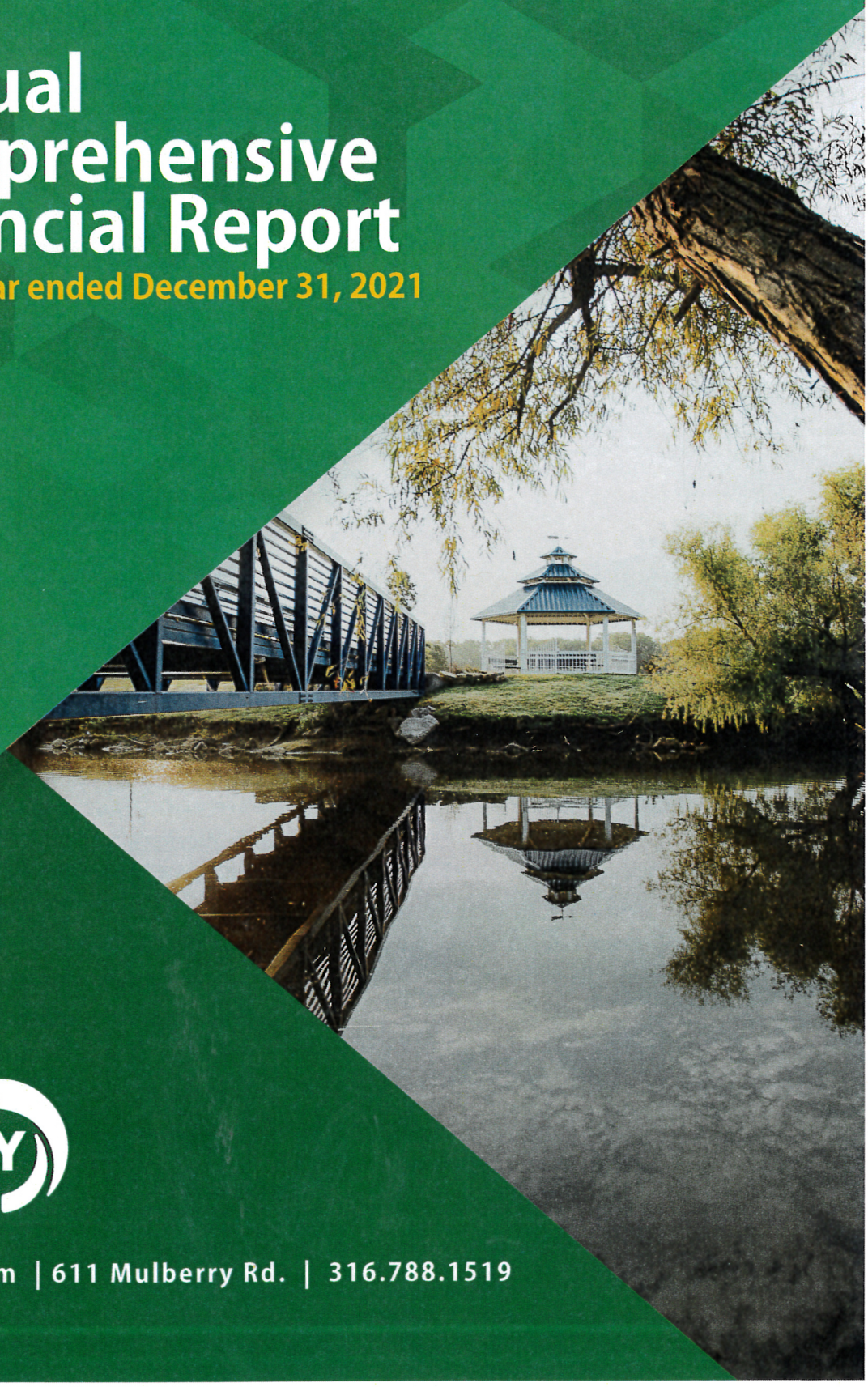
Annual Comprehensive Financial Report

For the year ended December 31, 2021



DERBY

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CITY OF DERBY, KANSAS

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ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

Prepared by:

Finance Department
City of Derby, Kansas

CITY OF DERBY, KANSAS
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
Year Ended December 31, 2021

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CITY OF DERBY, KANSAS
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
Year Ended December 31, 2021

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May 18, 2022

TO THE CITIZENS OF THE CITY OF DERBY, KANSAS
HONORABLE MAYOR AND CITY COUNCIL

The Annual Comprehensive Financial Report of the City of Derby, Kansas for the fiscal year ended December 31, 2021 is hereby submitted for your review. Responsibility for the accuracy of the data presented, the completeness and fairness of the presentation, including all disclosures, rests with the City. A comprehensive framework of internal control has been established but because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Kansas statutes require an annual audit of the books of accounts, financial records, and transactions of all administrative departments of the City by independent certified public accountants. The firm of BT&Co., P.A. has performed the audit this year, and their report on the December 31, 2021 financial statements is located at the front of the Financial Section and in the compliance section of this report.

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

The Reporting Entity and Its Services

The City of Derby, Kansas is in Sedgwick County, located approximately three and one-half miles south of Wichita in south central Kansas. The City encompassed approximately 10.3 square miles and had an estimated population in 2021 of 25,625.

The City was incorporated in 1869 and operates under the Mayor-Council-Manager form of government. The eight Council members are elected by ward and serve four-year terms. The Mayor is elected at large for a four-year term, has veto power over certain Council actions, presides over Council meetings and appoints certain City officials, subject to Council approval. The City Manager is appointed by the governing body and is charged with the efficient and effective administration of the City.

All funds and entities related to the City of Derby are included in the annual financial report. The City provides a full range of services, which include public safety (police and fire); public utilities (water distribution, stormwater system maintenance, and wastewater collection and treatment); public works (streets, parks, and vehicle maintenance) and a variety of supportive administrative services.

The Derby Public Library, although a separate legal entity, is reported as a discrete component unit. A Board of Trustees, the appointees of which are approved by the City Council, governs the Library. The Library is not a separate taxing entity under state statutes, and the City levies taxes for the Library operation, which represents a significant portion of its total revenues.

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless exempted by a specific statute), debt service funds, and enterprise funds. Statutes require the budget to be *balanced*, meaning that estimated expenditures equal estimated revenues. A five-year Capital Improvement Plan is also adopted by the City Council, and the first year of that plan is included in the operating budget.

All budgets are prepared using the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments evidenced by documents such as purchase orders and contracts in addition to disbursements and accounts payable are all recorded as expenditures although the actual funds have yet to be released to the billing source. Furthermore, the statutes provide for a public hearing on or before August 15th of each year and adoption of a final budget on or before August 25th of each year. This deadline may be extended to September 20th if the process to exceed the revenue neutral rate is followed by the city. This process involves notification to the County Clerk of the intent to exceed the revenue neutral rate by July 20th, publication of a notice of a tax rate hearing, and then holding the hearing between August 20th and September 20th.

Supplemental appropriations and transfers among budget categories occasionally modify original appropriations, but in order to exceed the total appropriation of a fund, an amendment must be approved by the City Council. To amend the budget, the proposed amendment must appear in the official City newspaper at least 10 days prior to a public hearing. Citizens also may address the City Council prior to the hearing. After the hearing, the Council may then vote to amend the budget. Approved amendments are then submitted to the Kansas Division of Accounts & Reports for recording.

Economic Condition and Outlook

Derby, the 16th largest city in Kansas, is part of the Wichita Metropolitan Statistical Area (MSA) that includes Sedgwick, Butler, Harvey, Kingman and Sumner counties. Together this region's population exceed 647,000 residents.

Derby supports more than 570 businesses, ranging from modest home-based businesses to companies like BRG Precision Products, manufacturer of electronics and custom digital clocks, and Mid Continent Controls, manufacturer of cabin management and in-flight entertainment systems for business jets. The City's economy is strongest in the construction industry, followed closely by retail, finance/insurance/real estate, and health-care related activities. Aircraft manufacturers Spirit AeroSystems and Textron Aviation (Cessna and Beechcraft) provide jobs for a significant portion of the community's residents, as does Derby Public Schools.

Derby's strong pattern of residential growth continues to attract restaurants, retailers, and educational institutions. Derby Marketplace continues to be anchored by major retailers Target and Dillon's Marketplace, along with Petco, Hobby Lobby, TJ Maxx, Ross Dress for Less, Chick-Fil-A, Discount Tire and other retailers and service providers. With nearly 600,000 square feet of retail space, the Derby Marketplace will continue to expand as leases are signed with restaurants and retailers. These businesses

will contribute to city-wide sales tax revenue in 2022 and stable property tax revenue in 2023 which helps fund most other City services, as well as programs of the Derby Recreation Commission.

Rock Regional Hospital, a 90,000 square-foot acute care hospital opened in April 2019, and is located immediately north of Field Station: Dinosaurs (a privately owned entertainment destination for kids ages 3 – 11).

A second phase of $14.375 million in Sales Tax Special Obligation Revenue Bonds (STAR Bonds) was issued in June 2020 to build an indoor rock-climbing facility, an outdoor covered BMX bike facility and infrastructure along north Rock Road. Proceeds from the 2017 and 2020 series of bonds will also be used for the Derby Sports Zone, a multi-sport attraction featuring indoor and outdoor courts for racquet sports and volleyball, and infrastructure mostly east of Rock Road. Continued commercial development is expected in the future along Rock Road, Patriot, and K-15 Highway, as well as in the West End Business Park and Derby Corporate Park.

The 2021 assessed valuation which funds the 2022 operating budget, grew by 4.3%. Residential building permits remained strong in 2021 due to construction in the Courtyards at the Oaks, Northbrook and Cedar Ranch Estates Additions. The value of residential building permits jumped 41% compared to 2021 and is expected to continue with moderate growth. Non-residential building permits also grew in 2021 but approximately half were for permits for construction of school facilities and a church which will be tax exempt from property taxes. With the growth in commercial businesses and residential permits mentioned above, the assessed valuation should continue to increase in the near future.

The City's share of the countywide retail sales tax grew 17.5% in 2021, which is the second largest source of revenue for the General Fund. The city-wide retail sales tax grew 12.2% in 2021 due to continued expansion of Derby's retail offerings and compensating use tax.

In October 2013, Derby voters once again approved a ½-cent city-wide sales tax initiative, the Derby Difference Sales Tax. At that time, the ½ cent city-wide sales tax had been dedicated to operation of a public library constructed in 2009 and retirement of the associated debt. The Derby Difference Sales Tax became effective January 1, 2015, upon sunset of the library sales tax on December 31, 2014. The Derby Difference Sales Tax is now used for development of parks and operations of the public library and fire & rescue department.

Derby's economic outlook remains positive as modest growth is projected for the next several years. Spirit Aero Systems, the state's largest employer and located in close proximity to Derby, worked through re-certification of their 737 MAX airplane. The company adjusted their workforce during the pandemic and when the 737 Max was grounded but has announced they are looking to add more than 4,600 workers by 2024. Spirit is also looking to the future by diversifying its customers beyond Boeing. When Spirit expands production, many local subcontractors and other employers will begin hiring so they can keep up with Spirit's demands.

Textron and Bombardier are two aviation companies also experiencing growth in Wichita. Bombardier recently announced Wichita would be its U.S. headquarters and they would be adding 200 jobs.

In 2016, McConnell Air Force Base was designated the main operations base for KC-46A tankers. The base is in a position to be a key factor in the Air Force's plans for decades to come, which has a

stabilizing effect on a major segment of the regional economy. MAFB contributes more than $600 million in annual economic activity to the Wichita MSA. McConnell is also planning an air show in 2022. This show is estimated to bring over 150,000 visitors and have a $6 million economic impact on surrounding communities. Overall, employment in the Wichita MSA appears to have stabilized from the pandemic, and retail sales tax receipts were positive in 2021 and appear to continue to be strong going forward.

Major Initiatives

Located on the south edge of Derby, Decarsky Park (63 acres) houses a new ballfield complex (opened May 2021) and dog park (opened October 2020). Part of the initial phase of this park is funded by a ½ cent city-wide retail sales tax, the Derby Difference, as mentioned in the previous section. Proceeds of this sales tax funded $8.0 million for Madison Avenue Central Park (opened in 2016), and $3.395 million for Decarsky Park. Additional bonds ($2.16 million) were issued in 2019 for construction of the first phase. The Derby Recreation Commission will reimburse the City for debt payments on a portion of those bonds ($550,000) to contribute the cost of one ballfield to attract larger ball tournaments, which will in turn generate sales tax revenue.

In 2022, Market Street, from the Arkansas River to K-15, will be reconstructed to improve the safety and condition of city streets in an important industrial area. The $310,000 cost of this project was included in the 2020-A series of bonds to streamline financing efforts.

The K15 Area Plan Phases 1 and 2 are being designed at a cost of $544,000 to improve traffic flow and business growth/revitalization efforts along the K-15 corridor. This project will involve reconstruction of the intersection at Nelson Drive and Patriot, with more information in the following section.

Development of a master plan of the wastewater treatment plant is complete, and design of the improvements is now underway. Construction of plant improvements will be done in phases over multiple years. The Capital Improvement Plan in the 2022 Budget includes an estimate of $16.5 million for construction of the initial phases beginning in 2023.

Design of a water treatment facility at an estimated cost of $1.5 million began in 2021. Due to the size of the project, design will occur in phases over multiple years. Prior to connection to the City of Wichita water system, Derby supplied water to its residents from wells outside of the City. El Paso Water Company still owns those water rights so in 2020, the contract with the City of Wichita was renewed and amended to include the option for Derby to use those water rights by building its own water treatment plant, therefore reducing the volume of water purchased wholesale from the City of Wichita. Construction of the plant is planned to begin in 2025 for $17.0 million, but the cost will likely change once design is complete.

The City received the first tranche of the American Rescue Plan Act (ARPA) funds of $1,903,265 in 2021. When the 2022 budget was approved the plan was to use the funds to start the design process of the water and wastewater treatment plants. Now that the list of eligible government services projects was expanded for Non-entitlement units of local government (NEU's), consideration of using the funds for roads and other projects will be included in the 2023 budget process.

Long-term Financial Planning

Because Derby is growing at a moderate yet steady pace, infrastructure to new growth areas is required on a continual basis. At the same time, reinvestment in existing infrastructure is needed to ensure systems operate at optimal levels.

With annual budget constraints, there are few opportunities to use the operating budget to finance the required investment in infrastructure construction. The primary method of financing infrastructure upgrades and new construction is issuance of long-term bonds. These bonds come in the form of General Obligation, Revenue, and Special Assessment bonds.

According to state law, cities of the First Class, such as Derby, may issue longer-term debt not to exceed 30 percent of total assessed valuation; however, such projects as sanitary sewer and water lines and certain intersection improvements do not count against the total "debt lid." As of December 31, 2021, Derby had outstanding debt of $66,020,000. When exempt projects are taken into consideration, Derby had additional debt capacity of approximately $56.1 million.

The City Council had for many years an unofficial policy that direct debt, as a percentage of Assessed Valuation should not exceed 20%. In 2009, that practice was ratified with adoption of the City's Debt Management Policy. The City Council temporarily exceeded the 20% limit to issue financing for projects authorized by the voters, such as construction of an aquatic park in 2003, a new public library in 2009 and most recently, construction of Madison Avenue Central Park and Decarsky Park. Derby's ratio of direct debt as a percentage of assessed valuation as of December 2021 was 11.5% and is well within compliance with city policy.

Effective in 2017, Charter Ordinance 54 exempted the City from non-uniform statutes relating to public improvements and the issuance of bonds for certain improvements. Projects financed under authorization of Charter Ordinance 54 are not included in the calculation of direct debt as a percentage of assessed valuation. Charter Ordinance 54 provided the statutory authorization for $4.4 million of bonds issued to construct Warren Riverview Park, $6.1 million of bonds for Fire Station 81 and $2.3 million of bonds for Decarsky Park. Once those bonds are included in the calculation, the ratio of direct debt as a percentage of assessed valuation rises to 15.13%, still within the 20% policy limit.

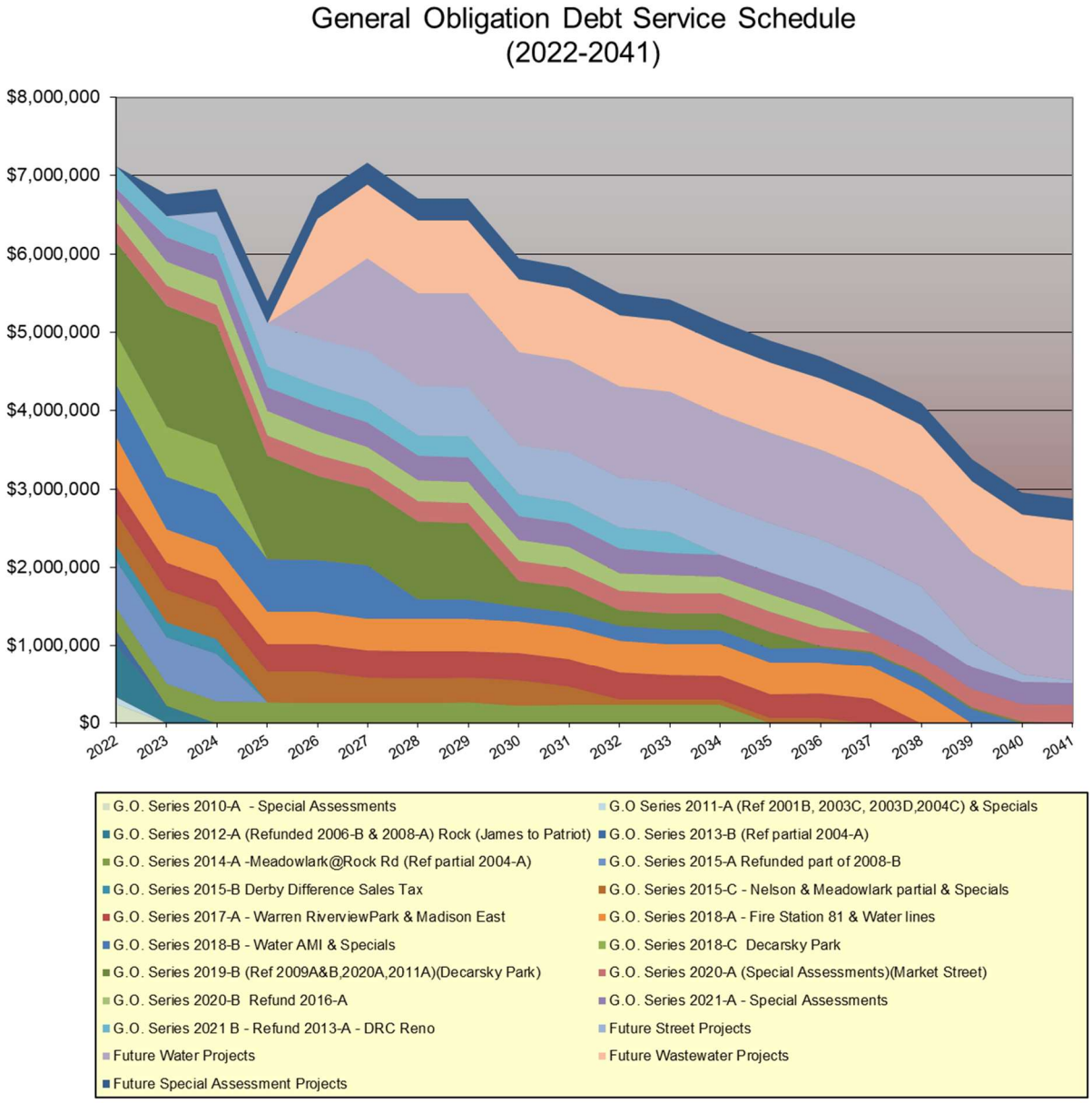
2020 was an important year in the history of Derby as it became a city of the first class on November 11, 2020 pursuant to a Proclamation by Governor Laura Kelly. Charter Ordinance 56 was subsequently adopted November 24, 2020, which generally authorizes issuance of general obligation bonds without an election for the financing of public improvement, vehicle, property and other municipal functions.

The following chart incorporates debt to be issued to finance CIP projects in 2022 and beyond with existing outstanding bond issues. This chart illustrates an increase in total debt followed by a gradual reduction after 2027.

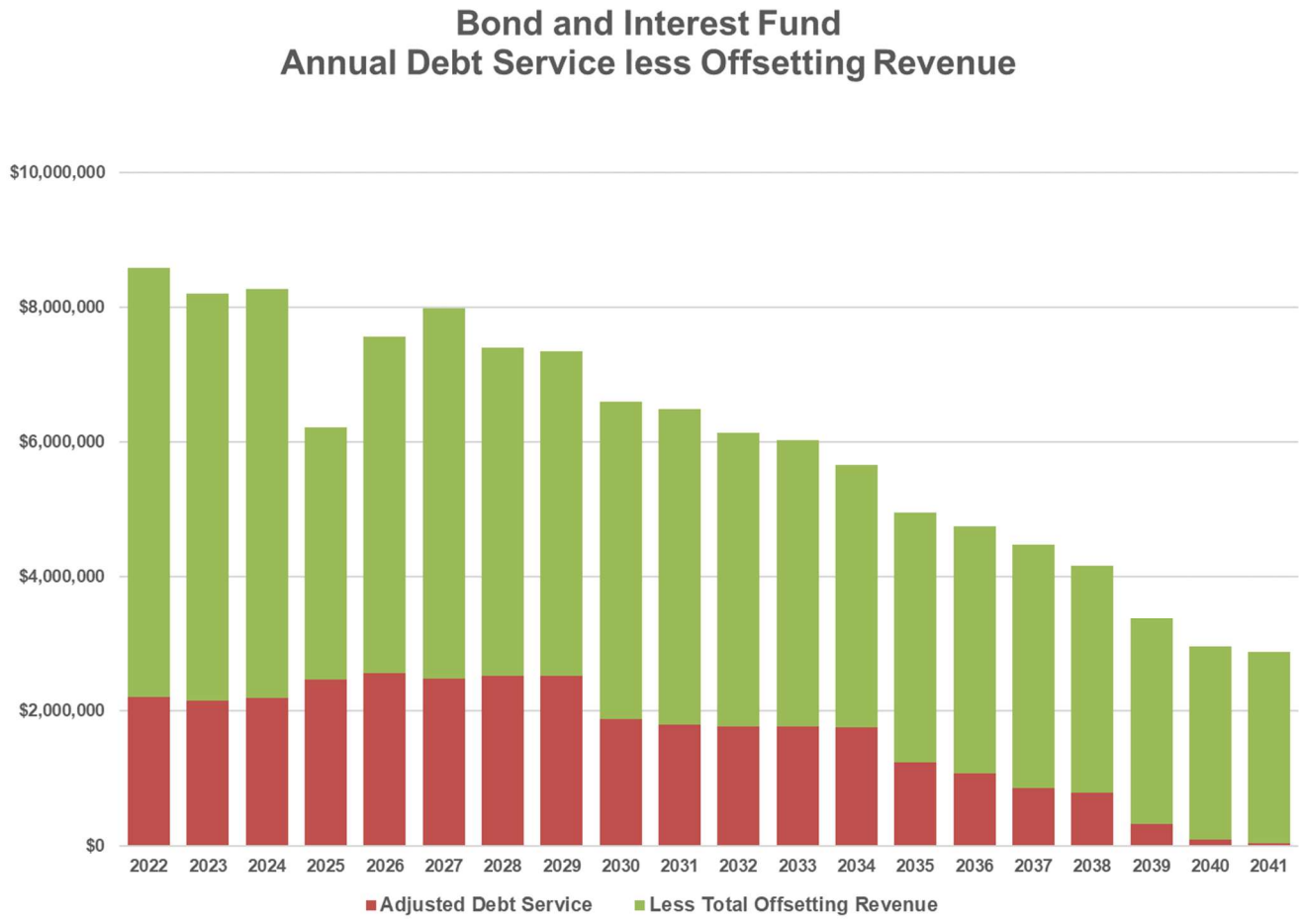
In 2023, an intersection is planned to be constructed at Nelson Drive and Patriot Avenue, which will enable more commercial development along Patriot and enhance traffic safety. A Tax Increment Financing (TIF) District is planned to finance the $2.3 million project.

As mentioned in the prior section, development of a master plan of the wastewater treatment plant is underway. Design of the improvements is being paid with cash, whereas construction of the plant improvements will be financed with bonds paid for with sanitary sewer system revenue. Likewise with the water treatment plant, the design will be paid with cash, and construction of the plant will be financed with bonds paid for with water system revenue.

While there are several smaller infrastructure projects included in the following chart, payment of debt is expected to outpace issuance of new debt, which will allow the City's debt load to diminish.



Much of Derby's outstanding debt has offsetting revenues paid through special assessments, Derby Recreation Commission rent payments, and dividend transfers from El Paso Water Company. Dividends received from El Paso Water Company are a reimbursement for principal and interest paid out of the City's Bond and Interest Fund. The following chart shows a snapshot of the level of adjusted debt service which is the balance of the debt service once offsetting revenues are deducted.



Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Derby for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. This is the 13th year that the City has achieved this award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the program's requirements, and we will submit it to GFOA to determine its eligibility for another certificate.

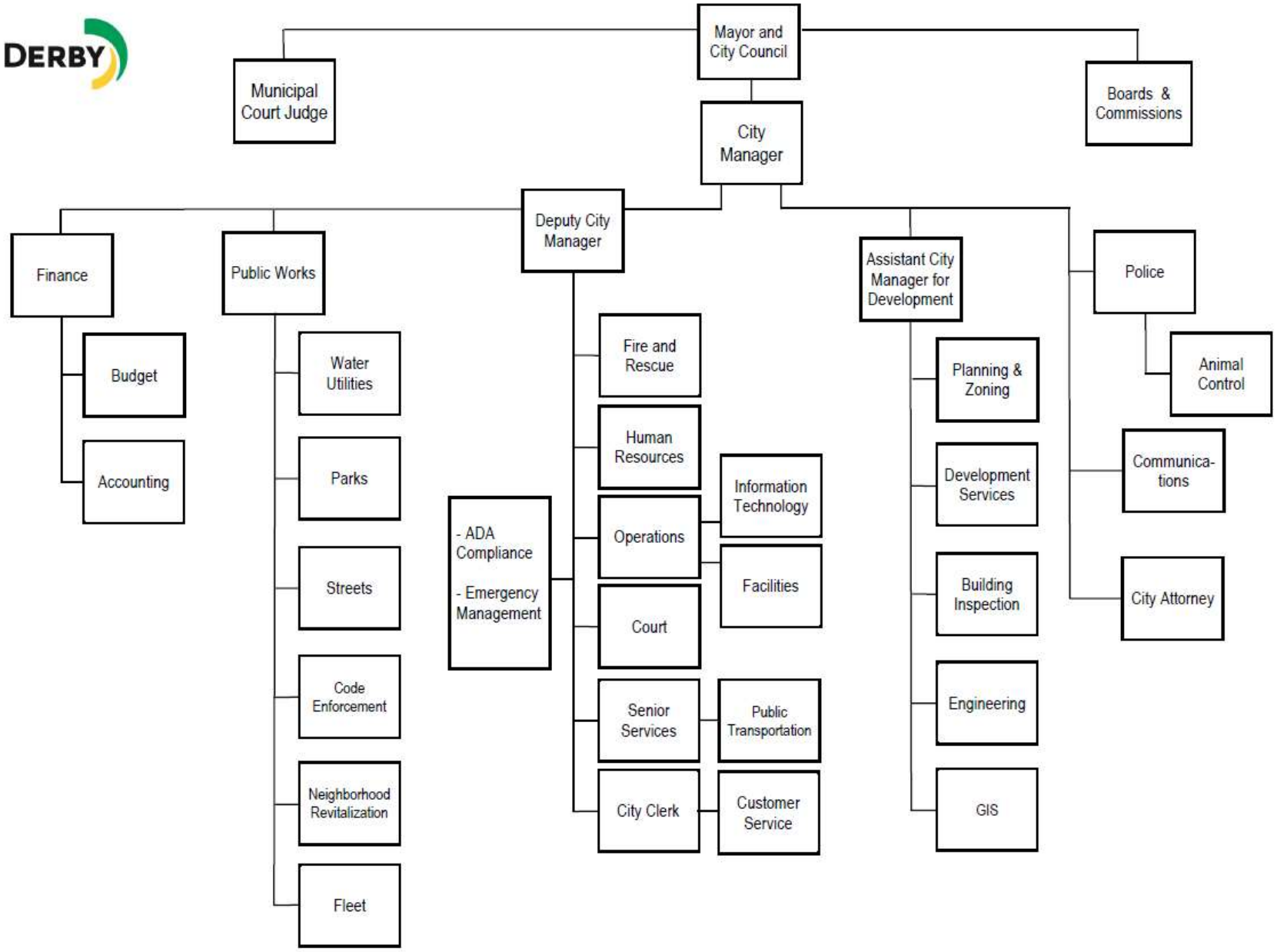
The City also received the GFOA Distinguished Budget Presentation award for annual budgets for the years 2005 through 2022. In order to qualify for the award, the City's budget document was judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

Preparation of this report would not have been possible without the dedicated service of the staff of the finance department. We wish to express our appreciation to all members of the department who assisted and contributed to preparation of this report. Credit also must be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of City finances.

Respectfully submitted,

Kiel Mangus
City Manager

Jean Epperson
Director of Finance



Revised August 3, 2021

City of Derby, Kansas
List of Elected and Appointed Officials
December 31, 2021

Elected Officials

Mayor	Randy White	At-Large
Council President	Nick Engle	Ward III
Councilmember	Rocky Cornejo	Ward I
Councilmember	Tom Keil	Ward I
Councilmember	Vaughn G. Nun	Ward II
Councilmember	Jack Hezlep	Ward II
Councilmember	Andrew Swindle	Ward III
Councilmember	Jenny Webster	Ward IV
Councilmember	John McIntosh	Ward IV

Appointed Officials

City Manager (through December 10, 2021)	Kathleen B. Sexton
City Manager (Beginning December 11, 2021)	Kiel Mangus
Deputy City Manager (Through December 10, 2021)	Kiel Mangus
Director of Finance	Jean Epperson
City Attorney	Jacqueline R. Butler
Operations Manager	Richard Montano
Chief of Police	Robert Lee
Director of Public Works	Robert Mendoza
Director of Planning & Engineering	Daniel J. Squires
Fire Chief	John Turner
Communications Director	Kristy Bansemer
Director of Human Resources	Jenny Turner

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Derby
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

BT & Co. P.A.
Certified Public Accountants

4301 SW Huntoon St. Topeka, KS 66604 | t:785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: btandcocpa.com

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Council
City of Derby, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Derby, Kansas (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and the Derby Difference Sales Tax fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS and the Kansas Municipal Audit and Accounting Guide. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The statements and schedules listed under supplementary information in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

BT + Co., P.A.

Topeka, Kansas
May 18, 2022

Management's Discussion and Analysis

This section of the annual financial report provides an overview and analysis of the financial activities during the fiscal year that ended December 31, 2021. Please read it in conjunction with the City's financial statements which follow this section.

Financial Highlights

- Assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources at the close of 2021 by $169,628,603. Of this amount, $20,980,778 of unrestricted net position may be used to meet the City's ongoing obligations.
- The City's total net position increased by $8,400,070, or 5.2%, from $161,228,533 at year-end 2020.
- At year-end 2021, the City of Derby's governmental funds reported combined ending fund balances of $27,997,501, a decrease of $3,503,072 or 11.1%.
- At the end of 2021, the budgetary fund balance for the general fund was $12,371,247 or 64.1% of the general fund non-GAAP budgetary expenditures.
- The City's total bonded debt decreased by $8,924,400 during 2021 to $66,114,400.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

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

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two 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 is improving or deteriorating.

The Statement of Activities is focused on both the gross and net cost of various functions (including governmental, business-type and component unit), which are supported by the City of Derby's general tax and other revenues. This is intended to summarize and simplify the user's analysis of cost of various governmental services or subsidy to various business-type activities and/or component units.

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 the statement for some items that will only result in cash flows in future fiscal periods.

Governmental Activities reflect the City's basic services, including general government, police, fire, public works and parks recreation. Property, sales, and gasoline taxes along with franchise fees and court fees, licenses and permits finance the majority of these services. The Business-Type Activities reflect private sector type operations (sewer, water and stormwater utilities), where the fee for service typically covers all or most of the cost of operation, including depreciation.

The government-wide financial statements include not only the City of Derby itself (known as the primary government), but also a legally separate Derby Public Library for which the City of Derby is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government. El Paso Water Company, Inc., although also legally separate, functions for all practical purposes as a division of the City and therefore has been included as an integral part of the primary government.

The government-wide statements can be found on pages 15-16 of the audited financial statements.

Fund Financial Statements

The fund financial statements provide detailed information about the City's most significant funds – not the City as a whole. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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 can be divided into two categories – governmental funds and proprietary 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 financing 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 effects 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 Derby maintains 20 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, Debt Service Fund, Capital Projects Fund, and Derby Difference Sales Tax Fund which are considered to be major funds. In addition, six funds are presented in the combining statements of the General Fund on pages 71-73 of this report. Data from the other ten funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement is provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17 – 23 of this report.

Proprietary Funds – Services for which the City charges customers a fee are generally reported in proprietary funds. The sewer, water and stormwater utilities comprise the proprietary funds for the City of Derby. Proprietary funds, like the government-wide statement, provide both long- and short-term financial information. The basic proprietary fund financial statements can be found on pages 24 – 27 of this financial report.

Notes to the 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. The notes to the financial statements can be found on pages 28 – 66 of this financial report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's net pension liability and other post-employment benefits and *other supplementary information* such as the combining statements of the non-major governmental funds and the fund financial statements of the discretely presented component unit, the Derby Public Library.

Governmental-Wide Financial Analysis

Net position may serve as a useful indicator over time of a government's financial position. Assets and deferred outflows of resources of the City of Derby exceeded liabilities and deferred inflows of resources by $169,628,603 as of December 31, 2021.

The City's investment in capital assets consists of land, buildings, equipment, construction in progress and infrastructure, less any outstanding debt used to acquire those assets and accumulated depreciation of existing capital assets. The City of Derby uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

The largest portion of net position, $118,307,154 or 69.7%, is the investment in capital assets net of related debt. The next largest portion, $20,980,778 or 12.4% is unrestricted, which may be used to meet the city's ongoing obligation to citizens and creditors. The remaining balance of $30,340,671 or 18.0% of the City's net position, is restricted due to project financing or bond covenants.

Current and other assets increased by $4,821,872 or 5.2% largely due to an increase in cash from the first tranche of the American Rescue Plan Act (ARPA) funds of $1,824,565, and receivables for special assessments and other receivables. Capital assets, net of accumulated depreciation, decreased by $2,146,261 or 1.2% as depreciation outpaced the building of infrastructure such as streets, water and sewer lines to serve residential and commercial development and city facilities. The deferred outflows of resources decreased by $71,861 primarily due to a decrease in the KPERS liability. The decrease in total liabilities in 2021 was primarily due to a decrease in long-term liabilities. Long-term liabilities decreased by $12,358,020 due to the redemption of more bonds and temporary notes than were issued. However, other liabilities increased by $2,446,748 due to unearned income from receipt of the first tranche of the American Rescue Plan Act (ARPA) funds of $1,824,565.

TABLE A-1
CITY OF DERBY'S NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	$ 78,957,798	$ 76,776,681	$ 18,697,209	$ 16,056,454	$ 97,655,007	$ 92,833,135
Capital assets	141,001,537	142,295,582	31,641,281	32,493,497	172,642,818	174,789,079
Total assets	219,959,335	219,072,263	50,338,490	48,549,951	270,297,825	267,622,214
Total deferred outflows of resources	4,345,560	4,432,312	308,285	293,394	4,653,845	4,725,706
Long-term liabilities	77,719,088	88,836,643	6,379,640	7,620,105	84,098,728	96,456,748
Other liabilities	4,331,149	2,079,099	630,225	435,527	4,961,374	2,514,626
Total liabilities	82,050,237	90,915,742	7,009,865	8,055,632	89,060,102	98,971,374
Total deferred inflow of resources	15,969,826	12,071,149	293,139	76,864	16,262,965	12,148,013
Net position:						
Net investment in capital assets	91,754,688	83,079,651	26,552,466	26,447,176	118,307,154	109,526,827
Restricted	30,340,671	32,414,255	-	-	30,340,671	32,414,255
Unrestricted	4,189,473	5,023,778	16,791,305	14,263,673	20,980,778	19,287,451
Total net position	$ 126,284,832	$ 120,517,684	$ 43,343,771	$ 40,710,849	$ 169,628,603	$ 161,228,533

Analysis of the City's Operations – The following table (Table A-2) provides a summary of the City's operations for the year ended December 31, 2021. Derby's net position at year-end 2021 of $169,628,603 reflects an increase of $8,400,070 or 5.2% from $161,228,533 at year-end 2020. Net position of the City's government-type activities increased $5,767,148 or 4.8%, revenues were higher and expenditures and transfer were lower in 2021. The City's net position for business-type activities grew $2,632,922 or 6.5% as the result of investment in infrastructure and net income. Additional information can be found on page 6.

TABLE A-2
CITY OF DERBY'S CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	$ 3,037,492	$ 2,566,442	$ 11,108,109	$ 10,620,774	$ 14,145,601	$ 13,187,216
Operating grants & contributions	1,466,026	2,197,598	-	-	1,466,026	2,197,598
Capital grants & contributions	6,378,441	5,055,799	-	-	6,378,441	5,055,799
General revenues:						
Property taxes	13,148,957	12,723,203	-	-	13,148,957	12,723,203
Sales taxes	8,942,106	7,748,364	-	-	8,942,106	7,748,364
Franchise taxes	2,393,182	2,331,221	-	-	2,393,182	2,331,221
Excise taxes	46,852	20,876	-	-	46,852	20,876
Investment earnings	33,773	476,756	4,188	54,962	37,961	531,718
Grants and contributions not restricted to specific programs	78,700	-	-	-	78,700	-
Total revenues	35,525,529	33,120,259	11,112,297	10,675,736	46,637,826	43,795,995
Expenses:						
General government	6,541,278	7,354,943	-	-	6,541,278	7,354,943
Public safety	9,176,526	8,428,244	-	-	9,176,526	8,428,244
Public works	8,264,061	7,333,085	-	-	8,264,061	7,333,085
Culture & recreation	2,815,245	5,384,947	-	-	2,815,245	5,384,947
Economic development	316,486	346,334	-	-	316,486	346,334
Interest on long-term debt	1,735,052	2,272,672	-	-	1,735,052	2,272,672
Sewer system	-	-	2,972,016	2,905,321	2,972,016	2,905,321
Water system	-	-	5,644,057	5,578,717	5,644,057	5,578,717
Stormwater system	-	-	773,035	533,322	773,035	533,322
Total expenses	28,848,648	31,120,225	9,389,108	9,017,360	38,237,756	40,137,585
Increases in net position before transfers	6,676,881	2,000,034	1,723,189	1,658,376	8,400,070	3,658,410
Transfers	(909,733)	(2,774,933)	909,733	2,774,933	-	-
Increase in net position	5,767,148	(774,899)	2,632,922	4,433,309	8,400,070	3,658,410
Net position, beginning of year	120,517,684	121,292,583	40,710,849	36,277,540	161,228,533	157,570,123
Net position, end of year	$ 126,284,832	$ 120,517,684	$ 43,343,771	$ 40,710,849	$ 169,628,603	$ 161,228,533

Key elements of the change in net position are as follows:

- Charges for services overall increased by $958,385 or 7.3%.
  - Government-type charges for services increased by $471,050 as we emerged from the impact of the pandemic.
    - Aquatic Park fees were $195,414 in 2021 as park capacity restrictions implemented during the height of the pandemic were lessened and attendance increased.
    - Building permits for residential and commercial construction were $86,721 higher as housing demand increased.
    - Fees from park facility rentals, the BBQ Festival and miscellaneous permits were higher as activity rebounded from the pandemic.
  - The increase in business-type revenues of $487,335 or 4.6% occurred primarily due to an increase in water rates to offset the wholesale cost of water.
- Operating grants and contributions decreased by $731,572 or 33.3% due to the CARES Act grant funding received in 2020.

- Capital grant revenues of governmental activities increased in 2021 by $1,322,642 or 26.2%. Governmental capital grant revenues of $6,378,441 consist primarily of $6,178,289 of special assessments for infrastructure to serve properties throughout the City.
- Property tax revenues, our largest source of tax revenue, increased $425,754 or 3.4%, reflecting growth in the City's assessed valuation in 2021.
- Sales tax revenues consist of a county-wide and city-wide levy and increased in total $1,193,742 or 15.4%. County-wide sales tax receipts increased 17.5%, and city-wide receipts grew 12.2%.
- Interest earnings on the City's idle funds decreased by $493,757 overall as the rate on short-term investments declined.
- Grants and contributions not restricted to specific programs of $78,700 is the portion of the ARPA funds that were expended in 2021.
- General government expenses decreased $813,665 or 11.1% primarily due to cost saving measures implemented in anticipation of adverse effects on revenue in the pandemic.
- Public safety expenses increased $748,282 or 8.9% due to increased wages and benefits and equipment purchases.
- Public works expenses increased $930,976 or 12.7% primarily due to increased pavement management rehabilitation. Beginning with the 2021 budget, the annual pavement rehabilitation program was doubled to add an additional $804,000 each year in 2021 and 2022.
- Culture and recreation declined $2,569,702 since expenditures in 2020 included completion of the Hubbard Arts Center.
- Interest on long-term debt decreased by $537,620 or 24.0% reflecting lower interest rates.
- Sewer utility expenses increased $66,695 or 2.3% due to increased maintenance expenditures.
- Stormwater utility expenses increased $239,713 or 45.0% due two large storm sewer repair projects.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental funds – The focus of the City of Derby's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the City of Derby's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Derby itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City of Derby governing body.

At December 31, 2021, the combined fund balance for governmental funds decreased $3,503,072 or 11.1% to $27,997,501. Approximately 40.8% of this amount or $11,790,546 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, or assigned to indicate that it is (1) not in spendable form such as inventories of $309,337 or 1.1%, (2) restricted for particular purposes totaling $12,842,829 or 44.5%, and (3) assigned for particular purposes such as equipment, capital improvements or operation of the aquatic park, of $3,054,789 or 10.6%. The restricted fund balance is primarily designated for capital improvements, park construction, library operations, fire & rescue operations, debt service and maintenance and construction of streets and sidewalks.

Property taxes of $13,148,957 represent the largest single source, comprising 40.4% of governmental activity revenue for the City. Taxes on retail sales in the amount of $8,942,106 are the next largest source of revenue at 27.5% of the City's revenues. Special assessments of $3,172,852 pay the debt service for infrastructure to serve various properties and represent 9.7% of the city's revenue in 2021. Franchise fees of $2,393,182 represent 7.3% of the revenue stream, followed by intergovernmental payments of $1,557,400 consisting of gasoline and transient guest taxes, and reimbursements which represent 4.8% of the revenue stream.

The General Fund is the chief operating fund of the City of Derby. At the end of 2021, the unassigned fund balance of the General Fund was $11,790,546. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to the total fund expenditures. The unassigned fund balance represents 60.6% of total General Fund expenditures, while the total fund balance represents 82.5% of that same amount. This percentage is unusually high due to capital projects that are planned in the near future and the assigned fund balance of $2,188,205.

The Debt Service Fund has a restricted fund balance of $1,469,796. The primary revenue source for this fund is special assessments, followed by ad valorem property taxes. Property taxes are levied to pay the debt associated with city-at-large improvements such as buildings and arterial roadways. The fund balance of the Debt Service Fund increased from $1,211,211 in 2020 to enhance the reserve for potential increases in special assessment delinquencies.

The Capital Projects Fund has a restricted fund balance of $5,146,256. The primary source of revenue for the Capital Projects Fund is temporary financing to construct infrastructure which will be permanently financed with the issuance of long-term debt. The fund balance of the Capital Projects Fund declined by $3,105,041 at year-end 2021 due to expenditures to construct infrastructure improvements in subdivisions and payment of temporary notes with bond proceeds. Fewer temporary notes were issued to finance improvements than bonds as projects were completed.

The Derby Difference Sales Tax Fund has a restricted fund balance of $4,128,579. The primary source of revenue for the Derby Difference Sales Tax Fund is a ½-cent city-wide retailer's sales tax, which became effective January 1, 2015. The fund balance is restricted to three areas identified in the ballot question and subsequently approved by the voters and the City Council. The largest portion of the fund balance of $1,418,061 is restricted for park development and payment of debt service on Madison Avenue Central Park and Decarsky Park. The next largest portion of $1,384,605 is restricted for Derby Fire & Rescue expenses, and $1,325,913 is for library operations. The fund balance of the Derby Difference Sales Tax Fund declined by $377,951 as expenditures exceeded revenues. Sales tax revenues grew 12.2% but expenditures for operating expenses of the library and public safety, along with construction of Decarsky Park, exceeded revenues as expected.

Ten funds make up the non-major funds, the largest of which is the Aquatic Park Fund which houses the reserve for operations of the City's aquatic park.

Proprietary funds – The City's proprietary funds' financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water, Sewer and Stormwater Utilities at the end of 2021 totals $16,840,403. As stated earlier, unrestricted net position is to be used for ongoing and future obligations and improvements to the utilities.

Total net position of the proprietary funds increased $2,690,067 from $40,702,802 to $43,392,869. The increase in net position is primarily due to contribution of capital assets to the utilities and higher operating income in all of the utilities. Capital contributions consist of sanitary sewer, water lines and stormwater infrastructure to serve residential subdivisions throughout the city of The Oaks, Northbrook, Spring Ridge, Rolling Ridge and the Villas at Decarsky Park. Operating income in the utilities was higher as a result of higher sales due to increased consumption and a rate increase to offset the cost of wholesale water and sewer.

Beginning in 2012, the City established an internal service fund for partial self-funding of the City's health insurance program. The health insurance program activity is presented as the Internal Service fund included with the proprietary fund information. At year-end 2021, the unrestricted net position of the Internal Service Fund was $1,417,983, a decrease of $281,740, primarily due to insurance claims exceeding contributions to the fund by employees and the City.

General Fund Budgetary Highlights

Careful monitoring of expenditures and revenues allowed Derby to carry over $12,371,247 into 2022 (64.1% of expenditures), a decrease of $630,397 over the prior year carryover. The decrease in carryover occurred due to a planned drawdown of the reserves for one-time expenditures in the revised 2021 operating budget. The 2021 General Fund budget was revised to include the redemption of $1,025,000 bond principal to reduce the City's outstanding debt to free up property tax funds for future fire personnel expenses. However, due to higher than anticipated revenues and lower than anticipated expenses, the carryover exceeded the revised operating budget allowing Derby to enter 2022 with higher reserves than projected.

The largest budget variance in revenues is sales tax of $855,346. The budget was adopted in August 2020, in the midst of the pandemic when increased demand and consumption in 2021 were not anticipated. The next largest variance of licenses and permits of $190,809 is due to higher than anticipated building permits. The negative budget variance in fines and fees of $161,073 is due to classification of miscellaneous revenues to other revenue which has a positive variance of $177,309. The budget variance in ad valorem property tax of $137,514, and delinquent tax of $137,703, is due to settlement of an assessed valuation appeal by a large entity. A portion of the appeal was granted which resulted in refunding a portion of prior years' property taxes paid but current property taxes paid.

The largest variance is in capital outlay of $791,531 since the pavement rehabilitation program was reclassified from public works to capital outlay. If this change hadn't occurred, the budget variance in public works was due to lower-than-expected payroll expenses and careful monitoring of expenditures.

The second largest budget variance is in law enforcement of $328,047 due to lower-than-expected payroll expenses and careful monitoring of expenditures.

The budget variances in administration and operations, finance, fire and planning and engineering were also due to lower-than-expected payroll expenses and careful monitoring of expenditures.

The variance in contingencies of $8,167,071 is the cash reserve for 2022 and future years.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City of Derby's investment in capital assets for its governmental and business-type activities as of December 31, 2021 was $172,642,818 net of depreciation. This investment in capital assets includes land, buildings, machinery and equipment, an aquatic park, water distribution and sewer and stormwater collection systems, infrastructure and construction in progress.

Major projects undertaken during 2021 were the infrastructure to serve new phases of The Oaks housing addition, Northbrook, Spring Ridge, Rolling Ridge and the Villas at Decarsky Park. Construction of Decarsky Park, a ballfield complex and dog park, began in 2019 and was completed in 2022. Reclassification of this $6.8 million project from construction in progress to improvements makes up most of the changes in the table below.

Table A-3
CITY OF DERBY'S CAPITAL ASSETS
Net of Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	$ 35,281,959	$ 35,185,016	$ 712,358	$ 712,358	$ 35,994,317	$ 35,897,374
Construction in progress	949,440	6,523,487	93,861	759,902	1,043,301	7,283,389
Buildings	22,072,069	22,900,865	1,436,720	1,856,186	23,508,789	24,757,051
Machinery and equipment	3,075,572	3,222,594	534,263	694,063	3,609,835	3,916,657
Improvements	16,269,595	9,734,906	-	-	16,269,595	9,734,906
Infrastructure	63,352,902	64,728,714	28,864,079	28,470,988	92,216,981	93,199,702
Total capital assets (net)	$ 141,001,537	$ 142,295,582	$ 31,641,281	$ 32,493,497	$ 172,642,818	$ 174,789,079

Additional information on the City's capital assets can be found in Note 5 to the financial statements.

Debt Administration

At year-end, the City of Derby had $66,114,400 in bonds and notes outstanding. This is a decrease of $8,294,400 from $75,038,800 at the end of 2020. In 2021, $3,835,000 in temporary notes were issued to finance infrastructure in subdivisions throughout the city. Bonds totaling $4,620,000 were issued to pay off a temporary note and provide long term financing for infrastructure in The Oaks subdivision, Northbrook and Rolling Ridge Additions. Bonds totaling $2,720,000 refunded the 2013-A Series of bonds. The special assessment bonds will be paid with special assessment revenue paid by the property owners. More detailed information about the City's long-term liabilities is presented in Note 10 to the financial statements.

Table A-4
City of Derby Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	$ 55,821,235	$ 62,214,497	$ 4,178,765	$ 5,060,503	$ 60,000,000	$ 67,275,000
Sales tax obligation bonds	679,400	908,800	-	-	679,400	908,800
Temporary notes	5,435,000	6,855,000	-	-	5,435,000	6,855,000
Total	$ 61,935,635	$ 69,978,297	$ 4,178,765	$ 5,060,503	$ 66,114,400	$ 75,038,800

The City's general obligation bond rating was upgraded to AA from AA- by Standard & Poor's in 2021, with a "stable outlook" and the management score of the City of "strong" and "very strong" reserves and liquidity.

ECONOMIC FACTORS

With approximately 580 businesses operating inside its boundaries, the City of Derby benefits from an ideal mix of service, retail, medical and manufacturing companies. More than 4,200 workers are employed at Derby firms ranging in size from 1 to 100, and Derby's strongest business sectors include construction, finance and insurance, real estate, health care and retail.

In recent years, Derby's long history of steady growth has seen it develop into a major retail trade center serving residents from the surrounding communities. Derby's conveniently located retail shopping centers have proven to be a draw for new customers from Sedgwick County, Butler, Sumner and even Cowley counties, as well as from northern Oklahoma.

Not surprisingly, the continued growth of retail development in Derby has led to increased sales tax collections and total assessed valuation. Foremost among these retail developments is Derby Marketplace, a 600,000 square foot shopping center that opened in late 2008 and is anchored by Target, Dillons Marketplace and a Hobby Lobby (2015). Along with commercial development at K-15 and Patriot Avenue currently anchored by Lowe's (2004) and Kohl's (2007), Derby's retail areas continue to provide outstanding development opportunities for the community.

Derby is located just a few miles from McConnell Air Force Base (MAFB), one of three Supertanker KC-135 Stratotanker wings in the Air Force. Team McConnell is made up of the 22nd Air Refueling Wing, the 931st Air Refueling Wing (Air Force Reserve) and the 184th Intelligence Wing (Kansas Air National Guard).

Derby's Profile

➢ Median Age (2021)	37.5 years
➢ Median Household Income (2021)	$76,684
➢ Average Household Income (2021)	$94,692
➢ Average New Home Value (2021)	$302,594
➢ Housing Units (2021)	9,763
➢ Unemployment (Wichita MSA March 2021)	3.3%

Source: ESRI Market Profile with the exception of average new home value, which is City building permit data.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the Finance Department, 611 Mulberry, Derby, KS 67037 or by phone at (316) 788-1519.

Basic Financial Statements

CITY OF DERBY, KANSAS
STATEMENT OF NET POSITION
December 31, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Library Board
Assets:				
Deposits and investments	$ 30,812,899	$ 17,237,652	$ 48,050,551	$ 662,091
Restricted cash and investments	412,809	-	412,809	-
Receivables, net of allowance for uncollectibles:				
Taxes	14,284,431	-	14,284,431	-
Special assessments	32,955,540	-	32,955,540	-
Accounts	128,848	1,494,355	1,623,203	-
Interest	4,836	-	4,836	-
Inventories	309,337	10,938	320,275	-
Prepaid items	-	3,362	3,362	39,883
Internal balances	49,098	(49,098)	-	-
Capital assets, net of accumulated depreciation, where applicable:				
Land	5,215,249	712,358	5,927,607	-
Land - right of way	30,066,710	-	30,066,710	-
Construction in progress	949,440	93,861	1,043,301	-
Buildings and systems	22,072,069	1,436,720	23,508,789	-
Improvements	16,269,595	-	16,269,595	-
Infrastructure	63,352,902	28,864,079	92,216,981	-
Machinery and equipment	3,075,572	534,263	3,609,835	275,065
Total assets	219,959,335	50,338,490	270,297,825	977,039
Deferred outflows of resources:				
Deferred charge on refunding	115,547	-	115,547	-
Deferred outflows - OPEB	299,795	31,883	331,678	-
Deferred outflows - pension	3,930,218	276,402	4,206,620	-
Total deferred outflows of resources	4,345,560	308,285	4,653,845	-
Liabilities:				
Accounts payable	1,467,382	526,910	1,994,292	25,362
Accrued liabilities	938,910	61,946	1,000,856	-
Accrued interest payable	100,292	41,369	141,661	-
Unearned revenue	1,824,565	-	1,824,565	
Noncurrent liabilities:				
Due within one year	8,043,521	949,096	8,992,617	-
Due in more than one year	69,675,567	5,430,544	75,106,111	-
Total liabilities	82,050,237	7,009,865	89,060,102	25,362
Deferred inflows of resources:				
Deferred receivable - property taxes	12,306,819	-	12,306,819	-
Deferred charge on refunding	-	17,430	17,430	-
Deferred inflows - OPEB	357,332	28,388	385,720	-
Deferred inflows - pension	3,305,675	247,321	3,552,996	-
Total deferred inflows of resources	15,969,826	293,139	16,262,965	-
Net position:				
Net investment in capital assets	91,754,688	26,552,466	118,307,154	275,065
Restricted for:				
Debt service	18,967,638	-	18,967,638	-
Capital projects and streets	6,906,241	-	6,906,241	-
Culture and recreation	1,594,118	-	1,594,118	-
Law enforcement	115,902	-	115,902	-
Fire	1,384,605	-	1,384,605	-
Library operations	1,372,167	-	1,372,167	-
Unrestricted	4,189,473	16,791,305	20,980,778	676,612
Total net position	$ 126,284,832	$ 43,343,771	$ 169,628,603	$ 951,677

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
STATEMENT OF ACTIVITIES
Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Library Board
Primary government:								
Governmental activities:								
General government	$ 6,541,278	$ 1,325,057	$ 238,113	$ 39,673	$ (4,938,435)	$ -	$ (4,938,435)	$ -
Public safety	9,176,526	743,262	105,354	5,282	(8,322,628)	-	(8,322,628)	-
Public works	8,264,061	731,682	1,042,122	6,178,289	(311,968)	-	(311,968)	-
Culture and recreation	2,815,245	237,491	80,437	155,197	(2,342,120)	-	(2,342,120)	-
Economic development	316,486	-	-	-	(316,486)	-	(316,486)	-
Interest on long-term debt	1,735,052	-	-	-	(1,735,052)	-	(1,735,052)	-
Total governmental activities	28,848,648	3,037,492	1,466,026	6,378,441	(17,966,689)	-	(17,966,689)	-
Business-type activities:								
Sewer	2,972,016	3,429,232	-	-	-	457,216	457,216	-
Water	5,644,057	7,053,886	-	-	-	1,409,829	1,409,829	-
Stormwater	773,035	624,991	-	-	-	(148,044)	(148,044)	-
Total business-type activities	9,389,108	11,108,109	-	-	-	1,719,001	1,719,001	-
Total primary government	$ 38,237,756	$ 14,145,601	$ 1,466,026	$ 6,378,441	(17,966,689)	1,719,001	(16,247,688)	-
Component unit:								
Library Board	$ 563,902	$ 73,257	$ 159,462	$ -				(331,183)
General revenues:								
Property taxes					13,148,957	-	13,148,957	500,129
Sales taxes					8,942,106	-	8,942,106	-
Franchise taxes					2,393,182	-	2,393,182	-
Excise taxes					46,852	-	46,852	-
Grants and contributions not restricted to specific programs					78,700	-	78,700	-
Unrestricted investment earnings					33,773	4,188	37,961	2,806
Transfers					(909,733)	909,733	-	-
Total general revenues and transfers					23,733,837	913,921	24,647,758	502,935
Change in net position					5,767,148	2,632,922	8,400,070	171,752
Net position, beginning of year					120,517,684	40,710,849	161,228,533	779,925
Net position, end of year					$ 126,284,832	$ 43,343,771	$ 169,628,603	$ 951,677

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

	Major Funds					
	General*	Debt Service	Capital Projects	Derby Difference Sales Tax	Nonmajor Funds	Total Governmental
Assets:						
Deposits and investments	$ 14,002,138	$ 1,469,796	$ 5,295,172	$ 3,478,101	$ 4,820,255	$ 29,065,462
Restricted cash and investments	-	-	-	-	412,809	412,809
Receivables (net of allowance for uncollectibles):						
Taxes	10,675,373	1,744,659	-	658,192	1,206,207	14,284,431
Special assessments	-	32,955,540	-	-	-	32,955,540
Accounts	128,848	-	-	-	-	128,848
Interest	4,836	-	-	-	-	4,836
Inventories	309,337	-	-	-	-	309,337
Total assets	$ 25,120,532	$ 36,169,995	$ 5,295,172	$ 4,136,293	$ 6,439,271	$ 77,161,263
Liabilities:						
Accounts payable	$ 522,174	$ -	$ 148,916	$ 7,714	$ 459,124	$ 1,137,928
Accrued payroll	938,910	-	-	-	-	938,910
Unearned revenue	-	-	-	-	1,824,565	1,824,565
Total liabilities	1,461,084	-	148,916	7,714	2,283,689	3,901,403
Deferred inflows of resources:						
Unavailable revenue - property taxes	9,371,360	1,744,659	-	-	1,190,800	12,306,819
Unavailable revenue - special assessments	-	32,955,540	-	-	-	32,955,540
Total deferred inflows of resources	9,371,360	34,700,199	-	-	1,190,800	45,262,359
Fund balances:						
Nonspendable:						
Inventories	309,337	-	-	-	-	309,337
Restricted:						
Capital projects	-	-	5,146,256	-	412,809	5,559,065
Substance abuse prevention	-	-	-	-	97,324	97,324
Culture and recreation	-	-	-	1,418,061	176,057	1,594,118
Crime prevention	-	-	-	-	18,578	18,578
Fire	-	-	-	1,384,605	-	1,384,605
Library operations	-	-	-	1,325,913	46,254	1,372,167
Debt service	-	1,469,796	-	-	-	1,469,796
Streets and sidewalks	-	-	-	-	1,347,176	1,347,176
Assigned:						
Senior activities	10,476	-	-	-	-	10,476
Equipment purchases	895,174	-	-	-	-	895,174
Capital improvements	1,282,555	-	-	-	-	1,282,555
Library operations	-	-	-	-	23,082	23,082
Aquatic park operations	-	-	-	-	843,502	843,502
Unassigned	11,790,546	-	-	-	-	11,790,546
Total fund balances	14,288,088	1,469,796	5,146,256	4,128,579	2,964,782	27,997,501
Total liabilities, deferred inflows of resources, and fund balances	$ 25,120,532	$ 36,169,995	$ 5,295,172	$ 4,136,293	$ 6,439,271	$ 77,161,263

* See the General Fund Combining Balance Sheet on page 71.

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2021

Total fund balances - governmental funds			$ 27,997,501
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.			141,001,537
Other long-term assets are not available to pay for current-expenditures and therefore are reported as unavailable in the funds.			32,955,540
Deferred outflows represent a consumption of net position that applies to a future period and so will not be recognized as an expenditure of resources until then.			
Deferred charge on refunding	$ 115,547		
Deferred OPEB outflow	299,795		
Deferred pension outflow	3,930,218		4,345,560
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			(77,819,380)
Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as a revenue until then.			
Deferred OPEB inflow	(357,332)		
Deferred pension inflow	(3,305,675)		(3,663,007)
An internal service fund is used by management to charge the cost of health insurance from the City's self-insured health plan to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.			1,467,081
Net position of governmental activities			$ 126,284,832

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2021

	Major Funds					
	General*	Debt Service	Capital Projects	Derby Difference Sales Tax	Nonmajor Funds	Total Governmental
Revenues:						
Taxes:						
Property	$ 8,615,253	$ 3,271,099	$ -	$ -	$ 1,262,605	$ 13,148,957
Excise	31,106	11,248	-	-	4,498	46,852
Sales	5,412,620	-	-	3,529,486	-	8,942,106
Franchise	2,180,318	-	-	-	212,864	2,393,182
Special assessments	-	3,009,108	163,744	-	-	3,172,852
Intergovernmental	275,704	-	-	-	1,281,696	1,557,400
Licenses and permits	608,309	-	-	-	-	608,309
Charges for services	434,194	-	-	-	22,782	456,976
Fines and fees	720,487	-	-	-	-	720,487
Investment earnings	29,895	2,583	-	-	1,296	33,774
Other	503,277	499,920	-	29,618	448,712	1,481,527
Total revenues	18,811,163	6,793,958	163,744	3,559,104	3,234,453	32,562,422
Expenditures:						
Current:						
General government	3,859,102	-	-	432,255	1,345,119	5,636,476
Public works	3,700,556	-	-	-	633,812	4,334,368
Public safety	7,443,491	-	-	909,243	11,045	8,363,779
Culture and recreation	1,720,250	-	-	5,213	265,547	1,991,010
Economic development	316,486	-	-	-	-	316,486
Debt service:						
Principal	1,025,000	5,013,262	5,255,000	1,300,000	229,400	12,822,662
Interest and fiscal charges	825	1,656,482	38,270	164,200	38,756	1,898,533
Debt issuance costs	-	-	245,379	-	-	245,379
Capital outlay	1,399,475	-	3,053,938	1,126,144	562,601	6,142,158
Total expenditures	19,465,185	6,669,744	8,592,587	3,937,055	3,086,280	41,750,851
Excess (deficiency) of revenues over (under) expenditures	(654,022)	124,214	(8,428,843)	(377,951)	148,173	(9,188,429)
Other financing sources (uses):						
Transfers in	350,000	124,371	509,244	-	-	983,615
Transfers out	(112,816)	-	(474,371)	-	-	(587,187)
General obligation bonds issued	-	-	4,620,000	-	-	4,620,000
Premium on general obligation bonds issued	-	-	331,788	-	-	331,788
Discount on general obligation bonds issued	-	-	(9,797)	-	-	(9,797)
General obligation refunding bonds issued	-	-	2,720,000	-	-	2,720,000
Premium on general obligation refunding bonds issued	-	-	271,710	-	-	271,710
Payment to refunded bond escrow agent	-	-	(6,485,294)	-	-	(6,485,294)
Temporary notes issued	-	-	3,835,000	-	-	3,835,000
Premium on temporary notes issued	-	-	5,522	-	-	5,522
Total other financing sources (uses)	237,184	124,371	5,323,802	-	-	5,685,357
Net change in fund balances	(416,838)	248,585	(3,105,041)	(377,951)	148,173	(3,503,072)
Fund balances, beginning of year	14,704,926	1,221,211	8,251,297	4,506,530	2,816,609	31,500,573
Fund balances, end of year	$ 14,288,088	$ 1,469,796	$ 5,146,256	$ 4,128,579	$ 2,964,782	$ 27,997,501

* See the General Fund Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) on pages 72 - 73.

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2021

Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	$ (3,503,072)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	41,776
The net effect of various miscellaneous transactions involving capital assets (e.g. sales, trade-ins, disposals, and donations).	(1,335,823)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	2,963,106
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	7,448,961
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.	376,795
An internal service fund is used by management to charge the cost of health insurance from the City's self-insured health plan to individual funds. The net revenue of the internal service fund is reported with governmental activities.	(224,595)
Change in net position of governmental activities	$ 5,767,148

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Taxes:			
Ad valorem property tax	$ 7,611,576	$ 7,749,090	$ 137,514
Delinquent tax	94,942	(42,761)	(137,703)
Motor vehicle tax	844,729	908,924	64,195
Excise tax	13,500	31,106	17,606
Sales tax	4,557,274	5,412,620	855,346
Franchise tax	2,113,421	2,180,318	66,897
Intergovernmental	220,243	270,422	50,179
Licenses and permits	417,500	608,309	190,809
Charges for services	389,000	434,194	45,194
Fines and fees	881,560	720,487	(161,073)
Investment earnings	100,000	29,895	(70,105)
Other	320,150	497,459	177,309
Total revenues	17,563,895	18,800,063	1,236,168
Expenditures:			
Administration and operations	3,948,289	3,698,582	(249,707)
Law enforcement	5,593,753	5,265,706	(328,047)
Finance	756,027	638,407	(117,620)
Fire	2,170,557	2,175,607	5,050
Planning and engineering	1,263,366	1,214,963	(48,403)
Public works	3,539,373	3,564,819	25,446
Insurance recovery	25,000	9,541	(15,459)
Liability insurance	248,199	224,716	(23,483)
Equipment	479,700	313,755	(165,945)
Capital outlay	181,000	972,531	791,531
Reimburseables	250,000	186,952	(63,048)
Debt service:			
Principal	1,025,000	1,025,000	-
Interest and fiscal charges	825	825	-
Miscellaneous	75,000	-	(75,000)
Contingencies	8,167,071	-	(8,167,071)
Total expenditures	$ 27,723,160	$ 19,291,404	$ (8,431,756)

(Continued)

CITY OF DERBY, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
(Continued)
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Excess (deficiency) of revenues over (under) expenditures	$ (10,159,265)	$ (491,341)	$ 9,667,924
Other financing sources (uses):			
Transfers in	350,000	350,000	-
Transfers out	(422,834)	(489,056)	(66,222)
Total other financing sources (uses)	(72,834)	(139,056)	(66,222)
Net change in fund balance	(10,232,099)	(630,397)	9,601,702
Fund balance, beginning of year	10,232,099	13,001,644	2,769,545
Fund balance, end of year	$ -	12,371,247	$ 12,371,247
Explanation of difference between budgetary and GAAP fund balance:			
Encumbrances for equipment and supplies ordered but not received are not recorded for GAAP purposes until received		361,385	
Fund balance on the basis of GAAP - General Fund only		12,732,632	
Fund balance for separately budgeted fund included with the General Fund on GAAP basis financials:			
Derby Senior Activity Board		10,476	
Fund balances (deficit) for non-budgeted funds included with the General Fund on GAAP basis financials:			
Payroll Fund		(271,364)	
Equipment Reserve		23,867	
Capital Improvement Reserve		921,170	
Public Safety Equipment Reserve		871,307	
		$ 14,288,088	

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DERBY DIFFERENCE SALES TAX FUND
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Sales tax	$ 3,041,012	$ 3,529,486	$ 488,474
Other	19,000	29,618	10,618
Total revenues	3,060,012	3,559,104	499,092
Expenditures:			
Personnel	1,122,614	1,171,665	49,051
Contractual	203,391	172,206	(31,185)
Commodities	4,000	2,840	(1,160)
Capital outlay	202,500	242,371	39,871
Debt service:			
Principal	1,300,000	1,300,000	-
Interest and fiscal charges	164,200	164,200	-
Total expenditures	2,996,705	3,053,282	56,577
Net change in fund balance	63,307	505,822	442,515
Fund balance, beginning of year	2,746,695	3,444,757	698,062
Fund balance, end of year	$ 2,810,002	3,950,579	$ 1,140,577
Explanation of difference between budgetary and GAAP fund balance:			
Encumbrances for equipment and supplies ordered but not received are not recorded for GAAP purposes until received		178,000	
Fund balance on the basis of GAAP		$ 4,128,579	

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021

	Business-Type Activities				Governmental Activities
	Sewer	Water	Stormwater	Total	Internal Service Fund
Assets:					
Current assets:					
Deposits and investments	$ 9,302,900	$ 6,215,055	$ 1,719,697	$ 17,237,652	$ 1,747,437
Accounts receivable (net of allowance for uncollectibles)	498,078	871,862	124,415	1,494,355	-
Inventories	-	10,938	-	10,938	-
Prepaid items	-	3,362	-	3,362	-
Total current assets	9,800,978	7,101,217	1,844,112	18,746,307	1,747,437
Noncurrent assets:					
Capital assets:					
Land	48,777	663,581	-	712,358	-
Construction in progress	-	-	93,861	93,861	-
Buildings	5,976,279	4,488,683	-	10,464,962	-
Infrastructure	26,664,452	23,641,975	16,089,177	66,395,604	-
Machinery and equipment	1,824,036	856,973	127,650	2,808,659	-
Accumulated depreciation	(21,285,508)	(21,327,164)	(6,221,491)	(48,834,163)	-
Total noncurrent assets	13,228,036	8,324,048	10,089,197	31,641,281	-
Total assets	23,029,014	15,425,265	11,933,309	50,387,588	1,747,437
Deferred outflows of resources:					
Deferred outflows - OPEB	13,227	8,397	10,259	31,883	-
Deferred outflows - pension	133,071	117,909	25,422	276,402	-
Total deferred outflows of resources	146,298	126,306	35,681	308,285	-
Liabilities:					
Current liabilities:					
Accounts payable	155,648	365,752	5,510	526,910	329,454
Accrued expenses	29,816	26,959	5,171	61,946	-
Accrued interest payable	18,372	22,997	-	41,369	-
Compensated absences	26,614	22,817	-	49,431	-
Current portion of bonds payable	150,490	749,175	-	899,665	-
Total current liabilities	380,940	1,187,700	10,681	1,579,321	329,454
Noncurrent liabilities:					
Loans payable	840,153	-	-	840,153	-
Bonds payable, net	1,335,323	2,313,849	-	3,649,172	-
Total OPEB liability	62,881	39,837	48,783	151,501	-
Net pension liability	412,348	320,578	56,792	789,718	-
Total noncurrent liabilities	2,650,705	2,674,264	105,575	5,430,544	-
Total liabilities	3,031,645	3,861,964	116,256	7,009,865	329,454
Deferred inflows of resources:					
Deferred charge on refunding	-	17,430	-	17,430	-
Deferred inflows - OPEB	11,777	7,476	9,135	28,388	-
Deferred inflows - pension	120,071	103,137	24,113	247,321	-
Total deferred inflows of resources	131,848	128,043	33,248	293,139	-
Net position:					
Net investment in capital assets	10,902,070	5,561,199	10,089,197	26,552,466	-
Unrestricted	9,109,749	6,000,365	1,730,289	16,840,403	1,417,983
Total net position	$ 20,011,819	$ 11,561,564	$ 11,819,486	43,392,869	$ 1,417,983
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service fund and the enterprise funds over time.				(49,098)	
Net position of business-type activities				$ 43,343,771	

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2021

	Business-Type Activities				Governmental Activities
	Sewer	Water	Stormwater	Total	Internal Service Fund
Operating revenues:					
Charges for sales and services	$ 3,426,632	$ 7,053,886	$ 624,991	$ 11,105,509	$ 2,749,502
Miscellaneous	2,600	-	-	2,600	-
Total operating revenues	3,429,232	7,053,886	624,991	11,108,109	2,749,502
Operating expenses:					
Personnel	701,582	479,927	193,310	1,374,819	3,031,242
Contractual	846,803	4,056,755	199,990	5,103,548	-
Supplies	173,222	46,148	1,537	220,907	-
Utilities	273,468	25,342	-	298,810	-
Depreciation	883,310	939,525	371,049	2,193,884	-
Total operating expenses	2,878,385	5,547,697	765,886	9,191,968	3,031,242
Operating income	550,847	1,506,189	(140,895)	1,916,141	(281,740)
Nonoperating revenues (expenses):					
Interest revenue	1,513	2,675	-	4,188	-
Interest expense	(63,999)	(75,996)	-	(139,995)	-
Total nonoperating revenues (expenses)	(62,486)	(73,321)	-	(135,807)	-
Income before contributions and transfers	488,361	1,432,868	(140,895)	1,780,334	(281,740)
Capital contributions	353,153	257,194	695,814	1,306,161	-
Transfers out	(247,223)	(149,205)	-	(396,428)	-
Change in net position	594,291	1,540,857	554,919	2,690,067	(281,740)
Total net position, beginning of year	19,417,528	10,020,707	11,264,567	40,702,802	1,699,723
Total net position, end of year	$ 20,011,819	$ 11,561,564	$ 11,819,486	$ 43,392,869	$ 1,417,983
Change in net position				$ 2,690,067	
Adjustment for the net effect of the current year activity between the internal service fund and the enterprise funds.				(57,145)	
Change in net position of business-type activities				$ 2,632,922	

See accompanying notes to basic financial statements.

CITY OF DERBY, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2021

	Business-Type Activities				Governmental Activities
	Sewer	Water	Stormwater	Total	Internal Service Fund
Cash flows from operating activities:					
Receipts from customers	$ 3,395,861	$ 6,965,555	$ 620,897	$ 10,982,313	$ 2,749,502
Other receipts	2,600	-	-	2,600	-
Payments to suppliers	(1,185,644)	(4,111,518)	(196,182)	(5,493,344)	(3,093,116)
Payments to employees	(710,836)	(467,971)	(191,369)	(1,370,176)	-
Net cash from operating activities	1,501,981	2,386,066	233,346	4,121,393	(343,614)
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	-	-	(35,507)	(35,507)	-
Transfers to capital projects fund	(247,223)	(149,205)	-	(396,428)	-
Payments on loan	(68,761)	-	-	(68,761)	-
Principal paid on general obligation debt	(144,530)	(737,208)	-	(881,738)	-
Interest and bond issuance costs paid on debt	(63,999)	(75,996)	-	(139,995)	-
Net cash from capital and related financing activities	(524,513)	(962,409)	(35,507)	(1,522,429)	-
Cash flows from investing activities:					
Interest received	1,513	2,675	-	4,188	-
Net change in cash and cash equivalents	978,981	1,426,332	197,839	2,603,152	(343,614)
Cash and cash equivalents, beginning of year	8,323,919	4,788,723	1,521,858	14,634,500	2,091,051
Cash and cash equivalents, end of year	$ 9,302,900	$ 6,215,055	$ 1,719,697	$ 17,237,652	$ 1,747,437

(Continued)

CITY OF DERBY, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
(Continued)
Year Ended December 31, 2021

	Sewer	Water	Stormwater	Total	Internal Service Fund
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	$ 550,847	$ 1,506,189	$ (140,895)	$ 1,916,141	$ (281,740)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Items not requiring cash:					
Depreciation and amortization	867,296	863,300	371,049	2,101,645	-
Changes in:					
Accounts receivable	(30,771)	(88,331)	(4,094)	(123,196)	-
Inventories	-	28,448	-	28,448	-
Deferred outflows - OPEB	711	408	450	1,569	-
Deferred outflows - pension	(7,752)	(6,994)	(1,714)	(16,460)	-
Accounts payable	123,863	64,504	5,345	193,712	(61,874)
Accrued expenses	(2,249)	19,897	(452)	17,196	-
Total OPEB liability	1,748	1,197	1,840	4,785	-
Net pension liability	(109,566)	(98,862)	(24,232)	(232,660)	-
Deferred inflows - OPEB	3,855	2,471	3,048	9,374	-
Deferred inflows - pension	103,999	93,839	23,001	220,839	-
Net cash from operating activities	$ 1,501,981	$ 2,386,066	$ 233,346	$ 4,121,393	$ (343,614)

Noncash capital financing activities:
Contributions of capital assets of $ 353,153; $ 257,194; and $ 695,814 were acquired in the sewer fund, water fund, and stormwater fund, respectively, from other governmental funds.

See accompanying notes to basic financial statements.

1 - Summary of Significant Accounting Policies

Reporting Entity

The City of Derby, Kansas (the City) is a municipal corporation governed by an elected mayor, eight-member council, and city manager. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Blended Component Unit. In January 1999, the City acquired 100% of the outstanding capital stock of the El Paso Water Company, Inc. (the Company). The Company has received a Private Letter Ruling stating that it is a public utility for purposes of the Internal Revenue Code, and, accordingly, is income tax-exempt. Although the Company is a legally separate organization, the City is financially accountable for the component unit. In addition, the Company's governing body is substantially the same as the governing body of the City. The financial statements of the Company have been included within the City's reporting entity as a proprietary fund. Separately issued financial statements for the Company are available from the Company's administrative offices.

Discretely Presented Component Unit. The Derby Public Library (the Library) is operated by a Library Board that is appointed by the City Council. The City levies and collects special library taxes. The Library's operating budget is subject to the approval of the City Council. The City must approve acquisition or disposition of real property by the Library. The City must also approve any bond issues. The Library is presented as a governmental fund type. Separately issued financial statements for the Library are not available.

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 primary government and its component unit. 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 to external customers for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are generally considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. A 60-day availability period is used for revenue recognition for all governmental funds revenues except property taxes. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. 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.

Property taxes, sales taxes, franchise taxes, interest associated with the current fiscal period, and certain state and federal grants and entitlements are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City. While property taxes receivable are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year end because statutory provisions prohibit their use until the year for which they were raised and budgeted. Instead, they are offset by unavailable revenue accounts.

The City reports the following major governmental funds:

The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This fund accounts for the general operating transactions of the City including public safety, public works, culture and recreation, and economic development.

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

The capital projects fund accounts for the acquisition and construction of major facilities other than those financed by the enterprise funds.

The Derby Difference Sales Tax fund accounts for the receipt of the City's special sales taxes for the construction of a new central park, a baseball/softball complex, and a dog park; adding emergency response personnel and equipment; and funding Derby Public Library operating expenses.

The City reports the following major proprietary funds:

The sewer fund accounts for the operation and maintenance activities of the City's wastewater collection and treatment systems.

The water fund accounts for the operation and maintenance activities of the City's water distribution system.

The stormwater fund accounts for the operation and maintenance activities of the City's stormwater collection system.

Additionally, the City reports the following fund type:

The internal service fund accounts for the cost of health insurance from the City's self-insured health plan.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Investments

Cash and investments of the individual funds are combined to form a pool that is managed by the finance director. Each fund's equity in the pool is included in "deposits and investments" in the financial statements. These pooled deposits and investments consist of operating accounts, non-negotiable certificates of deposit which are recorded at cost because they are not affected by market rate changes, repurchase agreements, which are overnight instruments and are recorded at cost due to the short-term nature of the agreements, and U.S. Treasury notes which are recorded at fair value. Investment earnings, including interest income, are allocated based on management discretion and upon their average daily equity balances. If a fund is not required to account for its own earnings by law or regulation, the earnings are allocated to the general fund.

The balance sheet also includes restricted investments which consist of assets held by trustees and various reserves required by bond ordinances. The restricted investments consist of money market mutual funds which are recorded at fair value.

Cash Flows Statement

For purposes of the cash flows statement, the City considers deposits and highly liquid investments with an original maturity of three months or less to be cash equivalents.

Receivables and Payables

All trade accounts receivable are shown net of an allowance for uncollectibles. Management records a trade accounts receivable allowance based on percentages of collection estimated from the aging of the accounts receivable. At December 31, 2021, an allowance for uncollectible receivables of approximately $ 1,088,000 has been recorded.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds unavailable revenue is reported as follows:

General fund property tax receivable	$	9,371,360
Debt service fund property tax receivable		1,744,659
Debt service fund special assessments receivable		32,955,540
Nonmajor governmental fund property tax receivable		1,190,800
	$	45,262,359

Property Taxes

The City's property tax is levied each year on the assessed value of all real estate listed as of the prior January 1, the lien date. Assessed values are established by Sedgwick County. The assessed value at January 1, 2020 upon which the 2021 levy was based was $ 253,334,690.

Property taxes are legally restricted for use in financing operations of the ensuing year. Accordingly, the City defers revenue recognition until the year for which they are to be used. Property taxes are levied on November 1 of each year. Property owners have the option of paying one-half of the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the following year. Property taxes become delinquent on December 20 of each fiscal year if the taxpayer has not remitted at least one-half of the amount due. The Sedgwick County Treasurer is the tax collection agent for all taxing entities within the County. Property taxes levied in prior years that remain uncollected are recorded as receivables, net of estimated uncollectibles.

Inventories and Prepaid Items

Inventories consist of expendable supplies and merchandise held for consumption. Inventories of supplies are valued at cost, while inventories held for resale are valued at the lower of cost using the last-in/first-out (LIFO method) or market. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure (e.g., roads, bridges, sidewalks, and similar items), and construction in progress are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as equipment assets with an individual cost of greater than $ 1,000 and building, infrastructure, and improvement assets with an individual cost of greater than $ 25,000 and an estimated useful life in excess of one year. All costs of land are capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight-line method over the following estimated useful lives:

Buildings	25 – 40 years
Improvements	20 – 40 years
Infrastructure	15 – 40 years
Machinery and equipment	8 – 20 years

The City acquires right-of-way land assets, which are reported in the governmental activities column in the government-wide financial statements, as capital assets. The right-of-way assets are considered to have an indefinite life. As a result, no amortization is taken on the acquired assets.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has several items that qualify for reporting in this category. One item, *deferred charge on refunding*, is 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. The other two items, *deferred outflows for pension* and *deferred outflows for OPEB*, are reported in the government-wide statement of net position. See Note 7 and Note 8 for more information on the deferred outflows for the pension and OPEB plans, respectively.

In addition to liabilities, the statement of financial 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 City has several items that qualify for reporting in this category. One item, *unavailable revenue/deferred receivable*, is reported in the governmental funds balance sheet and the governmental activities in the government-wide statement of net position. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. Governmental activities report deferred receivable only from property taxes. Another item, *deferred charge on refunding*, is reported in the government-wide statement of net position and proprietary fund statement of net position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The final two items, *deferred inflows for pension* and *deferred inflows for OPEB*, are reported in the government-wide statement of net position. See Note 7 and Note 8 for more information on the deferred inflows for the pension and OPEB plans, respectively.

Compensated Absences

Under the terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. Varying amounts of hours are allowed to be carried over to subsequent years. This carryover is payable upon separation from service.

All vacation is accrued when incurred in the government-wide and proprietary fund financial statements. Sick pay is accrued when incurred only for employees hired prior to July 1, 1990. In the governmental fund financial statements, a liability for these amounts is reported only when they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts and refunding differences are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of KPERS and additions to/deductions from KPERS's 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.

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2021, fund balances for governmental funds are made up of the following:

Nonspendable fund balance – includes amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories, prepaid amounts, and long-term notes receivable.

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed fund balance – includes amounts that can only be spent for specific purposes determined by a formal action of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally (ordinance).

Assigned fund balance – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by an action of (1) the City Council or (2) a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes, the City Manager. The Council has authorized by charter ordinance the City Manager to assign fund balance.

Unassigned fund balance – is the residual classification for the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

Concentrations of Credit Risk

Credit is extended to citizens for special assessments levied by the City for capital improvements. These special assessments are secured by liens on the related properties. Unsecured credit is extended to customers for water fees, sewer fees, and charges for certain other services.

Use of Estimates

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

Pending Governmental Accounting Standards Board Statements

At December 31, 2021, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements that might impact the City are as follows:

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 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 June 15, 2021.

GASB Statement No. 91, *Conduit Debt Obligations*, eliminates diversity in practice associated with government issuers' financial reporting of conduit debt obligations. The Statement achieves that objective by clarifying the existing definition of a conduit debt obligation, establishing that a conduit debt obligation is not a liability of the issuer, establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations, and improving required note disclosures. The requirements for this statement are effective for periods beginning after December 15, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements,* provides guidance for the financial reporting of public-private and public-public partnerships and availability payment arrangements. The requirements of this statement are effective for periods beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements,* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for periods beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan, the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. This Statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities*, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans*, or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Finally, the Statement requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements for this statement are effective immediately except for the requirements that are related to the accounting and financial reporting for Section 457 plans, which are effective for fiscal years beginning after June 15, 2021.

2 - Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between fund balance – total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this $ (77,819,380) difference are as follows:

General obligation bonds payable	$	(55,821,235)
Plus: Issuance premiums		(2,794,379)
Less: Issuance discounts		10,212
Sales tax obligation bonds payable		(679,400)
Temporary notes payable		(5,435,000)
Accrued interest payable		(100,292)
Compensated absences		(658,186)
Total OPEB liability		(1,518,299)
Net pension liability		(10,822,801)
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	$	(77,819,380)

Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental funds statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $ 41,776 difference are as follows:

Capital outlay	$	4,879,201
Depreciation expense		(4,837,425)
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	41,776

Another element of that reconciliation states that "The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this $ 7,448,961 difference are as follows:

Debt issued or incurred:		
General obligation debt	$	(7,340,000)
Issuance premiums		(603,498)
Issuance discounts		9,797
Temporary notes		(3,835,000)
Principal repayments:		
General obligation debt		13,733,262
Sales tax obligation bonds		229,400
Temporary notes		5,255,000
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	$	7,448,961

Another element of that reconciliation states that "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." The details of this $ 376,795 difference are as follows:

Compensated absences	$	66,148
Accrued interest		21,679
Amortization of deferred charge on refunding		(91,016)
Amortization of bond discounts		(312)
Amortization of bond premiums		563,282
OPEB contributions		(149,529)
Pension contributions		(33,457)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	376,795

3 - Stewardship, Compliance, and Accountability

Budgetary Information

Applicable Kansas statutes require an annual operating budget be legally adopted for the general fund, special revenue funds (unless exempted by a specific statute), debt service funds, and proprietary funds. A legal operating budget is not prepared for the capital projects fund, the STAR Bonds fund, the ARPA fund, the law enforcement trust fund, the law enforcement trust – state fund, the equipment reserve fund, the payroll fund, the public safety equipment reserve fund, and the capital improvement reserve fund. All budgets are prepared utilizing the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments evidenced by documents such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures.

The statutes provide for the following sequence and timetable in adoption of budgets:

a. Preparation of budget for the succeeding calendar year on or before August 1st.
b. Publication in a local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.

c. Public hearing on or before August 15 but at least ten days after publication of notice of hearing.
d. Adoption of final budget on or before August 25th.

Beginning in 2022, if the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget is adjusted to on or before September 20th.

Kansas statutes permit transferring budgeted amounts from one object or purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures in an individual fund. The legal level of budgetary control is the fund level. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the City. All unencumbered appropriations lapse at the end of the year. Encumbered appropriations are not reappropriated in the ensuing year's budget but are carried forward until liquidated or cancelled. Kansas statutes permit original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The City must first publish, in the local newspaper, a notice of public hearing to amend the budget. At least ten days after publication, a public hearing is held and the governing body may amend the budget at that time. During 2021, the aquatic park fund budget was amended.

Budget Violations

For the year ended December 31, 2021, expenditures exceeded the budget in the Derby Difference Sales Tax fund by $ 56,577 and in the Library fund by $ 18,994.

4 - Deposits and Investments

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. Kansas statutes require that deposits of the City and the Library be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the City. At year-end, the carrying amounts of the City's deposits were $ 34,816,838, and the bank balances totaled $ 35,290,532. Of the bank balances, $ 751,000 was secured by federal deposit insurance, and $ 34,539,532 was collateralized by pledged securities held under joint custody receipts issued by third party banks in the City's name.

As of December 31, 2021, the carrying amount of the Library's deposits was $ 662,091, and the bank balance was $ 722,448. Of the bank balance, $ 250,000 was secured by federal deposit insurance and $ 472,448 was unsecured.

Investments

As of December 31, 2021, the City had the following investments:

Investment Type	Fair Value	Maturity	Rating
Money market mutual funds	$ 412,809	< 1 year	Not rated
U.S. Treasury notes	11,987,062	< 1 year	AAA
Repurchase agreements	833,842	< 1 year	Not rated
	$ 13,233,713		

Credit Risk

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentrations of Credit Risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. As noted in the schedule above, the City's investments as of December 31, 2021 consisted entirely of money market mutual funds, U.S. Treasury Notes and repurchase agreements.

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City is not exposed to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. 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 rising interest rates, but state statutes do establish a two-year limitation on investment maturities. In practice, the City does not exceed a one-year maturity when investing idle funds. The City is not exposed to significant interest rate risk.

Fair Value Measurement – The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. For the year ended December 31, 2021, the money market mutual funds and U.S.

Treasury notes were valued with quoted prices on the active market (Level 1 input). The repurchase agreements are considered cash equivalents and are, therefore, not classified in the fair value hierarchy.

At December 31, 2021, the City's investments were categorized within the fair value hierarchy as follows:

		Fair Value Measurements at Reporting Date Using		
Investment Type	Fair Value	Level 1	Level 2	Level 3
U.S. Treasury Notes	$ 11,987,062	$ 11,987,062	$ -	$ -
Money market mutual funds	412,809	412,809	-	-
	$ 12,399,871	$ 12,399,871	$ -	$ -

5 - Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 5,118,306	$ 97,050	$ (107)	$ 5,215,249
Land - right of way	30,066,710	-	-	30,066,710
Construction in progress	6,523,487	4,188,237	(9,762,284)	949,440
Total capital assets not being depreciated	41,708,503	4,285,287	(9,762,391)	36,231,399
Capital assets being depreciated:				
Buildings	33,087,159	-	-	33,087,159
Improvements	12,109,102	6,841,437	-	18,950,539
Infrastructure	130,946,782	1,623,686	-	132,570,468
Machinery and equipment	13,859,741	584,913	(291,357)	14,153,297
Total capital assets being depreciated	190,002,784	9,050,036	(291,357)	198,761,463
Less accumulated depreciation for:				
Buildings	(10,186,294)	(828,796)	-	(11,015,090)
Improvements	(2,374,196)	(306,748)	-	(2,680,944)
Infrastructure	(66,218,068)	(2,999,498)	-	(69,217,566)
Machinery and equipment	(10,637,147)	(702,383)	261,805	(11,077,725)
Total accumulated depreciation	(89,415,705)	(4,837,425)	261,805	(93,991,325)
Total capital assets being depreciated, net	100,587,079	4,212,611	(29,552)	104,770,138
Governmental activities capital assets, net	$ 142,295,582	$ 8,497,898	$ (9,791,943)	$ 141,001,537

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 712,358	$ -	$ -	$ 712,358
Construction in progress	759,902	1,341,668	(2,007,709)	93,861
Total capital assets not being depreciated	1,472,260	1,341,668	(2,007,709)	806,219
Capital assets being depreciated:				
Buildings	10,464,962	-	-	10,464,962
Infrastructure	64,400,350	2,007,709	(12,455)	66,395,604
Machinery and equipment	2,808,659	-	-	2,808,659
Total capital assets being depreciated	77,673,971	2,007,709	(12,455)	79,669,225
Less accumulated depreciation for:				
Buildings	(8,608,776)	(419,466)	-	(9,028,242)
Infrastructure	(35,929,362)	(1,614,618)	12,455	(37,531,525)
Machinery and equipment	(2,114,596)	(159,800)	-	(2,274,396)
Total accumulated depreciation	(46,652,734)	(2,193,884)	12,455	(48,834,163)
Total capital assets being depreciated, net	31,021,237	(186,175)	-	30,835,062
Business-type activities capital assets, net	$ 32,493,497	$ 1,155,493	$ (2,007,709)	$ 31,641,281

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 286,477
Public safety	642,862
Public works	3,371,648
Culture and recreation	536,438
Total depreciation expense - governmental activities	$ 4,837,425
Business-type activities:	
Sewer	$ 883,310
Water	939,525
Stormwater	371,049
Total depreciation expense - business-type activities	$ 2,193,884

Discretely Presented Component Unit

Capital asset activity for the Library for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated:				
Equipment and books	$ 1,050,943	$ 166,755	$ (164,732)	$ 1,052,966
Less accumulated depreciation for:				
Equipment and books	(756,817)	(185,816)	164,732	(777,901)
Library capital assets, net	$ 294,126	$ (19,061)	$ -	$ 275,065

6 - Capital Projects

The City has the following projects in progress at December 31, 2021:

	Costs to Date	Amount Authorized
Governmental improvements	$ 1,441,652	$ 2,582,925
Sewer improvements	269,393	301,500
Stormwater improvements	34,061	64,475
	$ 1,745,106	$ 2,948,900

7 - Defined Benefit Pension Plan

General Information About the Pension Plan

Description of Pension Plan. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit 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 KPERS, a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

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

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

Those employees participating in the Pension Plan for the City are included in both the Local and Police and Firemen employee groups.

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

Benefits Provided. Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (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 an employee's combined age and years of credited service equal 85 points (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, member employees may withdraw their contributions from their individual accounts, including interest. Member employees 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.

Member employees choose one of seven payment options for their monthly retirement benefits. At retirement a member employee may receive a lump-sum payment of up to 50% of the actuarial present value of the member employee'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 was created for new hires starting January 1, 2015. 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. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes the Police and Firemen (KP&F) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each 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 groups are funded on an actuarial reserve basis.

For KPERS 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.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate were 8.87% for KPERS and 22.80% for KP&F for the year ended December 31, 2021. Contributions to the Pension Plan from the City were $ 605,124 for KPERS and $ 1,019,786 for KP&F for the year ended December 31, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the City reported a liability of $ 4,158,148 for KPERS and $ 7,454,371 for KP&F for its proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2021, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021.

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 City's proportion of the collective net pension liability was based on the ratio of the City's actual contributions to KPERS and KP&F, relative to the total employer and nonemployer contributions of the Local group and Police and Firemen group within KPERS for the KPERS fiscal year ended June 30, 2021.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2021, the City's proportion for KPERS was .346525%, which was an increase of .020924% from its proportion measured as of June 30, 2020. At June 30, 2021, the City's proportion for

KP&F was .781180%, which was an increase of .037761% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the City recognized pension expense of $ 425,444 for KPERS and $ 1,205,689 for KP&F, with the aggregate pension expense for both KPERS and KP&F totaling $ 1,631,133. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 752,337	$ 37,650
Net difference between projected and actual earnings on pension plan investments	-	3,432,210
Changes of assumptions	1,766,742	-
Changes in proportionate share	871,330	83,136
City contributions subsequent to measurement date	816,211	-
Total	$ 4,206,620	$ 3,552,996

The $ 816,211 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2022	$ 205,144
2023	155,456
2024	30,173
2025	(647,368)
2026	94,008
	$ (162,587)

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.75 percent
Salary increases, including price inflation	3.50 to 12.00 percent
Long-term rate of return, net of investment expense, and including price inflation	7.25 percent
Payroll growth assumption	3.00 percent

Changes in actuarial assumptions and methods in the December 31, 2020 actuarial valuation were as follows:

Both Groups

- Investment return assumption was lowered from 7.75% to 7.25%.

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. Different adjustments apply to pre-retirement versus post-retirement versus post-disability mortality tables.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study, which covered the three-year period of January 1, 2016 through December 31, 2018. The experience study is dated January 7, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocations as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities	23.50%	5.20%
Non-U.S. Equities	23.50%	6.40%
Private Equity	8.00%	9.50%
Private Real Estate	11.00%	4.45%
Yield Driven	8.00%	4.70%
Real Return	11.00%	3.25%
Fixed Income	11.00%	1.55%
Cash	4.00%	0.25%
Total	100%	

Discount rate. The discount rate used by KPERS to measure the total pension liability was 7.25%. 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 Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation first passed in 1993, the employer contribution rates certified by the KPERS Board of Trustees for this group 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 KPERS. Future employer contribution rates were also modeled for KP&F assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for KP&F. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the collective net pension liability to changes in the discount rate. The following presents the City's proportionate share of the collective net pension liability calculated using the discount rate of 7.25%, as well as what the City's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's KPERS proportionate share of the collective net pension liability	$ 6,839,750	$ 4,158,148	$ 1,909,285
City's KP&F proportionate share of the collective net pension liability	11,188,292	7,454,371	4,330,938
	$ 18,028,042	$ 11,612,519	$ 6,240,223

Pension plan fiduciary net position. Detailed information about the Pension Plan's fiduciary net position is available in the separately issued KPERS financial report.

8 - Other Postemployment Healthcare Benefits

Health Insurance

Plan Description Benefits Provided and Contributions. The City offers postemployment health, dental and vision benefits to retired employees. The benefits are provided through a single employer defined benefit postemployment healthcare plan administered by the City. The other postemployment benefit (OPEB) plan (the Plan) provides medical benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The Plan does not issue a standalone financial report.

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 100 percent of the blended premium cost of active employees to maintain coverage.

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. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2021 totaled $ 53,000.

Employees Covered by Benefit Terms. As of the actuarial valuation date of January 1, 2020, the following employees were covered by the benefit terms.

Inactive employees or beneficiaries currently receiving benefit payments	5
Active plan members	180
	185

Total OPEB Liability

The City's total OPEB liability of $ 1,499,715 was measured as of December 31, 2021 and was determined by an actuarial valuation performed as of January 1, 2020.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate as of measurement date	2.04 percent
Mortality table	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality Tables using Scale MP-2021 Full Generational Improvement
Salary scale	3.50 percent per year
Inflation rate	2.50 percent per year
Healthcare cost trend rates	
Current rate	5.75 percent
Ultimate rate	4.50 percent
Actuarial cost method	Entry Age Normal - Level Percent-of-Pay

The discount rate was based on the S&P Municipal Bond 20-Year High Grade and the Fidelity GO AA-20 Years indexes as of the measurement date.

Changes and items of impact relative to the prior valuation are noted below:

- The discount rate was changed from 1.96% to 2.04% for the end of year measurement.
- The mortality assumption was changed from Society of Actuaries Scale MP-2020 Full Generational Improvement to the Society of Actuaries Scale MP-2021 Full Generational Improvement.
- Retiree contribution premiums and fixed costs were updated taking into account the January 1, 2022 renewal.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2020	$ 1,490,566
Changes for the year:	
Service cost	140,176
Interest cost	31,443
Differences between expected and actual experience	(95,561)
Changes in assumptions and inputs	(13,909)
Benefit payments	(53,000)
Net changes	9,149
Balance at December 31, 2021	$ 1,499,715

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 or one percentage point higher than the current discount rate:

	1% Decrease (1.04%)	Discount Rate (2.04%)	1% Increase (3.04%)
Total OPEB liability	$ 1,685,707	$ 1,499,715	$ 1,333,185

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents 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 or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 1,243,978	$ 1,499,715	$ 1,819,929

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the City recognized OPEB expense of $ 174,278.

At December 31, 2021, the City reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 267,790
Changes of assumptions	315,674	13,281
	$ 315,674	$ 281,071

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

Year Ended December 31,	
2022	$ 2,659
2023	2,659
2024	2,659
2025	2,659
2026	2,659
2027 and Thereafter	21,308
	$ 34,603

Disability Benefits and Life Insurance

Plan Description Benefits Provided and Contributions. The City participates in an agent 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.

Employer contributions are established and may be amended by state statute. Members are not required to contribute. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2021 totaled $ 10,647.

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, 66⅔ 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. 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. As of the valuation date of December 31, 2020, the following employees were covered by the benefit terms.

Active members	129
Disabled members	1
	130

Total OPEB Liability

The City's total OPEB liability of $ 170,085 was measured as of June 30, 2021 and was determined by an actuarial valuation performed as of December 31, 2020.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.16 percent
Implicit inflation rate	2.75 percent
Mortality rates	Local Males: 90% of RP-2014 M Total Dataset +2 Local Females: 90% of RP-2014 F Total Dataset +1 Generational mortality improvements were projected for future years using MP-2021.
Salary increases	3.50 percent (composed of 2.75 percent inflation and 0.75 percent productivity)
Payroll growth	3.00 percent
Actuarial cost method	Entry Age Normal

The discount rate was based on the Bond Buyer General Obligation 20-Year Municipal Index.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2016 through December 31, 2018.

Changes and items of impact relative to the prior valuation were as follows.

> The discount rate was updated in accordance with the requirements of GASB 75. The mortality projection scale was updated to the most recent table published by the Society of Actuaries. The overall impact of the new assumptions is a decrease in the benefit obligations.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2020	$ 246,935
Changes for the year:	
Service cost	25,968
Interest on total OPEB liability	5,914
Effect of economic/demographic gains or losses	(98,363)
Effect of assumptions changes or inputs	278
Benefit payments	(10,647)
Net changes	(76,850)
Balance at December 31, 2021	$ 170,085

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 or one percentage point higher than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	$ 174,986	$ 170,085	$ 164,042

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents 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 or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 170,085	$ 170,085	$ 170,085

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the City recognized OPEB expense of $ 21,783. At December 31, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,442	$ 100,577
Changes of assumptions	14,562	4,072
	$ 16,004	$ 104,649

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

Year Ended December 31,	
2022	$ (10,099)
2023	(10,099)
2024	(10,099)
2025	(10,099)
2026	(9,917)
2027 and Thereafter	(38,332)
	$ (88,645)

Aggregate Other Postemployment Healthcare Benefit Information

	Balances at December 31, 2021		
	Health Insurance	Disability Benefits and Life Insurance	Total
Total OPEB liability	$ 1,499,715	$ 170,085	$ 1,669,800
Total deferred outflows of resources	315,674	16,004	331,678
Total deferred inflows of resources	281,071	104,649	385,720

The aggregate amount of OPEB expenses for the two OPEB plans for the year ended December 31, 2021 was $ 196,061.

9 - Risk Management

The City is exposed to various risks of loss related to torts; damage to and destruction of assets; business interruptions; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

Self-Funded Health Insurance

The City maintains a self-funded health insurance plan covering substantially all full-time employees. Funds are accumulated for payment of claims and insurance premiums through charges to the City's funds and to the employees of the various departments of the City. The plan is administered by a third party, which accumulates and processes claims. During 2021, the City's specific retention amount was $ 70,000 per covered person. The minimum aggregate retention amount was $ 2,504,019. The reinsurer's aggregate maximum limit was 100% of paid aggregate losses in excess of the aggregate retention amount subject to a maximum of $ 1,000,000. The City purchases commercial insurance for claims in excess of the maximum and for all other risks of loss. Any claims paid in excess of this amount will be reimbursed to the City by the insurance company at the end of the plan year. The transactions of the health insurance plan are accounted for in the internal service fund. The claims liability reported at December 31, 2021 is based on the requirements of Governmental Accounting Standard Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statement and the amount of the loss can be reasonably estimated.

The change in health care claims payable for the year ended December 31, 2021 is as follows:

Claims payable, beginning of year	$	391,328
Incurred claims and change in estimate		2,362,452
Claim payments		(2,424,326)
Claims payable, end of year	$	329,454

10 - Long-Term Debt

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds payable at December 31, 2021 are comprised of the following issues:

	Interest Rates	Original Issue	Final Maturity Date	Principal Payments During 2021	Outstanding December 31, 2021
General Obligation Bonds:					
Governmental activities:					
2010A Improvement	3.50% - 3.75%	$ 60,205	2025	$ 4,385	$ 4,685
2010C Refunding	2.80%	$ 1,040,450	2021	105,000	-
2011A Refunding and Improvement	2.60% - 3.625%	1,465,700	2031	140,000	-
2012A Refunding	1.80% - 1.90%	2,418,743	2023	182,727	120,968
2012B Improvement	2.00% - 2.75%	877,860	2032	436,491	-
2013A Refunding and Improvement	2.00% - 2.90%	6,200,000	2033	3,130,000	-
2014A Refunding and Improvement	2.10% - 4.00%	3,146,914	2034	138,760	2,356,263
2014B Refunding	2.25%	2,428,520	2021	290,000	-
2014C Improvement	2.25% - 2.50%	5,380,000	2024	570,000	1,790,000
2015A Refunding	1.25% - 2.50%	886,200	2024	756,600	82,000
2015B Improvement	2.25% - 2.50%	1,725,000	2024	175,000	550,000
2015C Improvement	2.00% - 3.50%	955,000	2036	60,000	620,000
2016A Refunding and Improvement	3.00% - 4.00%	1,455,000	2036	160,000	-
2017A Improvement	2.00% - 3.00%	5,105,000	2037	220,000	4,325,000
2017B Improvement	2.00% - 3.375%	26,342	2038	1,318	22,390
2018A Improvement	3.00% - 3.35%	6,125,000	2038	250,000	5,395,000
2018C Improvement	3.00% - 5.00%	3,395,000	2024	555,000	1,785,000
2019A Improvement	3.00% - 5.00%	5,385,000	2034	275,000	4,850,000
2019B Refunding and Improvement	2.25% - 4.00%	6,300,960	2040	450,470	5,545,120
2020A Improvement	2.00% - 3.00%	295,000	2041	15,000	280,000
2021B Refunding and Improvement	2.00% - 4.00%	2,720,000	2033	-	2,720,000
				$ 7,915,751	$ 30,446,426
Business-type activities:					
2012B Improvement	2.00% - 2.75%	708,120	2032	$ 47,208	$ 304,885
2013B Refunding	3.00%	3,375,000	2022	190,000	190,000
2018A Improvement	3.00% - 3.35%	775,000	2038	200,000	200,000
2018B Improvement	3.50% - 5.00%	2,710,000	2039	300,000	2,125,000
2019B Refunding and Improvement	2.25% - 4.00%	1,633,040	2027	144,530	1,358,880
				$ 881,738	$ 4,178,765

The future annual debt service requirements to maturity for general obligation bonds outstanding are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2022	$ 3,150,875	$ 897,822	$ 899,665	$ 175,620
2023	3,191,782	773,531	534,135	141,417
2024	3,267,197	681,505	553,605	117,735
2025	1,908,272	619,584	578,022	93,124
2026	1,423,152	567,420	1,160,229	67,362
2027-2031	9,986,910	1,802,786	453,109	56,286
2032-2036	6,425,604	559,138	-	-
2037-2041	1,092,634	50,666	-	-
	$ 30,446,426	$ 5,952,452	$ 4,178,765	$ 651,544

Special Assessment Bonds

The City's special assessment debt was issued to provide funds for the construction of infrastructure in new residential developments. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received. Special assessment bonds at December 31, 2021 are comprised of the following issues:

Special Assessment Bonds	Interest Rates	Original Issue	Final Maturity Date	Principal Payments During 2021	Outstanding December 31, 2021
Governmental activities:					
2009B Improvement	3.8% - 3.90%	$ 2,680,000	2024	$ 205,000	$ -
2010A Improvement	3.50% - 3.75%	2,959,795	2025	215,614	230,315
2011A Refunding and Improvement	2.60% - 3.625%	8,184,300	2031	95,000	95,000
2012A Refunding	1.80% - 1.90%	5,166,257	2023	582,273	744,032
2012B Improvement	2.00% - 2.75%	1,579,020	2032	116,301	755,115
2014A Refunding and Improvement	2.10% - 4.00%	758,086	2034	56,240	373,737
2015A Refunding	1.25% - 2.50%	2,278,800	2024	518,400	1,638,000
2015C Improvement	2.00% - 3.50%	3,800,000	2036	240,000	2,655,000
2016A Refunding and Improvement	3.00% - 4.00%	4,305,000	2036	3,535,000	-
2017B Improvement	3.00% - 3.375%	2,273,658	2038	123,683	1,902,610
2018B Refunding	3.50% - 5.00%	2,970,000	2039	120,000	2,735,000
2019B Refunding and Improvement	2.25% - 4.00%	2,526,000	2040	10,000	2,516,000
2020A Improvement	2.00% - 3.00%	3,695,000	2041	-	3,695,000
2020B Refunding	2.00% - 3.00%	3,415,000	2036	-	3,415,000
2021A Improvement	2.00% - 4.00%	4,620,000	2042	-	4,620,000
				$ 5,817,511	$ 25,374,809

The future annual debt service requirements to maturity for special assessment bonds are as follows:

	Governmental Activities	
	Principal	Interest
2022	$ 2,634,460	$ 813,725
2023	2,519,083	761,905
2024	2,379,198	680,280
2025	1,628,706	562,976
2026	1,436,619	489,564
2027-2031	6,619,981	1,771,581
2032-2036	4,809,396	870,955
2037-2041	3,077,366	233,614
2042-2046	270,000	6,075
	$ 25,374,809	$ 6,190,675

Call Provisions

Call provisions at the option of the City included in the general obligation bonds, including special assessments, are as follows:

Series 2014A: Callable December 1, 2021 at par plus accrued interest
Series 2015C: Callable December 1, 2022 at par plus accrued interest
Series 2017A: Callable December 1, 2025 at par plus accrued interest
Series 2017B: Callable December 1, 2027 at par plus accrued interest
Series 2018A: Callable December 1, 2028 at par plus accrued interest
Series 2018B: Callable December 1, 2028 at par plus accrued interest
Series 2018C: Callable December 1, 2022 at par plus accrued interest
Series 2019A: Callable December 1, 2026 at par plus accrued interest
Series 2019B: Callable December 1, 2026 at par plus accrued interest
Series 2020A: Callable December 1, 2028 at par plus accrued interest
Series 2020B: Callable December 1, 2028 at par plus accrued interest
Series 2021A: Callable December 1, 2042 at par plus accrued interest
Series 2021B: Callable June 1, 2033 at par plus accrued interest

Refundings

During the year ended December 31, 2021, the City issued $ 2,720,000 of general obligation refunding bonds (Series 2021B) to currently refund $ 2,920,000 of Series 2013A general obligation refunding and improvement bonds. The refunding transaction resulted in an economic gain of approximately $ 152,000 and a decrease in the future debt service payments of approximately $ 163,000.

Future Installments

The installment ranges for the general obligation bonds, including special assessments, are the following:

	Installment Range	
	Low	High
Governmental activities:		
Series 2010A	$ 235,000	$ 235,000
Series 2011A	95,000	95,000
Series 2012A	215,000	650,000
Series 2012B	35,000	236,891
Series 2014A	205,000	225,000
Series 2014C	585,000	610,000
Series 2015A	555,000	590,000
Series 2015B	180,000	185,000
Series 2015C	320,000	340,000
Series 2017A	230,000	305,000
Series 2017B	140,000	160,000
Series 2018A	255,000	455,000
Series 2018B	130,000	565,000
Series 2018C	575,000	615,000
Series 2019A	290,000	445,000
Series 2019B	679,510	1,270,000
Series 2020A	155,000	230,000
Series 2020B	220,000	255,000
Series 2021A	180,000	270,000
Series 2021B	195,000	270,000
Business-type activities:		
Series 2012B	47,208	53,109
Series 2013B	190,000	190,000
Series 2018A	200,000	200,000
Series 2018B	310,000	400,000
Series 2019B	150,490	727,120

Sales Tax Special Obligation Revenue Bonds

Sales tax special obligation revenue bonds (STAR bonds) are authorized to be issued pursuant to K.S.A. 12-17,160, et seq., as amended (the STAR Bond Act). The STAR Bond Act provides a form of tax increment financing that enables the issuance of bonds payable from certain State and local sales and compensating use tax revenues and transient guest tax revenues generated from STAR bond projects constructed within a STAR bond project district. To implement STAR bond financing, a local government must adopt a resolution that specifies a proposed STAR bond project district's boundaries and describes the overall district plan, hold a public hearing on the district and plan, and pass a resolution that establishes the STAR bond project district. Additionally, there may be one or more projects within a STAR bond district.

In connection with the issuance of STAR bonds, the City and the State of Kansas enter into Tax Distribution Agreements. The agreements provide that the principal and interest on the STAR bonds will be paid proportionally by the City and the State of Kansas, based on each entity's respective share of sales taxes generated within the district. The proportional shares may vary by bond issue, as described in the

"Tax Distribution Details" in the table below. These proportional shares may change in the future if the sales taxes assessed by the local or state governments are modified.

The STAR bond issue has "Turbo Redemption" provisions. Pledged tax revenues received in excess of amounts required for mandatory debt service payments or for various reserve account requirements will be used to redeem the bonds early. It is therefore expected that payment in full of principal on these bond series will be made earlier than their respective maturity dates.

Issue	District/ Project	Original Amount	Tax Distribution Details
2017	Derby Destination Development Project	$ 20,465,000	Year 1: 96.41% State sales tax revenues/ .59% City's share of County sales tax/ 3.01% City's transient guest tax 20 year estimate: 96.41% State sales tax revenues/.59% City's share of County Sales Tax/3.60% City's transient guest tax
2020	Derby Destination Development Project Amendment	$ 14,375,000	Amended tax distribution details: Year 1: 96.24% State sales tax revenues/ .59% City's share of County sales tax/ 3.17% City's transient guest tax 20 year estimate: 96.24% State sales tax revenues/.59% City's share of County Sales Tax/3.17% City's transient guest tax

For these bond issues, the City records its proportional share of the outstanding obligations.

At December 31, 2021, STAR bonds outstanding consisted of the following:

Description and Purpose	Amount of Original Issue	Final Maturity Date	Range of Interest Rates	Recorded with City Long-Term Liabilities Local Pledge	State Pledge	Total Value December 31, 2021
2017 Derby Destination Development Bonds	$ 20,465,000	2037	4.00%-5.00%	$ 104,400	$ 2,505,600	$ 2,610,000
2020 Derby Destination Development Bonds	$ 14,375,000	2037	3.900%	575,000	13,800,000	14,375,000
Total				$ 679,400	$ 16,305,600	$ 16,985,000

Annual debt service requirements to maturity for the STAR bonds are as follows:

Year	Governmental Activities Principal	Interest
2022	$ -	$ 30,975
2023	-	30,975
2024	-	30,975
2025	-	30,975
2026	-	30,975
2027-2031	-	154,875
2032-2036	-	154,875
2037-2041	679,400	15,488
	$ 679,400	$ 480,113

Temporary Notes Payable

The City issues temporary notes to provide temporary financing for capital improvement projects. Temporary notes payable at December 31, 2021 were as follows:

Temporary Notes	Interest Rate	Original Issue	Final Maturity Date	Principal Payments During 2021	Outstanding December 31, 2021
2020-1	0.50%	$ 6,855,000	2022	$ 5,255,000	$ 1,600,000
2021-1	0.40%	3,835,000	2023	-	3,835,000
				$ 5,255,000	$ 5,435,000

The temporary notes issued by the City have an initial maturity of greater than one year. Therefore, they are considered long-term debt and have been included in long-term liabilities on the statement of net position.

The future annual debt service requirements to maturity for temporary notes payable are as follows:

	Governmental Activities Principal	Interest
2022	$ 1,600,000	$ 49,061
2023	3,835,000	15,340
	$ 5,435,000	$ 64,401

Revolving Loan Payable

The City entered into a loan agreement with the Kansas Department of Health and Environment (KDHE) on November 12, 2009. According to the agreement, KDHE will loan an amount not to exceed $ 3,371,000 to the City for the purpose of designing and constructing a new sludge dewatering system and a new biosolids storage system and upgrading the mixing and aeration systems in the existing aerobic digester. The interest rate on the loan is 2.60%. The City paid $ 68,761 in principal on the loan during the year ended December 31, 2021. A repayment schedule reflecting the amount of principal forgiven has not been finalized. As of December 31, 2021, $ 3,264,501 of the loan was drawn down and project costs of $ 3,264,501 were incurred.

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 35,642,177	$ 2,720,000	$ 7,915,751	$ 30,446,426	$ 3,150,875
Plus (less) deferred amounts:					
Issuance premiums	2,754,163	603,498	563,282	2,794,379	-
Issuance discounts	(727)	(9,797)	(312)	(10,212)	-
Sales tax special obligation revenue bonds - direct borrowings	908,800	-	229,400	679,400	-
Special assessment debt with government commitment	26,572,320	4,620,000	5,817,511	25,374,809	2,634,460
Temporary notes - direct borrowings	6,855,000	3,835,000	5,255,000	5,435,000	1,600,000
Compensated absences	724,334	1,527,968	1,594,116	658,186	658,186
Total OPEB liability	1,590,785	-	72,486	1,518,299	-
Net pension liability	13,789,791	-	2,966,990	10,822,801	-
Governmental activities long-term liabilities	$ 88,836,643	$ 13,296,669	$ 24,414,224	$ 77,719,088	$ 8,043,521
Business-type activities:					
General obligation bonds	$ 5,060,503	$ -	$ 881,738	$ 4,178,765	$ 899,665
Plus deferred amounts:					
Issuance premiums	448,373	-	78,301	370,072	-
Revolving loans - direct borrowings	908,914	-	68,761	840,153	-
Compensated absences	33,221	143,730	127,520	49,431	49,431
Total OPEB liability	146,716	4,785	-	151,501	-
Net pension liability	1,022,378	-	232,660	789,718	-
Business-type activities long-term liabilities	$ 7,620,105	$ 148,515	$ 1,388,980	$ 6,379,640	$ 949,096

For the governmental activities, compensated absences, the total OPEB liability, and the net pension liability are generally liquidated by the general fund.

11 - Special Assessments

Kansas statutes require special benefit district projects financed in part by special assessments to be financed through the issuance of general obligation bonds that are secured by the full faith and credit of the City. Further, state statutes permit levying additional general ad valorem taxes in the City's debt service fund to finance delinquent special assessments receivable. Accordingly, special assessments

receivable are accounted for within the City's debt service fund. Special assessments are levied over the repayment period of the bonds and the annual installments are due and payable with annual ad valorem taxes. At December 31, 2021, the special assessment taxes levied are a lien on the property and are recorded as a special assessments receivable in the debt service fund with a corresponding amount recorded as unavailable revenue. Special assessments receivable at December 31, 2021 was $ 32,955,540.

12 - Interfund Transactions

Interfund transfers for the year ended December 31, 2021 consisted of the following:

	Transfers in			
	Governmental activities			
Transfers out	General fund	Debt service fund	Capital projects fund	Nonmajor governmental funds
Governmental activities:				
General fund	$ -	$ -	$ 112,816	$ -
Capital projects fund	350,000	124,371	-	-
Nonmajor governmental funds	-	-	-	40,000
Business-type activities:				
Sewer fund	-	-	247,223	-
Water fund	-	-	149,205	-
Total	$ 350,000	$ 124,371	$ 509,244	$ 40,000

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Capital asset transfers of $ 1,306,161 occurred from the governmental activities to the business-type activities and are reported within transfers on the statement of activities.

13 - Commitments and Contingencies

Litigation

There are a number of claims and/or lawsuits to which the City is a party as a result of the ordinary course of City activities. The City management and legal counsel anticipate that the potential claims against the City not covered by insurance, if any, resulting from such matters would not materially affect the financial position of the City.

Industrial Revenue Bonds

The City has issued industrial revenue bonds to finance the purchase of land and construction of facilities leased to local businesses. The lease agreements provide for rentals sufficient to service the related bonds. The debt service on these issues is paid solely from lease agreements; these issues do not constitute a debt of the City. The lessees have the option of purchasing the leased properties at any time during the lease periods for amounts sufficient to retire the related outstanding bonds. At the end of the lease periods, which conform to bond maturity schedules, the lessees may either purchase the property for a nominal amount or renew the leases annually at nominal amounts. As of December 31, 2021, industrial revenue bonds of $ 10,540,000 are outstanding.

Encumbrances

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but, rather, as restricted, committed, or assigned fund balance. At December 31, 2021, the City's recorded encumbrances in governmental funds were as follows:

General fund	$	361,385
Capital projects fund		316,015
Derby Difference Sales Tax fund		178,000
Nonmajor governmental funds		383,196
	$	1,238,596

14 - Tax Abatements

The City of Derby enters into tax abatement agreements with local businesses for the purpose of attracting businesses within its jurisdiction. For the fiscal year ended December 31, 2021, abated property taxes that impacted the City totaled $ 63,266, which included the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A property tax abatement for constructing and equipping a memory care facility. The City's portion of the abatement amounted to $ 15,020.
- A property tax abatement related to the construction and furnishing of a senior residential facility. The City's portion of the tax abatement amounted to $ 48,246.

15 - Subsequent Events

On May 10, 2022, the Derby City Council approved the Third Amendment to the STAR Bond Financing Project Plan and a resolution approving the fourth amendment to the Development Agreement. Eligible project costs total $ 32,250,000. The Amended Project Plan includes a lagoon, hotel, a glamping component, aerial park, senior housing and apartments. Issuance of the Series 2022-B STAR bonds is anticipated mid-year.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DERBY, KANSAS
Schedule of the City's Proportionate Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Eight Fiscal Years[1]

	2021	2020	2019	2018
City's proportion of the collective net pension liability				
KPERS	0.346525%	0.325601%	0.321937%	0.318254%
KP&F	0.781180%	0.743419%	0.697454%	0.710227%
City's proportionate share of the collective net pension liability	$ 11,612,519	$ 14,812,169	$ 11,557,734	$ 11,269,609
City's covered payroll	$ 11,051,383	$ 10,237,891	$ 9,678,999	$ 9,289,020
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	105%	145%	119%	121%
Plan fiduciary net position as a percentage of the total pension liability	76.40%	66.30%	69.88%	68.88%

	2017	2016	2015	2014
City's proportion of the collective net pension liability				
KPERS	0.311056%	0.322890%	0.317677%	0.321736%
KP&F	0.708786%	0.752855%	0.712797%	0.713596%
City's proportionate share of the collective net pension liability	$ 11,152,434	$ 11,987,447	$ 9,346,983	$ 8,640,032
City's covered payroll	$ 9,016,474	$ 9,078,858	$ 8,542,912	$ 8,426,748
City's proportionate share of the collective net pension liability as a percentage of its covered payroll	124%	132%	109%	103%
Plan fiduciary net position as a percentage of the total pension liability	67.12%	65.10%	64.95%	66.60%

[1] GASB 68 requires presentation of ten years. Data was not available prior to fiscal year 2014; therefore, ten years of data is unavailable.

CITY OF DERBY, KANSAS
Schedule of the City's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2021	2020	2019	2018	2017
KPERS contractually required contributions	$ 605,124	$ 548,023	$ 544,363	$ 482,805	$ 477,511
KP&F contractually required contributions	1,019,786	924,681	865,520	733,249	684,037
Contributions in relation to the contractually required contribution	(1,624,910)	(1,472,704)	(1,409,883)	(1,216,054)	(1,161,548)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 11,293,230	$ 10,581,465	$ 10,038,033	$ 9,396,390	$ 9,212,330
Contributions as a percentage of covered payroll	14.4%	13.9%	14.0%	12.9%	12.6%

	2016	2015	2014	2013	2012
KPERS contractually required contributions	$ 494,232	$ 503,225	$ 490,774	$ 412,001	$ 387,604
KP&F contractually required contributions	709,642	723,684	660,727	544,841	510,275
Contributions in relation to the contractually required contribution	(1,203,874)	(1,226,909)	(1,151,500)	(956,844)	(897,871)
Contribution deficiency (excess)	$ -	$ -	$ 1	$ (2)	$ 8
City's covered payroll	$ 8,847,625	$ 8,684,153	$ 8,859,235	$ 8,311,420	$ 8,349,726
Contributions as a percentage of covered payroll	13.6%	14.1%	13.0%	11.5%	10.8%

CITY OF DERBY, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios - Health Insurance
Last Four Fiscal Years[1]

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	$ 140,176	$ 95,809	$ 83,306	$ 83,668
Interest cost	31,443	40,395	44,677	36,599
Differences between expected and actual experience	(95,561)	(121,548)	(85,053)	-
Changes of assumptions and inputs	(13,909)	246,207	118,033	(459)
Benefit payments	(53,000)	(42,000)	(40,000)	(30,000)
Net change in total OPEB liability	9,149	218,863	120,963	89,808
Total OPEB liability, beginning	1,490,566	1,271,703	1,150,740	1,060,932
Total OPEB liability, ending	$ 1,499,715	$ 1,490,566	$ 1,271,703	$ 1,150,740
Covered-employee payroll	$ 11,293,230	$ 10,581,465	$ 10,038,033	$ 9,396,390
City's total OPEB liability as a percentage of covered-employee payroll	13.28%	14.09%	12.67%	12.25%

[1] GASB 75 requires the presentation of ten years. Data was not available prior to fiscal year 2018; therefore, ten years of data is unavailable.

CITY OF DERBY, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios -
Disability Benefits and Life Insurance
Last Four Fiscal Years[1]

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	$ 25,968	$ 21,925	$ 19,930	$ 19,802
Interest on total OPEB liability	5,914	8,163	8,167	6,649
Effect of economic/demographic gains or losses	(98,363)	(7,614)	(8,558)	2,454
Effect of assumptions changes or inputs	278	15,122	3,250	(2,492)
Benefit payments	(10,647)	(3,959)	(1,200)	(1,200)
Net change in total OPEB liability	(76,850)	33,637	21,589	25,213
Total OPEB liability, beginning	246,935	213,298	191,709	166,496
Total OPEB liability, ending	$ 170,085	$ 246,935	$ 213,298	$ 191,709
Covered-employee payroll	$ 6,330,845	$ 6,096,515	$ 5,795,583	$ 5,492,200
City's total OPEB liability as a percentage of covered-employee payroll	2.69%	4.05%	3.68%	3.49%

[1] GASB 75 requires the presentation of ten years. Data was not available prior to fiscal year 2018; therefore, ten years of data is unavailable.

OTHER SUPPLEMENTARY INFORMATION

CITY OF DERBY, KANSAS
COMBINING BALANCE SHEET
GENERAL FUND
December 31, 2021

	General	Derby Senior Activity Board	Payroll	Equipment Reserve	Capital Improvement Reserve	Public Safety Equipment Reserve	Total General Fund
Assets:							
Deposits and investments	$ 11,500,738	$ 10,557	$ 668,100	$ 23,867	$ 921,170	$ 877,706	$ 14,002,138
Receivables (net of allowance for uncollectibles):							
Taxes	10,671,893	-	-	-	-	3,480	10,675,373
Accounts	128,848	-	-	-	-	-	128,848
Interest	4,836	-	-	-	-	-	4,836
Inventories	309,337	-	-	-	-	-	309,337
Total assets	$ 22,615,652	$ 10,557	$ 668,100	$ 23,867	$ 921,170	$ 881,186	$ 25,120,532
Liabilities:							
Accounts payable	$ 511,660	$ 81	$ 554	$ -	$ -	$ 9,879	$ 522,174
Accrued payroll	-	-	938,910	-	-	-	938,910
Total liabilities	511,660	81	939,464	-	-	9,879	1,461,084
Deferred inflows of resources:							
Unavailable revenue - property taxes	9,371,360	-	-	-	-	-	9,371,360
Fund balances (deficits):							
Nonspendable:							
Inventories	309,337	-	-	-	-	-	309,337
Assigned:							
Senior activities	-	10,476	-	-	-	-	10,476
Equipment purchases	-	-	-	23,867	-	871,307	895,174
Capital improvements	361,385	-	-	-	921,170	-	1,282,555
Unassigned	12,061,910	-	(271,364)	-	-	-	11,790,546
Total fund balances (deficits)	12,732,632	10,476	(271,364)	23,867	921,170	871,307	14,288,088
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 22,615,652	$ 10,557	$ 668,100	$ 23,867	$ 921,170	$ 881,186	$ 25,120,532

CITY OF DERBY, KANSAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (DEFICITS)
GENERAL FUND
Year Ended December 31, 2021

	General	Derby Senior Activity Board	Payroll	Equipment Reserve
Revenues:				
Taxes:				
Property	$ 8,615,253	$ -	$ -	$ -
Excise	31,106	-	-	-
Sales	5,412,620	-	-	-
Franchise	2,180,318	-	-	-
Intergovernmental	270,422	-	-	-
Licenses and permits	608,309	-	-	-
Charges for services	434,194	-	-	-
Fines and fees	720,487	-	-	-
Investment earnings	29,895	-	-	-
Other	497,459	5,818	-	-
Total revenues	18,800,063	5,818	-	-
Expenditures:				
Current:				
General government	3,798,510	13,466	47,126	-
Public works	3,700,556	-	-	-
Public safety	7,443,491	-	-	-
Culture and recreation	1,720,250	-	-	-
Economic development	316,486	-	-	-
Debt service:				
Principal	1,025,000	-	-	-
Interest and fiscal charges	825	-	-	-
Capital outlay	1,059,821	-	-	-
Total expenditures	19,064,939	13,466	47,126	-
Excess (deficiency) of revenues over (under) expenditures	(264,876)	(7,648)	(47,126)	-
Other financing sources (uses):				
Transfers in	350,000	-	-	-
Transfers out	(489,056)	-	-	-
Total other financing sources (uses)	(139,056)	-	-	-
Net change in fund balances (deficits)	(403,932)	(7,648)	(47,126)	-
Fund balances (deficits), beginning of year	13,136,564	18,124	(224,238)	23,867
Fund balances (deficits), end of year	$ 12,732,632	$ 10,476	$ (271,364)	$ 23,867

(Continued)

CITY OF DERBY, KANSAS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (DEFICITS)
GENERAL FUND
(Continued)
Year Ended December 31, 2021

	Capital Improvement Reserve	Public Safety Equipment Reserve	Eliminations	Total General Fund
Revenues:				
Taxes:				
Property	$ -	$ -	$ -	$ 8,615,253
Excise	-	-	-	31,106
Sales	-	-	-	5,412,620
Franchise	-	-	-	2,180,318
Intergovernmental	-	5,282	-	275,704
Licenses and permits	-	-	-	608,309
Charges for services	-	-	-	434,194
Fines and fees	-	-	-	720,487
Investment earnings	-	-	-	29,895
Other	-	-	-	503,277
Total revenues	-	5,282	-	18,811,163
Expenditures:				
Current:				
General government	-	-	-	3,859,102
Public works	-	-	-	3,700,556
Public safety	-	-	-	7,443,491
Culture and recreation	-	-	-	1,720,250
Economic development	-	-	-	316,486
Debt service:				
Principal	-	-	-	1,025,000
Interest and fiscal charges	-	-	-	825
Capital outlay	94,435	245,219	-	1,399,475
Total expenditures	94,435	245,219	-	19,465,185
Excess (deficiency) of revenues over (under) expenditures	(94,435)	(239,937)	-	(654,022)
Other financing sources (uses):				
Transfers in	32,083	344,157	(376,240)	350,000
Transfers out	-	-	376,240	(112,816)
Total other financing sources (uses)	32,083	344,157	-	237,184
Net change in fund balances (deficits)	(62,352)	104,220	-	(416,838)
Fund balances (deficits), beginning of year	983,522	767,087	-	14,704,926
Fund balances (deficits), end of year	$ 921,170	$ 871,307	$ -	$ 14,288,088

CITY OF DERBY, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DERBY SENIOR ACTIVITY BOARD
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Contributions	$ 9,100	$ 5,818	$ (3,282)
Expenditures:			
Board expenditures	15,686	13,466	(2,220)
Net change in fund balances	(6,586)	(7,648)	(1,062)
Fund balance, beginning of year	6,586	18,124	11,538
Fund balance, end of year	$ -	$ 10,476	$ 10,476

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Special Street and Highway – This fund accounts for county/city revenue sharing of a portion of the State's motor fuel tax. These revenues are restricted to the construction and maintenance of streets, the repair and replacement of curbs, and the repair and construction of sidewalks within the City's boundaries.

Special Parks and Recreation – This fund accounts for special alcohol liquor tax revenues that are restricted to expenditures for the purchase, establishment, maintenance, or expansion of park and recreational services, programs, and facilities.

Special Drug and Alcohol – This fund accounts for special alcohol liquor tax revenues that are restricted for the purpose of funding programs for the education, treatment, and intervention of alcohol and drug abuse.

Law Enforcement Trust – This fund accounts for seized monies, through a federal agency, to be used for the purchase of police department equipment and crime prevention expenses.

Law Enforcement Trust - State – This fund accounts for seized monies, through state and local agencies, to be used for the purchase of police department equipment and crime prevention expenses.

Library – Ad valorem taxes of approximately 4 mills are levied each year and passed on to the Library Board for the operation of the Derby Public Library. This fund accounts for the payroll and transfer of appropriation funds to the Library.

Library Employee Benefits – This fund accounts for the ad valorem taxes levied for the purpose of Derby Public Library staff employee benefits.

Aquatic Park – This fund accounts for the receipt of the City's special sales taxes for the construction of an aquatic park and the operations of the aquatic park.

Capital Projects Fund

STAR Bonds – This fund accounts for the City's STAR bond activity, including the related capital projects and debt service.

ARPA – This fund accounts for American Rescue Plan Act (ARPA) monies distributed by the State of Kansas to address medical or public health needs related to the pandemic.

CITY OF DERBY, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2021

	Special Revenue Funds				
	Special Street and Highway	Special Parks and Recreation	Special Drug and Alcohol	Law Enforcement Trust	Law Enforcement Trust - State
Assets:					
Deposits and investments	$ 1,793,229	$ 176,057	$ 97,353	$ 3,427	$ 15,151
Restricted investments	-	-	-	-	-
Receivables (net of allowance for uncollectibles):					
Taxes	-	-	-	-	-
Total assets	$ 1,793,229	$ 176,057	$ 97,353	$ 3,427	$ 15,151
Liabilities:					
Accounts payable	$ 446,053	$ -	$ 29	$ -	$ -
Unearned revenue	-	-	-	-	-
Total liabilities	446,053	-	29	-	-
Deferred inflows of resources:					
Unavailable revenue - property taxes	-	-	-	-	-
Fund balances:					
Restricted:					
Capital projects	-	-	-	-	-
Substance abuse prevention	-	-	97,324	-	-
Culture and recreation	-	176,057	-	-	-
Crime prevention	-	-	-	3,427	15,151
Library operations	-	-	-	-	-
Streets and sidewalks	1,347,176	-	-	-	-
Assigned:					
Library operations	-	-	-	-	-
Aquatic park operations	-	-	-	-	-
Total fund balances	1,347,176	176,057	97,324	3,427	15,151
Total liabilities, deferred inflows of resources, and fund balances	$ 1,793,229	$ 176,057	$ 97,353	$ 3,427	$ 15,151

(Continued)

CITY OF DERBY, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2021

	Special Revenue Funds			Capital Projects Funds		
	Library	Library Employee Benefits	Aquatic Park	STAR Bonds	ARPA	Total Nonmajor Governmental Funds
Assets:						
Deposits and investments	$ 48,260	$ 23,082	$ 828,190	$ -	$ 1,835,506	$ 4,820,255
Restricted investments	-	-	-	412,809	-	412,809
Receivables (net of allowance for uncollectibles):						
Taxes	1,073,186	117,614	15,407	-	-	1,206,207
Total assets	$ 1,121,446	$ 140,696	$ 843,597	$ 412,809	$ 1,835,506	$ 6,439,271
Liabilities:						
Accounts payable	$ 2,006	$ -	$ 95	$ -	$ 10,941	$ 459,124
Unearned revenue	-	-	-	-	1,824,565	1,824,565
Total liabilities	2,006	-	95	-	1,835,506	2,283,689
Deferred inflows of resources:						
Unavailable revenue - property taxes	1,073,186	117,614	-	-	-	1,190,800
Fund balances:						
Restricted:						
Capital projects	-	-	-	412,809	-	412,809
Substance abuse prevention	-	-	-	-	-	97,324
Culture and recreation	-	-	-	-	-	176,057
Crime prevention	-	-	-	-	-	18,578
Library operations	46,254	-	-	-	-	46,254
Streets and sidewalks	-	-	-	-	-	1,347,176
Assigned:						
Library operations	-	23,082	-	-	-	23,082
Aquatic park operations	-	-	843,502	-	-	843,502
Total fund balances	46,254	23,082	843,502	412,809	-	2,964,782
Total liabilities, deferred inflows of resources, and fund balances	$ 1,121,446	$ 140,696	$ 843,597	$ 412,809	$ 1,835,506	$ 6,439,271

CITY OF DERBY, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2021

	Special Revenue Funds					
	Special Street and Highway	Special Parks and Recreation	Special Drug and Alcohol	Law Enforcement Trust	Law Enforcement Trust - State	Library
Revenues:						
Taxes:						
Property	$ -	$ -	$ -	$ -	$ -	$ 1,138,078
Excise	-	-	-	-	-	4,055
Franchise	-	-	-	-	-	-
Intergovernmental	1,042,122	80,437	80,437	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	-	-	-	3	-
Other	-	-	-	-	-	7,090
Total revenues	1,042,122	80,437	80,437	-	3	1,149,223
Expenditures:						
Current:						
General government	-	-	52,185	-	-	1,126,949
Public works	555,112	-	-	-	-	-
Public safety	-	-	-	-	11,045	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay	-	97,050	51,685	-	-	-
Total expenditures	555,112	97,050	103,870	-	11,045	1,126,949
Excess (deficiency) of revenues over (under) expenditures	487,010	(16,613)	(23,433)	-	(11,042)	22,274
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(40,000)
Total other financing sources (uses)	-	-	-	-	-	(40,000)
Net change in fund balances	487,010	(16,613)	(23,433)	-	(11,042)	(17,726)
Fund balances, beginning of year	860,166	192,670	120,757	3,427	26,193	63,980
Fund balances, end of year	$ 1,347,176	$ 176,057	$ 97,324	$ 3,427	$ 15,151	$ 46,254

(Continued)

CITY OF DERBY, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
Year Ended December 31, 2021

	Special Revenue Funds		Capital Projects Funds			Total Nonmajor Governmental Funds
	Library Employee Benefits	Aquatic Park	STAR Bonds	ARPA	Eliminations	
Revenues:						
Taxes:						
Property	$ 124,527	$ -	$ -	$ -	$ -	$ 1,262,605
Excise	443	-	-	-	-	4,498
Franchise	-	212,864	-	-	-	212,864
Intergovernmental	-	-	-	78,700	-	1,281,696
Charges for services	-	22,782	-	-	-	22,782
Investment earnings	-	309	984	-	-	1,296
Other	-	174,928	266,694	-	-	448,712
Total revenues	124,970	410,883	267,678	78,700	-	3,234,453
Expenditures:						
Current:						
General government	165,985	-	-	-	-	1,345,119
Public works	-	-	-	78,700	-	633,812
Public safety	-	-	-	-	-	11,045
Culture and recreation	-	265,547	-	-	-	265,547
Debt service:						
Principal	-	-	229,400	-	-	229,400
Interest and fiscal charges	-	-	38,756	-	-	38,756
Capital outlay	-	220,353	193,513	-	-	562,601
Total expenditures	165,985	485,900	461,669	78,700	-	3,086,280
Excess (deficiency) of revenues over (under) expenditures	(41,015)	(75,017)	(193,991)	-	-	148,173
Other financing sources (uses):						
Transfers in	40,000	-	-	-	(40,000)	-
Transfers out	-	-	-	-	40,000	-
Total other financing sources (uses)	40,000	-	-	-	-	-
Net change in fund balances	(1,015)	(75,017)	(193,991)	-	-	148,173
Fund balances, beginning of year	24,097	918,519	606,800	-	-	2,816,609
Fund balances, end of year	$ 23,082	$ 843,502	$ 412,809	$ -	$ -	$ 2,964,782

CITY OF DERBY, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL STREET AND HIGHWAY FUND
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Gasoline tax	$ 959,470	$ 1,042,122	$ 82,652
Expenditures:			
Capital outlay	1,219,712	938,308	(281,404)
Net change in fund balances	(260,242)	103,814	364,056
Fund balance, beginning of year	260,242	860,166	599,924
Fund balance, end of year	$ -	963,980	$ 963,980
Encumbrances for equipment and supplies ordered but not received are not recorded for GAAP purposes until received		383,196	
Fund balance on the basis of GAAP		$ 1,347,176	

CITY OF DERBY, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL PARKS AND RECREATION FUND
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget -
Revenues:			
Special alcohol tax	$ 79,793	$ 80,437	$ 644
Expenditures:			
Capital outlay	272,190	97,050	(175,140)
Net change in fund balances	(192,397)	(16,613)	175,784
Fund balances, beginning of year	192,397	192,670	273
Fund balances, end of year	$ -	$ 176,057	$ 176,057

CITY OF DERBY, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL DRUG AND ALCOHOL FUND
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Special alcohol tax	$ 79,793	$ 80,437	$ 644
Expenditures:			
Contributions to others	2,000	1,000	(1,000)
Treatment program	5,000	-	(5,000)
DARE program	47,710	51,186	3,476
Capital outlay	-	51,684	51,684
Contingency	62,115	-	(62,115)
Total expenditures	116,825	103,870	(12,955)
Net change in fund balance	(37,032)	(23,433)	13,599
Fund balance, beginning of year	37,032	120,757	83,725
Fund balance, end of year	$ -	$ 97,324	$ 97,324

CITY OF DERBY, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LIBRARY FUND
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Taxes	$ 1,129,857	$ 1,142,133	$ 12,276
Other	-	7,090	7,090
Total revenues	1,129,857	1,149,223	19,366
Expenditures:			
Personnel	698,209	619,859	(78,350)
Contractual	409,746	507,090	97,344
Total expenditures	1,107,955	1,126,949	18,994
Excess of revenues over expenditures	21,902	22,274	372
Other financing uses:			
Transfers out	(55,000)	(40,000)	15,000
Net change in fund balance	(33,098)	(17,726)	15,372
Fund balance, beginning of year	33,098	63,980	30,882
Fund balance, end of year	$ -	$ 46,254	$ 46,254

CITY OF DERBY, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LIBRARY EMPLOYEE BENEFITS FUND
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Taxes	$ 123,378	$ 124,970	$ 1,592
Expenditures:			
Personnel	197,565	165,985	(31,580)
Deficit of revenues under expenditures	(74,187)	(41,015)	33,172
Other financing sources:			
Transfers in	55,000	40,000	(15,000)
Net change in fund balance	(19,187)	(1,015)	18,172
Fund balance, beginning of year	19,187	24,097	4,910
Fund balance, end of year	$ -	$ 23,082	$ 23,082

CITY OF DERBY, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
AQUATIC PARK FUND
Year Ended December 31, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:				
Charges for services	$ -	$ 18,000	$ 22,782	$ 4,782
Franchise tax	225,867	225,867	212,864	(13,003)
Investment earnings	2,000	620	309	(311)
Other	-	1,534	174,928	173,394
Total revenues	227,867	246,021	410,883	164,862
Expenditures:				
Contractual	299,378	339,210	265,547	(73,663)
Capital outlay	40,000	190,220	140,201	(50,019)
Total expenditures	339,378	529,430	405,748	(123,682)
Net change in fund balance	(111,511)	(283,409)	5,135	288,544
Fund balance, beginning of year	552,357	838,367	838,367	-
Fund balance, end of year	$ 440,846	$ 554,958	$ 843,502	$ 288,544

CITY OF DERBY, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Taxes:			
Ad valorem property tax	$ 2,905,999	$ 2,913,820	$ 7,821
Delinquent tax	28,000	28,621	621
Motor vehicle tax	305,444	328,658	23,214
Excise tax	4,200	11,248	7,048
Special assessments	2,986,795	3,009,108	22,313
Intergovernmental	499,920	-	(499,920)
Investment earnings	10,000	2,583	(7,417)
Other	-	499,920	499,920
Total revenues	6,740,358	6,793,958	53,600
Expenditures:			
Principal	4,998,262	5,013,262	15,000
Interest	1,547,968	1,656,482	108,514
Miscellaneous	1,154,000	-	(1,154,000)
Total expenditures	7,700,230	6,669,744	(1,030,486)
Excess (deficiency) of revenues over (under) expenditures	(959,872)	124,214	1,084,086
Other financing sources:			
Transfers in	-	124,371	124,371
Net change in fund balance	(959,872)	248,585	1,208,457
Fund balance, beginning of year	959,872	1,221,211	261,339
Fund balance, end of year	$ -	$ 1,469,796	$ 1,469,796

CITY OF DERBY, KANSAS
BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNIT
DERBY PUBLIC LIBRARY
December 31, 2021

Assets:		
Deposits and investments	$	662,091
Prepaid items		39,883
Total assets	$	701,974
Liabilities:		
Accounts payable	$	25,362
Fund balance:		
Nonspendable - prepaid items		39,883
Assigned		636,729
Total fund balance		676,612
Total liabilities and fund balance	$	701,974

CITY OF DERBY, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DISCRETELY PRESENTED COMPONENT UNIT
DERBY PUBLIC LIBRARY
Year Ended December 31, 2021

Revenues:		
Taxes	$	500,129
Fines and fees		73,257
Gifts and grants		159,462
Investment earnings		2,806
Total revenues		735,654
Expenditures:		
Current:		
Education		544,841
Net change in fund balance		190,813
Fund balance, beginning of year		485,799
Fund balance, end of year	$	676,612

STATISTICAL SECTION

This part of the City of Derby annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the City's overall financial health.

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

CITY OF DERBY, KANSAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2012	2013	2014	2015	2016
Governmental activities					
Net investment in capital assets	$ 80,525,898	$ 74,929,343	$ 76,973,789	$ 78,997,234	$ 80,079,611
Restricted	34,303,052	31,377,673	23,979,186	25,855,605	28,934,914
Unrestricted	9,065,412	9,251,877	9,426,115	1,563,053	2,775,689
Total governmental activities net position	$ 123,894,362	$ 115,558,893	$ 110,379,090	$ 106,415,892	$ 111,790,214
Business-type activities					
Net investment in capital assets	$ 16,174,228	$ 22,590,541	$ 23,494,493	$ 23,496,049	$ 23,673,645
Restricted	-	-	-	-	-
Unrestricted	6,311,206	7,297,156	8,332,066	8,054,907	8,349,054
Total business-type activities net position	$ 22,485,434	$ 29,887,697	$ 31,826,559	$ 31,550,956	$ 32,022,699
Primary Government					
Net investment in capital assets	$ 96,700,126	$ 97,519,884	$ 89,685,561	$ 102,493,283	$ 103,753,256
Restricted	34,303,052	31,377,673	23,979,186	25,855,605	28,934,914
Unrestricted	15,376,618	16,549,033	28,540,902	9,617,960	11,124,743
Total primary government net position	$ 146,379,796	$ 145,446,590	$ 142,205,649	$ 137,966,848	$ 143,812,913

	2017	2018	2019	2020	2021
Governmental activities					
Net investment in capital assets	$ 81,044,031	$ 89,230,087	$ 89,103,942	$ 83,079,651	$ 91,754,688
Restricted	27,849,580	25,633,762	26,983,097	32,414,255	30,340,671
Unrestricted	4,121,645	4,135,072	5,205,544	5,023,778	4,189,473
Total governmental activities net position	$ 113,015,256	$ 118,998,921	$ 121,292,583	$ 120,517,684	$ 126,284,832
Business-type activities					
Net investment in capital assets	$ 25,936,436	$ 22,161,174	$ 24,317,166	$ 26,447,176	$ 26,552,466
Restricted	-	-	-	-	-
Unrestricted	8,570,330	13,678,977	11,960,374	14,263,673	16,791,305
Total business-type activities net position	$ 34,506,766	$ 35,840,151	$ 36,277,540	$ 40,710,849	$ 43,343,771
Governmental activities					
Net investment in capital assets	$ 106,980,467	$ 111,391,261	$ 113,421,108	$ 109,526,827	$ 118,307,154
Restricted	27,849,580	25,633,762	26,983,097	32,414,255	30,340,671
Unrestricted	12,691,975	17,814,049	17,165,918	19,287,451	20,980,778
Total governmental activities net position	$ 147,522,022	$ 154,839,072	$ 157,570,123	$ 161,228,533	$ 169,628,603

CITY OF DERBY, KANSAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2012	2013	2014	2015	2016
Expenses					
Governmental activities:					
General government	$ 7,615,756	$ 7,925,610	$ 7,897,162	$ 7,657,466	$ 7,773,058
Public safety	4,617,464	4,496,414	4,673,971	4,880,233	5,134,304
Public works	6,590,225	5,692,678	6,679,417	6,245,143	6,411,905
Culture and recreation	1,394,238	1,464,069	5,825,829	1,317,498	1,826,872
Economic development	456,529	454,647	414,564	372,781	390,258
Interest on long-term debt	2,121,243	1,892,577	2,019,786	1,792,237	1,698,437
Total government activities expenses	22,795,455	21,925,995	27,510,729	22,265,358	23,234,834
Business-type activities:					
Sewer	2,428,280	2,527,094	2,542,525	3,045,801	2,941,529
Water	3,866,507	4,157,883	4,430,801	4,422,221	4,736,231
Stormwater	-	366,660	423,080	435,426	439,443
Total business-type activities expenses	6,294,787	7,051,637	7,396,406	7,903,448	8,117,203
Total primary government expenses	$ 29,090,242	$ 28,977,632	$ 34,907,135	$ 30,168,806	$ 31,352,037
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 1,162,410	$ 771,990	$ 1,035,382	$ 1,191,360	$ 1,002,225
Public safety	767,224	585,885	905,643	824,400	531,558
Public works/services/engineering/parks	500,981	530,670	395,668	413,635	395,934
Culture and recreation	295,766	137,679	189,380	219,063	151,240
Operating grants and contributions	1,298,692	1,291,076	1,298,680	1,335,151	1,358,052
Capital grants and contributions	1,963,822	192,822	1,986,888	5,028,289	6,596,190
Total governmental activities program revenues	5,988,895	3,510,122	5,811,641	9,011,898	10,035,199
Business-type activities					
Charges for services:					
Sewer	2,820,111	2,820,305	2,853,072	2,933,501	2,982,348
Water	4,294,648	3,759,431	4,430,777	4,626,455	4,809,111
Stormwater	-	524,016	532,338	541,292	558,777
Capital grants and contributions	2,387,336	45,491	281,709	43,316	41,698
Total business-type activities program revenues	9,502,095	7,149,243	8,097,896	8,144,564	8,391,934
Total primary government program revenues	$ 15,490,990	$ 10,659,365	$ 13,909,537	$ 17,156,462	$ 18,427,133
Net (Expense)/Revenue					
Governmental activities	$ (16,806,560)	$ (18,415,873)	$ (21,699,088)	$ (13,253,460)	$ (13,199,635)
Business-type activities	3,207,308	97,606	701,490	241,116	274,731
Total primary government net expense	$ (13,599,252)	$ (18,318,267)	$ (20,997,598)	$ (13,012,344)	$ (12,924,904)

	2017	2018	2019	2020	2021
Expenses					
Governmental activities:					
General government	$ 7,703,658	$ 6,521,315	$ 7,661,796	$ 7,354,943	$ 6,541,278
Public safety	5,355,900	7,394,895	7,785,647	8,428,244	9,176,526
Public works	7,142,710	6,652,629	6,781,124	7,333,085	8,264,061
Culture and recreation	1,505,068	2,052,916	2,031,318	5,384,947	2,815,245
Economic development	372,519	372,102	385,028	346,334	316,486
Interest on long-term debt	1,844,998	2,164,724	2,302,615	2,272,672	1,735,052
Total government activities expenses	23,924,853	25,158,581	26,947,528	31,120,225	28,848,648
Business-type activities:					
Sewer	2,745,237	2,741,641	2,429,493	2,905,321	2,972,016
Water	5,415,949	5,524,713	7,351,896	5,578,717	5,644,057
Stormwater	484,247	584,204	551,061	533,322	773,035
Total business-type activities expenses	8,645,433	8,850,558	10,332,450	9,017,360	9,389,108
Total primary government expenses	$ 32,570,286	$ 34,009,139	$ 37,279,978	$ 40,137,585	$ 38,237,756
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 1,257,306	$ 1,094,366	$ 1,327,032	$ 1,139,593	$ 1,325,057
Public safety	557,714	748,847	739,358	700,729	743,262
Public works/services/engineering/parks	558,314	424,909	903,731	715,229	731,682
Culture and recreation	75,246	121,935	128,131	10,891	237,491
Operating grants and contributions	1,574,236	1,556,013	1,472,861	2,197,598	1,466,026
Capital grants and contributions	3,610,682	6,700,340	2,950,330	5,055,799	6,378,441
Total governmental activities program revenues	7,633,498	10,646,410	7,521,443	9,819,839	10,881,959
Business-type activities					
Charges for services:					
Sewer	3,099,532	3,162,718	3,256,901	3,290,006	3,429,232
Water	5,251,795	5,720,171	5,759,774	6,718,575	7,053,886
Stormwater	603,673	578,854	602,574	612,193	624,991
Capital grants and contributions	39,760	929,963	35,710	-	-
Total business-type activities program revenues	8,994,760	10,391,706	9,654,959	10,620,774	11,108,109
Total primary government program revenues	$ 16,628,258	$ 21,038,116	$ 17,176,402	$ 20,440,613	$ 21,990,068
Net (Expense)/Revenue					
Governmental activities	$ (16,291,355)	$ (14,512,171)	$ (19,426,085)	$ (21,300,386)	$ (17,966,689)
Business-type activities	349,327	1,541,148	(677,491)	1,603,414	1,719,001
Total primary government net expense	$ (15,942,028)	$ (12,971,023)	$ (20,103,576)	$ (19,696,972)	$ (16,247,688)

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CITY OF DERBY, KANSAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position					
Governmental-Type Activities					
Taxes					
Property taxes - general	$ 9,550,403	$ 9,600,347	$ 9,622,171	$ 9,840,794	$ 10,092,153
Sales taxes	5,591,910	5,854,328	6,035,167	6,288,336	6,555,967
Franchise taxes	1,796,443	1,862,477	2,020,693	1,941,546	1,967,030
Excise taxes	17,118	15,520	15,918	7,442	25,731
Grants and contributions unrestricted					
Unrestricted Investment earnings	22,298	48,533	24,380	51,676	108,238
Transfers	(1,720)	(7,300,801)	(1,199,044)	(317,678)	(179,209)
Gain on sale of capital assets	-	-	-	-	4,047
Total Governmental Activities	$ 16,976,452	$ 10,080,404	$ 16,519,285	$ 17,812,116	$ 18,573,957
Business type activities:					
Unrestricted Investment earnings	4,288	3,856	4,828	6,834	17,803
Gain on sale of capital assets	-	-	33,500	-	-
Transfers	1,720	7,300,801	1,199,044	317,678	179,209
Total business-type activities	6,008	7,304,657	1,237,372	324,512	197,012
Total primary government	$ 16,982,460	$ 17,385,061	$ 17,756,657	$ 18,136,628	$ 18,770,969
Change in Net Position					
Governmental activities	$ 169,892	$ (8,335,469)	$ (5,179,803)	$ 4,558,656	$ 5,374,322
Business-type activities	3,213,316	7,402,263	1,938,862	565,628	471,743
Total primary government	$ 3,383,208	$ (933,206)	$ (3,240,941)	$ 5,124,284	$ 5,846,065

	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position					
Governmental-Type Activities					
Taxes					
Property taxes - general	$ 10,744,257	$ 11,294,754	$ 11,891,950	$ 12,723,203	$ 13,148,957
Sales taxes	6,574,912	6,970,762	7,422,454	7,748,364	8,942,106
Franchise taxes	1,997,039	2,360,746	2,319,524	2,331,221	2,393,182
Excise taxes	18,048	18,460	21,586	20,876	46,852
Grants and contributions unrestricted					78,700
Unrestricted Investment earnings	278,463	573,474	1,060,534	476,756	33,773
Transfers	(2,122,197)	168,730	(996,301)	(2,774,933)	(909,733)
Gain on sale of capital assets	25,875	10,590	-	-	-
Total Governmental Activities	$ 17,516,397	$ 21,397,516	$ 21,719,747	$ 20,525,487	$ 23,733,837
Business type activities:					
Unrestricted Investment earnings	26,151	63,665	118,579	54,962	4,188
Gain on sale of capital assets	(13,608)	-	-	-	-
Transfers	2,122,197	(168,730)	996,301	2,774,933	909,733
Total business-type activities	2,134,740	(105,065)	1,114,880	2,829,895	913,921
Total primary government	$ 19,651,137	$ 21,292,451	$ 22,834,627	$ 23,355,382	$ 24,647,758
Change in Net Position					
Governmental activities	$ 1,225,042	$ 6,885,345	$ 2,293,662	$ (774,899)	$ 5,767,148
Business-type activities	2,484,067	1,436,083	437,389	4,433,309	2,632,922
Total primary government	$ 3,709,109	$ 8,321,428	$ 2,731,051	$ 3,658,410	$ 8,400,070

CITY OF DERBY, KANSAS
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016
General Fund					
Nonspendable	$ 242,792	$ 218,990	$ 240,913	$ 255,178	$ 250,646
Restricted	1,716	1,834	-	-	-
Assigned	3,190,251	3,007,474	1,740,418	1,462,054	1,648,394
Unassigned	5,722,861	5,836,379	6,664,396	7,539,205	8,422,593
Total general fund	$ 9,157,620	$ 9,064,677	$ 8,645,727	$ 9,256,437	$ 10,321,633
All Other Governmental Funds					
Restricted	$ 12,285,790	$ 12,336,780	$ 14,675,470	$ 8,957,637	$ 6,405,520
Assigned	571,137	689,074	1,036,874	1,221,910	1,342,277
Total all other governmental funds	$ 12,856,927	$ 13,025,854	$ 15,712,344	$ 10,179,547	$ 7,747,797

	2017	2018	2019	2020	2021
General Fund					
Nonspendable	$ 326,159	$ 348,621	$ 357,627	$ 257,620	$ 309,337
Restricted	-	-	-	-	-
Assigned	2,086,983	1,891,919	1,961,123	1,927,520	2,188,205
Unassigned	9,549,018	10,532,329	11,445,266	12,519,786	11,790,546
Total general fund	$ 11,962,160	$ 12,772,869	$ 13,764,016	$ 14,704,926	$ 14,288,088
All Other Governmental Funds					
Restricted	$ 9,103,122	$ 15,758,314	$ 13,979,282	$ 15,853,031	$ 12,842,829
Assigned	1,214,692	1,087,867	1,136,832	942,616	866,584
Total all other governmental funds	$ 10,317,814	$ 16,846,181	$ 15,116,114	$ 16,795,647	$ 13,709,413

CITY OF DERBY, KANSAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2012	2013	2014	2015	2016
Revenues					
Taxes:					
Property - general	$ 9,550,403	$ 9,600,347	$ 9,622,171	$ 9,840,794	$10,092,153
Excise	17,118	15,520	15,918	7,442	25,731
Sales	5,591,910	5,854,328	6,035,167	6,288,336	6,555,967
Franchise	1,796,443	1,862,477	2,020,693	1,941,546	1,967,030
Special assessments	4,396,792	4,410,563	4,554,121	4,311,811	3,862,017
Intergovernmental	1,708,118	1,417,910	1,396,754	1,528,793	1,503,968
Licenses & permits	351,727	516,908	445,416	490,566	414,531
Charges for services	240,231	255,227	279,559	276,316	307,493
Fines & fees	857,092	728,104	919,007	981,393	739,194
Investment earnings	22,298	48,533	24,380	51,675	108,238
Miscellaneous	1,013,753	633,469	874,039	787,956	911,346
Total revenues	25,545,885	25,343,386	26,187,225	26,506,628	26,487,668
Expenditures					
General government	6,936,726	7,481,897	7,469,262	7,402,130	7,301,623
Public works	3,401,305	2,799,674	3,869,142	3,359,036	3,306,997
Public safety	4,080,085	4,148,474	4,263,425	4,491,568	4,824,089
Culture and recreation	1,102,396	1,129,603	1,123,977	1,050,885	1,202,081
Economic development	456,529	454,647	414,465	372,583	390,061
Debt service					
Principal	6,256,250	8,034,943	13,289,226	6,215,476	5,909,759
Interest and fiscal charges	1,907,859	1,767,365	1,670,504	1,604,036	1,549,600
Debt issuance costs	237,126	152,252	317,625	256,438	172,610
Capital outlay	5,205,580	7,073,178	6,738,444	9,548,113	5,911,465
Total expenditures	29,583,856	33,042,033	39,156,070	34,300,265	30,568,285
Deficiency of revenues under expenditures	(4,037,971)	(7,698,647)	(12,968,845)	(7,793,637)	(4,080,617)
Other Financing Sources (Uses)					
General obligation bonds issued	3,475,630	4,500,000	9,285,000	6,480,000	1,275,000
General obligation refunding bonds issued	7,585,000	1,700,000	3,300,000	3,165,000	4,485,000
Premium on general obligation bonds issued	46,859	167,968	337,385	347,087	251,322
Discount on general obligation bonds issued	(2,909)	-	-	-	-
Payment to refunding bond escrow agent	(7,465,498)	-	-	(3,205,139)	(1,307,859)
Sales tax special obligation revenue bonds issued	-	-	-	-	-
Temporary notes issued	5,480,000	4,630,000	3,885,000	-	1,470,000
Premium on general obligation refund bonds issued	-	-	-	-	-
Premium on temp notes issued	-	-	-	-	-
Payment to refund temporary notes	(1,565,000)	(3,550,000)	(1,930,000)	(4,705,000)	(3,810,000)
Sale of general capital assets	-	-	-	-	-
Transfers in (out), net	164,860	326,663	359,000	372,914	350,600
Total other financing sources (uses)	7,718,942	7,774,631	15,236,385	2,454,862	2,714,063
Net change in fund balance	$ 3,680,971	$ 75,984	$ 2,267,540	$ (5,338,775)	$ (1,366,554)
Debt service as a percentage of noncapital expenditures	32.58%	37.43%	45.74%	31.35%	28.81%

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(Continued)

CITY OF DERBY, KANSAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2017	2018	2019	2020	2021
Revenues					
Taxes:					
Property - general	$10,744,257	$11,294,754	$11,891,950	$12,723,203	$13,148,957
Excise	18,048	18,460	21,586	20,876	46,852
Sales	6,574,912	6,970,762	7,422,454	7,748,364	8,942,106
Franchise	1,997,039	2,360,746	2,319,524	2,331,221	2,393,182
Special assessments	3,745,878	3,691,226	3,539,077	3,895,582	3,172,852
Intergovernmental	1,679,956	1,565,344	1,649,716	2,198,840	1,557,400
Licenses & permits	646,612	471,649	672,927	493,494	608,309
Charges for services	530,879	376,653	464,417	286,579	456,976
Fines & fees	800,015	779,638	843,861	698,028	720,487
Investment earnings	278,463	573,474	1,060,535	476,756	33,774
Miscellaneous	943,852	1,023,707	1,285,556	1,251,173	1,481,527
Total revenues	27,959,911	29,126,413	31,171,603	32,124,116	32,562,422
Expenditures					
General government	7,697,476	6,001,631	6,594,963	5,848,216	5,636,476
Public works	3,433,333	3,781,531	3,772,442	4,260,345	4,334,368
Public safety	4,922,062	7,101,767	7,612,141	7,843,728	8,363,779
Culture and recreation	1,346,478	1,638,390	1,374,470	1,858,828	1,991,010
Economic development	372,322	371,905	384,831	346,235	316,486
Debt service					
Principal	6,036,009	6,035,459	13,872,209	12,758,562	12,822,662
Interest and fiscal charges	1,548,588	1,849,827	2,133,516	2,095,706	1,898,533
Debt issuance costs	268,954	315,121	270,973	309,744	245,379
Capital outlay	7,496,574	9,607,941	13,311,867	9,470,688	6,142,158
Total expenditures	33,121,796	36,703,572	49,327,412	44,792,052	41,750,851
Deficiency of revenues under expenditures	(5,161,885)	(7,577,159)	(18,155,809)	(12,667,936)	(9,188,429)
Other Financing Sources (Uses)					
General obligation bonds issued	7,405,000	12,490,000	14,211,960	3,990,000	4,620,000
General obligation refunding bonds issued	-	-	-	3,415,000	2,720,000
Premium on general obligation bonds issued	153,429	447,467	1,201,244	445,507	331,788
Discount on general obligation bonds issued	-	-	-	-	(9,797)
Payment to refunding bond escrow agent	-	-	-	-	(6,485,294)
Sales tax special obligation revenue bonds issued	-	-	-	575,000	-
Temporary notes issued	3,905,000	4,635,000	1,975,000	6,855,000	3,835,000
Premium on general obligation refund bonds issued	-	-	-	-	271,710
Premium on temp notes issued	-	-	-	-	5,522
Payment to refund temporary notes	(2,450,000)	(3,480,000)	-	-	-
Sale of general capital assets	-	-	25,512	7,872	-
Transfers in (out), net	359,000	360,634	3,173	-	396,428
Total other financing sources (uses)	9,372,429	14,453,101	17,416,889	15,288,379	5,685,357
Net change in fund balance	$ 4,210,544	$ 6,875,942	$ (738,920)	$ 2,620,443	$ (3,503,072)
Debt service as a percentage of noncapital expenditures	26.60%	28.99%	42.57%	36.00%	39.93%

CITY OF DERBY, KANSAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Real Estate	Personal Property	Utilities	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed to Total Estimate Actual Value
2012	$ 306,068,880	$ 3,402,511	$ 4,470,862	$ 132,831,042	$ 181,111,211	47.153	$ 1,468,295,455	12.33%
2013	304,037,825	3,061,261	4,396,534	130,415,949	181,079,671	47.054	1,466,077,942	12.35%
2014	314,043,786	3,541,887	4,380,760	136,737,947	185,228,486	47.149	1,501,702,109	12.33%
2015	330,017,787	3,389,626	4,770,959	148,603,132	189,575,240	47.009	1,543,334,156	12.28%
2016	346,611,750	3,651,687	4,930,888	151,779,486	203,414,839	48.021	1,622,937,503	12.53%
2017	375,018,590	3,072,651	5,307,594	175,637,615	207,761,220	48.075	1,694,655,711	12.26%
2018	394,029,436	3,010,975	5,697,575	181,982,343	220,755,643	48.063	1,792,088,075	12.32%
2019	420,173,053	3,009,709	6,044,633	191,405,045	237,822,350	48.049	1,916,336,797	12.41%
2020	450,141,884	3,227,016	6,357,574	206,391,784	253,334,690	48.040	2,050,569,002	12.35%
2021	482,977,847	3,424,149	6,895,573	229,079,101	264,218,468	47.417	2,174,145,015	12.15%

Source: Sedgwick County Clerk's Office

CITY OF DERBY, KANSAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(PER $1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

	City Direct Rates				Overlapping Rates				
Fiscal Year	General Rate	Debt Service	Misc	Total Direct Rate	El Paso Cemetery	USD 260	Sedgwick County	State of Kansas	Total
2012	34.843	7.680	4.630	47.153	1.040	59.305	29.447	1.500	138.445
2013	34.539	7.891	4.624	47.054	1.058	60.082	29.377	1.500	139.071
2014	32.211	10.302	4.636	47.149	1.057	56.294	29.478	1.500	135.478
2015	34.502	7.897	4.610	47.009	1.068	62.156	29.383	1.500	141.116
2016	33.870	9.539	4.612	48.021	1.053	59.433	29.393	1.500	139.400
2017	31.916	11.543	4.616	48.075	1.036	60.684	29.393	1.500	140.688
2018	31.908	11.540	4.615	48.063	1.025	65.699	29.383	1.500	145.670
2019	31.900	11.535	4.614	48.049	1.016	66.004	29.384	1.500	145.953
2020	31.428	11.999	4.613	48.040	0.988	65.888	29.376	1.500	145.792
2021	36.107	6.722	4.588	47.417	0.844	66.272	29.37	1.500	145.403

Source: Sedgwick County Clerk's Office

CITY OF DERBY, KANSAS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO

	2021			2012		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
CBC DERBY LLC/CBC DERBY MOB 2 LLC	4,636,878	1	0			
EVERGY KANSAS SOUTH INC1	4,132,860	2	0			
WAL-MART REAL ESTATE BUSINESS TRUST/W/	3,913,944	3	0	2,856,313	3	0
GREENS AT DERBY THE/GREENS AT DERBY PH	3,570,337	4	0	3,500,142	2	0
THE TRAILS AT DERBY	3,306,205	5	0			
DERBY MARKETPLACE THREE LLC/DERBY MAF	3,071,776	6	0	4,807,438	1	0
COLE MT DERBY KS LLC	2,229,400	7	0			
FAIRWAYS AT DERBY LP	2,151,915	8	0	1,750,865	7	0
DILLON COMPANIES INC	1,952,405	9	0	2,171,085	4	0
LOWES HOME CENTERS INC	1,903,175	10	0	1,718,800	8	0
TARGET CORPORATION				2,040,200	5	0
KANSAS GAS ELECTRIC - A WESTAR ENERGY CO.				1,869,870	6	0
KOHL'S ILLINOIS INC				1,562,000	9	0
KANSAS GAS SERVICE - A DIVISION OF ONEOK				1,195,956	10	0
Total	30,868,895		0	23,472,669		0

Source: Sedgwick County Clerk's Office

[1]Evergy Kansas South Inc. was previously Kansas Gas & Electric - A Westar Energy Co.

CITY OF DERBY, KANSAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections as a Percent of Current Tax Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as a Percent of Current Levy
2012	$ 8,445,103	$ 8,300,693	98.29%	$ 131,493	$ 8,432,186	99.85%	$ 144,410	1.71%
2013	8,543,051	8,356,145	97.81%	158,989	8,515,134	99.67%	186,906	2.19%
2014	8,524,135	8,388,967	98.41%	90,694	8,479,661	99.48%	135,168	1.59%
2015	8,735,837	8,577,770	98.19%	140,388	8,718,158	99.80%	158,066	1.81%
2016	8,918,124	8,725,484	97.84%	84,148	8,809,632	98.78%	192,640	2.16%
2017	9,774,096	9,360,167	95.77%	124,766	9,484,933	97.04%	413,929	4.23%
2018	9,996,339	9,840,111	98.44%	149,823	9,989,934	99.94%	156,228	1.56%
2019	10,618,790	10,471,927	98.62%	152,172	10,624,099	100.05%	146,863	1.38%
2020	11,436,058	11,278,324	98.62%	124,962	11,403,286	99.71%	157,734	1.38%
2021	12,184,022	11,859,983	97.34%	138,475	11,998,458	98.48%	324,039	2.66%

Source: Sedgwick County Treasurer's Office - *second half taxes are due on May10th*

CITY OF DERBY, KANSAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016
Legal debt limit	$ 94,182,676	$ 90,448,686	$ 96,589,930	$ 101,453,512	$ 106,558,298
Total net debt applicable to debt limit	63,407,122	60,881,203	59,688,444	59,351,072	57,416,943
Legal debt margin	$ 30,775,554	$ 29,567,483	$ 36,901,486	$ 42,102,440	$ 49,141,355
Legal debt margin as a percentage of debt limit	32.68%	32.69%	38.20%	41.50%	46.12%

	2017	2018	2019	2020	2021
Legal debt limit	$ 115,019,651	$ 120,821,396	$ 128,768,219	$ 137,917,942	$ 147,989,271
Total net debt applicable to debt limit	58,030,747	66,881,676	66,477,397	66,053,789	58,530,204
Legal debt margin	$ 56,988,904	$ 53,939,720	$ 62,290,822	$ 71,864,153	$ 89,459,067
Legal debt margin as a percentage of debt limit	49.55%	44.64%	48.37%	52.11%	60.45%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value	$ 264,218,468
Add back: exempt real property	229,079,101
Total assessed value	$ 493,297,569
Debt limit (30% of total assessed value)	147,989,271
Debt applicable to limit:	
General obligation bonds	60,000,000
Less: amount set aside for repayment of general obligation debt	(1,469,796)
Total net debt applicable to limit	$ 58,530,204

Note: Per Kansas Statutes Annotated ("K.S.A.") Section 10-308, "The authorized and outstanding bonded indebtedness of any city shall not exceed 30% of the assessed valuation of the city. K.S.A. Section 10-309 allows for certain exceptions to calculating the legal debt limit.

CITY OF DERBY, KANSAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			
	General Obligation Bonds	Sales Tax Obligation Bonds	Temp Notes	Certificates of Participation
2012	$ 55,739,380	$ -	$ 5,480,000	$ 665,000
2013	54,673,801	-	6,560,000	455,000
2014	54,464,938	-	8,515,000	230,000
2015	55,402,024	-	3,810,000	-
2016	54,097,496	-	1,470,000	-
2017	55,493,643	-	2,925,000	-
2018	62,339,797	740,400	4,080,000	-
2019	64,084,826	529,200	5,845,000	-
2020	64,967,933	908,800	6,855,000	-
2021	58,605,402	679,400	5,435,000	-

Fiscal Year	Business-type Activities				
	Revolving Loan	General Obligation Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2012	$ 1,417,466	$ 8,850,620	$ 72,152,466	N/A	$ 3,239
2013	1,643,933	8,015,525	71,348,259	N/A	3,110
2014	1,286,181	7,157,461	71,653,580	N/A	3,109
2015	1,227,293	6,297,086	66,736,403	N/A	2,872
2016	1,166,864	5,430,410	62,164,770	N/A	2,644
2017	1,104,853	4,554,984	64,078,480	N/A	2,711
2018	1,041,220	7,488,622	78,690,039	N/A	3,184
2019	975,921	6,424,015	77,858,962	N/A	3,150
2020	908,914	5,508,876	79,149,523	N/A	3,173
2021	840,153	4,548,837	70,108,792	N/A	2,736

Note: Percentage of personal income information not available.

CITY OF DERBY, KANSAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Taxable Value	Percentage of Estimated Actual Taxable Value of Property	Population	Per Capita
2012	$ 64,590,000	$ 1,182,878	$ 63,407,122	$ 181,111,211	35.01%	22,279	$ 2,846
2013	61,885,000	1,003,797	60,881,203	181,079,671	33.62%	22,279	2,733
2014	60,595,000	906,556	59,688,444	185,228,486	32.22%	23,047	2,590
2015	60,450,000	1,098,928	59,351,072	189,575,240	31.31%	23,234	2,554
2016	58,150,000	733,057	57,416,943	203,414,839	28.23%	23,509	2,442
2017	60,048,627	634,253	59,414,374	207,761,220	28.60%	23,633	2,514
2018	69,828,419	928,324	68,900,095	220,755,643	31.21%	23,771	2,898
2019	70,508,841	947,603	69,561,238	237,822,350	29.25%	24,721	2,814
2020	70,476,809	1,221,211	69,255,598	253,334,690	27.34%	24,943	2,777
2021	63,154,239	1,469,796	61,684,443	264,218,468	23.35%	25,625	2,407

CITY OF DERBY, KANSAS
GOVERNMENTAL ACTIVITIES DIRECT AND OVERLAPPING DEBT
December 31, 2021

	Debt		City's Share		
Taxing Body	Amount	As of Date	Percent	Amount	Per Capita
Estimated Overlapping debt:					
Sedgwick County	$ 43,505,000	12/31/2021	4.80%	$ 2,090,000	81.56
USD No. 260	169,625,000	12/31/2021	57.98%	98,351,374	3,838.10
USD No. 263	8,200,000	12/31/2021	3.06%	250,791	9.79
Total Overlapping Debt	221,330,000			100,692,165	3,929.45
City of Derby Direct Debt	64,719,802	12/31/2021	100.00%	64,719,802	2,525.65
Direct and estimated overlapping debt	286,049,802	12/31/2021		165,411,967	6,455.10

Source: Assessed value data used to estimate applicable percentages provided by the Sedgwick County Clerk.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Derby. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

CITY OF DERBY, KANSAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	City Population[1]	County Total Personal Income[2] (000's omitted)	County Population[1]	County Per Capita Income[2]	City School Enrollment[3]	Unemployment Rate[2] (Sedgwick County)
2012	22,279	$ 22,839,184	503,438	$ 45,366	6,943	6.1%
2013	22,943	22,870,525	505,415	45,251	6,336	6.3%
2014	23,047	23,516,335	508,803	46,219	7,069	5.3%
2015	23,234	Not Available	511,574	Not Available	7,071	4.4%
2016	23,509	25,197,029	512,641	42,858	6,925	4.5%
2017	23,633	Not Available	513,687	Not Available	6,645	3.4%
2018[4]	23,771	Not Available	525,294	Not Available	7,411	3.4%
2019[4]	24,721	Not Available	516,042	Not Available	7,240	3.3%
2020	24,943	Not Available	518,600	Not Available	7,225	5.2%
2021	25,625	Not Available	521,158	Not Available	7,211	3.2%

[1]Bureau of the Census
[2]US Bureau of Labor Statistics, Sedgwick County
[3]Kansas State Department of Education/Derby School District
[4]In 2018 and 2019, Bureau of the Census and US Bureau of Labor Statistics data unavailable, ESRI numbers reported instead.

CITY OF DERBY, KANSAS
PRINCIPAL EMPLOYERS
AS OF DECEMBER 31, 2021

	2021			2012		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employmen
USD 260	1,185	1	16.93%	993	1	23.67%
Walmart	295	2	4.21%	316	2	7.43%
City of Derby	224	3	3.19%	171	4	4.02%
Dillons	205	4	2.92%	225	3	5.29%
Rock Regional Hospital	143	5	2.04%			
Lowe's Home Improvement	137	6	1.96%	120	6	2.82%
Derby Recreation Commission	120	7	1.71%	92	8	2.16%
El Paso Animal Hospital	73	8	1.04%			
BG Products, Inc.	65	9	0.93%			
Glen Carr House Memory Care	57	10	0.81%			
Derby Health & Rehab				99	7	2.33%
Shared Services, a division of Wal Mart[1]				145	5	3.41%
Kohl's				68	9	1.60%
Westview of Derby[2]				70	10	1.65%
Total City Employment (est.)	7,000			4,251		

Note: Derby Finance Office

[1]Shared Services, a division of Wal Mart closed
[2]Previously Westview Manor

CITY OF DERBY, KANSAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2012	2013	2014	2015	2016
General Government					
Administration & Operations	18.25	20	20	11	11
Finance	7.5	8.31	9.5	11.5	11.5
Operations	4	4	4	14	14.7
Planning & Engineering	12	8.5	9.5	10.5	11.5
Public Safety					
Police	61	56.5	56.5	56.5	56.5
Animal Control	1.5	1.5	1.5	1.5	1.5
Fire	18.12	18.12	18.12	24.6	24.6
Public Works	35	33	33	33	35
Stormwater	0	1.5	1.5	1.5	1.5
Water	8.75	9.7	10.7	10.7	10.7
Wastewater	11	11	11	11	11
Total	177.12	172.13	175.32	185.8	189.5

Function/Program					
General Government	2017	2018	2019	2020	2021
Administration & Operations					
Finance	11	12	25.8	27.3	34.7
Operations	11.5	11.5	11.5	11.5	6
Planning & Engineering	14.7	14.7	0	0	0
Public Safety	11.5	12	12	12	12.5
Police					
Animal Control	56.5	57.5	58.5	60.9	60.9
Fire	1.5	1.5	1.5	1.5	1.5
Public Works	24.6	24.6	27.7	27.8	27.8
Stormwater	35	35	35	39	39
Water	1.5	1.5	1.5	1.5	1.5
Wastewater	10.7	10.7	10.7	10.7	10.7
Total	11	12	12	12	12
	189.5	193	196.2	204.2	206.6

Data Source: City of Derby Operating Budgets

Note: Beginning in 2011, the Law and Economic Development functions have moved to Administration.
In 2015, Economic Development moved to Planning & Engineering.
In 2019, Municipal Court, Senior Services and Transportation moved from Operations to Administration.

CITY OF DERBY, KANSAS
OPERATING INDICATORS BY PROGRAMMING YEAR
LAST TEN FISCAL YEARS

Program/Function	Fiscal Year 2012	2013	2014	2015	2016
Police					
Dispatched Calls	24,317	24,444	24,452	23,208	25,023
Offenses	2,192	2,412	2,676	3,027	3,035
Offenses Cleared	980	1,067	1,027	1,531	1,309
Arrests	955	1,201	1,179	1,259	1,093
Serious Offenses	561	586	583	650	550
Fire					
Emergency Responses	2,096	2,034	2,186	2,268	2,469
First Responder/Medical	1,470	1,431	1,539	1,606	1,666
Life Safety Inspections	663	553	523	617	646
Water					
New Connections	102	74	93	121	77
Water Main Breaks	30	12	18	14	15
Average Daily Consumption	2,780,825	2,168,525	2,172,832	2,100,300	1,994,803
Peak Daily Consumption	4,747,611	7,150,000	4,005,070	3,363,719	4,728,856
Wastewater					
Average Daily Sewage Treatment	1,510,000	1,520,000	1,532,000	2,075,000	2,081,000

Program/Function	Fiscal Year 2017	2018	2019	2020	2021
Police					
Dispatched Calls	23,538	25,631	25,518	25,848	26,453
Offenses	3,204	2,883	2,686	2,635	2,964
Offenses Cleared	1,412	1,409	1,268	1,234	1,632
Arrests	1,182	1,161	1,048	1,033	1,264
Serious Offenses	582	564	454	515	562
Fire					
Emergency Responses	2,117	2,193	2,205	2,045	2,307
First Responder/Medical	1,350	1,364	1,159	1,214	1,232
Life Safety Inspections	640	390	449	140	479
Water					
New Connections	156	82	60	75	69
Water Main Breaks	16	31	21	31	22
Average Daily Consumption	2,618,767	2,208,935	1,911,351	2,144,976	2,071,956
Peak Daily Consumption	7,133,676	4,577,760	4,071,364	4,355,392	3,883,241
Wastewater					
Average Daily Sewage Treatment	1,870,000	1,830,000	1,970,000	1,940,000	1,870,000

Source: Various city departments.

CITY OF DERBY, KANSAS
CAPITAL ASSET STATISTICS BY PROGRAM/FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year				
Program/Function	2012	2013	2014	2015	2016
Police					
Stations	1.00	1.00	1.00	1.00	1.00
Patrol units	17.00	17.00	17.00	18.00	18.00
Fire Stations	3.00	2.00	2.00	2.00	2.00
Public Works					
Streets(lane miles)	319.04	320.87	322.43	326.80	328.72
Traffic Signals	17.00	17.00	19.00	19.00	19.00
Culture and Recreation					
Acreage	313.68	313.68	313.68	392.03	392.03
Playgrounds	19.00	19.00	19.00	19.00	20.00
Baseball/Softball diamonds	19.00	19.00	19.00	19.00	19.00
Aquatic Park	1.00	1.00	1.00	1.00	1.00
Water					
Water Meter Station	1.00	1.00	1.00	1.00	1.00
Water mains(miles)	134.79	136.20	137.90	138.40	139.90
Fire hydrants	997.00	999.00	1,031.00	1,044.00	1,061.00
Storage capacity(000's gal)	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00
Wastewater					
Sanitary Sewers(miles)	123.81	124.40	125.80	126.03	127.30
Storm Sewer(combined, miles)	47.47	49.00	50.70	51.30	52.50
Treatment capacity, gal per day	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00

	Fiscal Year				
Program/Function	2017	2018	2019	2020	2021
Police					
Stations	1.00	1.00	1.00	1.00	1.00
Patrol units	18.00	18.00	18.00	18.00	18.00
Fire Stations	2.00	2.00	2.00	2.00	
Public Works					
Streets(lane miles)	333.40	334.63	336.18	340.87	346.81
Traffic Signals	19.00	19.00	22.00	23.00	23.00
Culture and Recreation					
Acreage	392.03	392.03	392.03	390.27	390.27
Playgrounds	20.00	20.00	20.00	21.00	21.00
Baseball/Softball diamonds	19.00	19.00	19.00	16.00	16.00
Aquatic Park	1.00	1.00	1.00	1.00	1.00
Water					
Water Meter Station	1.00	1.00	1.00	1.00	1.00
Water mains(miles)	144.06	144.90	146.25	150.33	153.00
Fire hydrants	1,117.00	1,132.00	1,144.00	1,182.00	1.20
Storage capacity(000's gal)	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00
Wastewater					
Sanitary Sewers(miles)	130.65	131.11	132.57	135.32	136.94
Storm Sewer(combined, miles)	54.60	54.60	56.10	57.10	59.90
Treatment capacity, gal per day	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00

Source: City of Derby GIS