TDD #1 - Price Chopper Fund	70
TDD #2 – Lowe's Fund	71
Schedule of Capital Assets by Source	72
Schedule of Capital Assets by Function and Activity	73
Schedule of Changes in Capital Assets by Function and Activity	74

CITY OF ROELAND PARK, KANSAS
FINANCIAL STATEMENTS
Year ending December 31, 2018

TABLE OF CONTENTS (Continued)

	<u>Page</u>
Supplemental Statistical Section Contents	75
Government-wide Expenses by Function	76
General-wide Revenues	77
General Governmental Expenditures by Function	78
General Governmental Revenues by Function	79
Tax Revenues by Source	80
Property Tax Levies and Collections	81
Property Tax Rates - Direct and Overlapping Governments	82
Special Assessments Billings and Collections	83
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded-Debt per Capita	84
STATISTICAL SECTION	
Statistical Section Contents	85
Net Position by Component	86 - 87
Changes in Net Position	88 - 89
Fund Balances, Governmental Funds	90 - 91
Changes in Fund Balances, Governmental Funds	92 - 93
Tax Revenues by Source, Governmental Funds	94
Principal Taxpayers	95
Principal Sales Tax Industries	96
Ratios of Outstanding Debt by Type	97 - 98
Ratios of Net General Bonded Debt Outstanding by Type	99
Direct and Overlapping Governmental Activities Debt	100
Legal Debt Margin Information	101 - 102
Pledge-revenue Coverage	103
Demographic and Economic Statistics	104
Principal Employers	105
Full-time Equivalent City Government Employees by Function/Program	106 - 107
Operating Indicators by Function/Program	108 - 109
Capital Asset Statistics by Function/Program	110 - 111

INTRODUCTORY SECTION



May 13, 2019

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, 2018 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, 2018.

**Letter of
Transmittal**

For the Fiscal Year
Ended December 31, 2018

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 Mize & Houser Company, has issued an unmodified ("clean") opinion on the City of Roeland Park's financial statements for the year ending December 31, 2018. 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 Consolidated Fire District and County and utilities are a service provided by the outside agencies. The City has an independent contract with a solid waste collector for recycling, yard waste 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 an elementary school, an outdoor swimming pool, a sports dome that offers volleyball and basketball, as well as soccer. The facility abuts Nall Park, a 10 ½ acre natural conservation area with a walking path, a multi-purpose 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 has basketball courts, multi-use fields, playground equipment, new tennis courts in 2018, an arboretum, a walking trail, and two new custom shade structures. There are plans to install a performance pavilion, a large permanent sculpture from world-renowned artist Jorge Blanco and permanent restrooms. The Governing Body adopted the R Park phased development plan in early 2019 which will bring more than \$1.7 million in improvements to the park.

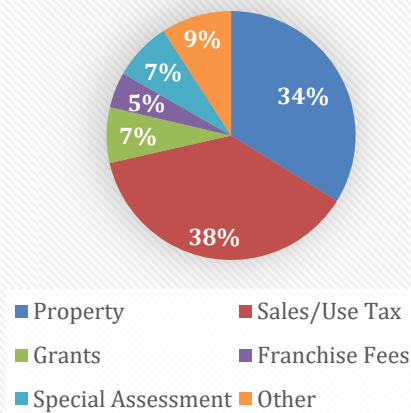
The City of Roeland Park's tax revenue base consists of a variety of tax categories; the most significant being taxes applicable to sales and use followed by property tax. Sales taxes include the local generated sales tax as well as a share from the County sales tax that is distributed by population 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.

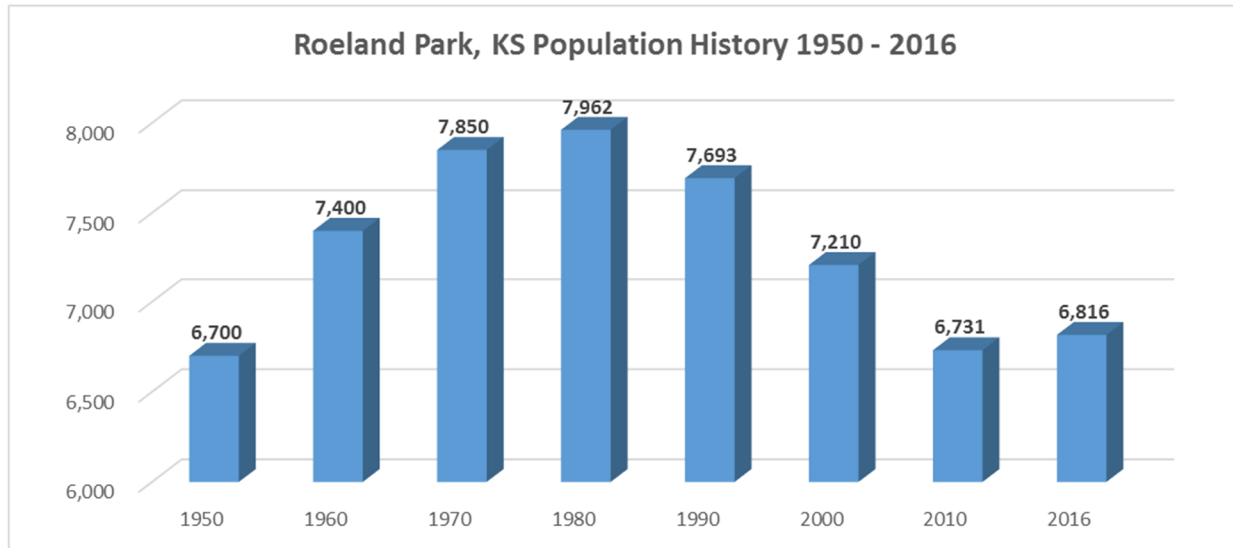
Roeland Park issued 500 building permits at a value of approximately \$4.1 million. There was a significant decrease in the value of improvements from 2017 due to several new single-family homes being built in 2017, which is rare in our built-out community. However, 2018 did see 23 residential remodeling permits with a value of \$1.19 million for an average investment of \$51,800 per home. Overall, assessed valuations of residential and commercial properties in Roeland Park increased by approximately 7% in 2018.

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.

2018 Tax Revenues by Source, Governmental Funds-Unaudited





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. However, the 2016 Census estimates show a slight uptick in population from the low in 2010. The median single family home sale price was \$221,360 in 2018 or 5.7% higher than the prior year per the 2019 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 by mid-August.

In addition to the budget process, departments submit updated five-year capital plans for review and approval based upon available funding. As of the 2018 Budget, staff developed a longer-term 10 year capital plan to assess the City's ability to pay cash for capital improvements. The Capital Improvement Plan includes all City owned facilities, equipment and infrastructure needs, including the Community Center and Aquatic Center. As part of the process, revenue from property taxes, sales/use taxes and grant revenues are updated to determine fund availabilities for long-term projects.

MAJOR INITIATIVES

City Leaf Collection Gets a New Look



In an effort to address service delivery concerns and challenges associated with the method used to collect leaves, the Public Works staff undertook an extensive investigation into how other communities deliver this unique service. With insight gathered through social media and citizen surveys, a complete overhaul to the leaf program occurred. With a collection period twice as long, leaf piles kept out of the streets and a single operator of the vacuum truck the overhaul provided a safer, less weather sensitive, more environmentally conscious service delivery at the same cost as the prior method of service delivery.

Value Added Steps Completed on City Owned Land Developments

Highest and best use assessments were completed on the two undeveloped properties owned by the City along Roe Boulevard. Marketing of the properties is underway along with zoning, platting and site plan development. The old caves site (The Rocks) has been regraded with utility extensions and a regional storm water detention facility now in place. A request for the City of Mission to de-annex the old right of way acquired from KDOT would result in a simpler less expensive site to develop at the NE corner of Johnson Drive and Roe (Northeast RJ), making this site more valuable and marketable.



Roe Boulevard Improvements Visioning and Preliminary Design Complete

The planned overhaul of Roe Boulevard has moved to preliminary design. Final design will take place in 2019, with easement acquisition and utility relocation also occurring in 2019. Roe Boulevard improvements are being funded through a variety of mechanisms including a federal Surface Transportation Grant, Johnson County CARS grant, TIF funds and city street sales tax funds.



R Park Tennis Courts Bring New Life to R Park

The City cut the ribbon for two new tennis courts in R Park complete with pickleball lines in June 2018. The City received \$20,000 from the United States Tennis Association (USTA) and \$12,000 from the Missouri Valley Tennis Association to help fund the new courts.

RELEVANT FINANCIAL POLICIES

The FY 2019 budget saw a mill levy reduction of 2.4 mills. The 2019 budget was built based upon the following assumptions:

- *Sales tax will grow at 1% rate between 2019 – 2021. No changes in major retailers are anticipated now that Wal-Mart has announced their continuation of their lease for the next five years as of 2017.*
- *Council established a committed reserve in the General Fund of \$1.41 million to be available in the event sales tax takes a significant hit of 25% or more for six months.*
- *The General Fund will maintain reserves of at least 25% of operating expenses on top of the \$1.41 million held in sales tax reserves. Any resources beyond that are transferred to the Special Infrastructure fund to help fund capital improvements.*
- *Despite recent strong growth, City staff project a modest 1.5% annual growth in property taxes year over year.*

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 a special sales tax. In 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 special sales tax.

FUTURE INITIATIVES

The Governing Body developed several Organizational Goals and Current Objectives during the 2018 Budget process. Some of the goals include:

Goals with a Fiscal Impact

- Issue a Citizen Satisfaction Survey
- Start a Compost Bin Rebate Program
- Implement the “Neighbors Helping Neighbors” program to assist low-income and elderly residents with exterior home improvements to correct code violations
- Replace furniture at Nall Park
- Increase funding for the Minor Home Repair Program
- Contract for Public Information and Branding Services
- Design and Develop historical markers/interpretive signage.
- Exterior and Interior Concept Design Improvement Plan
- Reinstate and Fund Citywide Art Program
- Initiate a Property Tax Rebate Program

Non-Monetary Goals

- Work toward lowering ecological impact through joining Climate Mayors, Global Compact of Mayors
- Promote National Night Out with the Police Department and Police Ride Alongs

For four years, council members appointed to the Ad Hoc Development Committee have focused 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 48h Street. This property is the beneficiary of TIF revenues associated

with Redevelopment District 3. The Council has been working with a consultant who assists in the planning and marketing process of this property. The Ad Hoc group is also actively working to develop the vacant parcel located at the northeast corner of Johnson Drive and Roe Boulevard.


AWARDS AND ACKNOWLEDGMENTS

The City received the following recognitions and awards in 2018.

- Donnie Scharff received the Excellence in Public Works Field Supervisor Award from the American Public Works Association.
- Cliff Chaffee received the Mothers Against Drunk Driving “Heroes for Heartland” recognition award.
- AAA awarded the Roeland park Police Department the Gold Award for Community Traffic Safety. This is the fourth year in a row the City received a Traffic Award from AAA.
- The Government Finance Officers Association (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting for its Annual Financial Report (CAFR) for the 24th year in a row for statements ending in December 31, 2017.

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

Respectfully Submitted,



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, 2017

Christopher P. Morill

Executive Director/CEO

Governing Body



Mike Kelly, Mayor



Tom Madigan, Ward 1



Becky Fast, Ward 1 (through Dec. 2018)



Tim Janssen, Ward 2



Jen Hill, Ward 2



Erin Thompson, Ward 3



Claudia McCormack, Ward 3



Michael Poppa, Ward 4



Jim Kelly, Ward 4

CITY OF ROELAND PARK, KANSAS
2018 DEPARTMENT HEADS AND APPOINTED OFFICIALS

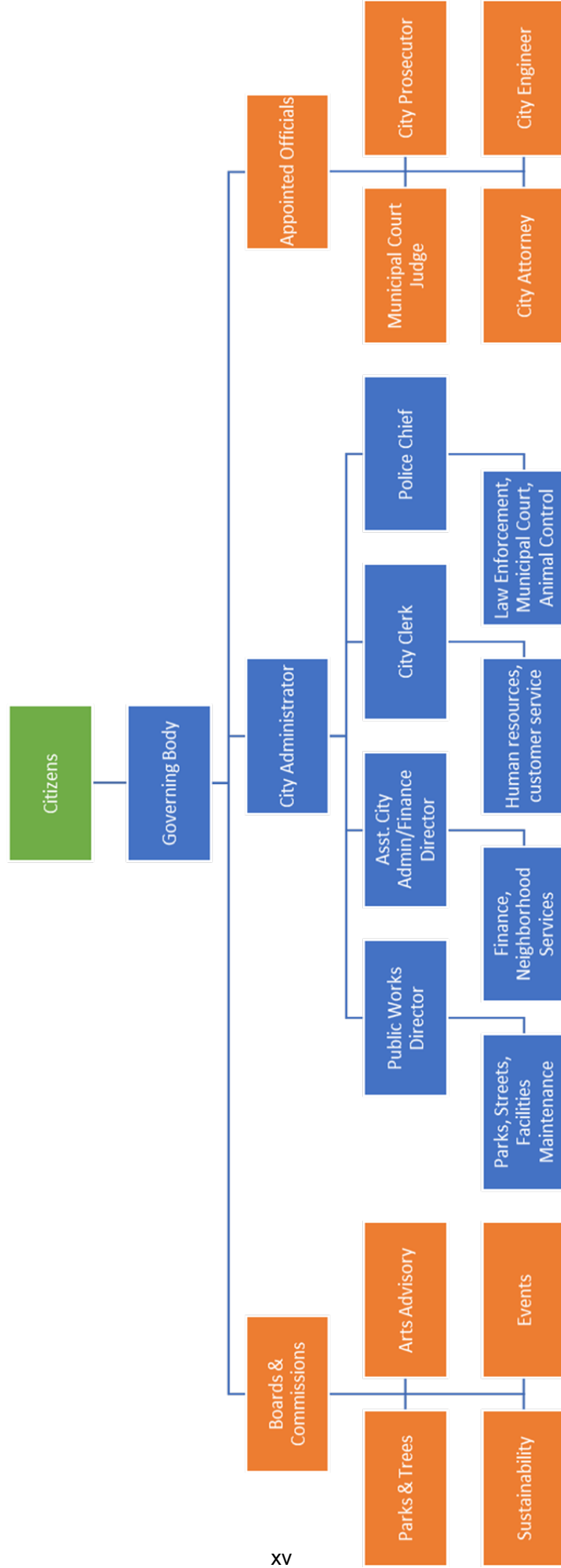
Department Heads:

City Administrator	Keith Moody
Assistant City Administrator/Director of Finance	Jennifer Jones-Lacy
City Clerk	Kelley Bohon
Chief of Police	John Morris
Director of Public Works	Jose Leon (through November 2018) and Donnie Scharf (current)

Appointed Officials:

City Attorney	Steve Mauer
City Prosecutor	Frank Gilman
Municipal Court Judge	Karen Torline
City Engineer	Dan Miller, Lamp Ryneerson

Organizational Chart



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of 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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the "*Kansas Municipal Accounting and Audit Guide*." These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 opinion.

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, 2018, and the respective changes in financial position, thereof and the respective budgetary comparison for the General Fund, CID #1 – Roeland Park Shopping Center Fund, and the Special Street Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As described in Note IV.I. to the financial statements, the City implemented GASB 75 for other post-employment benefits and KPERS other post-employment benefits during the current year. As a result of the modification, a restatement was made to the net position at December 31, 2017. Our opinion is not modified with respect to this matter.

Prior Period Restatement

As discussed in Note IV.I. to the financial statements, certain errors in amounts previously reported as of December 31, 2017, were discovered by management of the City during the current year. Accordingly, these amounts have been restated in the December 31, 2018, financial statements now presented, and adjustments have been made to net position to correct the error. Our opinion is not modified with respect to these matters.

The financial statements of the City of Roeland Park, Kansas, as of December 31, 2017, were audited by other auditors whose report dated April 26, 2018, expressed an unmodified opinion on those statements.

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 other post employment benefit schedules on pages 53-54, the schedule of the City's proportionate share of the net pension liability of page 51, and the schedule of City contributions on page 52 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's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the 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 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 auditing procedures applied in the audits of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Mike Houser: Company PA

Certified Public Accountants
Lawrence, Kansas

May 13, 2019

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2018

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, 2018. 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, 2018 by \$23,737,270 (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, 2017 by \$19,470,020 (net position).
- The government's total net position increased by \$4,216,940 and \$2,930,252 for 2018 and 2017, respectively. The increase in total net position during fiscal year 2018 was (primarily) due to a \$764,000 increase in grants received by the City for various operating and capital activities. The City has built substantial reserves to ensure ongoing operations at current day levels.
- The City of Roeland Park's governmental funds reported combined ending fund balances of \$6,141,064 and \$5,719,728 as of December 31, 2018 and 2017, respectively. Unassigned fund balance for fiscal years 2018 and 2017 was \$(1,867,993) and \$(2,359,538), respectively.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,328,610, or 28 percent of total General Fund expenditures compared to the 2017 balance of \$1,207,063, or 27 percent of total General Fund expenditures.
- The City of Roeland Park's total debt, excluding compensated absences and net pension liability, decreased by \$2,760,253 (29 percent) during fiscal year ended December 31, 2018. The City of Roeland Park's total debt, excluding compensated absences and net pension liability, decreased by \$2,848,363 (23 percent) during fiscal year ended December 31, 2017. 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).

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.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2018

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 15 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, Special Street Fund, TDD #1 - Price Chopper Fund, TDD #2 - Lowe's Fund and CID #1 Roeland Park Shopping Center Fund all of which are considered to be major funds. Data from the other 8 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 \$4,216,940. The following table is a condensed version of the government-wide statement of net position comparing fiscal years 2018 and 2017.

The City of Roeland Park's restricted net position, \$6,164,721 and \$5,298,710 for fiscal years 2018 and 2017, respectively, represent resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted net position (\$901,022) and (\$1,296,164) for 2018 and 2017, respectively.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2018

City of Roeland Park's Net Position

	Governmental Activities 2018	Governmental Activities 2017	Change
Current and other assets	\$ 15,850,622	\$ 15,835,537	\$ 15,085
Capital assets	21,742,822	20,076,856	1,665,966
Total assets	37,593,444	35,912,393	1,681,051
Total deferred outflows of resources	516,711	537,871	[21,160]
Noncurrent liabilities	4,846,531	5,880,063	[1,033,532]
Other liabilities	5,355,842	6,771,277	[1,415,435]
Total liabilities	10,202,373	12,651,340	[2,448,967]
Total deferred inflows of resources	4,170,512	4,328,904	[158,392]
Net position:			
Net investment in capital assets	18,473,571	15,467,474	3,006,097
Restricted	6,164,721	5,298,710	866,011
Unrestricted [deficit]	[901,022]	[1,296,164]	395,142
Total net position	\$ 23,737,270	\$ 19,470,020	\$ 4,267,250

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 \$4,216,940, or 22 percent, for the fiscal year ended December 31, 2018.

Current and Other Assets – The City's current and other assets increased by \$15,085 from \$15.8 million to \$15.9 million. The City's capital assets increased by approximately \$1.7 million or an eight percent increase. The primary element of this increase is due to the addition of approximately \$2.78 million in new capital assets.

Noncurrent liabilities decreased by 19 percent due to a reduction in general obligation bond liabilities. Noncurrent liabilities, excluding debt, include \$111,202 of other postemployment benefits. Other liabilities decreased by 20 percent.

The largest portion of the government's net position for governmental activities (77.7 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, 2018.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2018

Restricted net position totals \$6,164,721 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 (\$901,022), 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 2018	Governmental Activities 2017	Change
Revenues:			
Program revenues:			
Charges for services	\$ 560,380	\$ 730,018	\$ [169,638]
Operating grants and contributions	335,918	431,317	[95,399]
Capital grants and contributions	671,172	-	671,172
General revenues:			
Property taxes	3,720,059	3,592,422	127,637
Sales and use taxes	3,781,247	3,801,032	[19,785]
County jail tax	159,353	159,208	145
Franchise taxes	508,081	484,307	23,774
Investment earnings	167,426	54,480	112,946
Miscellaneous	862,817	597,101	265,716
Total revenues	<u>10,766,453</u>	<u>9,849,885</u>	<u>916,568</u>
Expenses:			
General government	1,564,732	1,879,577	[314,845]
Highways and streets	2,789,456	2,821,753	[32,297]
Public safety	1,651,640	1,548,820	102,820
Culture and recreation	372,727	380,923	[8,196]
Interest on long-term debt	170,958	288,560	[117,602]
Total expenses	<u>6,549,513</u>	<u>6,919,633</u>	<u>[370,120]</u>
Increase in net position	<u>4,216,940</u>	<u>2,930,252</u>	<u>1,286,688</u>
Net position, beginning	19,470,020	16,539,768	2,930,252
Prior period adjustment	50,310	-	50,310
Net position, beginning, restated	<u>19,520,330</u>	<u>16,539,768</u>	<u>2,980,562</u>
Net position, ending	<u>\$ 23,737,270</u>	<u>\$ 19,470,020</u>	<u>\$ 4,267,250</u>

Total governmental activities revenue was \$10,766,453 and \$9,849,885 in fiscal years 2018 and 2017, respectively.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2018

Certain revenues are generated that are specific to governmental program activities. These totaled \$1,567,470 and \$1,161,335 in 2018 and 2017, 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 \$6,549,513 and \$6,919,633 in fiscal years 2018 and 2017, respectively.

Several of the revenue and expense categories fluctuated between 2018 and 2017. Highlights include the following:

Revenues:

- Property taxes increased by \$127,637 from 2017 due to an increase in assessed valuation.
- Investment earnings increased \$112,946 from 2017, which is a 207% increase.
- Miscellaneous revenues increased \$265,716, primarily due to increases in donations to the City.

Expenses:

- The general government expenses decreased by \$314,845, or 16.8%, from 2017 primarily due to a reduction in engineering expenses in 2018 from 2017 for the development at "The Rocks" at 4800 Roe Parkway.
- Interest on long-term debt expenses decreased by 40.8 percent, mostly due to decrease interest payments from the TIF 1 Fund.

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 \$6,141,064, an increase of \$421,336 in comparison with the prior year. Fund balance that is restricted to indicate that it is not available for new spending because it has already been committed to pay for debt service totaled \$131,778, for capital expansion and improvements totaled \$6,014,527 and for Roeland Park property owners association totaled \$18,416.

The General Fund is the chief operating fund of the City of Roeland Park. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,328,610, while total fund balance was \$2,755,226. This is more than the 2017 unassigned fund balance of \$1,207,063 and less than the total 2017 General Fund balance of \$2,783,476. 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 28 percent of total General Fund expenditures, while total fund balance represents 59 percent of that same amount. Unassigned fund balance represented 27 percent of total General Fund expenditures for 2017, while total fund balance represents 62 percent of that same amount.

The fund balance of the City of Roeland Park's General Fund decreased by \$28,250 in 2018 and decreased by \$78,590 during fiscal year 2017. The decrease in 2018 is due to a policy change by the City Council which created an assigned fund balance of \$1.41 million as a sales tax reserve fund. Furthermore, any fund balance beyond 25% of expenditures plus \$1.41 million would be transferred to the Special Infrastructure Fund to cover the City's capital improvements program without having to issue additional debt. Total expenditures in the general fund increased \$197,717 or 4.4 percent, while revenues increased \$353,898 or 6.9 percent. The majority of the revenue increase is attributable to revenue increases in municipal court fees and bond forfeitures, a new reimbursement from Bishop Meigs High School for a school resource office, a FEMA grant for storm damage in the summer of 2017, and property tax increases from shifting more of the mill levy from the Bond and Interest Fund to the General Fund in 2018.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2018

CID #1 - Roeland Park Shopping Center Fund had an ending fund balance of \$2,716,943. The net increase in fund balance was \$491,530 for the year. Since inception, the fund has had almost no draws on the balance. The CID is meant for economic development of the district and expenses are made when the property owner submits a request for a qualifying expense. The CID was established to help redevelop the shopping center if and when Wal-Mart left. To date, the retailer has decided not to move from the site. As such, the net increase in fund balance was due to no significant expenditures being made in the fund.

Special Street Fund had an ending fund balance of \$451,393. The net decrease in fund balance was \$335,450 for the year. The net decrease in fund balance was due to various capital improvement projects that were constructed in 2018.

The Bella Roe/Walmart TIF Fund had an ending fund balance of \$893,273. The net decrease in fund balance was \$13,922 for the year. The net decrease in fund balance was due to reducing the mill levy in the Bond & Interest Fund and shifting most of the mill levy to the General Fund.

The Debt Service Fund had a total fund balance of \$131,778, 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 Debt Service Fund was \$136,568. The net decrease in fund balance was due to a slight decrease in taxes collected. The reserves in the Debt Service Fund are at nearly 12 percent of principal and interest payments for 2018, which is well in lines with the 10 percent - 15 percent fund balance policy adopted by Council.

The TDD #1 – Price Chopper Fund had an ending fund balance deficit of [\$2,507,302]. The net increase in fund balance was \$249,547 for the year. The net increase in fund balance was due to paying nearly \$285,000 on the defaulted bonds that were called in 2017.

The TDD #2 – Lowes's Fund had an ending fund balance deficit of [\$689,301]. The net increase in fund balance was \$120,451 for the year. The net increase in fund balance was due to paying nearly \$144,000 on the defaulted bonds that were called in 2017.

General Fund Budgetary Highlights

The legally adopted budget for the General Fund was not amended by the Governing Body in 2018. On a budgetary basis, which can be found in the basic financial statements on page 19, expenditures were more than revenues and other sources, which resulted in a decrease in fund balance by \$28,250. The decrease in the fund balance is due to an increase in professional services expenses due to conducting the pool analysis with Water's Edge in 2018, overall increases in vehicle and equipment maintenance in 2018, increases in pension expenses and increases in expenses for new equipment and maintenance items through transfers to the Equipment Reserve Fund. Actual revenues were \$68,881 less than budgeted revenues.

General Fund expenditures were lower than the final budget by \$155,400. The following general fund expenditure categories experienced significant differences between budgeted amount and the actual amount. A brief explanation is included:

General government expenditures – the City expended less in the public works category, mainly due to less street maintenance needed in 2018.

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, 2018 and 2017, respectively, was \$21,742,822 and \$20,076,856 (net of accumulated depreciation). This investment in capital assets includes land, construction-in-progress, buildings, improvements and infrastructure and machinery and equipment. The total increase in the City of Roeland Park's investment in capital assets for the current fiscal year was 8.3 percent.

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2018

City of Roeland Park's Capital Assets		
	Governmental Activities	
	2018	2017
Land	\$ 2,216,272	\$ 2,216,272
Artwork	12,620	12,620
Buildings	4,572,919	4,470,373
Improvements other than buildings and infrastructure	28,850,241	27,872,131
Machinery and equipment	2,145,981	1,997,867
Construction-in-progress	1,632,951	85,824
Accumulated depreciation	[17,688,162]	[16,578,231]
Total	<u>\$ 21,742,822</u>	<u>\$ 20,076,856</u>

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

City of Roeland Park's Outstanding Debt General Obligation and Revenue Bonds		
	Governmental Activities	
	2018	2017
General obligation bonds	\$ 3,301,000	\$ 4,466,000
Special obligation tax increment revenue bonds	259,699	1,228,376
Transportation development district sales tax revenue bonds	3,350,127	3,778,487
Capital leases	-	203,719
Total	<u>\$ 6,910,826</u>	<u>\$ 9,676,582</u>

Long-term debt. At the end of the current fiscal year, the City of Roeland Park had total bonded debt outstanding of \$6,910,826. Of this amount, \$3,301,000 comprises of debt backed by the full faith and credit of the City. The remainder of the City of Roeland Park's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds) of \$3,609,826.

The City of Roeland Park's total debt decreased by \$2,765,756 (29 percent) during the current fiscal year. The majority of the decrease was due to scheduled principal payments on the G.O. bonds.

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

Economic Factors and Next Year's Budgets and Rates

The City of Roeland Park had a positive financial outlook due to increased property tax values, solid reserves in operation and capital funds, and the decision of the City's largest retailer to remain at their current location in Roeland Park rather than moving to a neighboring community. For the second year in a row, the Council has developed a budget that reduced the property tax mill levy. The 2019 Budget reflects a 2.5 mill reduction from the prior year. The Council decided to make the Aquatic Center a summer-only operation starting in 2019. That, combined with the retirement of the bonds associated with building the pool, reduced overall General Fund expenses, allowing for such a mill levy reduction.

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

City of Roeland Park, Kansas

Management's Discussion and Analysis For Fiscal Year Ended December 31, 2018

2019 Budget

The Council approved the 2019 budget based upon information provided in the three-year forecast.

Factors considered in projecting revenues and expenditures in 2019 include:

- No significant decline in sales tax other than the temporary closure of a major retailer due to constructing a new building
- Property values increased by at least 1.5% annually.
- Franchise fees and court revenues remain in line with 3-year history.
- Allow for a 4.5% merit pool increase for City staff to stay competitive with market rates.
- Property tax supported debt service remains at expected levels.

Proposed Three Year Outlook - Mill Levy

	<u>2018</u>	<u>2019</u>	<u>2020</u>
City of Roeland Park mill levy	31.023	28.531	28.531

All of these factors were considered in preparing the City of Roeland Park's budget for fiscal year 2019.

Requests for Information

This financial report is designed to provide a general overview of the City of Roeland Park's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Jennifer Jones-Lacy, Assistant City Administrator/Director of Finance, City of Roeland Park, 4600 West 51st Street, Roeland Park, Kansas 66205.

BASIC FINANCIAL STATEMENTS

CITY OF ROELAND PARK, KANSAS

STATEMENT OF NET POSITION
December 31, 2018

	Governmental Activities
Assets and Deferred Outflows of Resources	
Current assets:	
Cash and cash equivalents	\$ 1,242,087
Investments	4,167,186
Receivables:	
Taxes	4,787,768
Special assessments	1,510,727
Intergovernmental	499,063
Prepaid items	43,374
Total current assets	<u>12,250,205</u>
Noncurrent assets:	
Restricted assets, cash and cash equivalents	187,133
Restricted investments	3,413,284
Capital assets not being depreciated:	
Land	2,216,272
Artwork	12,620
Construction in progress	1,632,951
Capital assets being depreciated:	
Buildings	4,572,919
Improvements other than buildings and infrastructure	28,850,241
Machinery and equipment	2,145,981
Less: accumulated depreciation	<u>[17,688,162]</u>
Total noncurrent assets	<u>25,343,239</u>
Total assets	<u>37,593,444</u>
Deferred outflows of resources	
Deferred charge on refunding	54,801
KPERS pension related	455,633
OPEB related	2,170
KPERS OPEB related	<u>4,107</u>
Total deferred outflows of resources	<u>516,711</u>
Total assets and deferred outflows of resources	<u>\$ 38,110,155</u>
Liabilities and Deferred Inflows of Resources	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 839,165
Accrued interest payable	65,712
Compensated absences payable	84,139
Current portion of tax increment revenue bonds, net of bond discounts	169,699
Current portion of general obligation bonds payable	847,000
Current portion of transportation development district sales tax revenue bonds	<u>3,350,127</u>
Total current liabilities (payable from current assets)	<u>5,355,842</u>
Noncurrent liabilities:	
Compensated absences	33,820
Tax increment revenue bonds, net of bond discounts	90,000
General obligation bonds payable, including bond premiums	2,422,251
Net pension liability	2,189,258
Net KPERS OPEB liability	18,420
Net OPEB liability	<u>92,782</u>
Total noncurrent liabilities	<u>4,846,531</u>
Total liabilities	<u>10,202,373</u>
Deferred inflows of resources:	
Unavailable revenue - property taxes	4,009,539
KPERS pension related	159,149
KPERS OPEB related	<u>1,824</u>
Total deferred inflows of resources	<u>4,170,512</u>
Total liabilities and deferred inflows of resources	<u>\$ 14,372,885</u>
Net Position	
Net investment in capital assets	\$ 18,473,571
Restricted for:	
Debt service	908,842
Special highway	227,231
Capital expansion and improvement	5,010,232
Roeland Park property owners association	18,416
Unrestricted	<u>[901,022]</u>
Total net position	<u>\$ 23,737,270</u>

The notes to the financial statements are an integral part of this statement

CITY OF ROELAND PARK, KANSAS

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

		Program Revenues			Net [Expenses] Revenue and Changes In Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
General government	\$ 1,564,732	\$ 173,753	\$ 149,782	\$ -	\$ [1,241,197]
Public works	2,789,456	-	184,520	671,172	[1,933,764]
Public safety	1,651,640	386,627	1,616	-	[1,263,397]
Culture and recreation	372,727	-	-	-	[372,727]
Interest on long-term debt	170,958	-	-	-	[170,958]
Total governmental activities	<u>\$ 6,549,513</u>	<u>\$ 560,380</u>	<u>\$ 335,918</u>	<u>\$ 671,172</u>	<u>[4,982,043]</u>
General Revenues:					
Property taxes					3,720,059
Sales and use tax					3,781,247
County jail tax					159,353
Franchise tax					508,081
Investments income					167,426
Miscellaneous					<u>862,817</u>
Total general revenues					<u>9,198,983</u>
Change in net position					<u>4,216,940</u>
Net position - beginning					19,470,020
Prior period adjustment					<u>50,310</u>
Net position - beginning, restated					<u>19,520,330</u>
Net position - ending					<u>\$ 23,737,270</u>

The notes to the financial statements are an integral part of this statement

CITY OF ROELAND PARK, KANSAS

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018

	General Fund	CID #1 Roeland Park Shopping Center Fund	Special Street Fund	Bella Roe/ Walmart TIF Fund
ASSETS				
Pooled cash	\$ 210,143	\$ -	\$ 5,048	\$ 766,273
Investments	2,756,971	-	-	-
Receivables:				
Taxes	2,796,201	93,845	171,414	773,274
Special assessments	-	-	-	-
Intergovernmental	-	-	117,594	-
Prepaid items	43,374	-	-	-
Due from other funds	-	-	-	-
Restricted cash	-	46,905	-	127,000
Restricted investments	-	2,576,193	229,690	-
Total assets	<u>\$ 5,806,689</u>	<u>\$ 2,716,943</u>	<u>\$ 523,746</u>	<u>\$ 1,666,547</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 422,263	\$ -	\$ 72,353	\$ -
Due to other funds	175,000	-	-	-
Matured long-term debt in default	-	-	-	-
Total liabilities	<u>597,263</u>	<u>-</u>	<u>72,353</u>	<u>-</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	2,454,200	-	-	773,274
Unavailable revenue - special assessments	-	-	-	-
Total deferred inflows of resources	<u>2,454,200</u>	<u>-</u>	<u>-</u>	<u>773,274</u>
Fund balance:				
Restricted	-	2,716,943	451,393	766,273
Committed	1,410,000	-	-	127,000
Assigned	16,616	-	-	-
Unassigned	1,328,610	-	-	-
Total fund balance [deficit]	<u>2,755,226</u>	<u>2,716,943</u>	<u>451,393</u>	<u>893,273</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,806,689</u>	<u>\$ 2,716,943</u>	<u>\$ 523,746</u>	<u>\$ 1,666,547</u>

The notes to the financial statements are an integral part of this statement.

Debt Service Fund	TDD #1 Price Chopper Fund	TDD #2 Lowe's Fund	Other Governmental Funds	Total Governmental Funds
\$ 23,857	\$ 41,078	\$ 34,343	\$ 161,345	\$ 1,242,087
107,921	-	-	1,302,294	4,167,186
184,536	47,530	17,374	703,594	4,787,768
1,510,727	-	-	-	1,510,727
-	-	-	381,469	499,063
-	-	-	-	43,374
-	-	-	175,000	175,000
-	13,099	100	29	187,133
-	-	-	607,401	3,413,284
<u>\$ 1,827,041</u>	<u>\$ 101,707</u>	<u>\$ 51,817</u>	<u>\$ 3,331,132</u>	<u>\$ 16,025,622</u>

\$ -	\$ -	\$ -	\$ 344,549	\$ 839,165
-	-	-	-	175,000
-	2,609,009	741,118	-	3,350,127
-	2,609,009	741,118	344,549	4,364,292

184,536	-	-	597,529	4,009,539
1,510,727	-	-	-	1,510,727
1,695,263	-	-	597,529	5,520,266

131,778	-	-	2,098,334	6,164,721
-	-	-	-	1,537,000
-	-	-	290,720	307,336
-	[2,507,302]	[689,301]	-	[1,867,993]
131,778	[2,507,302]	[689,301]	2,389,054	6,141,064

<u>\$ 1,827,041</u>	<u>\$ 101,707</u>	<u>\$ 51,817</u>	<u>\$ 3,331,132</u>	<u>\$ 16,025,622</u>
---------------------	-------------------	------------------	---------------------	----------------------

The notes to the financial statements are an integral part of this statement.

CITY OF ROELAND PARK, KANSAS

RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES

December 31, 2018

Total Governmental Fund Balances	\$ 6,141,064
----------------------------------	--------------

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

The cost of capital assets is	39,430,984	
Accumulated depreciation is	<u>[17,688,162]</u>	21,742,822

Other long-term assets are not available to pay for current-period expenditures and therefore are not reported in the funds.	1,510,727
---	-----------

Pension contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position.	461,910
---	---------

Pension fundings are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position.	[160,973]
--	-----------

A long-term liability is recorded for the unfunded portion of post-employment benefits other than pensions, while in the governmental funds liabilities that do not require satisfaction with current resources are not recorded	[111,202]
--	-----------

Long-term liabilities, including bonds payable, are not due and payable in
the current period and therefore are not reported as liabilities in the funds.
Long term liabilities at year end consist of:

General obligation bonds payable	3,269,251	
Tax increment revenue bonds payable	259,699	
Interest payable	65,712	
Compensated absences payable	117,959	
Deferred charge on refunding, net	[54,801]	
Net pension liability	2,189,258	<u>[5,847,078]</u>

Net Position of Governmental Activities	<u>\$ 23,737,270</u>
---	----------------------

CITY OF ROELAND PARK, KANSAS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2018

	General Fund	CID #1 Roeland Park Shopping Center Fund	Special Street Fund	Bella Roe/ Walmart TIF Fund
REVENUES:				
Taxes	\$ 4,031,403	\$ 459,069	\$ 950,168	\$ 918,420
Special assessments	569,945	-	-	-
Intergovernmental	43,063	-	510,676	-
Licenses and permits	173,753	-	-	-
Fines and forfeitures	386,627	-	-	-
Investment income	83,578	32,461	6,176	9,679
Other	222,478	-	-	-
Total revenues	<u>5,510,847</u>	<u>491,530</u>	<u>1,467,020</u>	<u>928,099</u>
EXPENDITURES:				
Current				
General government	1,420,101	-	-	2,887
Public works	1,331,813	-	1,327,470	-
Public safety	1,619,166	-	-	-
Culture and recreation	144,526	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	148,500	-	-	914,162
Interest and other charges	5,940	-	-	24,972
Total expenditures	<u>4,670,046</u>	<u>-</u>	<u>1,327,470</u>	<u>942,021</u>
Excess [deficiency] of revenues over [under] expenditures	<u>840,801</u>	<u>491,530</u>	<u>139,550</u>	<u>[13,922]</u>
OTHER FINANCING SOURCES [USES]				
Transfers in	-	-	-	-
Transfers [out]	<u>[869,051]</u>	<u>-</u>	<u>[475,000]</u>	<u>-</u>
Total other financing sources [uses]	<u>[869,051]</u>	<u>-</u>	<u>[475,000]</u>	<u>-</u>
Excess [deficiency] of revenues and other sources over [under] expenditures and other sources [uses]	<u>[28,250]</u>	<u>491,530</u>	<u>[335,450]</u>	<u>[13,922]</u>
Fund balance - Beginning of year	2,783,476	2,225,413	786,843	907,195
Prior period adjustment	-	-	-	-
Fund balance - Beginning of year, restated	<u>2,783,476</u>	<u>2,225,413</u>	<u>786,843</u>	<u>907,195</u>
Fund balance - End of year	<u>\$ 2,755,226</u>	<u>\$ 2,716,943</u>	<u>\$ 451,393</u>	<u>\$ 893,273</u>

The notes to the financial statements are an integral part of this statement.

Debt Service Fund	TDD #1 Price Chopper Fund	TDD #2 Lowe's Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 224,526	\$ 261,987	\$ 126,841	\$ 1,196,326	\$ 8,168,740
262,558	-	-	-	832,503
-	-	-	391,239	944,978
-	-	-	-	173,753
-	-	-	-	386,627
8,464	918	407	25,746	167,429
-	-	-	90,612	313,090
<u>495,548</u>	<u>262,905</u>	<u>127,248</u>	<u>1,703,923</u>	<u>10,987,120</u>
3,100	5,240	2,685	57,243	1,491,256
-	-	-	932,531	3,591,814
-	-	-	-	1,619,166
-	-	-	98,093	242,619
-	-	-	1,121,415	1,121,415
1,000,000	-	-	280,047	2,342,709
104,016	8,118	4,112	37,397	184,555
<u>1,107,116</u>	<u>13,358</u>	<u>6,797</u>	<u>2,526,726</u>	<u>10,593,534</u>
<u>[611,568]</u>	<u>249,547</u>	<u>120,451</u>	<u>[822,803]</u>	<u>393,586</u>
475,000	-	-	927,022	1,402,022
-	-	-	[57,971]	[1,402,022]
<u>475,000</u>	<u>-</u>	<u>-</u>	<u>869,051</u>	<u>-</u>
<u>[136,568]</u>	<u>249,547</u>	<u>120,451</u>	<u>46,248</u>	<u>393,586</u>
268,346	[2,756,849]	[809,752]	2,315,056	5,719,728
-	-	-	27,750	27,750
<u>268,346</u>	<u>[2,756,849]</u>	<u>[809,752]</u>	<u>2,342,806</u>	<u>5,747,478</u>
<u>\$ 131,778</u>	<u>\$ [2,507,302]</u>	<u>\$ [689,301]</u>	<u>\$ 2,389,054</u>	<u>\$ 6,141,064</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ROELAND PARK, KANSAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Total Net Change In Fund Balances - Governmental Funds \$ 393,586

Amounts reported for governmental activities in the
statement of activities are different because

Capital outlays to purchase or build assets are reported in governmental funds
as expenditures. However, for governmental activities those costs are shown
in the statement of net assets and allocated over their estimated useful lives
as annual depreciation expenses in the statement of activities. This is the
amount by which capital outlays exceeds depreciation in the period.

Capital outlays	2,821,038	
Depreciation expense	<u>[1,182,831]</u>	1,638,207

Revenues in the statement of activities that do not provide current financial
resources are not reported as revenues in the funds. [202,757]

Interest on long-term debt in the statement of activities differs from the amount
reported in the governmental funds because interest is recorded as an
expenditure in the funds when it is due, and thus requires the use of current
financial resources. In the statement of activities, however, interest expense
is recognized as the interest accrues, regardless of when it is due. This is
the amount by which interest decreased.

13,597

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.

Compensated absences	21,258	
Net other postemployment benefits	<u>18,307</u>	39,565

Pension payments are reported as expenditures in the governmental funds
and do not affect the statement of net activities. 2,509

Repayment of capital lease principal is an expenditure in the governmental
funds, but it reduces long-term liabilities in the statement of net assets and
does not affect the statement of activities. 203,719

Repayment of bond principal is an expenditure in the governmental funds, but
it reduces long-term liabilities in the statement of net assets and does not
affect the statement of activities. 2,128,514

Changes In Net Position of Governmental Activities \$ 4,216,940

CITY OF ROELAND PARK, KANSAS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	Original	Final		
Revenues:				
Taxes	\$ 4,147,747	\$ 4,007,232	\$ 4,031,403	\$ 24,171
Special assessments	572,851	570,500	569,945	[555]
Intergovernmental	215,785	35,912	43,063	7,151
Licenses and permits	176,500	175,825	173,753	[2,072]
Fines and forfeitures	377,500	390,839	386,627	[4,212]
Investment income	24,910	55,000	83,578	28,578
Other	197,297	206,658	222,478	15,820
Total Revenues	5,712,590	5,441,966	5,510,847	68,881
Expenditures:				
General government	4,283,683	1,247,818	1,226,166	21,652
Public works	1,280,758	1,286,230	1,176,665	109,565
Public safety	1,211,852	1,193,153	1,192,509	644
Culture and recreation	208,000	150,000	144,526	5,474
Employee benefits	813,200	793,805	775,740	18,065
Debt service:				
Principal	148,500	148,500	148,500	-
Interest and other charges	5,940	5,940	5,940	-
Total Expenditures	7,951,933	4,825,446	4,670,046	155,400
Excess [Deficiency] of Revenues Over [Under] Expenditures	[2,239,343]	616,520	840,801	224,281
Other Financing Sources [Uses]:				
Transfers in	126,500	-	-	-
Transfers [out]	[479,951]	[686,051]	[869,051]	[183,000]
Total Other Financing Sources [Uses]	[353,451]	[686,051]	[869,051]	[183,000]
Excess [Deficiency] of Revenues and Other Sources Over [Under] Expenditures and Other [Uses]	\$ [2,592,794]	\$ [69,531]	[28,250]	\$ 41,281
Fund Balance, January 1			2,783,476	
Fund Balance, December 31			\$ 2,755,226	

The notes to the financial statements are an integral part of this statement

CITY OF ROELAND PARK, KANSAS

CID #1 - ROELAND PARK SHOPPING CENTER FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive [Negative]
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 465,120	\$ 458,663	\$ 459,069	\$ 406
Investment income	<u>8,460</u>	<u>13,000</u>	<u>32,461</u>	<u>19,461</u>
Total Revenues	<u>473,580</u>	<u>471,663</u>	<u>491,530</u>	<u>19,867</u>
Expenditures:				
Capital outlay	<u>2,698,767</u>	-	-	-
Total Expenditures	<u>2,698,767</u>	-	-	-
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>\$ [2,225,187]</u>	<u>\$ 471,663</u>	491,530	<u>\$ 19,867</u>
Fund Balance, January 1			<u>2,225,413</u>	
Fund Balance, December 31			<u>\$ 2,716,943</u>	

The notes to the financial statements are an integral part of this statement

CITY OF ROELAND PARK, KANSAS

SPECIAL STREET FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET

For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive <u>[Negative]</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 913,390	\$ 981,000	\$ 950,168	\$ [30,832]
Intergovernmental	773,000	600,000	510,676	[89,324]
Investment income	<u>1,410</u>	<u>4,000</u>	<u>6,176</u>	<u>2,176</u>
Total Revenues	<u>1,687,800</u>	<u>1,585,000</u>	<u>1,467,020</u>	<u>[117,980]</u>
Expenditures:				
Public works	<u>1,553,053</u>	<u>1,667,246</u>	<u>1,672,449</u>	<u>[5,203]</u>
Total Expenditures	<u>1,553,053</u>	<u>1,667,246</u>	<u>1,672,449</u>	<u>[5,203]</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>134,747</u>	<u>[82,246]</u>	<u>[205,429]</u>	<u>[123,183]</u>
Other Financing Sources [Uses]				
Transfers out	<u>[354,000]</u>	<u>[475,000]</u>	<u>[475,000]</u>	<u>-</u>
Total Other Financing Sources [Uses]	<u>[354,000]</u>	<u>[475,000]</u>	<u>[475,000]</u>	<u>-</u>
Excess [Deficiency] of Revenues and Other Sources Over [Under] Expenditures and Other [Uses]	<u>\$ [219,253]</u>	<u>\$ [557,246]</u>	<u>[680,429]</u>	<u>\$ [123,183]</u>
Budgetary Fund Balance, January 1			<u>786,843</u>	
Budgetary Fund Balance, December 31			106,414	
Reconciliation to GAAP				
Encumbrances			<u>344,979</u>	
GAAP Fund Balance, December 31			<u>\$ 451,393</u>	

The notes to the basic financial statements are an integral part of this statement.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

I. NATURE OF OPERATIONS, REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Operations

The City of Roeland Park (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 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.

B. Reporting Entity

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

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

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

Blended component units are the Public Building Commission (PBC) of Roeland Park and the Roeland Park City Hall Property Owners Association (the Association), both of which are governed by the same governing body as the City. Although they are legally separate from the City, the PBC and the Association are reported as if they were part of the primary government as blended component units. The PBC's sole function is to finance through issuance of bonds the construction, equipping and furnishing of a building or buildings or other facilities of a revenue-producing character, including parking facilities. The Association's primary function is to act as an agent for the unit owners within City Hall. The Association administers various functions within City Hall, establishes the means and methods of collecting assessments and charges and arranges for the management of City Hall. The activities of the Association are included in the accompanying basic financial activities as part of the Special Revenue Funds. The PBC had no current year activity to present in the financial statements. Complete unaudited financial statements of the individual component units can be obtained from the Finance Department at City Hall:

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

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

I. NATURE OF OPERATIONS, REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. 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.

CID #1 – Roeland Park Shopping Center: A special revenue fund created to account for monies received within the Community Improvement District to be solely used to pay the costs of the approved project.

Special Street Fund – 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.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

I. NATURE OF OPERATIONS, REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

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.

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

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

TDD #2 – Lowe's – 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 and 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 point, airport, railroad, light rail or other mass transit facility and 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 district in any increment of .10 percent not to exceed 1.00 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.

D. 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.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

I. NATURE OF OPERATIONS, REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

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, pensions 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.

Property taxes are recognized as a receivable at the time they become an enforceable legal claim. The current taxes receivable represent the 2018 levy plus any uncollected amounts from the 2017 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.

E. 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.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

I. NATURE OF OPERATIONS, REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Summary of Significant Accounting Policies (Continued)

Cash and Investments (Continued)

Investments, other than the external investment pool and money market funds, are reported at fair value. Fair value is 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. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same—that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between the market and participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. See Note 2 for additional information regarding fair value measures.

The City invests in the Kansas Municipal Investment Pool (KMIP) which is administered by the Kansas Office of State Treasurer, and the Federated Money Market Treasury Obligations Fund. KMIP is not SEC registered and is regulated by the State of Kansas. This external investment pool is reported at amortized cost pursuant to the criteria set forth in GASB Statement No. 79. The City's money market funds are also reported at amortized cost.

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 or 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 acquisition 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 THE FINANCIAL STATEMENTS
December 31, 2018

I. NATURE OF OPERATIONS, REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. 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:

	<u>Years</u>
Buildings	20 - 50
Improvements other than buildings	20
Vehicles	3 - 15
Machinery and equipment	5 - 20
Infrastructure	65

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 three 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 and third deferred outflow items consist of unrecognized items not yet charged to pension expense and other post employment benefits (OPEB) 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 and OPEB 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 and the OPEB liability.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

I. NATURE OF OPERATIONS, REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Summary of Significant Accounting Policies (Continued)

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.

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.

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.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

I. NATURE OF OPERATIONS, REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Summary of Significant Accounting Policies (Continued)

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

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

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

Net Position

Net position represents 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 \$908,842 for debt service, \$227,231 for special highway, \$5,010,232 for capital expansion and improvements and \$18,416 for Roeland Park property owner's association.

The City first applies 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.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute) and debt service 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 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget was amended for the Special Street, Old Pool and Boulevard Apartments, TIF 2D – City Hall/Walgreens/QT and Valley State Bank funds for the year ended December 31, 2018.

The statutes permit management to transfer budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. In supplementary schedules to this report, budget comparisons are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital project funds and certain special revenue funds. Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

III. DETAILED NOTES ON ALL FUNDS

A. 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. Investment 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.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Remaining investment 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.

Fair Value Measurements

The City categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 Input: Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 Input: Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Input: Inputs that are unobservable for the asset or liability which are typically based upon the City's own assumptions as there is little, in any, related market activity.

Hierarchy: The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs: If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

For the City, the following fair value techniques were utilized in measuring the fair value of its investments:

U.S. Government Agency Securities: U.S. Government securities are reported at fair value based on bullet (noncall) spread scale for each issuer for maturities going out to 40 years. These spreads represent credit risk and are obtained from the new issue market, secondary trading, and dealer quotes.

As of December 31, 2018, the City had the following investments with the following maturities:

Investment Type	Fair Value	Investment Maturities (in years)		Fair Value Measurement
		Less than 1	1 - 2	
Federal Home Loan Bank	\$ 4,054,823	\$ 3,548,868	\$ 505,955	Level 2
Federal National Mortgage Association	265,293	265,293	-	Level 2
Federal Home Loan Mortgage Corporation	2,816,253	1,518,256	1,297,998	Level 2
Federal Farm Credit Banks	444,101	-	444,101	Level 2
	<u>\$ 7,580,470</u>	<u>\$ 5,332,416</u>	<u>\$ 2,248,054</u>	

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

As of December 31, 2018, 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, with no restrictions or limitations on withdrawals. The average maturity of the Kansas Municipal Investment Pool as of December 31, 2018 is less than one year. As of December 31, 2018, the City also had \$29 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, 2018 is 27 days. As of December 31, 2018, the City also had \$13,579 invested in the Morgan Stanley Institutional Liquidity Funds Treasury Portfolio Fund in which funds may be withdrawn at any time. The average maturity of the Morgan Stanley Institutional Liquidity Funds Treasury Portfolio Fund as of December 31, 2018 is 32 days. These are recorded as restricted cash and cash equivalents on the statement of net position.

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.

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, 2018, the City's investment in the Kansas Municipal Investment Pool was rated AA+ 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 AA+ by Standard & Poor's and Aaa-mf by Moody's Investor Services. The City's investment in the Morgan Stanley Institutional Liquidity Funds Treasury Portfolio Fund was rated AA+ by Standard & Poor's and Aaa-mf by Moody's Investor Services.

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

<u>Investment Type</u>	<u>S&P Credit Rating</u>
Federal Home Loan Bank	AA+
Federal National Mortgage Association	AA+
Federal Home Loan Mortgage Corporation	AA+
Federal Farm Credit Banks	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, 2018, the City's investments are invested in FHLB, FNMA, FHLMC, and Federal Farm Credit Banks which represent 53, 3, 37 and 6 percent, respectively, of total investments.

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, 2018, the City's bank balances of deposits with financial institutions of \$1,297,821 were not exposed to custodial credit risk. As of December 31, 2018, 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 Morgan Stanley Institutional Liquidity Funds Treasury Portfolio Fund were not subject to custodial credit risk. All other City investments were not exposed to custodial credit risk.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets

The following is a summary of changes in capital assets for the year ended December 31, 2018:

	Balance at 12/31/2017	Additions	Retirements	Balance at 12/31/2018
City governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,216,272	\$ -	\$ -	\$ 2,216,272
Artwork	12,620	-	-	12,620
Construction-in-progress	85,824	2,246,742	699,615	1,632,951
Capital assets, being depreciated:				
Buildings	4,470,373	102,546	-	4,572,919
Improvements other than buildings & infrastructure	27,872,131	978,110	-	28,850,241
Machinery and equipment	<u>1,997,867</u>	<u>323,560</u>	<u>175,446</u>	<u>2,145,981</u>
Total capital assets	<u>36,655,087</u>	<u>3,650,958</u>	<u>875,061</u>	<u>39,430,984</u>
Less accumulated depreciation for:				
Buildings	2,133,979	88,899	-	2,222,878
Improvements other than buildings & infrastructure	13,148,266	984,658	-	14,132,924
Machinery and equipment	<u>1,295,985</u>	<u>109,273</u>	<u>72,898</u>	<u>1,332,360</u>
Total accumulated depreciation	<u>16,578,230</u>	<u>1,182,830</u>	<u>72,898</u>	<u>17,688,162</u>
Governmental activities capital assets, net	<u>\$ 20,076,857</u>	<u>\$ 2,468,128</u>	<u>\$ 802,163</u>	<u>\$ 21,742,822</u>

Depreciation expense was charged to governmental activities functions as follows:

Governmental Activities:

General government	\$ 80,622
Public safety	42,134
Culture and recreation	130,108
Public works	<u>929,966</u>
Total Depreciation	<u>1,182,830</u>

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, :

<u>Type of Issue</u>	<u>Restated Balance December 31, 2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2018</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 4,466,000	\$ -	\$ 1,165,000	\$ 3,301,000	\$ 847,000
Tax increment revenue bonds	1,228,376	-	968,677	259,699	169,699
Transportation development district sales tax revenue bonds	3,778,487	-	428,360	3,350,127	3,350,127
Add: premiums	6,871	-	792	6,079	-
Less: discounts	[44,123]	-	[6,295]	[37,828]	-
Capital leases	203,719	-	203,719	-	-
Net OPEB obligation	99,292	14,758	21,268	92,782	-
Net KPERS OPEB obligation	15,770	3,962	1,312	18,420	-
Compensated absences	139,217	62,881	84,139	117,959	84,139
Total long-term debt	<u>\$ 9,893,609</u>	<u>\$ 81,601</u>	<u>\$ 2,866,972</u>	<u>\$ 7,108,238</u>	<u>\$ 4,450,965</u>

Compensated absences and the net OPEB obligations are normally liquidated by the General Fund.

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

	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>12/31/2018 Balance</u>
General obligation bonds:				
Series 2010-1	8/19/2010	\$ 3,345,000	1.50 - 3.50%	\$ 1,085,000
Series 2011-2	8/25/2011	1,565,000	2.00 - 3.40	775,000
Series 2012-1	8/1/2012	2,950,000	.65 - 2.40	1,215,000
Series 2014-A	11/25/2014	650,000	2.25	226,000
				<u>\$ 3,301,000</u>
Tax increment revenue bonds:				
Series 2000, Valley State Bank project	2/1/2000	\$ 695,000	7.00	<u>\$ 259,699</u>
Transportation development district sales tax revenue bonds:				
Series 2005	11/1/2005	\$ 3,555,000	4.50 - 5.75	\$ 1,912,160
Series 2006A	1/1/2006	1,090,000	5.875	696,849
Series 2006B	1/1/2006	1,690,000	5.125 - 5.875	741,118
				<u>\$ 3,350,127</u>

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

III. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Long-Term Debt (Continued)

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

General obligation bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 847,000	\$ 86,916	\$ 933,916
2020	694,000	68,098	762,098
2021	395,000	50,916	445,916
2022	410,000	40,811	450,811
2023	420,000	29,923	449,923
2024 - 2026	<u>535,000</u>	<u>32,991</u>	<u>567,991</u>
	<u>\$ 3,301,000</u>	<u>\$309,655</u>	<u>\$ 3,610,655</u>

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

Tax increment revenue bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 169,699	\$ 79,550	\$ 249,249
2020	60,000	61,813	121,813
2021	30,000	41,400	71,400
2022	-	19,263	19,263
	<u>\$ 259,699</u>	<u>\$202,026</u>	<u>\$ 461,725</u>

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

TDD sales tax revenue bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 3,350,127	\$ 191,181	\$ 3,541,308
2020	-	169,975	169,975
2021	-	147,062	147,062
2022	-	121,825	121,825
2023	-	94,556	94,556
2024 - 2026	<u>-</u>	<u>98,887</u>	<u>98,887</u>
	<u>\$ 3,350,127</u>	<u>\$823,486</u>	<u>\$ 4,173,613</u>

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, 2018, the statutory limit for the City was \$27,639,486, providing a debt margin of \$24,338,486. Included in the legal debt margin calculation are outstanding general obligation bonds as of December 31, 2018 of \$3,301,000.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

III. DETAILED NOTES ON ALL FUNDS

C. Long-Term Debt (Continued)

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 \$461,725 payable through 2020. For the current year, principal and interest paid and total incremental property tax revenues were \$58,677 and \$30,439, 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 fund as of December 31, 2018 was \$13,099 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 \$3,199,259. Principal and interest paid for the current year and total TDD #1 sales taxes were \$208,885 and \$5,883, respectively.

During 2006, the City issued \$1,690,000 Transportation Development District Sales Tax Revenue Bonds to finance the TDD #2 project. The TDD #2 Sales Tax Revenues which the City has pledged as security for the bonds are derived from a one percent TDD #2 sales tax imposed by the City within Transportation District #2 and the bonds are payable through 2025. The TDD #2 sales tax became effective on October 1, 2005. In accordance with the debt agreement, upon issuance of the bonds, the City established a bond reserve and a debt service reserve fund. The balance of the bond reserve fund as of December 31, 2018 was \$100 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 \$974,354. Principal and interest paid for the current year and total TDD #2 sales taxes were \$143,388 and \$4,112, 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 \$741,118 as of December 31, 2018 has been recorded as a liability in the TDD #2—Lowe's Fund as the liability has matured.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

III. DETAILED NOTES ON ALL FUNDS

C. Long-Term Debt (Continued)

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 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 2017, 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 \$2,609,009 as of December 31, 2018 has been recorded as a liability in the TDD #1—Price Chopper Fund as the liability has matured.

D. Transfers

Transfers for the year ended December 31, 2018, are as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>
General	TIF 2D City Hall/Walgreens	\$ 283,500
General	Equipment and Building Reserve	302,551
Special Street	Debt Service	475,000
General	Special Infrastructure	275,000
General	Valley State Bank	8,000
Special Highway	Equipment and Building Reserve	<u>57,971</u>
		<u>\$ 1,402,022</u>

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

IV. OTHER INFORMATION

A. Defined Benefit Pension Plan

Description of Pension Plan. 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

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

IV. OTHER INFORMATION (Continued)

A. Defined Benefit Pension Plan (Continued)

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 employees and police and firemen groups.

KPERS issues a stand-alone comprehensive annual financial report, which is available on the KPERS website at www.kpers.org.

Benefits. Benefits are established by statute and may only be changed by the State Legislature. Members (except Police and Firemen) with ten or more years of credited service, may retire as early as age 55 (Police and Firemen may be age 50 with 20 years of credited service), 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. Police and Firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service.

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.

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% 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.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

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.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

IV. OTHER INFORMATION (Continued)

A. Defined Benefit Pension Plan (Continued)

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 1.2% of total payroll for the fiscal year ended June 30, 2018.

The actuarially determined employer contribution rates (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rates are as follows:

	Actuarial <u>Employer Rate</u>	Statutory Employer <u>Capped Rate</u>
Local	9.62%	12.01%
Police and firemen	20.09%	20.09%

Member contribution rates as a percentage of eligible compensation for the KPERS fiscal year June 30, 2018 is 6.00% for Local employees and 7.15% for Police and Firemen.

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, 2018, are based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal year ended June 30, 2018.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2018, the City's proportion for the Local employees group was 0.0456%, which was an increase of .002% from its proportion measured at June 30, 2017. At June 30, 2018, the City's proportion for the Police and Firemen group was 0.161%, which was a .001% increase from its proportion measured at June 30, 2017.

Net Pension Liability. At December 31, 2018 and 2017, the City reported a liability of \$2,189,258 and \$2,137,704, respectively, for its total proportionate share of the net pension liability for the Local and Police and Firemen groups.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

IV. OTHER INFORMATION (Continued)

A. Defined Benefit Pension Plan (Continued)

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018, using the following actuarial assumptions:

<u>Assumption</u>	<u>Rate</u>
Price inflation	2.75%
Wage inflation	3.50%
Salary increases, including wage increases	3.5 to 12.00%, including inflation
Long-term rate of return, net of investment expense, and including price inflation	7.75%

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study conducted for the period of January 1, 2013 through December 31, 2015. The experience study is dated November 18, 2016.

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 and by adding expected inflation.

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, 2018 are summarized in the following table:

<u>Asset</u>	<u>Long-Term Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	47.00%	6.85%
Fixed Income	13.00%	1.25%
Yield driven	8.00%	6.55%
Real Return	11.00%	1.71%
Real estate	11.00%	5.05%
Alternatives	8.00%	9.85%
Short-term investments	<u>2.00%</u>	-0.25%
	<u>100.00%</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.75%. 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 & Firemen, and Judges. Future employer contribution rates were also modeled for Police & 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.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

IV. OTHER INFORMATION (Continued)

A. Defined Benefit Pension Plan (Continued)

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 7.75%, 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 (6.75%) or 1-percentage point higher (8.75%) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Local	\$ 933,033	\$ 636,168	\$ 385,290
Police and firemen	<u>2,213,462</u>	<u>1,553,090</u>	<u>1,000,213</u>
Total	<u>\$ 3,146,495</u>	<u>\$ 2,189,258</u>	<u>\$ 1,385,503</u>

Pension Expense. For the year ended December 31, 2018, the City recognized Local pension expense of \$64,604, and Police and Firemen pension expense of \$174,308, 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, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for Local group from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between actual and expected experience	\$ 97,195	\$ 25,201
Net differences between projected and actual earnings on investments	55,301	-
Changes of assumptions	109,334	7,351
Changes in proportion	<u>76,220</u>	<u>126,597</u>
Total	<u>\$ 338,050</u>	<u>\$ 159,149</u>

\$117,583 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Local</u>	<u>Police and firemen</u>	
	<u>Deferred</u>	<u>Deferred</u>	
Year ended	<u>[Inflows] Outflows</u>	<u>[Inflows] Outflows</u>	
<u>December 31,</u>	<u>Amount</u>	<u>Amount</u>	<u>Total</u>
2019	\$ 34,218	\$ 68,543	\$ 102,761
2020	23,921	47,688	71,609
2021	[5,484]	[5,145]	[10,629]
2022	2,708	8,743	11,451
2023	<u>1,010</u>	<u>2,699</u>	<u>3,709</u>
Total	<u>\$ 56,373</u>	<u>\$ 122,528</u>	<u>\$ 178,901</u>

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

IV. OTHER INFORMATION (Continued)

B. Other Postemployment Healthcare Benefits

Plan Description. The City offers postemployment health and life insurance to retired employees. The benefits are provided through a single employer defined benefit postemployment healthcare plan administered by the City. Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The health insurance benefit provides the same coverage for retirees and their dependents as for active employees and their dependents. The benefit is available for selection at retirement and is extended to retirees and their dependents until the individuals become eligible for Medicare at 65. The City also provides life insurance benefits to retirees. The life insurance benefits continue for lifetime. The plan does not issue a stand-alone financial report.

The City provides health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). Kansas statutes, which may be amended by the state legislature, establish that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125 percent of the premium cost for other similarly situated employees. The City requires participating retirees to contribute approximately 80 percent of the blended premium cost of active employees up to age 65 (including the employer and employee share). Retirees contribute 100 percent of their life insurance premiums. The City appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the General Fund. In , the City did not contribute to the plan.

Employees covered by benefit terms. At December 31, 2018, the following employees were covered by the benefit terms:

Active employees	27
Retirees and covered spouses	<u>1</u>
Total	<u>28</u>

Total OPEB Liability. The total OPEB liability of \$92,782 was measured as of July 1, 2017 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the July 1, 2017, actuarial valuation was determined using the following assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Valuation date	July 1, 2017
Actuarial cost method	Entry age normal as a level percentage of payroll
Inflation	2.50%
Salary increases	3.00%
Discount rate	3.68%
Healthcare cost trend rates	Medical & Pharmacy: 7.50% for 2018, decreasing 0.50% per year to an ultimate rate of 5.00% for 2025 and later years

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

IV. OTHER INFORMATION (Continued)

B. Other Postemployment Healthcare Benefits (Continued)

The discount rate was based on an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2018.

Changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balance 1/1/2018	\$ 99,292
Service cost	8,980
Interest	3,411
Benefit paid	[6,000]
Changes in benefit terms	[15,268]
Changes in assumptions	2,367
Balance 12/31/2018	<u>\$ 92,782</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.68%) or one percentage point higher (4.68%) than the current discount rate:

	1% Decrease (2.68%)	Discount Rate (3.68%)	1% increase (4.68%)
Total OPEB Liability	\$ <u>101,076</u>	\$ <u>92,782</u>	\$ <u>85,303</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (8% decreasing to 3.5%) or one percentage point higher (10% decreasing to 5.5%) than the current healthcare cost trend rate:

	1% Decrease (6.50% decreasing to 4.00%)	Healthcare Cost Trend Rates (7.50% decreasing to 5.00%)	1% increase (8.50% decreasing to 6.00%)
Total OPEB Liability	\$ <u>80,397</u>	\$ <u>92,782</u>	\$ <u>107,472</u>

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

IV. OTHER INFORMATION (Continued)

B. Other Postemployment Healthcare Benefits (Continued)

OPEB Expense. For the year ended December 31, 2018, the City recognized OPEB expense of \$2,680.

Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2018, the City reported deferred outflows related to other postemployment benefits from the following sources:

	Deferred outflows of resources
Changes of assumptions	\$ <u>2,170</u>

Amounts reported as deferred outflows of resources will be recognized in OPEB expense as follows:

Year ended	Deferred [Inflows] Outflows
<u>June 30,</u>	<u>Amount</u>
2019	\$ 197
2020	197
2021	197
2022	197
2023	197
2024+	<u>1,185</u>
Total	<u>\$ 2,170</u>

C. Other Postemployment Healthcare Benefits (KPERS)

Plan Description. The City participates in a multiple-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Benefits. Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60 percent (prior to January 1, 2006, 66 2/3 percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

IV. OTHER INFORMATION (Continued)

C. Other Postemployment Healthcare Benefits (KPERS) (Continued)

If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

Employees Covered by Benefit Terms. At June 30, 2018, the valuation date, the following employees were covered by the benefit terms:

Active employees	16
Disabled members	<u>-</u>
Total	<u>16</u>

Total OPEB Liability. The City's total KPERS OPEB liability of \$18,420 reported as of December 31, 2018, was measured as of June 30, 2018, and was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018, using the following actuarial assumptions:

Valuation date	December 31, 2017
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.50%
Discount rate (based on 20 year municipal bond rate with an average rating of AA/Aa or better, obtained through the Bond Buyer General Obligation 20-Bond Municipal Index)	3.87%

The discount rate was based on the bond buyer general obligation 20-bond municipal index.

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period of July 1, 2014 through June 30, 2016. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2017 KPERS pension valuation.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

IV. OTHER INFORMATION (Continued)

C. Other Postemployment Healthcare Benefits (KPERS) (Continued)

The changes in the total KPERS OPEB liability are as follows:

	Total KPERS OPEB Liability
Balance 1/1/2018	\$ 15,770
Service cost	3,280
Interest	682
Difference between expected and actual experience	[928]
Changes in assumptions	[384]
Balance 12/31/2018	<u>\$ 18,420</u>

Sensitivity of the total KPERS OPEB liability to changes in the discount rate. The following presented the total KPERS OPEB liability of the City, as well as what the City's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% increase (4.87%)
Total OPEB Liability	\$ 19,708	\$ 18,420	\$ 17,138

Sensitivity of the total KPERS OPEB liability to changes in the healthcare cost trend rates. The following presented the total KPERS OPEB liability of the City calculated using the current healthcare cost trend rates as well as what the City's total KPERS OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB 75.

	1% Decrease	Healthcare Cost Trend Rates	1% increase
Total OPEB Liability	\$ 18,420	\$ 18,420	\$ 18,420

OPEB Expense. For the year ended June 30, 2018, the City recognized OPEB expense of \$3,742.

Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2018, the City reported deferred outflows related to other postemployment benefits from the following sources:

	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 832
Changes of assumptions	992
Total	<u>\$ 1,824</u>

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

IV. OTHER INFORMATION (Continued)

C. Other Postemployment Healthcare Benefits (KPERs)(Continued)

\$4,107 reported as deferred outflows of resources related to postemployment benefits resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Year Ended		
<u>June 30,</u>		
2019	\$	[220]
2020		[220]
2021		[220]
2022		[220]
2023		[220]
Thereafter		<u>[724]</u>
Total	\$	<u>[1,824]</u>

D. Leases

The City is a lessor under rental agreements for the rental of land, a tower and building space. Lease revenue of \$91,906 is included in General Fund other revenue. Future minimum rentals under such leases are as follows:

Year Ended		
<u>December 31,</u>		
2019	\$	92,351
2020		94,786
2021		88,131
2022		<u>77,753</u>
	\$	<u>353,021</u>

E. Fund Balance Deficits

The TDD #1—Price Chopper Debt Service Fund had a fund balance deficit of \$2,507,302. This deficit occurred due to the default on principal payments on the 2005B and 2006A Transportation Development District Sales Tax Revenue Bond as discussed in Note III.C. This deficit will be eliminated through the associated sales tax revenue stream from the Transportation Development District.

The TDD #2—Lowe's Debt Service Fund had a fund balance deficit of \$689,301. This deficit occurred due to the notice of acceleration on the 2006B Transportation Development District Sales Tax Revenue Bond as discussed in Note III.C. This deficit will be eliminated through the associated sales tax revenue stream from the Transportation Development District.

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

IV. OTHER INFORMATION (Continued)

F. 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:

	Major Governmental Funds							Other	Total
	General	CID #1 Roeland Park Shopping	Special	Bella Roe/ Walmart TIF	Debt Service	TDD #1 Price Chopper	TDD #2 Lowe's	Governmental	Governmental
	<u>Fund</u>	<u>Center Fund</u>	<u>Street</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
Fund Balances:									
Restricted for:									
Debt service	\$ -	\$ -	\$ -	\$ 766,273	\$ 131,778	\$ -	\$ -	\$ 10,791	\$ 908,842
Special highway	-	-	-	-	-	-	-	227,231	227,231
Capital expansion and improvements	-	2,716,943	451,393	-	-	-	-	1,841,896	5,010,232
Roeland Park Property Owners Association	-	-	-	-	-	-	-	18,416	18,416
	<u>-</u>	<u>2,716,943</u>	<u>451,393</u>	<u>766,273</u>	<u>131,778</u>	<u>-</u>	<u>-</u>	<u>2,098,334</u>	<u>6,164,721</u>
Committed for:									
Capital projects	-	-	-	127,000	-	-	-	-	127,000
Revenue stabilization policy	1,410,000	-	-	-	-	-	-	-	1,410,000
	<u>1,410,000</u>	<u>-</u>	<u>-</u>	<u>127,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,537,000</u>
Assigned for:									
Capital expansion and improvements	-	-	-	-	-	-	-	290,720	290,720
Special law	16,616	-	-	-	-	-	-	-	16,616
	<u>16,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>290,720</u>	<u>307,336</u>
Unassigned:	1,328,610	-	-	-	-	[2,507,302]	[689,301]	-	[1,867,993]
Total Fund Balances	<u>\$ 2,755,226</u>	<u>\$ 2,716,943</u>	<u>\$ 451,393</u>	<u>\$ 893,273</u>	<u>\$ 131,778</u>	<u>\$ [2,507,302]</u>	<u>\$ [689,301]</u>	<u>\$ 2,389,054</u>	<u>\$ 6,141,064</u>

G. Risk Management

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

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

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

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

IV. OTHER INFORMATION (Continued)

H. Commitments

Normal commitments have been made for future expenditures related to the City's capital project programs. The following funds have encumbered \$520,970 to be spent in fiscal year 2019.

	12/31/2018
	Encumbrance
<u>Fund</u>	<u>Balance</u>
Special Street	\$ 344,979
Special Infrastructure	73,121
TID 2D - City Hall/Walgreens/QT	<u>102,870</u>
	<u>\$ 520,970</u>

I. Restatement

The City implemented GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the City's other postemployment benefits and the KPERS other postemployment benefits for the year ended December 31, 2018. In addition, management discovered certain errors in the TIF 2D – City Hall/Walgreens/QT Fund that occurred in the prior year. The effects of these items caused a restatement to net position as follows:

	Governmental <u>Activities</u>
Net position - beginning	\$ 19,470,020
Prior period adjustment	
Net OPEB liability	22,560
Voided check adjustment	<u>27,750</u>
Net position - beginning, restated	<u>\$ 19,520,330</u>

J. New Governmental Accounting Standards Board (GASB) Standards

As of December 31, 2018, 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. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement establishes criteria for identifying fiduciary activities, with the focus of the criteria on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund. The requirements of this statement are effective for periods beginning after December 15, 2018.

GASB Statement No. 87, *Leases*, requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying

CITY OF ROELAND PARK, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31,

IV. OTHER INFORMATION (Continued)

J. New Governmental Accounting Standards Board (GASB) Standards (Continued)

asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for periods beginning after December 15, 2019.

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this statement are effective for periods beginning after June 15, 2018.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, establishes accounting requirements for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this statement are effective for periods beginning after December 15, 2019.

GASB Statement No. 90, *Majority Equity Interests*, improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The requirements of this statement are effective for periods beginning after December 15, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROELAND PARK, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

KPERS PENSION PLAN

Schedule of the City's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years*

	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
City's proportion of the net pension liability	0.093%	0.090%	0.095%	0.089%
City's proportionate share of the net pension liability	\$ 2,189,258	\$2,137,704	\$2,357,010	\$1,810,638
City's covered payroll	\$ 1,601,207	\$ 1,541,676	\$ 1,521,840	\$1,505,484
City's proportionate share of the net pension liability as a percentage of its covered payroll	136.73%	138.66%	154.88%	120.27%
Plan fiduciary net position as a percentage of the total net pension liability	73.18%	71.71%	68.84%	72.97%

* - The amounts presented for each fiscal year were determined as of 12/31. Data became available with the inception of GASB 68 during fiscal year 2015, therefore 10 years of data is unavailable.

CITY OF ROELAND PARK, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

KPERS PENSION PLAN

Schedule of the City's Contributions
Last Ten Fiscal Years*

KPERS Local Group					
Year ended December 31,	Statutorily Required Contribution*	Contributions In Relation to the Statutorily Required Contribution	Contribution Deficiency [Excess]	City's Covered Payroll	Contributions as a Percentage of Covered- Payroll
2018	\$69,526	\$69,526	-	\$828,680	8.39%
2017	68,416	68,416	-	803,624	8.51%
2016	70,790	70,790	-	771,138	9.18%
2015	68,774	68,774	-	725,466	9.48%
2014	63,395	63,395	-	717,139	8.84%
2013	50,942	50,942	-	641,763	7.94%
2012	47,142	47,142	-	640,286	7.36%
2011	41,029	41,029	-	605,021	6.78%
2010	41,020	41,020	-	669,507	6.13%
2009	38,328	38,328	-	691,847	5.54%

KPERS Police and Firemen Group					
Year ended December 31,	Statutorily Required Contribution*	Contributions In Relation to the Statutorily Required Contribution	Contribution Deficiency [Excess]	City's Covered Payroll	Contributions as a Percentage of Covered- Employee Payroll
2018	\$168,323	\$168,323	-	\$837,842	20.09%
2017	158,102	158,102	-	797,583	19.82%
2016	163,189	163,189	-	770,538	21.18%
2015	170,106	170,106	-	796,374	21.36%
2014	157,038	157,038	-	788,345	19.92%
2013	145,687	145,687	-	N/A	N/A
2012	132,040	132,040	-	N/A	N/A
2011	108,581	108,581	-	N/A	N/A
2010	108,293	108,293	-	N/A	N/A
2009	112,692	112,692	-	N/A	N/A

* - The amounts presented for each fiscal year were determined as of 12/31. Data became available with the inception of GASB 68 during fiscal year 2014, therefore 10 years of data is unavailable.

CITY OF ROELAND PARK, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Schedule of the City's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Total OPEB liability	<u>2018</u>
Service cost	\$ 8,980
Interest	3,411
Benefit paid	[6,000]
Changes in assumptions	2,367
Changes in benefit terms	<u>[15,268]</u>
Net change in total OPEB liability	[6,510]
Total OPEB liability - beginning	<u>99,292</u>
Total OPEB liability - ending	<u>\$ 92,782</u>
 Covered payroll	 <u>\$ 1,483,518</u>
 Total OPEB liability as a percentage of covered payroll	 6.25%
 Actuarially determined contribution	 <u>\$ 6,000</u>
 Actual contribution	 <u>\$ 6,000</u>
 Contributions as a percentage of covered payroll	 0.40%

* - Data became available with the inception of GASB 75 during fiscal year 2018, therefore 10 years of data is unavailable.

CITY OF ROELAND PARK, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS - KPERs

Schedule of the City's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Total KPERs OPEB liability	<u>2018</u>
Service cost	\$ 3,280
Interest	682
Difference between expected and actual experience	[928]
Changes in assumptions	<u>[384]</u>
Net change in total OPEB liability	2,650
Total OPEB liability - beginning	<u>15,770</u>
Total OPEB liability - ending	<u>\$ 18,420</u>
Covered payroll	<u>\$ 807,163</u>
Total OPEB liability as a percentage of covered payroll	2.28%
Actuarially determined contribution	<u>\$ 6,301</u>
Actual contribution	<u>\$ 6,301</u>
Contributions as a percentage of covered payroll	0.78%

* - Data became available with the inception of GASB 75 during fiscal year 2018, therefore 10 years of data is unavailable.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

CITY OF ROELAND PARK, KANSAS
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2018

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 Fund: 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 Fund: Established to pay the cost of the acquisition, maintenance, improvements and the use of former Skyline School. A one-eighth cent local sales tax approved by residents is allocated to this fund. This fund is referred to the 27C fund of the City.

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 Infrastructure Fund: 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.

TIF 2D – City Hall/Walgreens/QT Fund: 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, Granada Park improvements, roadway improvements and Stormwater Improvements.

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 and Building Reserve Fund: A fund created to account for the scheduled purchase and replacement of vehicles and equipment as well as reserves from facility improvements.

Old Pool and Boulevard Apartments Fund: Created in order to segregate funds dedicated to the repayment of special obligation tax increment fund (TIF) bonds issued to fund improvements and economic development within the project areas. After the bonds were retired, the funding has been used for economic development projects benefiting the TIF district. **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.

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

CITY OF ROELAND PARK, KANSAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2018

	Special Revenue Funds			
	Roeland Park			
	City Hall			
	Special	Community	Property Owners	Special
	Highway	Center	Association	Infrastructure
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
ASSETS				
Pooled cash	\$ 11,543	\$ 45,307	\$ 18,416	\$ 4,065
Investments	-	480,038	-	512,780
Receivables				
Taxes	-	35,355	-	70,710
Intergovernmental	46,160	13,422	-	321,887
Due from other funds	-	-	-	175,000
Restricted cash	-	-	-	-
Restricted investments	174,552	-	-	-
Total assets	<u>\$ 232,255</u>	<u>\$ 574,122</u>	<u>\$ 18,416</u>	<u>\$ 1,084,442</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	<u>\$ 5,024</u>	<u>\$ 7,153</u>	<u>\$ -</u>	<u>\$ 8,737</u>
Total liabilities	<u>5,024</u>	<u>7,153</u>	<u>-</u>	<u>8,737</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:				
Restricted	227,231	566,969	18,416	1,075,705
Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance [deficit]	<u>227,231</u>	<u>566,969</u>	<u>18,416</u>	<u>1,075,705</u>
Total liabilities, deferred inflows of Resources and fund balances	<u>\$ 232,255</u>	<u>\$ 574,122</u>	<u>\$ 18,416</u>	<u>\$ 1,084,442</u>

See independent auditor's report on the financial statements.

	Capital Project Funds		Debt Service Funds	
TIF 2D City Hall Walgreens/QT Fund	Equipment and Building Reserve Fund	Old Pool and Boulevard Apartments Fund	Valley State Bank Fund	Total
\$ 38,726	\$ 31,707	\$ 9,544	\$ 2,037	\$ 161,345
-	309,476	-	-	1,302,294
246,497	-	280,010	71,022	703,594
-	-	-	-	381,469
-	-	-	-	175,000
-	-	-	29	29
432,849	-	-	-	607,401
<u>\$ 718,072</u>	<u>\$ 341,183</u>	<u>\$ 289,554</u>	<u>\$ 73,088</u>	<u>\$ 3,331,132</u>
<u>\$ 272,353</u>	<u>\$ 50,463</u>	<u>\$ 819</u>	<u>\$ -</u>	<u>\$ 344,549</u>
<u>272,353</u>	<u>50,463</u>	<u>819</u>	<u>-</u>	<u>344,549</u>
<u>246,497</u>	<u>-</u>	<u>280,010</u>	<u>71,022</u>	<u>597,529</u>
<u>246,497</u>	<u>-</u>	<u>280,010</u>	<u>71,022</u>	<u>597,529</u>
199,222	-	8,725	2,066	2,098,334
-	290,720	-	-	290,720
<u>199,222</u>	<u>290,720</u>	<u>8,725</u>	<u>2,066</u>	<u>2,389,054</u>
<u>\$ 718,072</u>	<u>\$ 341,183</u>	<u>\$ 289,554</u>	<u>\$ 73,088</u>	<u>\$ 3,331,132</u>

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	Special Revenue Funds			
	Roeland Park			
	City Hall			
	Special Highway Fund	Community Center Fund	Property Owners Association Fund	Special Infrastructure Fund
REVENUES:				
Taxes	\$ -	\$ 197,530	\$ -	\$ 395,057
Intergovernmental	184,520	-	-	206,719
Investment income	1,990	4,708	-	4,652
Other	-	-	33,847	34,765
Total revenues	<u>186,510</u>	<u>202,238</u>	<u>33,847</u>	<u>641,193</u>
EXPENDITURES:				
Current:				
General government	-	-	31,935	17,697
Public works	87,918	-	-	480,304
Culture and recreation	-	98,093	-	-
Capital outlay	-	-	-	204,028
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>87,918</u>	<u>98,093</u>	<u>31,935</u>	<u>702,029</u>
Excess [deficiency] of revenues over [under] expenditures	<u>98,592</u>	<u>104,145</u>	<u>1,912</u>	<u>[60,836]</u>
Other financing sources [uses]				
Transfers in	-	-	-	275,000
Transfers [out]	<u>[57,971]</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources [uses]	<u>[57,971]</u>	<u>-</u>	<u>-</u>	<u>275,000</u>
Net change in fund balance	<u>40,621</u>	<u>104,145</u>	<u>1,912</u>	<u>214,164</u>
Fund balance - Beginning of year	186,610	462,824	16,504	861,541
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - Beginning of year, restated	<u>186,610</u>	<u>462,824</u>	<u>16,504</u>	<u>861,541</u>
Fund balance - End of year	<u>\$ 227,231</u>	<u>\$ 566,969</u>	<u>\$ 18,416</u>	<u>\$ 1,075,705</u>

See independent auditor's report on the financial statements.

	Capital Project Funds		Debt Service Funds		
TIF 2D City Hall/ Walgreens/QT Fund	Equipment and Building Reserve Fund	Old Pool and Boulevard Apartments Fund	Valley State Bank Fund	Total	
\$ 282,400	\$ -	\$ 251,463	\$ 69,876	\$ 1,196,326	
-	-	-	-	391,239	
7,902	4,407	1,994	93	25,746	
-	22,000	-	-	90,612	
<u>290,302</u>	<u>26,407</u>	<u>253,457</u>	<u>69,969</u>	<u>1,703,923</u>	
-	-	5,963	1,648	57,243	
364,309	-	-	-	932,531	
-	-	-	-	98,093	
-	413,386	504,001	-	1,121,415	
165,000	56,369	-	58,678	280,047	
5,365	1,593	-	30,439	37,397	
<u>534,674</u>	<u>471,348</u>	<u>509,964</u>	<u>90,765</u>	<u>2,526,726</u>	
<u>[244,372]</u>	<u>[444,941]</u>	<u>[256,507]</u>	<u>[20,796]</u>	<u>[822,803]</u>	
283,500	360,522	-	8,000	927,022	
-	-	-	-	[57,971]	
<u>283,500</u>	<u>360,522</u>	<u>-</u>	<u>8,000</u>	<u>869,051</u>	
<u>39,128</u>	<u>[84,419]</u>	<u>[256,507]</u>	<u>[12,796]</u>	<u>46,248</u>	
132,344	375,139	265,232	14,862	2,315,056	
<u>27,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,750</u>	
<u>160,094</u>	<u>375,139</u>	<u>265,232</u>	<u>14,862</u>	<u>2,342,806</u>	
<u>\$ 199,222</u>	<u>\$ 290,720</u>	<u>\$ 8,725</u>	<u>\$ 2,066</u>	<u>\$ 2,389,054</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	Original	Final		
Revenues:				
Intergovernmental	\$ 182,190	\$ 183,310	\$ 184,520	\$ 1,210
Investment income	-	-	1,990	1,990
Total Revenues	<u>182,190</u>	<u>183,310</u>	<u>186,510</u>	<u>3,200</u>
Expenditures:				
Public works	<u>298,480</u>	<u>82,000</u>	<u>87,918</u>	<u>[5,918]</u>
Total Expenditures	<u>298,480</u>	<u>82,000</u>	<u>87,918</u>	<u>[5,918]</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>[116,290]</u>	<u>101,310</u>	<u>98,592</u>	<u>[2,718]</u>
Other Financing Sources [Uses]				
Transfers out	<u>[57,971]</u>	<u>[57,971]</u>	<u>[57,971]</u>	<u>-</u>
Total Other Financing Sources [Uses]	<u>[57,971]</u>	<u>[57,971]</u>	<u>[57,971]</u>	<u>-</u>
Excess [Deficiency] of Revenues and Other Sources Over [Under] Expenditures and Other [Uses]	<u>\$ [174,261]</u>	<u>\$ 43,339</u>	<u>40,621</u>	<u>\$ [2,718]</u>
Fund Balance, January 1			<u>186,610</u>	
Fund Balance, December 31			<u>\$ 227,231</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

COMMUNITY CENTER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET

For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive <u>[Negative]</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 189,037	\$ 205,000	\$ 197,530	\$ [7,470]
Investment income	-	3,000	4,708	1,708
Total Revenues	<u>189,037</u>	<u>208,000</u>	<u>202,238</u>	<u>[5,762]</u>
Expenditures:				
Culture and recreation	<u>570,900</u>	<u>125,454</u>	<u>98,093</u>	<u>27,361</u>
Total Expenditures	<u>570,900</u>	<u>125,454</u>	<u>98,093</u>	<u>27,361</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>\$ [381,863]</u>	<u>\$ 82,546</u>	104,145	<u>\$ 21,599</u>
Fund Balance, January 1			<u>462,824</u>	
Fund Balance, December 31			<u>\$ 566,969</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

ROELAND PARK CITY HALL PROPERTY OWNER'S ASSOCIATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET

For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive <u>[Negative]</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 33,847	\$ 33,847	\$ 33,847	\$ -
Total Revenues	<u>33,847</u>	<u>33,847</u>	<u>33,847</u>	<u>-</u>
Expenditures:				
General government	<u>46,541</u>	<u>31,875</u>	<u>31,935</u>	<u>[60]</u>
Total Expenditures	<u>46,541</u>	<u>31,875</u>	<u>31,935</u>	<u>[60]</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>\$ [12,694]</u>	<u>\$ 1,972</u>	1,912	<u>\$ [60]</u>
Fund Balance, January 1			<u>16,504</u>	
Fund Balance, December 31			<u>\$ 18,416</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

SPECIAL INFRASTRUCTURE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	Original	Final		
Revenues:				
Taxes	\$ 378,114	\$ 410,000	\$ 395,057	\$ [14,943]
Intergovernmental	200,000	206,719	206,719	-
Investment income	-	4,000	4,652	652
Other	<u>28,000</u>	<u>40,000</u>	<u>34,765</u>	<u>[5,235]</u>
Total Revenues	<u>606,114</u>	<u>660,719</u>	<u>641,193</u>	<u>[19,526]</u>
Expenditures:				
General government	-	-	17,697	[17,697]
Public works	575,000	540,300	480,304	59,996
Capital outlay	<u>575,000</u>	<u>548,600</u>	<u>277,149</u>	<u>271,451</u>
Total Expenditures	<u>1,150,000</u>	<u>1,088,900</u>	<u>775,150</u>	<u>313,750</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>[543,886]</u>	<u>[428,181]</u>	<u>[133,957]</u>	<u>294,224</u>
Other Financing Sources [Uses]				
Transfers in	<u>125,000</u>	<u>100,000</u>	<u>275,000</u>	<u>175,000</u>
Total Other Financing Sources [Uses]	<u>125,000</u>	<u>100,000</u>	<u>275,000</u>	<u>175,000</u>
Excess [Deficiency] of Revenues and Other Sources Over [Under] Expenditures and Other [Uses]	<u>\$ [418,886]</u>	<u>\$ [328,181]</u>	<u>141,043</u>	<u>\$ 469,224</u>
Fund Balance, January 1			<u>861,541</u>	
Budgetary Fund Balance, December 31			1,002,584	
Reconciliation to GAAP				
Encumbrances			<u>73,121</u>	
GAAP Fund Balance, December 31			<u>\$ 1,075,705</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

TIF 2D - CITY HALL/WALGREENS/QT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 298,127	\$ 254,630	\$ 282,400	\$ 27,770
Investment income	<u>1,000</u>	<u>5,000</u>	<u>7,902</u>	<u>2,902</u>
Total Revenues	<u>299,127</u>	<u>259,630</u>	<u>290,302</u>	<u>30,672</u>
Expenditures:				
Public works	254,116	454,417	467,179	[12,762]
Debt service:				
Principal	165,000	165,000	165,000	-
Interest and other charges	<u>5,365</u>	<u>5,365</u>	<u>5,365</u>	<u>-</u>
Total Expenditures	<u>424,481</u>	<u>624,782</u>	<u>637,544</u>	<u>[12,762]</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>[125,354]</u>	<u>[365,152]</u>	<u>[347,242]</u>	<u>17,910</u>
Other Financing Sources [Uses]				
Transfers in	<u>124,500</u>	<u>283,500</u>	<u>283,500</u>	<u>-</u>
Total Other Financing Sources [Uses]	<u>124,500</u>	<u>283,500</u>	<u>283,500</u>	<u>-</u>
Excess [Deficiency] of Revenues and Other Sources Over [Under] Expenditures and Other [Uses]	<u>\$ [854]</u>	<u>\$ [81,652]</u>	<u>[63,742]</u>	<u>\$ 17,910</u>
Budgetary Fund Balance, January 1			132,344	
Prior period adjustment			<u>27,750</u>	
Budgetary Fund Balance, January 1, restated			160,094	
Budgetary Fund Balance, December 31			96,352	
Reconciliation to GAAP				
Encumbrances			<u>102,870</u>	
GAAP Fund Balance, December 31			<u>\$ 199,222</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

EQUIPMENT AND BUILDING RESERVE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ -	\$ -	\$ 4,407	\$ 4,407
Other	<u>1,089,951</u>	<u>1,100,000</u>	<u>22,000</u>	<u>[1,078,000]</u>
Total Revenues	<u>1,089,951</u>	<u>1,100,000</u>	<u>26,407</u>	<u>[1,073,593]</u>
Expenditures:				
Capital outlay	1,461,167	1,548,784	413,386	1,135,398
Debt service:				
Principal	56,369	56,369	56,369	-
Interest and other charges	<u>1,593</u>	<u>1,600</u>	<u>1,593</u>	<u>7</u>
Total Expenditures	<u>1,519,129</u>	<u>1,606,753</u>	<u>471,348</u>	<u>1,135,405</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>[429,178]</u>	<u>[506,753]</u>	<u>[444,941]</u>	<u>61,812</u>
Other Financing Sources [Uses]				
Transfers in	<u>183,870</u>	<u>360,522</u>	<u>360,522</u>	<u>-</u>
Total Other Financing Sources [Uses]	<u>183,870</u>	<u>360,522</u>	<u>360,522</u>	<u>-</u>
Excess [Deficiency] of Revenues and Other Sources Over [Under] Expenditures and Other [Uses]	<u>\$ [245,308]</u>	<u>\$ [146,231]</u>	<u>[84,419]</u>	<u>\$ 61,812</u>
Fund Balance, January 1			<u>375,139</u>	
Fund Balance, December 31			<u>\$ 290,720</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

OLD POOL AND BOULEVARD APARTMENTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	<u>Original</u>	<u>Final</u>		<u>[Negative]</u>
Revenues:				
Taxes	\$ 126,659	\$ 251,122	\$ 251,463	\$ 341
Investment income	-	1,500	1,994	494
Total Revenues	<u>126,659</u>	<u>252,622</u>	<u>253,457</u>	<u>835</u>
Expenditures:				
General government	-	-	5,963	[5,963]
Capital outlay	<u>154,863</u>	<u>501,607</u>	<u>504,001</u>	<u>[2,394]</u>
Total Expenditures	<u>154,863</u>	<u>501,607</u>	<u>509,964</u>	<u>[8,357]</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>\$ [28,204]</u>	<u>\$ [248,985]</u>	<u>[256,507]</u>	<u>\$ [7,522]</u>
Fund Balance, January 1			<u>265,232</u>	
Fund Balance, December 31			<u>\$ 8,725</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

VALLEY STATE BANK FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive <u>[Negative]</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 70,761	\$ 69,926	\$ 69,876	\$ [50]
Investment income	-	-	93	93
Total Revenues	<u>70,761</u>	<u>69,926</u>	<u>69,969</u>	<u>43</u>
Expenditures:				
General government	2,500	1,650	1,648	2
Debt service:				
Principal	59,848	83,138	58,678	24,460
Interest and other charges	<u>9,583</u>	<u>-</u>	<u>30,439</u>	<u>[30,439]</u>
Total Expenditures	<u>71,931</u>	<u>84,788</u>	<u>90,765</u>	<u>[5,977]</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>[1,170]</u>	<u>[14,862]</u>	<u>[20,796]</u>	<u>[5,934]</u>
Other Financing Sources [Uses]				
Transfers in	-	-	8,000	8,000
Total Other Financing Sources [Uses]	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>8,000</u>
Excess [Deficiency] of Revenues and Other Sources Over [Under] Expenditures and Other [Uses]	<u>\$ [1,170]</u>	<u>\$ [14,862]</u>	<u>[12,796]</u>	<u>\$ 2,066</u>
Fund Balance, January 1			<u>14,862</u>	
Fund Balance, December 31			<u>\$ 2,066</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

BELLA ROE/WALMART TIF FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 412,205	\$ 952,696	\$ 918,420	\$ [34,276]
Investment income	17,500	17,500	9,679	[7,821]
Other	<u>600,353</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>1,030,058</u>	<u>970,196</u>	<u>928,099</u>	<u>[42,097]</u>
Expenditures:				
General government	902,334	6,340	2,887	3,453
Debt service:				
Principal	914,162	914,162	914,162	-
Interest and other charges	<u>27,859</u>	<u>24,972</u>	<u>24,972</u>	<u>-</u>
Total Expenditures	<u>1,844,355</u>	<u>945,474</u>	<u>942,021</u>	<u>3,453</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>\$ [814,297]</u>	<u>\$ 24,722</u>	[13,922]	<u>\$ [38,644]</u>
Fund Balance, January 1			<u>907,195</u>	
Fund Balance, December 31			<u>\$ 893,273</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	Original	Final		
Revenues:				
Taxes	\$ 263,640	\$ 222,679	\$ 224,526	\$ 1,847
Special assessments	261,109	261,045	262,558	1,513
Investment income	4,465	4,465	8,464	3,999
Total Revenues	<u>529,214</u>	<u>488,189</u>	<u>495,548</u>	<u>7,359</u>
Expenditures:				
General government	50,652	3,053	3,100	[47]
Debt service:				
Principal	1,000,000	1,000,000	1,000,000	-
Interest	104,016	104,016	104,016	-
Total Expenditures	<u>1,154,668</u>	<u>1,107,069</u>	<u>1,107,116</u>	<u>[47]</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>[625,454]</u>	<u>[618,880]</u>	<u>[611,568]</u>	<u>7,312</u>
Other Financing Sources [Uses]				
Transfers in	<u>354,000</u>	<u>475,000</u>	<u>475,000</u>	<u>-</u>
Total Other Financing Sources [Uses]	<u>354,000</u>	<u>475,000</u>	<u>475,000</u>	<u>-</u>
Excess [Deficiency] of Revenues and Other Sources Over [Under] Expenditures and Other [Uses]	<u>\$ [271,454]</u>	<u>\$ [143,880]</u>	<u>[136,568]</u>	<u>\$ 7,312</u>
Fund Balance, January 1			<u>268,346</u>	
Fund Balance, December 31			<u>\$ 131,778</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

TDD #1 - PRICE CHOPPER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive [Negative]
	Original	Final		
Revenues:				
Taxes	\$ 275,400	\$ 267,101	\$ 261,987	\$ [5,114]
Investment income	-	253	918	665
Total Revenues	<u>275,400</u>	<u>267,354</u>	<u>262,905</u>	<u>[4,449]</u>
Expenditures:				
General government	6,500	6,500	5,240	1,260
Debt service:				
Interest and other charges	<u>268,900</u>	<u>225,000</u>	<u>8,118</u>	<u>216,882</u>
Total Expenditures	<u>275,400</u>	<u>231,500</u>	<u>13,358</u>	<u>218,142</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>\$ -</u>	<u>\$ 35,854</u>	249,547	<u>\$ 213,693</u>
Fund Balance, January 1			<u>[2,756,849]</u>	
Fund Balance, December 31			<u>\$ [2,507,302]</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS

TDD #2 - LOWE'S FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive <u>[Negative]</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 138,720	\$ 141,839	\$ 126,841	\$ [14,998]
Investment income	-	102	407	305
Total Revenues	<u>138,720</u>	<u>141,941</u>	<u>127,248</u>	<u>[14,693]</u>
Expenditures:				
General government	5,000	5,000	2,685	2,315
Debt service:				
Interest and other charges	<u>133,720</u>	<u>138,720</u>	<u>4,112</u>	<u>134,608</u>
Total Expenditures	<u>138,720</u>	<u>143,720</u>	<u>6,797</u>	<u>136,923</u>
Excess [Deficiency] of Revenues Over [Under] Expenditures	<u>\$ -</u>	<u>\$ [1,779]</u>	120,451	<u>\$ 122,230</u>
Fund Balance, January 1			<u>[809,752]</u>	
Fund Balance, December 31			<u>\$ [689,301]</u>	

See independent auditor's report on the financial statements.

CITY OF ROELAND PARK, KANSAS
SCHEDULE OF CAPITAL ASSETS BY SOURCE
December 31, 2018
(With Comparative Totals as of December 31, 2017)

	2017	2018
Capital Assets:		
Land	\$ 2,216,272	\$ 2,216,272
Artwork	12,620	12,620
Buildings	4,470,373	4,572,919
Improvement other than building and infrastructure	27,872,131	28,850,241
Machinery and equipment	1,997,867	2,145,981
Construction-in-progress	85,824	1,632,951
	<u>\$ 36,655,087</u>	<u>\$ 39,430,984</u>
Investment in capital assets from:		
General Fund revenues	\$ 6,691,514	\$ 6,640,756
Special revenue funds revenues	4,754,730	6,766,893
Debt Service Fund revenues	11,632,946	11,632,946
Capital projects funds revenues	13,575,897	14,390,389
	<u>\$ 36,655,087</u>	<u>\$ 39,430,984</u>

CITY OF ROELAND PARK, KANSAS

SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY
December 31, 2018

Function and Activity	Land	Artwork	Building	Improvements Other Than Buildings and Infrastructure	Machinery and Equipment	Construction in-progress	Total
Public works	\$ 323,801	\$ -	\$ 202,203	\$ 25,931,785	\$ 1,176,906	\$ 1,628,140	\$ 29,262,835
Public safety	-	-	-	12,605	497,639	-	510,244
Culture and recreation	82,030	12,621	2,962,546	1,224,742	177,268	4,811	4,464,018
General government	<u>1,810,439</u>	<u>-</u>	<u>1,408,170</u>	<u>1,681,110</u>	<u>294,168</u>	<u>-</u>	<u>5,193,887</u>
Total Capital Assets	<u>\$ 2,216,270</u>	<u>\$ 12,621</u>	<u>\$ 4,572,919</u>	<u>\$ 28,850,242</u>	<u>\$ 2,145,981</u>	<u>\$ 1,632,951</u>	<u>\$ 39,430,984</u>

CITY OF ROELAND PARK, KANSAS

SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY
December 31, 2018

Function and Activity	Capital Assets December 31, 2017	Additions	Deductions	Capital Assets December 31, 2018
General government	\$ 5,201,887	\$ -	\$ [8,000]	\$ 5,193,887
Public safety	497,001	13,243	-	510,244
Culture and recreation	4,312,917	151,101	-	4,464,018
Public works	<u>26,643,282</u>	<u>2,684,453</u>	<u>[64,900]</u>	<u>29,262,835</u>
Total capital assets	<u>\$ 36,655,087</u>	<u>\$ 2,848,797</u>	<u>\$ [72,900]</u>	<u>\$ 39,430,984</u>

City of Roeland Park

Supplemental Statistical Section (Unaudited) Contents

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

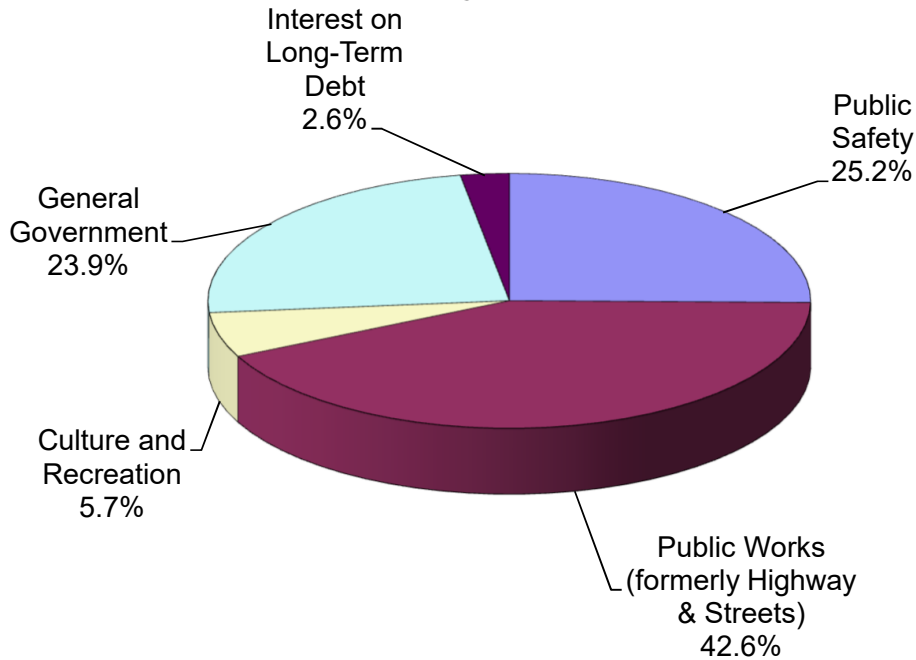
Contents	Table	Page
Government-Wide Expenses by Function	1	76
Government-Wide Revenues	2	77
General Governmental Expenditures by Function	3	78
General Governmental Revenues by Function	4	79
Tax Revenues by Source	5	80
Property Tax Levies and Collections	6	81
Property Tax Rates - Direct and Overlapping Governments	7	82
Special Assessment Billings and Collections	8	83
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded	9	84

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year.

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

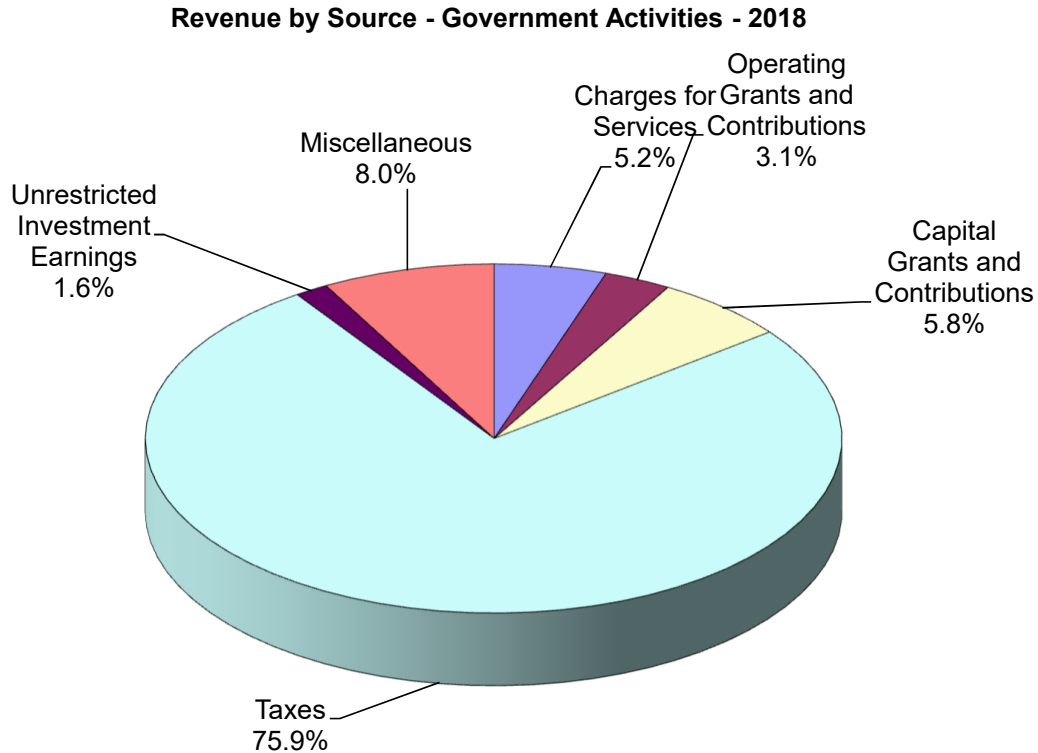
Fiscal Year Ended December 31	Public Safety	Public Works (formerly Highway & Streets)	Culture and Recreation	General Government	Interest on Long-Term Debt	Total
2009	\$ 1,659,009	\$ 1,977,515	\$ 143,537	\$ 1,984,797	\$ 1,141,986	\$ 6,906,844
2010	\$ 1,613,703	\$ 1,918,971	\$ 148,485	\$ 2,635,337	\$ 1,013,861	\$ 7,330,357
2011	\$ 1,599,006	\$ 2,052,826	\$ 136,601	\$ 2,015,395	\$ 935,023	\$ 6,738,851
2012	\$ 1,628,167	\$ 1,950,919	\$ 184,096	\$ 2,015,841	\$ 924,701	\$ 6,703,724
2013	\$ 1,583,758	\$ 2,095,342	\$ 196,798	\$ 2,080,869	\$ 833,048	\$ 6,789,815
2014	\$ 1,522,496	\$ 2,558,464	\$ 191,761	\$ 2,106,504	\$ 667,568	\$ 7,046,793
2015	\$ 1,705,422	\$ 2,595,853	\$ 394,139	\$ 2,127,914	\$ 605,361	\$ 7,428,689
2016	\$ 1,610,627	\$ 2,734,430	\$ 229,828	\$ 2,036,192	\$ 487,305	\$ 7,098,382
2017	\$ 1,548,820	\$ 2,821,753	\$ 380,923	\$ 1,879,577	\$ 288,560	\$ 6,919,633
2018	\$ 1,651,640	\$ 2,789,456	\$ 372,727	\$ 1,564,732	\$ 170,958	\$ 6,549,513

**Expenses and Charges for Services -
Government-Type Activities 2018**



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

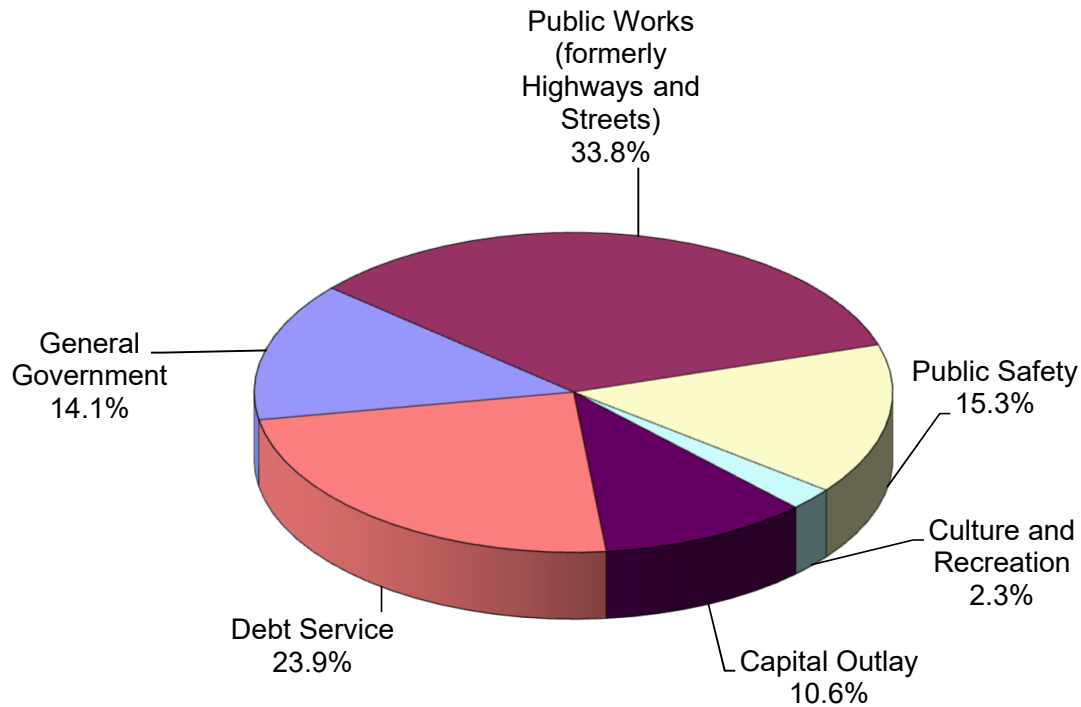
Fiscal Year Ended December 31	Program Revenues			General Revenues				
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Unrestricted Investment Earnings	Unrestricted Grants and Contributions	Miscellaneous	Total
2009	\$ 579,850	\$ 355,046	\$ 2,766,672	\$ 5,506,024	\$ 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
2016	\$ 723,247	\$ 418,651	\$ 196,213	\$ 7,226,894	\$ 26,774	\$ -	\$ 689,633	\$ 9,281,412
2017	\$ 730,018	\$ 182,688	\$ -	\$ 8,285,598	\$ 54,480	\$ -	\$ 597,101	\$ 9,849,885
2018	\$ 560,380	\$ 335,918	\$ 671,172	\$ 8,168,740	\$ 167,426	\$ -	\$ 862,817	\$ 10,766,453



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

Year Ended December 31	General Government	Public Works (formerly Highways and Streets)	Public Safety	Culture and Recreation	Capital Outlay	Debt Service	Total
2009	\$ 2,559,685	\$ 1,124,513	\$ 1,202,635	\$ 59,549	\$ 6,718,722	\$ 2,217,917	\$ 13,883,021
2010	\$ 2,591,868	\$ 1,076,574	\$ 1,177,174	\$ 64,497	\$ 3,806,144	\$ 2,800,156	\$ 11,516,413
2011	\$ 2,585,601	\$ 559,475	\$ 1,114,836	\$ 146,941	\$ 530,099	\$ 2,260,661	\$ 7,197,613
2012	\$ 4,050,917	\$ 522,275	\$ 1,165,306	\$ 90,675	\$ 1,175,008	\$ 2,522,448	\$ 9,526,629
2013	\$ 2,452,037	\$ 508,702	\$ 1,141,180	\$ 103,377	\$ 180,120	\$ 3,636,664	\$ 8,022,080
2014	\$ 2,475,504	\$ 719,451	\$ 1,054,081	\$ 98,340	\$ 1,012,312	\$ 2,381,167	\$ 7,740,855
2015	\$ 2,523,770	\$ 902,507	\$ 1,066,170	\$ 285,523	\$ 456,450	\$ 3,242,227	\$ 8,476,647
2016	\$ 2,463,299	\$ 956,315	\$ 1,148,187	\$ 113,891	\$ 1,752,369	\$ 2,409,303	\$ 8,843,364
2017	\$ 1,770,549	\$ 1,240,137	\$ 1,488,064	\$ 256,000	\$ 834,960	\$ 5,691,785	\$ 11,281,495
2018	\$ 1,491,256	\$ 3,591,814	\$ 1,619,166	\$ 242,619	\$ 1,121,415	\$ 2,527,264	\$ 10,593,534

**General Governmental Expenditures
by Function for 2018**



(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)

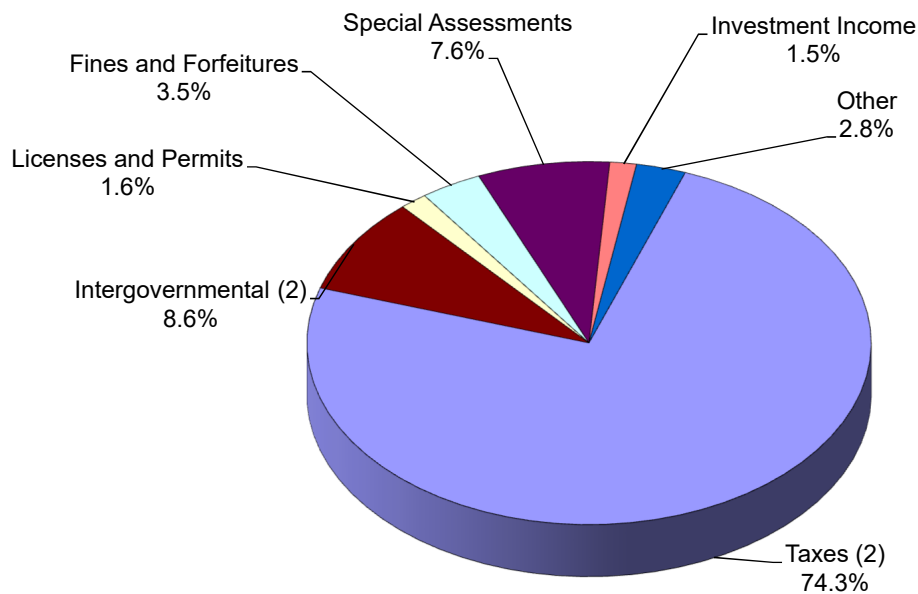
Fiscal Year December 31	Taxes (2)	Intergovernmental (2)	Licenses and Permits	Fines and Forfeitures	Special Assessments	Investment Income	Other	Total
2009	\$ 4,176,141	\$ 4,420,264	\$ 131,477	\$ 338,502	\$ 76,330	\$ 49,796	\$ 519,727	\$ 9,712,237
2010	\$ 4,574,437	\$ 2,990,032	\$ 135,627	\$ 335,526	\$ 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
2016	\$ 6,322,799	\$ 1,517,308	\$ 155,400	\$ 359,655	\$ 271,144	\$ 26,774	\$ 822,006	\$ 9,475,086
2017	\$ 8,073,959	\$ 393,102	\$ 183,042	\$ 311,722	\$ 259,878	\$ 54,480	\$ 772,376	\$ 10,048,559
2018	\$ 8,168,740	\$ 944,978	\$ 173,753	\$ 386,627	\$ 832,503	\$ 167,429	\$ 313,090	\$ 10,987,120

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

(2) In 2017 County shared sales taxes were reclassified from Intergovernmental to Taxes which accounts for the discrepancy in 2017 for taxes and intergovernmental revenues. In addition, the collection of the city share of the county court sales tax began in 2017.

(3) In 2018, special assessments for the City's solid waste services were reclassified from other revenues to special assessments revenues.

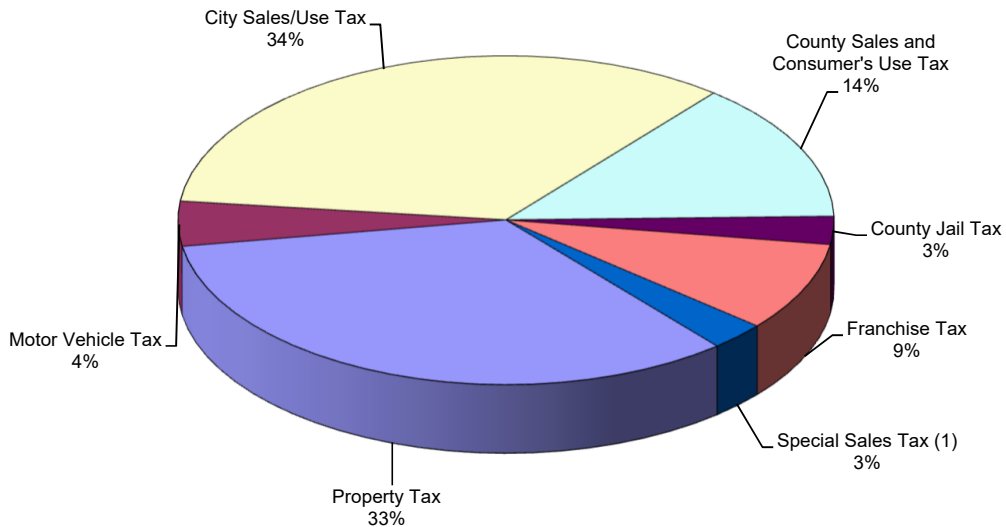
**General Governmental Revenues
by Source for 2018**



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

Fiscal Year December 31	Property Tax	Motor Vehicle Tax	City Sales/Use Tax	County Sales and Consumer's Use Tax	County Jail Tax	Franchise Tax	Special Sales Tax (1)	Total
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	\$ 1,894,499	\$ 620,713	\$ 155,177	\$ 517,297	\$ 155,177	\$ 5,248,831
2015	\$ 1,739,764	\$ 191,699	\$ 1,853,170	\$ 650,665	\$ 154,965	\$ 485,823	\$ 155,004	\$ 5,231,090
2016	\$ 1,804,072	\$ 200,075	\$ 1,941,359	\$ 625,545	\$ 156,388	\$ 486,927	\$ 156,388	\$ 5,403,723
2017	\$ 1,927,691	\$ 211,638	\$ 2,024,849	\$ 757,960	\$ 159,208	\$ 484,307	\$ 159,208	\$ 5,724,861
2018	\$ 1,942,718	\$ 255,182	\$ 1,975,292	\$ 794,542	\$ 159,353	\$ 506,264	\$ 159,353	\$ 5,792,704

**Tax Revenues
By Source for 2018**



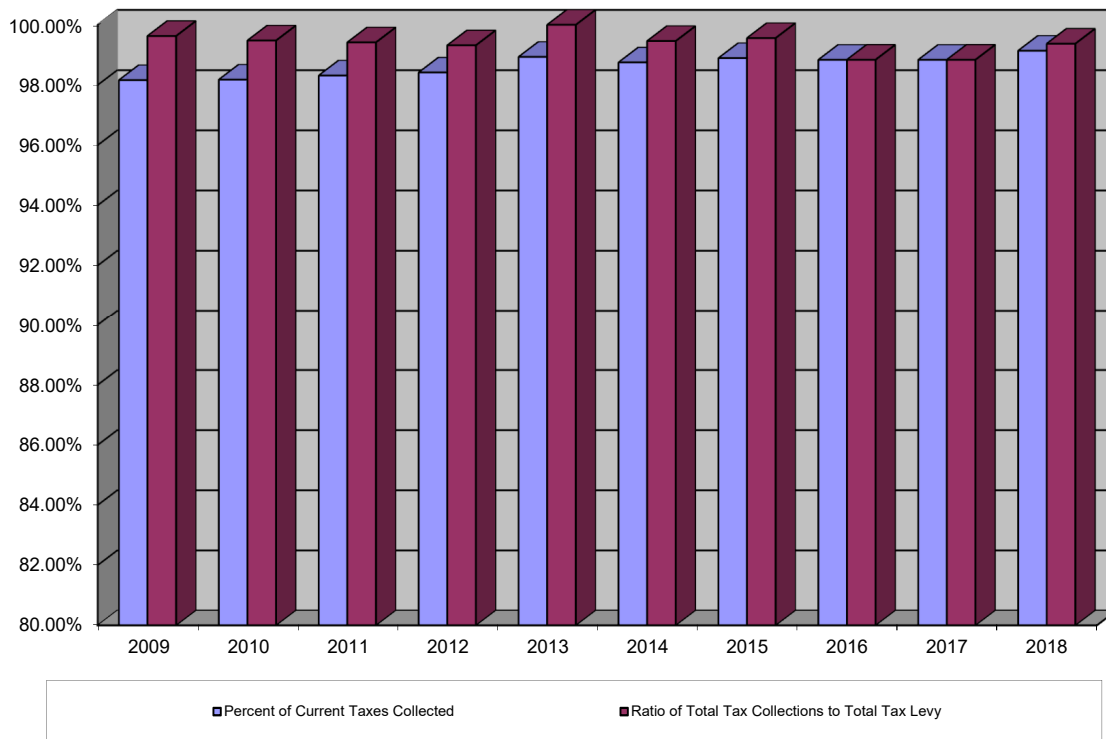
(1) 2004-2008 School Sales Tax, in 2009 changed to Safety Sales Tax

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
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%
2015	\$ 1,750,085	\$ 1,730,710	98.89%	\$ 11,688	\$ 1,742,397	99.56%	\$ 19,375	1.11%
2016	\$ 1,825,301	\$ 1,804,072	98.84%	\$ 31,070	\$ 1,835,142	98.84%	\$ 21,229	1.16%
2017	\$ 1,929,582	\$ 1,907,143	98.84%	\$ 6,300	\$ 1,913,443	98.84%	\$ 16,139	0.84%
2018	\$ 1,946,082	\$ 1,929,327	99.14%	\$ 4,572	\$ 1,933,899	99.37%	\$ 12,184	0.63%

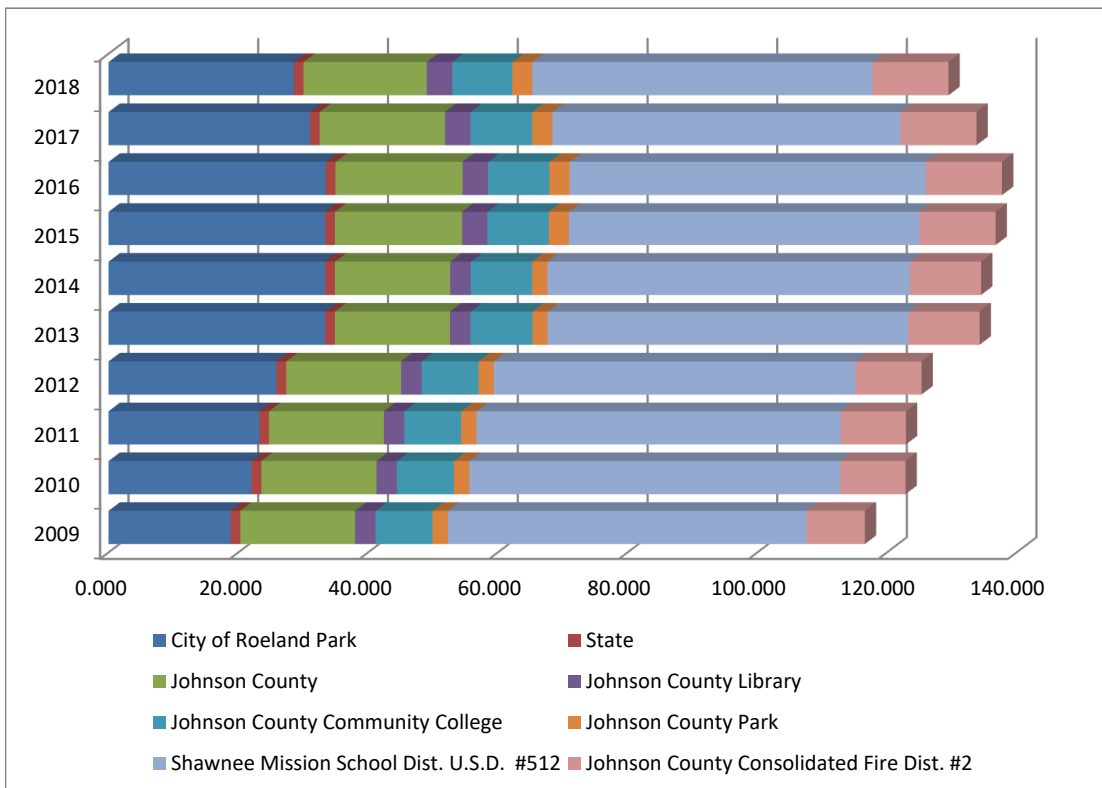
Tax Levies and Tax Collections



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
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
2016	33.463	1.500	19.590	3.915	9.473	3.102	54.940	11.769	137.752
2017	31.023	1.500	19.318	3.921	9.503	3.122	53.663	11.760	133.810
2018	28.531	1.500	19.024	3.901	9.266	3.088	52.427	11.750	129.487

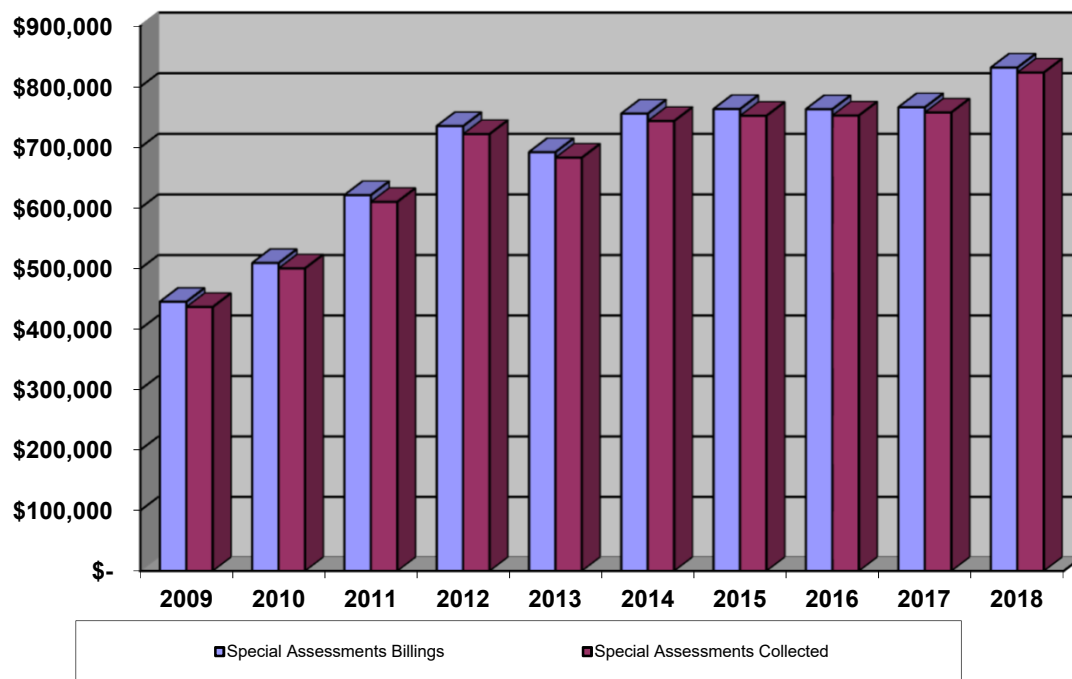


*SOURCE: Johnson County 2018 Annual Abstract of Taxes (RTA)

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
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
2015	\$ 763,400	\$ 752,207
2016	\$ 763,180	\$ 752,743
2017	\$ 766,320	\$ 757,819
2018	\$ 831,799	\$ 823,620

Special Assessment Billings and Collections

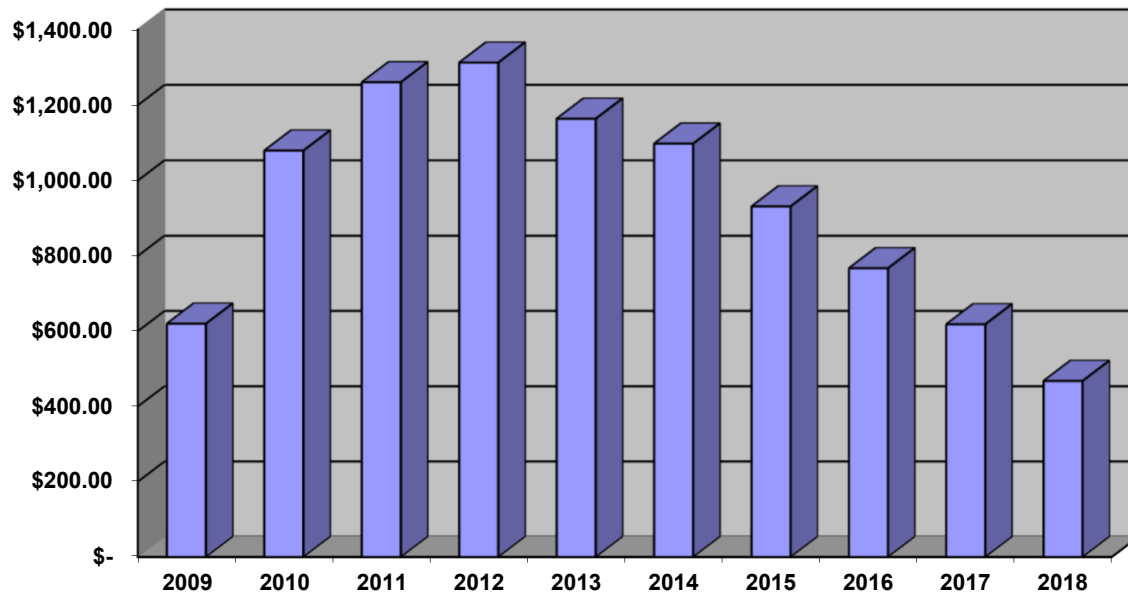


NOTE: Levy is for the tax year prior to the year of collection; e.g., 2009 is tax year 2008

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
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
2015	6840	\$ 63,329,216	\$ 6,793,000	\$ 421,228	\$ 6,371,772	10.1%	\$ 931.55
2016	6827	\$ 70,318,083	\$ 5,603,000	\$ 363,620	\$ 5,239,380	7.5%	\$ 767.45
2017	6786	\$ 75,040,020	\$ 4,466,000	\$ 268,346	\$ 4,197,654	5.6%	\$ 618.58
2018	6772	\$ 83,607,289	\$ 3,301,000	\$ 131,778	\$ 3,169,222	3.8%	\$ 467.99

Net Bonded Debt Per Capita



(1) Certified Populations to the Kansas Secretary of State by Division of the Budget on July 1, 2018
<https://budget.kansas.gov/population/>

City of Roeland Park

Statistical Section

Contents

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

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	86 - 93
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, sales tax.	94 - 96
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	97 - 103
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	104 - 105
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	106 - 111

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year.

City of Roeland Park

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

	Fiscal Year		
	2009	2010	2011
Governmental activities:			
Net investment in capital assets	\$ 12,336,193	\$ 13,455,476	\$ 13,442,965
Restricted	3,115,716	2,987,693	1,846,236
Unrestricted (deficit)	(9,840,614)	(7,983,630)	(4,445,145)
Total governmental			
activities net position	<u>\$ 5,611,295</u>	<u>\$ 8,459,539</u>	<u>\$ 10,844,056</u>
Primary government:			
Net investment in capital assets	\$ 12,336,193	\$ 13,455,476	\$ 13,442,965
Restricted	3,115,716	2,987,693	1,846,236
Unrestricted (deficit)	(9,840,614)	(7,983,630)	(4,445,145)
Total primary			
government net position	<u>\$ 5,611,295</u>	<u>\$ 8,459,539</u>	<u>\$ 10,844,056</u>

Fiscal Year						
2012	2013	2014	2015	2016	2017	2018
\$ 14,387,590	\$ 14,000,008	\$ 13,809,231	\$ 13,804,501	\$ 15,092,903	\$ 15,467,474	\$ 18,473,571
1,262,832	2,083,763	2,924,033	2,570,695	3,846,469	5,298,710	6,164,721
(3,748,931)	(3,040,705)	(2,106,264)	(2,018,458)	(2,399,604)	(1,296,164)	(901,022)
<u>\$ 11,901,491</u>	<u>\$ 13,043,066</u>	<u>\$ 14,627,000</u>	<u>\$ 14,356,738</u>	<u>\$ 16,539,768</u>	<u>\$ 19,470,020</u>	<u>\$ 23,737,270</u>
\$ 14,387,590	\$ 14,000,008	\$ 13,809,231	\$ 13,804,501	\$ 15,092,903	\$ 15,467,474	\$ 18,473,571
1,262,832	2,083,763	2,924,033	2,570,695	3,846,469	5,298,710	6,164,721
(3,748,931)	(3,043,705)	(2,106,264)	(2,018,458)	(2,399,604)	(1,296,164)	(901,022)
<u>\$ 11,901,491</u>	<u>\$ 13,040,066</u>	<u>\$ 14,627,000</u>	<u>\$ 14,356,738</u>	<u>\$ 16,539,768</u>	<u>\$ 19,470,020</u>	<u>\$ 23,737,270</u>

City of Roeland Park

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

	Fiscal Year		
	2009	2010	2011
Expenses:			
Governmental activities:			
General government	\$ 1,984,797	\$ 2,635,337	\$ 2,015,395
Public works (formerly highway & streets)	1,977,515	1,918,971	2,052,826
Public safety	1,659,009	1,613,703	1,599,006
Culture and recreation	143,537	148,485	136,601
Interest on long-term debt	1,141,986	1,013,861	935,023
Total governmental activities expenses	6,906,844	7,330,357	6,738,851
Total primary government expenses	6,906,844	7,330,357	6,738,851
Program revenue:			
Governmental activities:			
Charges for services:			
General government	259,639	280,817	328,111
Public works (formerly highway & streets)	-	245,419	149,120
Public safety	320,211	1,423,411	1,606,500
Culture and recreation	-	-	-
Operating grants and contributions:			
General government	-	-	-
Public works (formerly highway and streets)	353,813	385,566	273,711
Public safety	1,233	13,840	-
Culture and recreation	-	-	-
Capital grants and contributions, public works	2,766,672	1,955,710	524,531
Total governmental activities program revenue	3,701,568	4,304,763	2,881,973
Total primary government program revenues	3,701,568	4,304,763	2,881,973
Net (expense) revenue:			
Governmental activities	(3,205,276)	(3,025,594)	(3,856,878)
Total primary government net expense	(3,205,276)	(3,025,594)	(3,856,878)
General revenues and other changes in net position:			
Governmental activities:			
Taxes:			
Property taxes	1,115,109	1,079,867	1,240,389
Sales and use taxes	3,780,438	3,566,909	3,628,968
County jail taxes	124,833	117,736	139,554
Franchise taxes	485,644	505,688	504,815
Investment earnings	49,796	62,401	71,599
Miscellaneous	420,611	541,237	656,070
Gain on disposal of capital Assets	-	-	-
Total governmental activities	5,976,431	5,873,838	6,241,395
Total primary government	5,976,431	5,873,838	6,241,395
Changes in net position:			
Governmental activities	2,771,155	2,848,244	2,384,517
Total primary government	\$ 2,771,155	\$ 2,848,244	\$ 2,384,517

Note: TIF revenue is recognized in the property tax category instead of sales and use taxes beginning in 2014.

Fiscal Year						
2012	2013	2014	2015	2016	2017	2018
\$ 2,015,841	\$ 2,080,869	\$ 2,106,504	\$ 2,127,914	\$ 2,036,192	\$ 1,879,577	\$ 1,564,732
1,950,919	2,095,342	2,558,464	2,595,853	2,734,430	2,821,753	2,789,456
1,628,167	1,583,758	1,522,496	1,705,422	1,610,627	1,548,820	1,651,640
184,096	196,798	191,761	394,139	229,828	380,923	372,727
924,701	833,048	667,568	605,361	487,305	288,560	170,958
6,703,724	6,789,815	7,046,793	7,428,689	7,098,382	6,919,633	6,549,513
6,703,724	6,789,815	7,046,793	7,428,689	7,098,382	6,919,633	6,549,513
138,559	313,360	323,727	332,978	332,914	368,610	173,753
-	-	-	-	-	-	-
273,716	348,958	358,273	406,481	390,333	361,408	386,627
-	-	-	-	-	-	-
163,000	440	6,325	12,066	-	-	149,782
372,553	344,749	363,117	404,515	417,031	181,464	184,520
-	-	-	-	1,620	1,224	1,616
-	-	-	-	-	-	-
312,757	-	-	-	196,213	-	671,172
1,260,585	1,007,507	1,051,442	1,156,040	1,338,111	912,706	1,567,470
1,260,585	1,007,507	1,051,442	1,156,040	1,338,111	912,706	1,567,470
(5,443,139)	(5,782,308)	(5,995,351)	(6,272,649)	(5,760,271)	(6,006,927)	(4,982,043)
(5,443,139)	(5,782,308)	(5,995,351)	(6,272,649)	(5,760,271)	(6,006,927)	(4,982,043)
1,268,477	1,385,532	2,733,711	2,799,501	2,997,446	3,841,051	3,720,059
3,729,866	4,351,538	3,558,501	3,476,151	3,585,138	3,801,032	3,781,247
142,136	149,409	155,176	154,964	156,387	159,208	159,353
488,483	493,139	517,297	485,823	487,923	484,307	508,081
21,642	17,921	17,898	17,713	26,774	54,480	167,426
581,845	526,344	596,702	614,849	689,633	597,101	862,817
683,143	-	-	-	-	-	-
6,915,592	6,923,883	7,579,285	7,549,001	7,943,301	8,937,179	9,198,983
6,915,592	6,923,883	7,579,285	7,549,001	7,943,301	8,937,179	9,198,983
1,472,453	1,141,575	1,583,934	1,276,352	2,183,030	2,930,252	4,216,940
\$ 1,472,453	\$ 1,141,575	\$ 1,583,934	\$ 1,276,352	\$ 2,183,030	\$ 2,930,252	\$ 4,216,940

City of Roeland Park

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

	Fiscal Year		
	2009	2010	2011
General Fund:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	-	-	157,500
Committed	-	-	-
Assigned	-	-	21,522
Unassigned	-	-	404,462
Reserved	258,410	179,022	-
Unreserved	320,523	230,883	-
Total General Fund	\$ 578,933	\$ 409,905	\$ 583,484
All Other Governmental Funds:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	-	-	3,236,959
Committed	-	-	127,000
Assigned	-	-	-
Unassigned	-	-	(50,271)
Reserved	7,342,112	2,827,013	-
Unreserved, reported in:			
Special revenue funds	1,116,629	1,089,663	-
Debt service funds	116,511	55,848	-
Capital projects funds	(9,316,611)	(3,427,335)	-
Total all other government funds	\$ (3,182,885)	\$ 545,189	\$ 3,313,688

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

Fiscal Year						
2012	2013	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
166,027	157,500	157,500	157,500	157,500	157,500	-
-	-	-	-	-	1,410,000	1,410,000
367	367	10,267	8,213	7,913	8,913	16,616
1,253,199	1,314,949	1,922,771	2,287,719	2,696,653	1,207,063	1,328,610
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 1,419,593	\$ 1,472,816	\$ 2,090,538	\$ 2,453,432	\$ 2,862,066	\$ 2,783,476	\$ 2,755,226
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,764,735	3,624,015	4,516,758	4,460,596	4,702,336	6,000,714	6,164,721
127,000	127,000	127,000	127,000	127,000	127,000	127,000
91,013	267,923	364,228	372,371	310,307	375,139	290,720
(413,253)	(1,318,767)	(1,199,650)	(1,092,457)	(1,049,045)	(3,566,601)	(3,196,603)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 2,569,495	\$ 2,700,171	\$ 3,808,336	\$ 3,867,510	\$ 4,090,598	\$ 2,936,252	\$ 3,385,838

City of Roeland Park

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

	Fiscal Year		
	2009	2010	2011
Revenues:			
Taxes	\$ 4,781,852	\$ 4,574,437	\$ 4,685,496
Special Assessments *	76,330	322,381	295,374
Intergovernmental	3,814,553	2,990,032	1,647,894
Licenses and Permits	131,477	135,627	125,226
Fines and Forfeitures	338,502	335,526	285,711
Interest	49,796	62,401	71,599
Other	519,727	601,786	739,799
Total revenues	9,712,237	9,022,190	7,851,099
Expenditures:			
General government	2,559,685	2,591,868	2,585,601
Public works (formerly highways and streets)	1,124,513	1,076,574	559,475
Public Safety	1,202,635	1,177,174	1,114,836
Culture and recreation	59,549	64,497	146,941
Capital Outlay	6,718,722	3,806,144	530,099
Debt Service:			
Principal retirement	1,068,359	1,756,419	1,289,914
Interest and fiscal Charges	1,149,558	1,007,374	921,373
Issuance costs	-	36,363	49,374
Total expenditures	13,883,021	11,516,413	7,197,613
Excess of revenues (under) expenditures	(4,170,784)	(2,494,223)	653,486
Other financing sources (uses):			
Capital Lease Obligations	-	-	-
Issuance of certificates of participation	-	-	-
Issuance of long-term Debt	44,310	3,583,243	2,257,788
Issuance of Long-term Refunding Debt	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers in	818,625	683,721	335,249
Transfers out	(818,625)	(683,721)	(335,249)
Proceeds from sale of assets	-	28,500	18,916
Issuance of bonds	-	-	-
Premium on bonds	-	-	11,888
Discount on bonds	-	-	-
Total other financing sources (uses)	44,310	3,611,743	2,288,592
Net changes in fund balance	\$ (4,126,474)	\$ 1,117,520	\$ 2,942,078
Debt service as a percentage of noncapital expenditures	31%	36%	34%

Fiscal Year						
2012	2013	2014	2015	2016	2017	2018
\$ 4,799,321	\$ 5,517,739	\$ 6,065,253	\$ 6,018,615	\$ 6,322,799	\$ 8,073,959	\$ 8,168,740
303,366	274,790	259,808	262,094	271,144	259,878	832,503
1,556,514	1,296,628	1,268,876	1,314,405	1,517,308	393,102	944,978
136,320	155,456	171,320	171,629	155,400	183,042	173,753
221,046	281,099	284,977	400,993	359,655	311,722	386,627
21,642	17,921	17,898	17,713	26,774	54,480	167,429
714,493	662,346	748,610	713,266	822,006	772,376	313,090
7,752,702	8,205,979	8,816,742	8,898,715	9,475,086	10,048,559	10,987,120
4,050,917	2,452,037	2,475,504	2,523,770	2,463,299	1,770,549	1,491,256
522,275	508,702	719,451	902,507	956,315	1,240,137	3,591,814
1,165,306	1,141,180	1,054,081	1,066,170	1,148,187	1,488,064	1,619,166
90,675	103,377	98,340	285,523	113,891	256,000	242,619
1,175,008	180,120	1,012,312	456,450	1,752,369	834,960	1,121,415
1,550,334	2,875,321	1,693,181	2,627,024	1,925,198	5,398,359	2,342,709
817,222	761,343	665,100	615,203	484,105	293,426	184,555
154,892	-	22,886	-	-	-	-
9,526,629	8,022,080	7,740,855	8,476,647	8,843,364	11,281,495	10,593,534
(1,773,927)	183,899	1,075,887	422,068	631,722	(1,232,936)	393,586
-	-	-	-	-	-	-
-	-	-	-	-	-	-
973,500	-	-	-	-	-	-
1,976,500	-	650,000	-	-	-	-
(1,916,485)	-	-	-	-	-	-
1,636,546	1,382,985	1,212,087	1,209,390	998,390	1,237,180	1,402,022
(1,636,546)	(1,382,985)	(1,212,087)	(1,209,390)	(998,390)	(1,237,180)	(1,402,022)
832,328	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,865,843	-	650,000	-	-	-	-
\$ 91,916	\$ 183,899	\$ 1,725,887	\$ 422,068	\$ 631,722	\$ (1,232,936)	\$ 393,586
30%	46%	35%	40%	34%	53%	33%

City of Roeland Park

Tax Revenues by Source, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

Fiscal Year	Property	Sales & Use	County Jail	Franchise	Total
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	2,799,501	3,476,151	154,964	485,823	6,916,439
2016	2,997,446	3,585,138	156,387	487,923	7,226,894
2017	3,841,051	3,801,032	159,208	484,307	8,285,598
2018	3,720,059	3,781,247	159,353	508,081	8,168,740
Change					
2009-2018	2,604,950	809	34,520	22,437	2,662,716

Source: City records.

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

*Sales and use tax increased due to reclassifying the City's share of county sales tax to sales & use tax in 2017. In addition, the City started receiving a portion of the new county courthouse sales tax in 2017.

City of Roeland Park

Principal Taxpayers (Roeland Park) Current Year and Ten Years Ago (Unaudited)

Taxpayer	2018			2009		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
TMM ROELAND PARK CENTER, LLC	3,543,753	1	4.24%	1,633,500	4	*
BOULEVARD APARTMENTS, LLC	3,072,455	2	3.67%	1,725,230	3	*
AGREE LTD PARTNERSHIP/LOWES	2,883,089	3	3.45%	*	*	*
BELLA ROE LOTS 1 AND 4 07 A	1,852,693	4	2.22%	2,198,426	1	*
WALGREEN CO.	693,500	5	0.83%	574,751	8	*
ALDI INC.	580,941	6	0.69%	381,076	12	*
BELLA ROE LOTS 2, 3 AND 6 07	455,597	7	0.54%	2,166,750	2	*
SECURITY BANK	420,001	8	0.50%	428,950	11	*
JL GROUP HOLDINGS I, LLC	321,750	9	0.38%	309,078	16	*
ROE MARKETPLACE, LLC	301,001	10	0.36%	369,500	14	*

Source:

City of Roeland Park CAFR 2009 CAFR did not have this information

*Unknown

Johnson County Records and Tax Administration

City of Roeland Park

Principal Sales Tax Industries

Current Year

(Unaudited)

		-	
		Percentage	
		of Total City	
		Sales Tax	
		Revenues	
Industry Type (NAICS)			
Retail Trade		78.18%	
Utilities		6.25%	
Food Service		5.42%	
Information		4.14%	
Wholesale Trade		1.27%	
Construction		1.08%	
Other Services Except Public Administration		0.96%	
Manufacturing		0.66%	
All Others		2.00%	
Total Percentage of Sales Tax Revenues		100.0%	

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

City of Roeland Park

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

Fiscal Year	Governmental Activities				
	General Obligation Bonds	Tax Increment Revenue Bonds	Revenue Bonds	Transportation Development District	Certificate of Participation
2009	\$ 4,630,000	\$ 4,865,502	\$ -	\$ 5,610,000	\$ 650,000
2010	7,480,000	4,627,394	-	5,430,000	-
2011	892,000	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	-
2015	6,801,455	2,615,657	-	4,356,514	-
2016	5,603,792	2,337,203	-	4,078,072	-
2017	4,472,871	1,228,376	-	3,734,364	-
2018	3,269,251	259,699	-	3,350,127	-

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

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

Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Debt Per Capita
\$ 1,651,443	\$ 17,406,945	61.50%	2,501
1,642,243	19,179,637	65.30%	2,849
1,593,570	12,119,511	38.76%	1,801
1,381,133	19,827,177	54.56%	2,898
1,162,630	18,242,007	54.73%	2,493
933,528	17,015,770	49.97%	2,486
697,995	14,471,621	33.06%	1,827
456,251	12,475,318	33.06%	1,827
203,719	9,639,330	24.97%	1,420
-	6,879,077	16.63%	1,016

City of Roeland Park

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

Fiscal Year	Population	Assessed Value	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			
2009	6960	\$ 73,305,497	\$ 4,630,000	\$ 313,476	\$ 4,316,524	5.9%	\$ 620	15.3%
2010	7026	\$ 70,978,838	7,480,000	213,348	7,266,652	10.2%	\$ 1,034	24.7%
2011	6731	\$ 69,358,737	8,920,000	432,827	8,487,173	12.2%	\$ 1,261	27.1%
2012	6841	\$ 60,446,819	9,260,000	421,769	8,838,231	14.6%	\$ 1,292	26.5%
2013	6816	\$ 59,270,263	9,260,000	459,907	7,945,132	13.4%	\$ 1,166	23.8%
2014	6845	\$ 60,835,995	8,395,000	479,137	7,915,863	13.0%	\$ 1,099	21.1%
2015	6840	\$ 63,329,216	8,004,247	421,228	7,583,019	12.0%	\$ 1,109	16.5%
2016	6827	\$ 70,318,083	5,603,792	363,620	5,240,172	8.8%	\$ 768	15.7%
2017	6827	\$ 75,040,020	4,472,871	268,346	4,204,525	5.6%	\$ 616	12.6%
2018	6786	\$ 83,607,289	3,269,251	131,778	3,137,473	3.8%	\$ 462	7.6%

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

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

City of Roeland Park

Direct and Overlapping Governmental Activities Debt For the Year Ended December 31, 2018 (Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Johnson County (1)	\$ 308,457,300	0.80%	\$ 2,467,658
Johnson County Consolidated Fire District #2 (1)	6,485,000	8.67%	562,250
Johnson County Community College (1)	58,850,000	0.80%	470,800
Johnson County Parks and Recreation (1)	825,000	0.80%	6,600
Shawnee Mission School Dist. - U.S.D. #512 (1)	329,390,000	2.18%	7,180,702
Water District #1 of Johnson County (1)	250,855,000	1.53%	3,838,082
Subtotal, overlapping debt			<u>\$ 14,526,091</u>
City Direct Debt			<u>6,879,077</u>
Total direct and overlapping debt			<u><u>\$ 21,405,168</u></u>

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

(1) Data as of December 31, 2018

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)**

	2009	2010	2011	2012
Debt limit	\$ 21,991,649	\$ 21,293,651	\$ 20,807,621	\$ 20,327,553
Total net debt applicable to limit	12,731,443	11,907,243	10,513,570	11,501,133
Legal debt margin	\$ 9,260,206	\$ 9,386,408	\$ 10,294,051	\$ 8,826,420
Total net debt applicable to the limit as a percentage of debt limit	57.89%	55.92%	50.53%	56.58%

Source: City Records

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	\$ 92,131,621
Debt limit (30% of assessed value)	27,639,486
Debt applicable to limit:	
General obligation bonds	3,301,000
Temporary Notes	
Certificates of Participation	
Capital Leases	-
Total net debt applicable to limit	3,301,000
Legal debt margin	\$ 24,338,486

	2013		2014		2015		2016		2017		2018
\$	20,070,973	\$	20,535,644	\$	21,294,949	\$	23,448,007	\$	24,976,446	\$	27,639,486
	9,557,630		8,928,528		7,490,995		6,059,251		4,669,719		3,301,000
\$	10,513,343	\$	11,607,116	\$	13,803,954	\$	17,388,756	\$	20,306,726	\$	24,338,486
	52.38%		43.48%		35.18%		25.84%		18.70%		11.94%

City of Roeland Park

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

Transportation Development District

Funding Source: Sales Tax Revenue and Interest Earnings

Fiscal Year	Transportation Development District	Debt Service		Coverage
		Principal	Interest	
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
2015	401,856	160,000	192,621	1.14
2016	404,556	215,000	146,069	1.12
2017	405,089	2,900,000	15,026	0.14
2018	390,153	428,360	12,230	0.89

Revenue Bonds

Funding Source: Revenues and Interest Earnings

Fiscal Year	Revenue Bonds	Debt Service		Coverage
		Principal	Interest	
2009	\$ -	\$ 85,000	\$ 2,444	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-

Tax Increment Bonds

Funding Source: Tax Increment Revenues and Interest Earnings

Fiscal Year	Tax Increment	Debt Service		Coverage
		Principal	Interest	
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
2015	550,025	1,029,940	206,629	0.44
2016	623,425	278,454	154,516	1.44
2017	1,125,101	1,108,827	132,016	0.91
2018	998,068	968,677	59,573	0.97

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Roeland Park made an advance payment of the 2005 Series Tax Increment Debt in 2017.

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)
2009	6,960	\$ 52,472	\$ 28,303,211	35.70	359	6.0%
2010	7,026	53,821	29,372,416	36.40	379	6.0%
2011	6,731	56,550	31,271,376	36.50	386	5.1%
2012	6,841	59,524	33,328,220	34.80	370	4.5%
2013	6,816	59,524 *	33,328,220 *	34.80	370	3.8%
2014	6,845	60,068 *	34,054,458 *	36.50	400	3.7%
2015	6,840	62,005	35,607,643	36.60	400	3.4%
2016	6,827	65,050	37,739,389	36.60	400	3.3%
2017	6,827	66,063	38,610,439	37.10	365	3.3%
2018	6,786	69,977	41,368,735	37.30	360	3.8%

Sources:

- (1) Johnson County Clerk/Secretary of State - Division of the Budget
- (2) Bureau of Economic Analysis, Table CA1-3, Johnson County, Kansas Per Capita, personal income, most recent year available
- (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; Kansas City metropolitan area

* Data Not Available

City of Roeland Park

**Principal Employers (Johnson County)
Current Year and Ten Years Ago
(Unaudited)**

Employer	2018			2009		
	Employees in County (1)	Rank	Percentage of Total County Employment (2)	Employees in County (1)	Rank	Percentage of Total County Employment
Sprint	6,000	1	1.74%	*	*	*
Olathe Unified School District	4,850	2	1.41%	*	*	*
Johnson County Government	3,950	3	1.14%	*	*	*
Shawnee Mission School District	3,850	4	1.12%	*	*	*
Garmin International	3,800	5	1.10%	*	*	*
Blue Valley School District	3,500	6	1.01%	*	*	*
Black & Veatch	3,000	7	0.87%	*	*	*
Olathe Health System	2,600	8	0.75%	*	*	*
Wal-Mart	2,500	9	0.72%	*	*	*
Optum RX	2,500	10	0.72%	*	*	*

Source:

Johnson County, Treasury and Financial Management & County Economic Research Institute (CERI)

* Data Not Available

City of Roeland Park

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

<u>Functions/Program</u>	Full-Time Equivalent Employees as of December 31			
	2018	2017	2016	2015
General Government:				
City Administrator	1	1	1	1
City Clerk	1	1	1	1
Finance Director/Asst. City Admin	1	1	1	1
Neighborhood Services	2	2	2	2
Assistants/Interns	1	1	1	1
Police:				
Officers	16	16	16	16
Public Works:				
Administration	1	1	1	1
Street Maintenance	6	6	6	6
Total	29	29	29	29

Source: City Records

Full-Time Equivalent Employees as of December 31

2014	2013	2012	2011	2010	2009
1	1	1	1	1	1
1	1	1	1	1	1
1					
2	1	1	1	2	2
1	2	2	2	2	2
16	17	17	17	17	18
1	1	1	1	1	1
6	6	6	6	6	6
29	29	29	29	30	31

City of Roeland Park

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

Function/Program	Calendar Year			
	2009	2010	2011	2012
Police:				
Adult arrest	400	383	281	362
Non-moving citations only	205	287	272	282
Total citations	2,853	2,915	2,240	3,374
Building Safety:				
Total building permits	475	441	388	433
Total value all permits	\$ 2,703,038	\$ 2,092,406	\$ 2,107,123	\$ 4,111,694

Source: City Records

Calendar Year					
2013	2014	2015	2016	2017	2018
315	313	284	248	233	233
306	258	271	257	178	266
2,281	2,712	2,229	2,695	3,088	2,514
487	525	526	467	527	500
\$ 3,119,141	\$ 3,846,616	\$ 4,165,361	\$ 4,650,000	\$ 12,960,000	\$ 4,120,000

City of Roeland Park

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

Function/Program	2009	2010	2011	2012	2013	2014
Public Works:						
Number of Streetlights	596	596	596	596	595	595
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	18	18	13	13	13
Parks	6	8	9	8	8	8
Tennis Courts	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1
Parks with Playground Equipment	2	3	3	3	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

2015	2016	2017	2018
595	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