

CITY OF VALLEY CENTER, KANSAS

FINANCIAL STATEMENTS

Year Ended December 31, 2022

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CITY OF VALLEY CENTER, KANSAS

FINANCIAL STATEMENTS
Year Ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Valley Center, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Valley Center, Kansas, (the City), as of and for the year ended December 31, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse and Unmodified Opinions" section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2022, or the changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statement" 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 adverse and unmodified opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 statement.

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 statement, 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 statement.
- 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 statement.
- 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and the summary of receipts and disbursements-agency (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. 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 statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Matter

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Valley Center, Kansas as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated April 19, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipalservices>. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2022 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2021, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

May 8, 2023

CITY OF VALLEY CENTER, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2022

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Fund:							
General	\$ 1,372,424	\$ -	\$ 3,539,289	\$ 3,530,650	\$ 1,381,063	\$ 67,835	\$ 1,448,898
Special Purpose Funds:							
Library	895	-	301,473	301,473	895	-	895
Employee Benefits	402,515	-	958,065	958,027	402,553	54,336	456,889
Emergency Equipment	119,654	-	74,749	62,917	131,486	13,020	144,506
Special Highway	659,736	-	1,142,335	1,192,200	609,871	9,322	619,193
Equipment Reserve	344,001	-	60,285	36,399	367,887	-	367,887
Alcohol & Drug Safety							
Action Program	1,056	-	-	-	1,056	-	1,056
Special Alcohol & Drug	3,343	-	1,340	255	4,428	[60]	4,368
Special Parks & Recreation	30,380	-	1,533	-	31,913	-	31,913
TIF	-	-	5,372,116	2,529,256	2,842,860	-	2,842,860
Drug Tax	-	-	2,777	-	2,777	-	2,777
Building Equipment Reserve	120,194	-	661	57,436	63,419	-	63,419
Park Beautification	2,215	-	-	-	2,215	-	2,215
D.A.R.E.	1,648	-	10	-	1,658	-	1,658
Law Enforcement	-	-	-	-	-	-	-
Land Bank Reserve	78,292	-	662	-	78,954	-	78,954
Public Safety Training	1,938	-	2,065	-	4,003	-	4,003
Pool/Rec Sales Tax	438,138	-	888,893	42,125	1,284,906	-	1,284,906
Fleet Management	146,382	-	140,882	154,279	132,985	-	132,985
Gifts & Grants	8,321	-	3,324	5,682	5,963	[148]	5,815
State/Federal Grants	559,111	-	1,856,396	1,706,534	708,973	-	708,973
Bond and Interest Fund:							
Bond and Interest	1,092,567	-	2,076,051	2,068,934	1,099,684	-	1,099,684
Capital Projects Funds:							
Capital Projects	620,527	-	5,479,412	3,741,811	2,358,128	135,139	2,493,267
Business Funds:							
Water	3,607,861	-	2,300,891	2,706,124	3,202,628	14,138	3,216,766
Sewer	1,533,158	-	1,437,738	1,445,930	1,524,966	8,100	1,533,066
Stormwater	251,627	-	327,425	317,620	261,432	119	261,551
Solid Waste	<u>113,272</u>	<u>-</u>	<u>574,908</u>	<u>579,768</u>	<u>108,412</u>	<u>-</u>	<u>108,412</u>
Total Primary Government	11,509,255	-	26,543,280	21,437,420	16,615,115	301,801	16,916,916
Related Municipal Entities:							
Valley Center Public Library	<u>157,602</u>	<u>-</u>	<u>336,501</u>	<u>305,356</u>	<u>188,747</u>	<u>5,448</u>	<u>194,195</u>
Total Reporting Entity	<u>\$ 11,666,857</u>	<u>\$ -</u>	<u>\$ 26,879,781</u>	<u>\$ 21,742,776</u>	<u>\$ 16,803,862</u>	<u>\$ 307,249</u>	<u>\$ 17,111,111</u>

Composition of Cash:

Intrust Bank	
Operating	\$ 16,088,135
Halstead Bank	
Checking	721,764
Emprise Bank	
Certificate of Deposit	107,017
Chisolm Trail State Bank	
Library Checking	7,137
Library Money Market	186,958
Library Petty Cash	100
Total Reporting Entity	<u>\$ 17,111,111</u>

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS Year Ended December 31, 2022

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Valley Center (the City) is a municipal corporation governed by a mayor and eight-member council. This financial statement presents the City (the primary government) and the Valley Center Public Library (related municipal entity) for which the City is considered to be financially accountable. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

Library Board - The City of Valley Center Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City.

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2022:

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Projects Fund - used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc).

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2022

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget for the year ended December 31, 2022 was amended for the Special Highway Fund and the TIF Fund.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received; and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds and certain special purpose funds including: Equipment Reserve, Alcohol and Drug Safety Action Program, Drug Tax, Building Equipment Reserve, Park Beautification, D.A.R.E., Law Enforcement, Land Bank Reserve, Public Safety Training, Pool/Rec Sales Tax, Fleet Management, Gifts & Grants and State/Federal Grants funds.

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 governing body.

NOTE 2 - Deposits and Investments

Deposits. K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

Investments. 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. As of December 31, 2022, the City held no such investments.

Concentration 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.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods." All deposits were legally secured at December 31, 2022.

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2022

NOTE 2 - Deposits and Investments (Continued)

At December 31, 2022, the City's and Library's carrying amounts of deposits were \$16,916,916 and \$194,195, respectively, and the bank balances were \$17,694,371 and \$195,515, respectively. The City's bank balances were held by three banks and the Library's bank balances was held by one bank, resulting in a concentration of credit risk. Of the City's bank balance, \$607,017 was covered by federal depository insurance and the remaining balance of \$17,087,353 was collateralized with securities held by the pledging financial institutions' agents in the City's name. Of the Library's bank balance, \$195,515 was covered by federal depository insurance.

Custodial credit risk - investments. 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.

NOTE 3 - Defined Benefit Pension

Plan Description. The City and the Library participate in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. 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 KP&F member-employee contribution rate 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, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate 8.90% for KPERS and 22.99% for KP&F for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$148,601 for KPERS and \$240,489 for KP&F for the year ended December 31, 2022.

Net Pension Liability. At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was \$2,049,415 and \$1,121,725 for KP&F. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup of KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report, including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the KPERS website at www.kpers.org or can be obtained as described above.

NOTE 4 - Long-Term Debt

Changes in Long-term Debt. During the year ended December 31, 2022, the following changes occurred in long-term liabilities:

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2022

NOTE 4 - Long-Term Debt (Continued)

	Balance January 1, 2022	Additions	Reductions	Balance December 31, 2022	Interest Paid
Paid by Taxes:					
General Obligation Bonds	\$ 21,160,000	\$ -	\$ 1,525,000	\$ 19,635,000	\$ 529,133
General Obligation Temporary Notes	-	10,345,000	-	10,345,000	-
Finance Leases	121,691	367,400	183,294	305,797	3,856
	<u>21,281,691</u>	<u>10,712,400</u>	<u>1,708,294</u>	<u>30,285,797</u>	<u>532,989</u>
Paid by Utility Revenues:					
KDHE Revolving Loan	1,331,790	-	176,319	1,155,471	32,328
Total	<u>\$ 22,613,481</u>	<u>\$ 10,712,400</u>	<u>\$ 1,884,613</u>	<u>\$ 31,441,268</u>	<u>\$ 565,317</u>

General Obligation Bonds. Following is a detailed listing of the City's outstanding general obligation debt:

Description	Interest Rates	Date of Issuance	Final Maturity	Original Amount	Amount Outstanding
Paid by taxes					
G.O. Bonds issued:					
Series 2016-1	2.00% - 3.00%	6/1/2016	12/1/2036	\$ 4,490,000	\$ 3,420,000
Series 2017-1	2.00% - 3.35%	11/1/2017	12/1/2032	3,030,000	1,805,000
Series 2018-1	2.65% - 3.65%	8/23/2018	12/1/2038	1,470,000	1,405,000
Series 2019-1	3.00% - 4.00%	5/23/2019	12/1/2039	3,980,000	3,580,000
Series 2020-1	2.00% - 4.00%	2/6/2020	12/1/2044	4,510,000	4,310,000
Series 2020-2	1.00% - 2.00%	9/24/2020	12/1/2033	6,540,000	5,115,000
					<u>\$ 19,635,000</u>

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

Year Ending December 31,	Principal	Interest	Totals
2023	\$ 1,495,000	\$ 491,548	\$ 1,986,548
2024	1,585,000	453,625	2,038,625
2025	1,485,000	412,980	1,897,980
2026	1,475,000	374,335	1,849,335
2027	1,420,000	335,988	1,755,988
2028 - 2032	5,900,000	1,224,200	7,124,200
2033 - 2037	4,185,000	579,568	4,764,568
2038 - 2042	1,680,000	142,028	1,822,028
2043 - 2044	410,000	14,260	424,260
Total	<u>\$ 19,635,000</u>	<u>\$ 4,028,532</u>	<u>\$ 23,663,532</u>

Revolving Loans. Following is a listing of the City's Kansas Water Pollution Control Loan:

Description	Interest Rate	Date of Issue	Final Maturity	Original Amount	Amount Outstanding
KDHE Project No. C20 1740 01 WWTP	2.510%	3/7/2007	9/1/2028	<u>\$ 3,299,868</u>	<u>\$ 1,155,471</u>

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2022

NOTE 4 - Long-Term Debt (Continued)

The debt service requirements to the maturity date are as follows:

Year Ending December 31,	Principal	Interest	Total
2023	\$ 180,772	\$ 25,099	\$ 205,871
2024	185,338	20,988	206,326
2025	190,019	16,773	206,792
2026	194,819	12,451	207,270
2027	199,739	8,021	207,760
2028	204,784	3,478	208,262
Total	<u>\$ 1,155,471</u>	<u>\$ 86,810</u>	<u>\$ 1,242,281</u>

Finance Leases. The City has entered into lease agreements as lessee for financing the acquisition of equipment. The following is information regarding these leases:

Description	Interest Rate	Date of Issue	Final Maturity	Original Amount	Amount Outstanding
2018 Street Sweeper	3.125%	1/17/2020	1/1/2025	\$ 150,004	\$ 92,676
2022 Enterprise Vehicles	0.000%	1/1/2022	10/1/2027	367,400	213,121
				<u>\$ 517,404</u>	<u>\$ 305,797</u>

The debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2023	\$ 125,500	\$ 2,936	\$ 128,436
2024	62,439	1,988	64,427
2025	63,415	1,012	64,427
2026	31,556	-	31,556
2027	22,887	-	22,887
Total	<u>\$ 305,797</u>	<u>\$ 5,936</u>	<u>\$ 311,733</u>

Temporary Notes. Following is a listing of the City's outstanding temporary notes:

Description	Interest Rate	Date of Issue	Final Maturity	Original Amount	Amount Outstanding
G.O. Temporary Notes					
Series 2022-1	2.25%	1/17/2020	12/1/2024	\$ 9,490,000	\$ 9,490,000
Series 2022-2	3.10%	12/1/2025	12/1/2025	855,000	855,000
				<u>\$ 10,345,000</u>	<u>\$ 10,345,000</u>

Annual debt service requirements to maturity for the temporary notes are as follows:

Year Ending December 31,	Principal	Interest	Total
2023	\$ -	\$ 339,840	\$ 339,840
2024	9,490,000	236,182	9,726,182
2025	855,000	22,657	877,657
Total	<u>\$ 10,345,000</u>	<u>\$ 598,679</u>	<u>\$ 10,943,679</u>

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2022

NOTE 4 - Long-Term Debt (Continued)

On June 7, 2022, the City issued General Obligation Temporary Notes, Series 2022-1, in the amount of \$9,490,000, and Series 2022-2, in the amount of \$855,000. Proceeds from both notes will be used to provide interim financing for the construction of certain improvements throughout the City.

Special Assessments. As provided by Kansas statutes, projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as regulatory receipts in the appropriate project. Special assessments received after the issuance of bonds are recorded as regulatory receipts in the Bond and Interest Fund. The special assessments receivable are not recorded as regulatory receipts when levied against the respective property owners as such amounts are not available to finance current year operations. The special assessment debt is a contingent liability of the City's to the extent of property owner defaults which have historically been immaterial.

NOTE 5 - Commitments and Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial Statement of the City as of December 31, 2022.

NOTE 6 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the City carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 - Compensated Absences

It is the City's policy to pay employees' accrued vacation pay upon termination of employment, subject to the maximum hours of accumulation authorized in the following schedule:

<u>Work Years</u>	<u>Days</u>	
	<u>Earned</u>	<u>Available To Use</u>
Initial employment through first anniversary	10	0
2nd through 5th anniversary	10	10
6th through 8th anniversary	12	12
9th through 14th anniversary	14	14
15th through 20th anniversary	18	18
21st anniversary and thereafter	20	20

As of December 31, 2022, the liability for earned vacation pay was \$106,987.

NOTE 8 - Medical Self Insurance Plan

The City has established a program to pay medical claims of covered current and former City employees and additional health insurance premiums. Liabilities are reported when it is probable that claims have been incurred and the amount of the liability can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated by the plan administrator and are expected to be liquidated with expendable available financial resources.

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2022

NOTE 8 - Medical Self Insurance Plan (Continued)

The below table summarizes activity for the years ended December 31, 2021 and 2022:

	<u>2021</u>	<u>2022</u>
Unpaid claims, January 1	\$ 41,142	\$ 48,160
Incurred claims (including IBNRs)	520,998	1,057,078
Claim payments	<u>[513,980]</u>	<u>[979,630]</u>
Unpaid claims, December 31	<u>\$ 48,160</u>	<u>\$ 125,608</u>

NOTE 9 - Interfund Transfers

A reconciliation of transfers by fund type for 2022 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	Special Highway	\$ 20,000	K.S.A. 68-590
General	Capital Projects	62,400	K.S.A. 12-1118
General	Fleet Management	20,000	Council Resolution
Special Highway	Fleet Management	20,000	Council Resolution
Emergency Equipment	Fleet Management	30,000	Council Resolution
Water	Bond & Interest	283,500	K.S.A. 12-825d
Water	Equipment Reserve	10,000	K.S.A. 12-825d
Water	Fleet Management	35,000	K.S.A. 12-825d
Water	Sewer	42,782	K.S.A. 12-825d
Stormwater	Bond & Interest	145,000	K.S.A. 12-825d
Stormwater	Equipment Reserve	17,600	K.S.A. 12-825d
Solid Waste	Equipment Reserve	20,000	K.S.A. 12-825d
Sewer	Bond & Interest	214,500	K.S.A. 12-825d
Sewer	Equipment Reserve	10,000	K.S.A. 12-825d
Sewer	Fleet Management	35,000	K.S.A. 12-825d
Sewer	Capital Projects	<u>42,782</u>	K.S.A. 12-825d
		<u>\$ 1,008,564</u>	

NOTE 10 - Other Long-Term Obligations from Operations

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2022.

CITY OF VALLEY CENTER, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over [Under]</u>
General Funds:					
General	\$ 4,272,402	\$ -	\$ 4,272,402	\$ 3,530,650	\$ [741,752]
Special Purpose Funds:					
Library	325,500	-	325,500	301,473	[24,027]
Employee Benefits	1,204,998	-	1,204,998	958,027	[246,971]
Emergency Equipment	204,215	-	204,215	62,917	[141,298]
Special Highway	1,195,400	-	1,195,400	1,192,200	[3,200]
Special Alcohol & Drug	5,000	-	5,000	255	[4,745]
Special Parks & Recreation	5,000	-	5,000	-	[5,000]
Bond and Interest Funds:					
Bond and Interest	3,104,135	-	3,104,135	2,068,934	[1,035,201]
Business Funds:					
Water	2,163,950	571,723	2,735,673	2,706,124	[29,549]
Sewer	1,353,689	263,280	1,616,969	1,445,930	[171,039]
Stormwater	321,000	-	321,000	317,620	[3,380]
Solid Waste	609,780	-	609,780	579,768	[30,012]

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	Actual			[Under]
Receipts				
Taxes	\$ 1,951,208	\$ 2,010,004	\$ 1,947,254	\$ 62,750
Intergovernmental	740,511	818,704	607,997	210,707
Licenses and permits	197,326	252,679	156,150	96,529
Fines and fees	157,603	151,228	134,500	16,728
Use of money and property	14,769	39,006	10,500	28,506
Charges for services	3,030	3,000	18,500	[15,500]
Reimbursement	144,295	106,351	54,974	51,377
Miscellaneous	169,788	158,317	169,000	[10,683]
Total Receipts	<u>3,378,530</u>	<u>3,539,289</u>	<u>\$ 3,098,875</u>	<u>\$ 440,414</u>
Expenditures				
General Government:				
Administration	647,412	690,917	\$ 652,200	\$ 38,717
Public Works:				
Community development	220,388	233,239	208,810	24,429
Public Safety:				
Police department	1,222,690	1,374,227	1,188,000	186,227
Fire department	409,556	418,057	400,550	17,507
Legal and municipal court	167,268	172,409	164,500	7,909
Culture and Recreation:				
Parks	472,425	539,401	552,100	[12,699]
Transfers out	40,000	102,400	-	102,400
Cash reserve	-	-	1,106,242	[1,106,242]
Total Expenditures	<u>3,179,739</u>	<u>3,530,650</u>	<u>\$ 4,272,402</u>	<u>\$ [741,752]</u>
Receipts Over [Under] Expenditures	198,791	8,639		
Unencumbered Cash, Beginning	<u>1,173,633</u>	<u>1,372,424</u>		
Unencumbered Cash, Ending	<u>\$ 1,372,424</u>	<u>\$ 1,381,063</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes	\$ 290,114	\$ 301,473	\$ 301,490	\$ [17]
Total Receipts	<u>290,114</u>	<u>301,473</u>	<u>\$ 301,490</u>	<u>\$ [17]</u>
Expenditures				
Culture and recreation appropriation	<u>289,554</u>	<u>301,473</u>	<u>\$ 325,500</u>	<u>\$ [24,027]</u>
Total Expenditures	<u>289,554</u>	<u>301,473</u>	<u>\$ 325,500</u>	<u>\$ [24,027]</u>
Receipts Over [Under] Expenditures	560	-		
Unencumbered Cash, Beginning	<u>335</u>	<u>895</u>		
Unencumbered Cash, Ending	<u>\$ 895</u>	<u>\$ 895</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
EMPLOYEE BENEFITS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes	\$ 810,982	\$ 883,014	\$ 886,575	\$ [3,561]
Use of money and property	241	4,358	98,000	[93,642]
Reimbursements	<u>48,791</u>	<u>70,693</u>	<u>14,000</u>	<u>56,693</u>
Total Receipts	<u>860,014</u>	<u>958,065</u>	<u>\$ 998,575</u>	<u>\$ [40,510]</u>
Expenditures				
Personal services	514,189	586,582	\$ 1,027,998	\$ [441,416]
Rebate	-	-	15,000	[15,000]
Insurance claims	297,556	371,445	12,000	359,445
Cash reserve	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>[150,000]</u>
Total Expenditures	<u>811,745</u>	<u>958,027</u>	<u>\$ 1,204,998</u>	<u>\$ [246,971]</u>
Receipts Over [Under] Expenditures	48,269	38		
Unencumbered Cash, Beginning	<u>354,246</u>	<u>402,515</u>		
Unencumbered Cash, Ending	<u>\$ 402,515</u>	<u>\$ 402,553</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 EMERGENCY EQUIPMENT FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Year Ended December 31, 2022
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 62,575	\$ 66,997	\$ 67,153	\$ [156]
Interest income	89	1,490	-	1,490
Fines & fees	5,017	6,262	-	6,262
Reimbursements	<u>2,552</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>70,233</u>	<u>74,749</u>	<u>\$ 67,153</u>	<u>\$ 7,596</u>
Expenditures				
Capital outlay	86,237	32,917	\$ 34,250	\$ [1,333]
Transfers out	-	30,000	30,000	-
Cash reserve	<u>-</u>	<u>-</u>	<u>139,965</u>	<u>[139,965]</u>
Total Expenditures	<u>86,237</u>	<u>62,917</u>	<u>\$ 204,215</u>	<u>\$ [141,298]</u>
Receipts Over [Under] Expenditures	[16,004]	11,832		
Unencumbered Cash, Beginning	<u>135,658</u>	<u>119,654</u>		
Unencumbered Cash, Ending	<u>\$ 119,654</u>	<u>\$ 131,486</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes	\$ 92,603	88,821	\$ 86,930	\$ 1,891
Intergovernmental	949,743	1,016,433	950,570	65,863
Licenses and permits	925	125	-	125
Use of money and property	302	12,635	-	12,635
Reimbursements	2,173	3,445	10,000	[6,555]
Miscellaneous	-	876	-	876
Transfer in	<u>40,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Receipts	<u>1,085,746</u>	<u>1,142,335</u>	<u>\$ 1,067,500</u>	<u>\$ 74,835</u>
Expenditures				
Personal services	288,845	374,548	\$ 370,100	\$ 4,448
Contractual services	66,031	72,188	70,000	2,188
Commodities	50,508	56,344	62,300	[5,956]
Capital outlay	459,353	669,120	593,000	76,120
Transfer out	-	20,000	20,000	-
Cash reserve	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>[80,000]</u>
Total Expenditures	<u>864,737</u>	<u>1,192,200</u>	<u>\$ 1,195,400</u>	<u>\$ [3,200]</u>
Receipts Over [Under] Expenditures	221,009	[49,865]		
Unencumbered Cash, Beginning	<u>438,727</u>	<u>659,736</u>		
Unencumbered Cash, Ending	<u>\$ 659,736</u>	<u>\$ 609,871</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
EQUIPMENT RESERVE FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfer in	\$ 40,000	\$ 57,600
Use of money and property	113	2,685
Reimbursements	<u>312</u>	<u>-</u>
Total Receipts	<u>40,425</u>	<u>60,285</u>
Expenditures		
Capital outlay	<u>23,403</u>	<u>36,399</u>
Total Expenditures	<u>23,403</u>	<u>36,399</u>
Receipts Over [Under] Expenditures	17,022	23,886
Unencumbered Cash, Beginning	<u>326,979</u>	<u>344,001</u>
Unencumbered Cash, Ending	<u>\$ 344,001</u>	<u>\$ 367,887</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 ALCOHOL & DRUG SAFETY ACTION PROGRAM FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ 4	\$ -
Total Receipts	<u>4</u>	<u>-</u>
Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	4	-
Unencumbered Cash, Beginning	<u>1,052</u>	<u>1,056</u>
Unencumbered Cash, Ending	<u><u>\$ 1,056</u></u>	<u><u>\$ 1,056</u></u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
SPECIAL ALCOHOL & DRUG FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Interest income	\$ 4	\$ -	\$ -	\$ -
Intergovernmental	<u>3,176</u>	<u>1,340</u>	<u>6,769</u>	<u>[5,429]</u>
Total Receipts	<u>3,180</u>	<u>1,340</u>	<u>\$ 6,769</u>	<u>\$ [5,429]</u>
Expenditures				
Contractual services	<u>4,936</u>	<u>255</u>	<u>\$ 5,000</u>	<u>\$ [4,745]</u>
Total Expenditures	<u>4,936</u>	<u>255</u>	<u>\$ 5,000</u>	<u>\$ [4,745]</u>
Receipts Over [Under] Expenditures	[1,756]	1,085		
Unencumbered Cash, Beginning	<u>5,099</u>	<u>3,343</u>		
Unencumbered Cash, Ending	<u>\$ 3,343</u>	<u>\$ 4,428</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
SPECIAL PARKS & RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Intergovernmental	\$ 3,176	\$ 1,340	\$ 6,769	\$ [5,429]
Interest income	<u>16</u>	<u>193</u>	<u>-</u>	<u>193</u>
Total Receipts	<u>3,192</u>	<u>1,533</u>	<u>\$ 6,769</u>	<u>\$ [5,236]</u>
Expenditures				
Capital outlay	<u>-</u>	<u>-</u>	<u>\$ 5,000</u>	<u>\$ [5,000]</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 5,000</u>	<u>\$ [5,000]</u>
Receipts Over [Under] Expenditures	3,192	1,533		
Unencumbered Cash, Beginning	<u>27,188</u>	<u>30,380</u>		
Unencumbered Cash, Ending	<u>\$ 30,380</u>	<u>\$ 31,913</u>		

CITY OF VALLEY CENTER, KANSAS
TIF FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Temporary note proceeds	\$ -	\$ 5,345,103	\$ 5,345,103	\$ -
Interest income	-	27,013	9,000	18,013
Total Receipts	-	5,372,116	\$ 5,354,103	\$ 18,013
Expenditures				
Contractual services	-	60,206	\$ 60,300	\$ [94]
Capital outlay	-	2,469,050	4,272,000	[1,802,950]
Total Expenditures	-	2,529,256	\$ 4,332,300	\$ [1,803,044]
Receipts Over [Under] Expenditures	-	2,842,860		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ 2,842,860		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 DRUG TAX FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ -	\$ 2,777
Total Receipts	<u>-</u>	<u>2,777</u>
Expenditures		
Capital outlay	<u>5,361</u>	<u>-</u>
Total Expenditures	<u>5,361</u>	<u>-</u>
Receipts Over [Under] Expenditures	[5,361]	2,777
Unencumbered Cash, Beginning	<u>5,361</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>	<u><u>\$ 2,777</u></u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
BUILDING EQUIPMENT RESERVE FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ 63	\$ 661
	<u>63</u>	<u>661</u>
Total Receipts		
Expenditures		
Contractual services	-	42,900
Commodities	<u>-</u>	<u>14,536</u>
Total Expenditures	<u>-</u>	<u>57,436</u>
Receipts Over [Under] Expenditures	63	[56,775]
Unencumbered Cash, Beginning	<u>120,131</u>	<u>120,194</u>
Unencumbered Cash, Ending	<u>\$ 120,194</u>	<u>\$ 63,419</u>

* - This is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 PARK BEAUTIFICATION FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ 7	\$ -
	<u>7</u>	<u>-</u>
Total Receipts		
Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	7	-
Unencumbered Cash, Beginning	<u>2,208</u>	<u>2,215</u>
Unencumbered Cash, Ending	<u>\$ 2,215</u>	<u>\$ 2,215</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
D.A.R.E. FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 101	\$ 10
Total Receipts	<u>101</u>	<u>10</u>
Expenditures		
Miscellaneous commodities	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	101	10
Unencumbered Cash, Beginning	<u>1,547</u>	<u>1,648</u>
Unencumbered Cash, Ending	<u><u>\$ 1,648</u></u>	<u><u>\$ 1,658</u></u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 LAW ENFORCEMENT FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Capital outlay	2,507	-
Total Expenditures	2,507	-
Receipts Over [Under] Expenditures	[2,507]	-
Unencumbered Cash, Beginning	2,507	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 LAND BANK RESERVE FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ 21	\$ 662
Total Receipts	<u>21</u>	<u>662</u>
Expenditures		
Contractual	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	21	662
Unencumbered Cash, Beginning	<u>78,271</u>	<u>78,292</u>
Unencumbered Cash, Ending	<u>\$ 78,292</u>	<u>\$ 78,954</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
PUBLIC SAFETY TRAINING FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Fines and fees	\$ 1,670	\$ 2,065
Total Receipts	<u>1,670</u>	<u>2,065</u>
Expenditures		
Contractual	<u>257</u>	<u>-</u>
Total Expenditures	<u>257</u>	<u>-</u>
Receipts Over [Under] Expenditures	1,413	2,065
Unencumbered Cash, Beginning	<u>525</u>	<u>1,938</u>
Unencumbered Cash, Ending	<u><u>\$ 1,938</u></u>	<u><u>\$ 4,003</u></u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 POOL/REC SALES TAX FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Taxes	\$ 438,070	\$ 880,305
Use of money and property	<u>68</u>	<u>8,588</u>
Total Receipts	<u>438,138</u>	<u>888,893</u>
Expenditures		
Capital outlay	<u>-</u>	<u>42,125</u>
Total Expenditures	<u>-</u>	<u>42,125</u>
Receipts Over [Under] Expenditures	438,138	846,768
Unencumbered Cash, Beginning	<u>-</u>	<u>438,138</u>
Unencumbered Cash, Ending	<u>\$ 438,138</u>	<u>\$ 1,284,906</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 FLEET MANAGEMENT FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Reimbursements	\$ 5,850	\$ -
Miscellaneous	167,460	-
Interest income		882
Transfer in	<u>-</u>	<u>140,000</u>
Total Receipts	<u>173,310</u>	<u>140,882</u>
Expenditures		
Contractual	<u>26,928</u>	<u>154,279</u>
Total Expenditures	<u>26,928</u>	<u>154,279</u>
Receipts Over [Under] Expenditures	146,382	[13,397]
Unencumbered Cash, Beginning	<u>-</u>	<u>146,382</u>
Unencumbered Cash, Ending	<u><u>\$ 146,382</u></u>	<u><u>\$ 132,985</u></u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 GIFTS & GRANTS FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 28,117	\$ 3,324
Federal grants	<u>17,469</u>	<u>-</u>
Total Receipts	<u>45,586</u>	<u>3,324</u>
Expenditures		
Capital outlay	40,118	4,342
Miscellaneous	<u>2,082</u>	<u>1,340</u>
Total Expenditures	<u>42,200</u>	<u>5,682</u>
Receipts Over [Under] Expenditures	3,386	[2,358]
Unencumbered Cash, Beginning	<u>4,935</u>	<u>8,321</u>
Unencumbered Cash, Ending	<u><u>\$ 8,321</u></u>	<u><u>\$ 5,963</u></u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
STATE/FEDERAL GRANTS FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 180	\$ 5,995
Federal grants	<u>558,931</u>	<u>1,850,401</u>
Total Receipts	<u>559,111</u>	<u>1,856,396</u>
Expenditures		
Capital outlay	<u>-</u>	<u>1,706,534</u>
Total Expenditures	<u>-</u>	<u>1,706,534</u>
Receipts Over [Under] Expenditures	559,111	149,862
Unencumbered Cash, Beginning	<u>-</u>	<u>559,111</u>
Unencumbered Cash, Ending	<u>\$ 559,111</u>	<u>\$ 708,973</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 BOND AND INTEREST FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Year Ended December 31, 2022
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes	\$ 920,426	\$ 970,636	\$ 975,409	\$ [4,773]
Special assessment	422,815	423,542	401,683	21,859
Use of money and property	966	17,856	100	17,756
Reimbursement	5,000	21,017	5,000	16,017
Transfer in	<u>677,000</u>	<u>643,000</u>	<u>727,000</u>	<u>[84,000]</u>
Total Receipts	<u>2,026,207</u>	<u>2,076,051</u>	<u>\$ 2,109,192</u>	<u>\$ [33,141]</u>
Expenditures				
Debt service				
Principal	1,460,000	1,525,000	\$ 1,555,000	\$ [30,000]
Interest	584,989	529,133	529,135	[2]
Miscellaneous	12,101	14,801	20,000	[5,199]
Cash reserve	<u>-</u>	<u>-</u>	<u>1,000,000</u>	<u>[1,000,000]</u>
Total Expenditures	<u>2,057,090</u>	<u>2,068,934</u>	<u>\$ 3,104,135</u>	<u>\$ [1,035,201]</u>
Receipts Over [Under] Expenditures	[30,883]	7,117		
Unencumbered Cash, Beginning	<u>1,123,450</u>	<u>1,092,567</u>		
Unencumbered Cash, Ending	<u>\$ 1,092,567</u>	<u>\$ 1,099,684</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 CAPITAL PROJECTS FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2022 and 2021

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Temporary note proceeds	\$ -	\$ 5,053,421
Miscellaneous	-	241,545
Interest income	252	36,483
Transfer in	<u>-</u>	<u>147,963</u>
Total Receipts	<u>252</u>	<u>5,479,412</u>
Expenditures		
Contractual services	216,958	2,800,719
Capital outlay	-	842,181
Cost of issuance	<u>-</u>	<u>98,911</u>
Total Expenditures	<u>216,958</u>	<u>3,741,811</u>
Receipts Over [Under] Expenditures	[216,706]	1,737,601
Unencumbered Cash, Beginning	<u>837,233</u>	<u>620,527</u>
Unencumbered Cash, Ending	<u>\$ 620,527</u>	<u>\$ 2,358,128</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
WATER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	Actual			[Under]
Receipts				
Charges to customers	\$ 2,259,111	\$ 2,257,501	\$ 2,059,236	\$ 198,265
Use of money and property	2,207	37,444	-	37,444
Reimbursements	1,476	5,496	-	5,496
Miscellaneous	<u>128</u>	<u>450</u>	<u>2,100</u>	<u>[1,650]</u>
Total Receipts	<u>2,262,922</u>	<u>2,300,891</u>	<u>\$ 2,061,336</u>	<u>\$ 239,555</u>
Expenditures				
Personnel services	366,162	327,364	\$ 401,000	\$ [73,636]
Contractual	1,430,444	1,845,249	920,950	924,299
Commodities	41,147	35,192	47,000	[11,808]
Capital outlay	133,663	127,037	75,000	52,037
Transfer out	420,000	371,282	720,000	[348,718]
Reserve funds not subject to budget	<u>-</u>	<u>-</u>	<u>571,723</u>	<u>[571,723]</u>
Total Expenditures	<u>2,391,416</u>	<u>2,706,124</u>	<u>\$ 2,735,673</u>	<u>\$ [29,549]</u>
Receipts Over [Under] Expenditures	[128,494]	[405,233]		
Unencumbered Cash, Beginning	<u>3,736,355</u>	<u>3,607,861</u>		
Unencumbered Cash, Ending	<u>\$ 3,607,861</u>	<u>\$ 3,202,628</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
SEWER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	Actual			[Under]
Receipts				
Charges to customers	\$ 1,340,214	\$ 1,372,996	\$ 1,344,326	\$ 28,670
Use of money and property	793	17,803	-	17,803
Miscellaneous	10,270	46,939	3,000	43,939
Total Receipts	<u>1,351,277</u>	<u>1,437,738</u>	<u>\$ 1,347,326</u>	<u>\$ 90,412</u>
Expenditures				
Personnel services	304,977	285,029	\$ 309,689	\$ [24,660]
Contractual	382,981	512,383	420,000	92,383
Commodities	20,941	47,469	22,000	25,469
Capital outlay	118,550	90,120	105,000	[14,880]
Debt service	204,995	205,427	-	205,427
Miscellaneous	3,653	3,220	-	3,220
Transfer out	157,000	302,282	497,000	[194,718]
Reserve funds not subject to budget	-	-	263,280	[263,280]
Total Expenditures	<u>1,193,097</u>	<u>1,445,930</u>	<u>\$ 1,616,969</u>	<u>\$ [171,039]</u>
Receipts Over [Under] Expenditures	158,180	[8,192]		
Unencumbered Cash, Beginning	<u>1,374,978</u>	<u>1,533,158</u>		
Unencumbered Cash, Ending	<u>\$ 1,533,158</u>	<u>\$ 1,524,966</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 STORMWATER FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Year Ended December 31, 2022
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		
	Prior Year			Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
				<u>[Under]</u>
Receipts				
Charges to customers	\$ 324,329	\$ 323,490	\$ 321,000	\$ 2,490
Interest income	<u>200</u>	<u>3,935</u>	<u>-</u>	<u>3,935</u>
Total Receipts	<u>324,529</u>	<u>327,425</u>	<u>\$ 321,000</u>	<u>\$ 6,425</u>
Expenditures				
Contractual	30,410	34,605	\$ 26,900	\$ 7,705
Commodities	662	415	1,500	[1,085]
Capital outlay	168,056	120,000	100,000	20,000
Transfer out	<u>120,000</u>	<u>162,600</u>	<u>192,600</u>	<u>[30,000]</u>
Total Expenditures	<u>319,128</u>	<u>317,620</u>	<u>\$ 321,000</u>	<u>\$ [3,380]</u>
Receipts Over [Under] Expenditures	5,401	9,805		
Unencumbered Cash, Beginning	<u>246,226</u>	<u>251,627</u>		
Unencumbered Cash, Ending	<u>\$ 251,627</u>	<u>\$ 261,432</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
SOLID WASTE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2022
(With Comparative Actual Amounts for the Year Ended December 31, 2021)

		Current Year		Variance
	Prior Year	Actual	Budget	Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Charges to customers	\$ 541,810	\$ 568,708	\$ 601,480	\$ [32,772]
Interest income	85	1,195	1,500	[305]
Miscellaneous	<u>4,274</u>	<u>5,005</u>	<u>6,800</u>	<u>[1,795]</u>
Total Receipts	<u>546,169</u>	<u>574,908</u>	<u>\$ 609,780</u>	<u>\$ [34,872]</u>
Expenditures				
Contractual	564,597	559,768	\$ 588,780	\$ [29,012]
Capital outlay	7,785	-	1,000	[1,000]
Transfer out	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Expenditures	<u>592,382</u>	<u>579,768</u>	<u>\$ 609,780</u>	<u>\$ [30,012]</u>
Receipts Over [Under] Expenditures	[46,213]	[4,860]		
Unencumbered Cash, Beginning	<u>159,485</u>	<u>113,272</u>		
Unencumbered Cash, Ending	<u>\$ 113,272</u>	<u>\$ 108,412</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 VALLEY CENTER PUBLIC LIBRARY - RELATED MUNICIPAL ENTITY
 GENERAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Year Ended December 31, 2022

Receipts	
State of Kansas	\$ 2,115
NEKL Association	22,952
City appropriation	295,675
Interest	4,554
Donations and sales	672
Grants	8,374
Miscellaneous	<u>2,159</u>
Total Receipts	<u>336,501</u>
Expenditures	
Salary and payroll taxes	196,808
Books, periodicals and film	23,238
Supplies	19,895
Utilities	16,051
Contractual	30,691
Maintenance	12,265
Miscellaneous	<u>6,408</u>
Total Expenditures	<u>305,356</u>
Receipts Over [Under] Expenditures	31,145
Unencumbered Cash, Beginning	<u>157,602</u>
Unencumbered Cash, Ending	<u>\$ 188,747</u>

See independent auditor's report on the financial statements.