



**City of Valley Center
Annual Adopted Budget
2024
January 1 - December 31**



Acknowledgments

The FY2024 budget document was prepared by City staff members who worked enthusiastically, with dedication and pride, to provide an overall budget, policy, and communication tool for the citizens, the business community, and the City of Valley Center organization.

The following individuals are recognized for their contribution in the budget process:

Brent Clark, City Administrator

Barry Smith, Assistant City Administrator for Finance and Administration

Ryan Shrack, Community Development Director

Neal Owings, Parks and Public Buildings Director,

Rodney Eggleston, Public Works Director

Lloyd Newman, Public Safety Director

Lonnie Tormey, Fire Chief

The following individuals are recognized for their significant contribution in the preparation of this document:

Barry Smith, Assistant City Administrator for Finance and Administration

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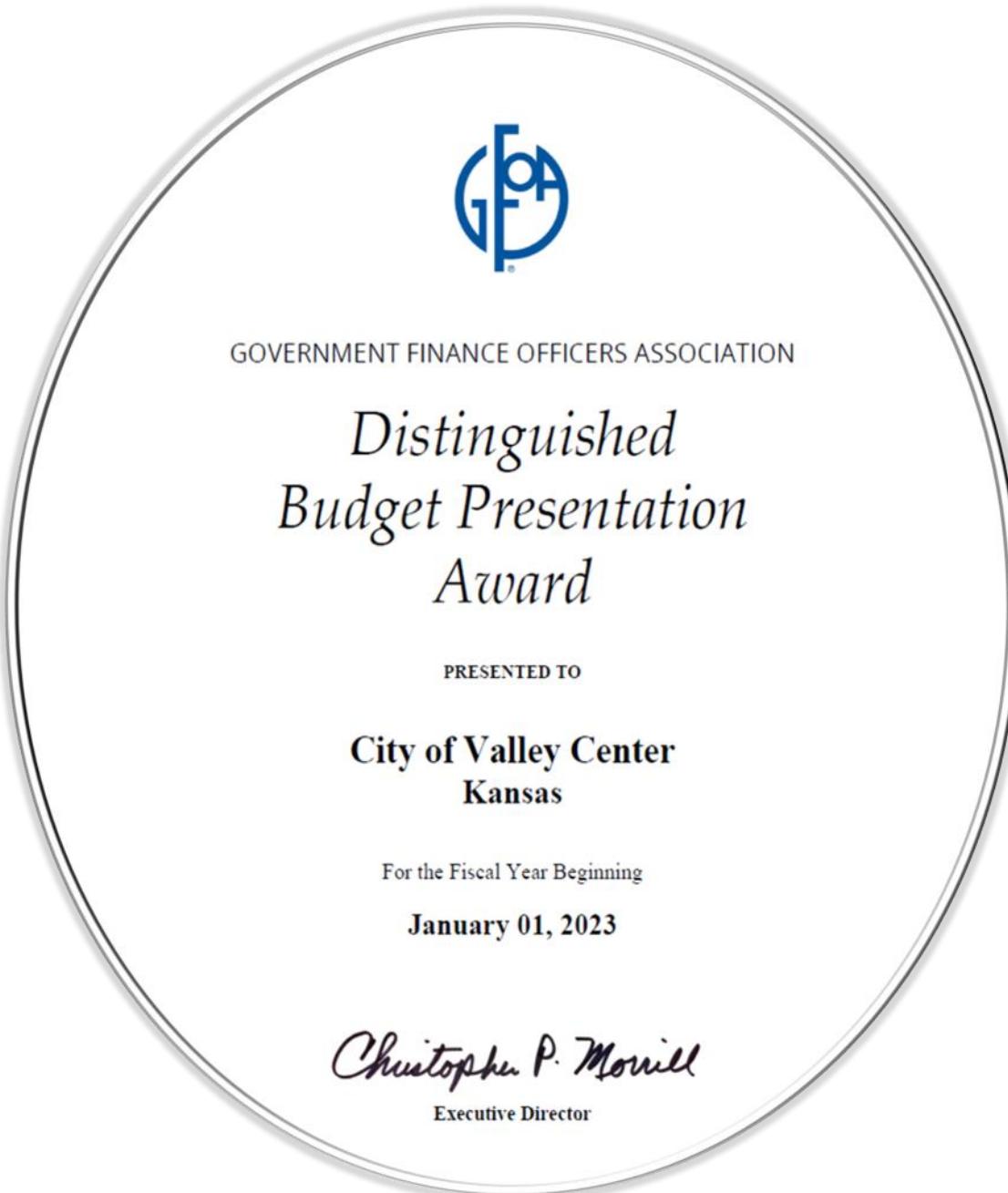
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Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Valley Center, Kansas for its annual budget for the fiscal year beginning Jan 1, 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.



This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Questions and Answers

How to Read the City of Valley Center's Budget Plan

Q. This document is very large. Where should I start?

A. Start with the Assistant City Administrator's Budget Message on page 8. This section outlines the priorities for the year and identifies major issues facing the City. See the Budget Process section starting on page 20 for more detailed information.

Q. What are the City's goals? What did the City accomplish last year?

A. The City Council identifies and updates goals every three years and these are provided in the City's Strategic Plan and can be found starting on page 54. They are also summarized in the City Manager's budget message, which begins on page 8. Goals, objectives and notable highlights are listed for within each department section, which can be found on pages 85-108.

Q. Where do I find where the City gets its money?

A. A summary of where the City revenues come from is on page 81. A snapshot visual of Property Tax Revenues can be found on pages 28 & 29. Major Revenues section starts on page 67 which displays each of the different revenue sources along with a long range financial plan.

Q. How does the City spend its money?

A. Tables listing general fund appropriations are included in the budget summary on page 45 and 47, followed by charts that graphically summarizes department expenditure information starting at page 85.

Q. What about capital projects?

A. A summary of the Capital Improvement Plan is included in the Budget Message on page 17. The City's full Capital Improvement Plan begins on page 131. The Capital Improvement Project fund is a non-budgeted fund; those funds are listed on page 115.



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CAPITAL IMPROVEMENT PLAN

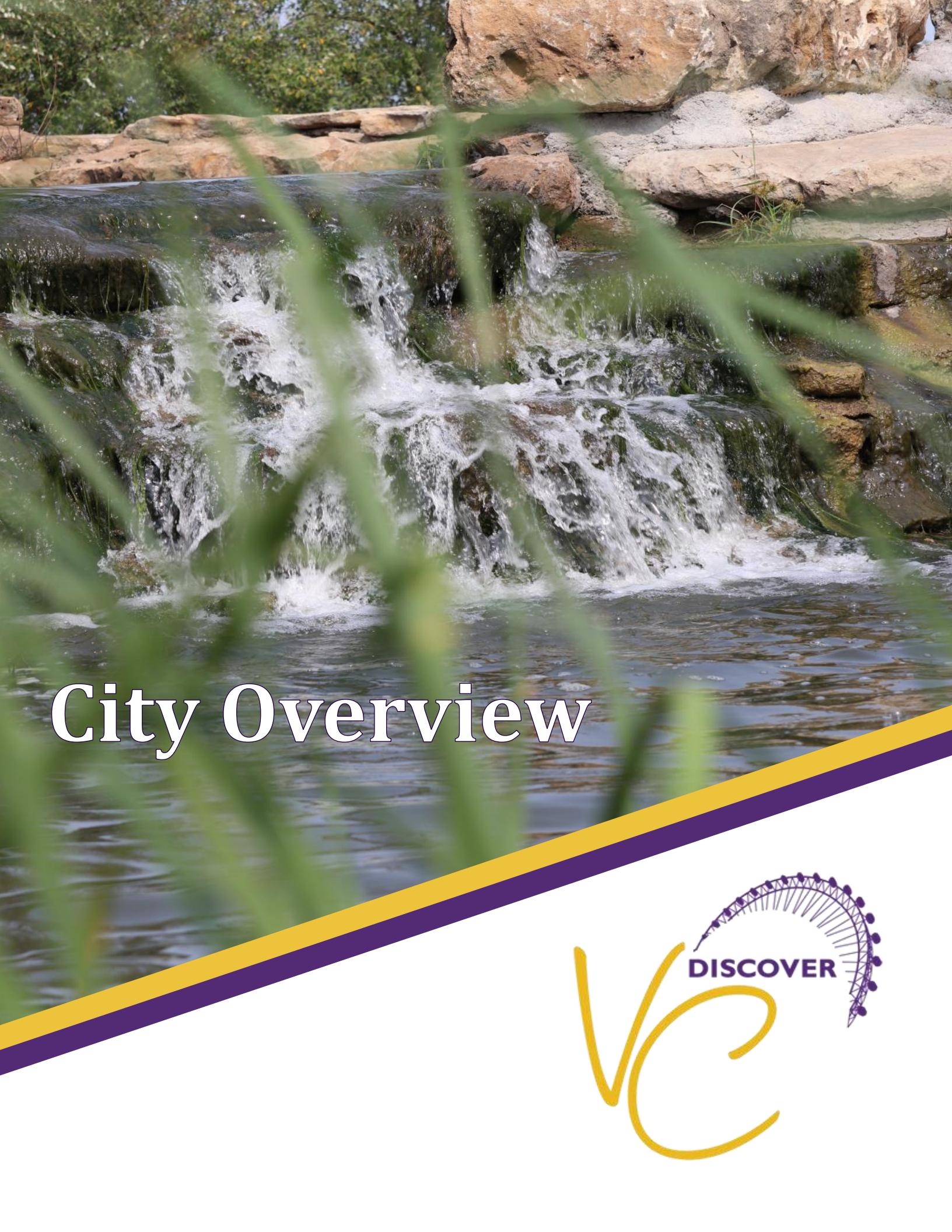
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City Overview





Budget Message



September 5th, 2023

To: Honorable Mayor Lou Cicirello & City Council

RE: 2024 Budget – Department Updates/Requests, Financial Overview, and Opportunities/Challenges

Dear Mayor Cicirello and City Council Members,

It is the responsibility of the Assistant City Administrator for Finance and Administration, along with the City Administrator, to prepare and present an annual budget to the Valley Center City Council. The following letter recaps the SB13 budgeting process now in its second full year, department updates/requests, and current/future challenges facing the City.

The City received its estimated valuation information on June 6th. The City's overall estimated assessed valuation increased by 9.827% from \$63,677,066 to an estimated \$69,926,337. The value of each mill is estimated to be \$69,926.

Revenue Neutral Rate

SB13 repealed the tax lid and implemented a new budgeting process for any entity that levy's ad valorem property taxes. The new process establishes what is called the Revenue Neutral Rate (RNR). The RNR shows what the City would need to levy to generate the same number of ad valorem tax dollars as the previous years' budget. The City's RNR for the FY24 budget is calculated at 49.947. The RNR is calculated by taking the total property taxes billed for FY23 and dividing that by the City's estimated assessed valuation for the FY24 budget and multiplying by 1,000 to express the rate in mills:

$$\begin{aligned} &\$3,492,644.05 \text{ (property taxes billed for FY23)} \\ &\$69,926,337 \text{ (estimated valuation for FY24 budget)} \\ &= \\ &.049947 \times 1,000 \text{ or } 49.947 \text{ mills} \end{aligned}$$

After establishing the revenue neutral rate, the City must put together its budget to determine if the RNR needs to be exceeded to maintain its high level of service offered to its residents. The City must notify Sedgwick County by July 20th if we plan on exceeding the RNR which leaves the July 11th and July 18th City Council Meetings to make this determination once the first draft is presented on June 20th.



Budget Message

City staff are recommending notifying Sedgwick County of our intent to exceed the RNR with a proposed mill rate of 54.856 mills, mirroring the final assessed valuation from FY23, abstract outlined on our valuation notice. By notifying Sedgwick County of our intent to exceed the RNR, it allows the City more time to discuss items like critical personnel, equipment, and overall funding for the FY24 budget. This step in the process is similar to how we would set our maximum ad valorem tax dollar amount in budget years prior to FY23. The notification process to Sedgwick County essentially sets our “cap” in total maximum dollars we plan to levy.

The notification will also signal Sedgwick County to include this information on a notification that will be sent to every property owner in our taxing jurisdiction of when and where we plan on holding our RNR and budget hearings along with the financial information on how much ad valorem tax the individual will pay at the proposed mill rate of 54.856 mills compared to the current fiscal year.

Staff recommends having this hearing each year regardless of our decision to exceed the RNR or not. Conducting the tax rate hearing will ensure we are able to capture, at minimum, the same amount of taxes levied the year prior.

It will be the duty of the City Council to ultimately decide what the City’s mill levy will be. If the revenue neutral rate will not be exceeded, the remaining budget calendar looks like:

- Publish the FY24 budget hearing notification on Aug 10th, informing residents of the public hearing for the FY24 budget on Sept 5th, 2023.
- Hold public hearing for the FY24 budget on Sept 5th and approve the FY24 budget.
- Send certified documentation and affidavit of public hearing notification to Sedgwick County on or before Sept 29th for review and submission to the state.

If the revenue neutral rate will be exceeded, the remaining budget calendar looks like:

- Send notification of exceeding the revenue neutral rate along with the date, time, and location of the revenue neutral rate hearing to Sedgwick County by July 20th, 2023. The hearing will be held on September 5th, 2023, at 7:00 p.m. located at City Hall, 121 S. Meridian Valley Center KS, 67147.
- Publish notification for the FY24 budget hearing and FY24 revenue neutral rate hearing on Aug 10th, 2023, and place notification on the City website with the details of the time, date, and location of said hearings.
- Hold FY24 budget public hearing and FY24 budget revenue neutral rate hearing on September 5th, 2023 (hearing must be held between Aug 20th and Sep 20th)
- Approve resolution to exceed the revenue neutral rate and certify the FY24 budget no later than Sept 29th, 2023, once the public hearing and tax rate hearings have concluded. **The vote to exceed the RNR must be a Roll Call vote.**
- Send certified documentation, copy of resolution exceeding the RNR, and affidavit of public hearing notifications to Sedgwick County by Sept 29th, 2023, for review and submission to the state.



Budget Message

Department Updates / Requests

Public Works

Over the past three years, Public Works has been aggressive in terms of equipment replacement and developing new ideas and procedures. Public Works staff should be commended for their forward thinking, as they continue to seek new strategies to improve efficiencies in service through better project management and tackling some projects in-house.

Public Works functions play an integral role in the City, providing essential services for streets, water, wastewater, and stormwater.

FY24 will bring more opportunities for updating the City's new GIS system, which will enhance our tracking and maintenance efforts across all current infrastructure.

Public Works has a major initiative to tackle over the next 4 years. This major initiative is the proposed water treatment plant. It remains a goal for the City to find ways to make the overall monthly bill for our residents as low as it possibly can be. Public Works continues to move forward on the water treatment plant project, which is reaching 30% completion on the preliminary engineering and design. Staff are currently researching and applying for available funding to assist with the overall cost of the water treatment plant project. By constructing our own water treatment plant, we will be able to reduce rates overall and provide the same or better quality of water to our residents.

Community Development

The City Council must remain forward-thinking and committed to continued support of Main Street initiatives and development opportunities throughout the City. Continued support will be necessary to ensure progress is not stifled which is why City staff are proposing to continue the \$10,000 allocation for Main Street Valley Center and additional funds built into the operating budget for sub-division marketing and City marketing.

In Spring of 2021, over 400 residential lots were announced throughout three development projects in Valley Center. The three developments (Arbor Valley, Straterra, and Sunflower Valley) will reach the completion of all water, wastewater, streets, and drainage infrastructure construction near the end of 2023, priming the growth process the City has planned for over the past several budget cycles.

In FY24 the Community Development Department has also requested the City update its comprehensive plan. The comprehensive plan will provide enhanced direction and guidance to the community, governing body, and staff throughout the next 20 years.

FY24 Budget requests include \$50,000 for the comprehensive plan, \$10,000 for economic development incentives, and \$10,000 for Main Street Valley Center.



Budget Message

Parks and Public Buildings

The Parks and Public Buildings staff work hard to improve many amenities for the City. In 2019, a new master pedestrian/bike plan for the City was completed. This will allow interconnectivity throughout the City for residents who like to walk, run, and bike through Valley Center. This will aid in future CIP projects regarding City parks and outdoor spaces.

The Parks and Public Buildings Department has been an integral part of the new Pool/Rec center scheduled for construction in 2023. Staff has done a great job in presenting information throughout the Steering Committee's process of selecting a Construction Manager and Architect Firm to work with. This project will be completed by the end of FY24.

Like the Community Development Department, The Parks and Public Buildings department will be relied upon heavily as the City experiences growth and the potential addition of a 62-acre park.

The Parks and Public Buildings budget requests for 2024 include upgrades to McLaughlin park restrooms, sidewalks in Lions Park, Trees to complete the street scaping on North Meridian St., and the installation of irrigation, electrical, and landscaping for the new Entry Sign at the intersection of Ford St. and Broadway. These requests total \$52,000.

Public Safety

The Public Safety Department in FY23 added two additional firefighters to the department. FY22 staffing levels were creating hardships when it comes to taking vacations and the long hours took their toll on our firefighters. The addition of two full-time firefighters has made a beneficial impact on employee wellbeing in the department through FY23. The additional personnel are providing much needed relief for our tenured firefighters and added coverage for the residents of the City.

The Public Safety Department is currently in a position of growth, adaptation, and change when it comes to infrastructure for the Department. Over the past three budget cycles the Department has secured funding to obtain new digital radios, new car and body cameras, a firetruck, new air packs and SCBA's, computers, new vehicles through a partnership with Enterprise Fleet, new evidence processing software, software to manage the Departments mission to receive accreditation through the States' recently adopted accreditation program, and most recently transitioning to a new records management system and computer aided dispatch system through a partnership with Sedgwick County. FY24 will be a time to settle in and manage all the changes and challenges of essentially switching an entire department into a more electronic and digital era.

The only request for the FY24 budget is for new fire hoses in the amount of \$14,000.

Administration

The Administration Department plays a major supporting role for all other departments throughout the City. Administration handles all financial duties, payroll, accounts payable, treasury services, IT services, municipal court services, human resources, senior services, and serves as the secretary of the City Council. Each unit within the Administration Department continues to strive for efficiency by implementing and utilizing new technologies. Technology upgrades continue to add to the efficiency of the department. Staff recently presented a new electronic records management system that will allow all employees to scan and store information within the City's ERP system for access anywhere within the city. No personnel requests or major equipment purchases/upgrades are requested by the Administration Department for the FY24 budget.



Budget Message

Financial Overview

General Fund

The City's General Fund is currently in a strong position.

The increase in fund balance at the end of FY20 and FY21 was due to the receipt of CARES funding from Sedgwick County. The General Fund fund balance appears to be declining as of FY23 and FY24, however, an unexpected increase in sales tax collections is projected to reduce the budgeted loss for FY23 by approx. \$25,000. FY24 revenues were budgeted consistently with FY23, therefore, staff anticipate a similar situation for FY24.

Expenditures:	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGETED	2024 REQUESTED
Revenues:					
TOTAL REVENUE	\$ 3,372,955.11	\$ 3,379,530.40	\$ 3,538,289.35	\$ 3,572,314.40	\$ 3,799,458.37
Administration Department	\$ 601,482	\$ 687,414	\$ 793,317	\$ 793,104	\$ 921,719
Community Development Department	\$ 190,677	\$ 220,388	\$ 233,239	\$ 231,690	\$ 265,540
Park & Public Grounds Department	\$ 494,997	\$ 472,425	\$ 539,401	\$ 578,562	\$ 633,642
Police Department	\$ 1,241,149	\$ 1,222,690	\$ 1,374,227	\$ 1,412,560	\$ 1,486,374
Fire Department	\$ 374,969	\$ 409,556	\$ 418,057	\$ 518,105	\$ 520,458
Legal & Court Department	\$ 156,829	\$ 167,268	\$ 172,409	\$ 176,201	\$ 178,700
TOTAL EXPENDITURES	\$ 3,060,103	\$ 3,179,740	\$ 3,530,651	\$ 3,710,222	\$ 4,006,434
Budgeted Income (Gain/Loss)	\$ 312,852	\$ 199,790	\$ 7,639	\$ (137,908)	\$ (206,975)
Fund Balance - January 1	\$ 860,781	\$ 1,173,633	\$ 1,373,423	\$ 1,381,062	\$ 1,243,154
Fund Balance - December 31	\$ 1,173,633	\$ 1,373,423	\$ 1,381,062	\$ 1,243,154	\$ 1,036,179*

Currently for FY23 the General Fund is budgeted to reduce fund balance by \$(137,908) which includes new updates to the employee policy handbook that took effect January 1st of this year. One of the added benefits includes a sick leave payout upon retirement or resignation of employment. The sick leave payout benefit must be budgeted but is not anticipated to be paid out during the remainder of FY23 or all of FY24. If the sick leave payout benefit is not utilized, the decrease in expenditures is projected at \$(63,000) for FY23 and FY24.

If the sick leave payout is fully utilized, the projected fund balance for FY23 is \$1,243,154. The end of FY24 projects a General Fund fund balance of \$1,036,179 or 26% of total FY24 expenditures. Current City policy states a fund balance of at least 25% of annual General Fund expenditures must be retained as fund balance. The FY24 budget continues to adhere to this policy.



Budget Message

Employee Benefit Fund

The Employee Benefit Fund is responsible for all expenditures related to employee income taxes and benefits for all employees within the General Fund. Budgeting for these expenditures has been difficult over the years, predominantly due to the increase and volatility of health care costs. The City embarked on a partially self-funded health insurance plan in 2017. The overall volatility regarding health insurance has stabilized since the City started the partially self-funded plan, making estimates more reliable.

FY21 and FY22 were high-cost years in terms of healthcare costs for the City. The backlog of medical procedures due to COVID-19 nationwide and the major reduction in office visits created a surge in usage once COVID restrictions started to subside throughout FY21. Prescription costs were also high in FY21 and remained high in FY22. City staff are currently looking at different ways to reduce prescription costs by looking at newer mail-order systems or utilizing other purchasing methods. The City's health insurance broker conducted a lunch-and-learn for city staff in the summer of FY23 regarding trends in employee healthcare costs and provided education on how to sign up for cost reduction options already in place. Employees now have access to free Teladoc and wellness services. Both options save the employees on office visit co-pays and assist in keeping premiums and claims lower through easier access to care and a focus on preventative care.

The Employee Benefit Fund also funds the employer contributions for the Kansas Public Employee Retirement System (KPERS) and the Kansas Police and Fire Retirement System (KP&F). Retirement contributions are budgeted at a slight increase from FY23 to FY24 due to the increase in employer contribution rates for KP&F moving from 22.9% to 23.1%.

Emergency Equipment Fund

The Emergency Equipment fund is allocated at approximately one mill per year, for FY23 it is at .974 for FY24 it is set at .962. The Emergency Equipment fund will still see an approximate \$5,000 increase due to property taxes coming in higher than projected.

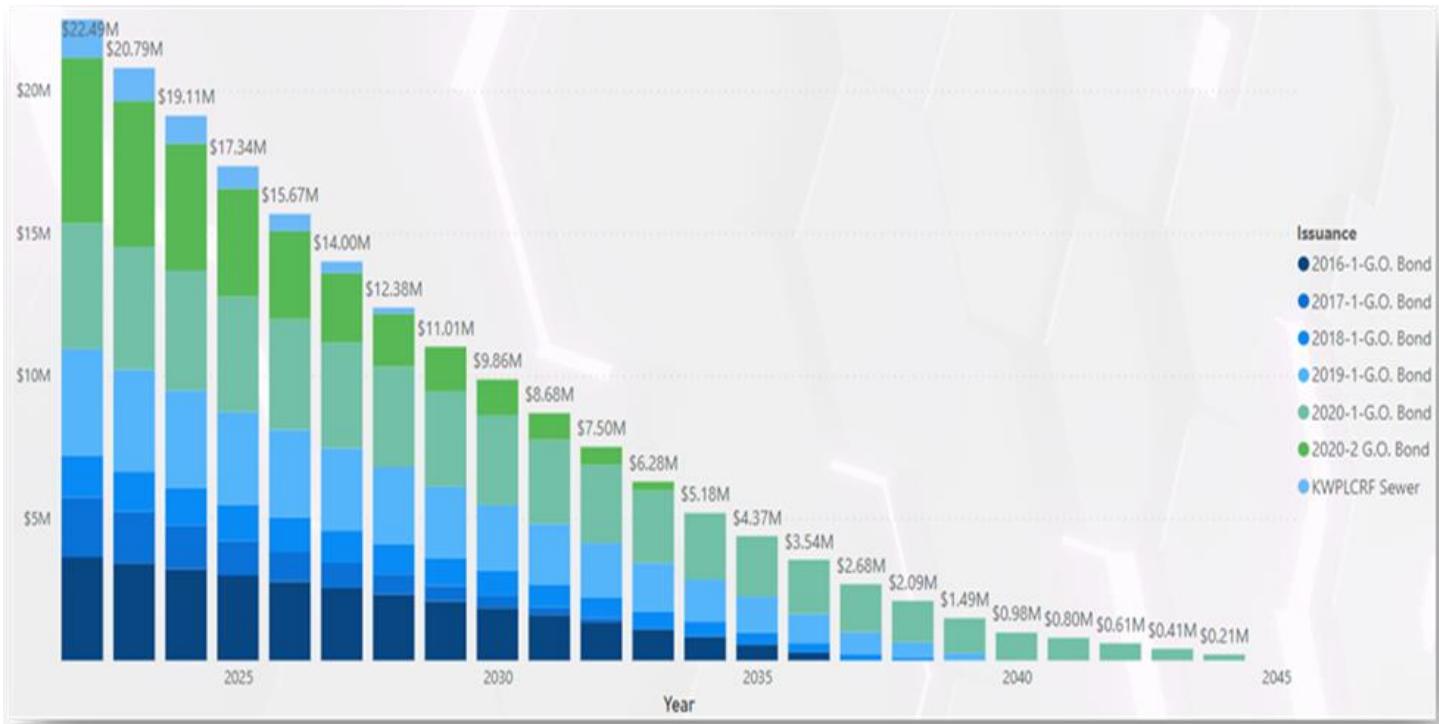
This fund is used to purchase emergency equipment for the Public Safety department. Historically, it has been used for purchasing a new police vehicle every year. The agreement with Enterprise has allowed this fund to allocate additional funding to equipment such as additional flock cameras. The annual transfer for fleet management has continued for FY23 and FY24. We have been able to increase the amount transferred to the Fleet Management fund by \$18,000.

Budget Message

Bond and Interest Fund

Long Term Debt

Overall debt through maturity and total principal and interest payments due per year



With recent jumps in the assessed value of the City, from 3.3% in FY22, to 7.25% for FY23, and 9.8% for FY24, along with lowering interest rates for new debt and refunding's, the City has increased its fund availability by approximately \$88,400 without pulling mills away from the General Fund to the Bond and Interest Fund as previously proposed. The Bond and Interest Fund will be reviewed annually as new projects and developments start to build out and special assessment improvements are needed.

Special Streets and Highway Fund

The Special Streets and Highway Fund is dedicated to maintenance and construction of roads in Valley Center. Funding is provided through gas taxes distributed by the State and Sedgwick County along with 50% of local sales tax distributions. The increase in inflation since FY21 has increased annual sales tax revenue projections through FY24.

Mirroring the General Fund in terms of sales tax revenue budgeting, sales tax revenue was increased for FY24 to account for the increase realized over the past two years. Sales tax revenue is still budgeted conservatively to account for changes in the economy due to inflation and rising interest rates.

Decisions in previous years for the City to shift focus from extensive patching to a mill and overlay strategy have proved to reduce our street patching and will be a long-term solution, freeing up future funds for other projects.



Budget Message

Stormwater

The Stormwater Fund continues to maintain its debt service payments toward the 2016 Ford/Meridian project. In addition to debt service payments, \$75,000 is budgeted annually for system improvements to the Stormwater system.

Staff is recommending this \$75,000 annual expenditure be put towards the Ford, North Meridian and South Meridian projects scheduled to be constructed through FY25 when no smaller projects are available. An estimated reduction of \$195,000 in debt issued will be realized using this strategy through FY24 and FY25.

Solid Waste

The City recently partnered with Waste Connections in early 2021. Waste Connections is now the sole source solid waste hauler for all residential properties in Valley Center. Waste Connections was chosen due to the pricing provided for our residents as well as their commitment to communication and service by providing multiple avenues to engage and interact with our residents. Revenues and expenditures for 2023 have been adjusted to reflect the rates outlined in the contract between the City and Waste Connections. By partnering with Waste Connections, the time-consuming task of picking up, removing, and replacing carts has been removed from the duties of our public works employees allowing more time and energy to be spent on other public works activities.

FY23 budget requests include the purchase of a new bill folding and stuffing machine. The current bill folder is over 10 years old and needs to be repaired more frequently. The bill folder and stuffing machine is budgeted at \$15,000.

Five Year Forecast (Taxing Funds)

Financial Outlook 5-Year Forecast

To aid finance staff and City Council in future decision making, staff has created a 5-year forecast for all taxing funds the City operates. The taxing funds include the General Fund, Employee Benefit Fund, Library Fund, Bond and Interest Fund, and the Emergency Equipment Fund. The 5-year forecast allows staff to stress test future budgetary requests against what staff projects and assumes will happen in terms of revenues and expenses.

The 5-year table and chart can be viewed on the next page:

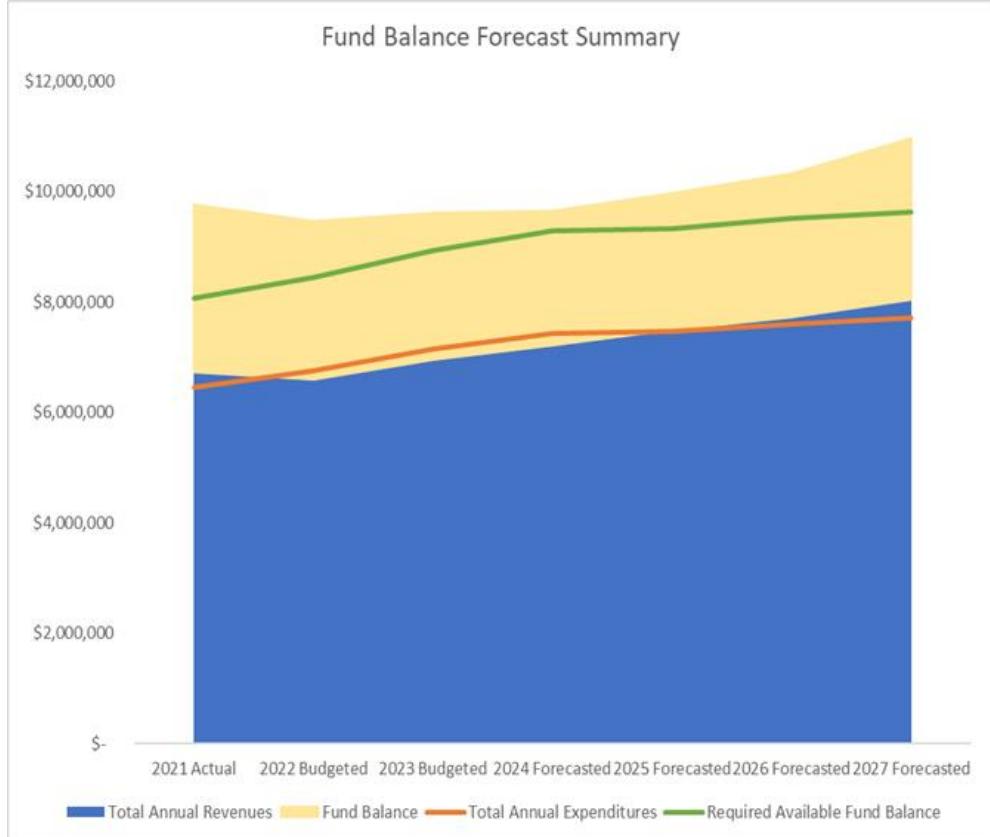


Budget Message

Revenues	2021 Actual	2022 Budgeted	2023 Budgeted	2024 Forecasted	2025 Forecasted	2026 Forecasted	2027 Forecasted
General Fund	\$ 3,379,530	\$ 3,098,876	\$ 3,364,846	\$ 3,526,690	\$ 3,704,540	\$ 3,814,248	\$ 4,008,740
Employee Benefits Fund	\$ 955,024	\$ 1,007,486	\$ 1,078,079	\$ 1,120,158	\$ 1,164,130	\$ 1,210,080	\$ 1,258,099
Library Fund	\$ 290,114	\$ 302,634	\$ 315,252	\$ 329,438	\$ 344,263	\$ 359,755	\$ 375,944
Bond and Interest Fund	\$ 2,026,207	\$ 2,112,879	\$ 2,113,817	\$ 2,159,704	\$ 2,207,656	\$ 2,257,766	\$ 2,310,131
Emergency Equipment Fund	\$ 65,127	\$ 67,408	\$ 72,408	\$ 75,441	\$ 78,611	\$ 81,924	\$ 85,385
Total Annual Revenues	\$ 6,716,002	\$ 6,589,283	\$ 6,944,402	\$ 7,211,431	\$ 7,499,201	\$ 7,723,773	\$ 8,038,300
 Expenditures	 2021 Actual	 2022 Budgeted	 2023 Budgeted	 2024 Forecasted	 2025 Forecasted	 2026 Forecasted	 2027 Forecasted
General Fund	\$ 3,179,740	\$ 3,166,160	\$ 3,512,189	\$ 3,640,956	\$ 3,774,523	\$ 3,913,070	\$ 4,056,786
Employee Benefits Fund	\$ 839,959	\$ 1,054,248	\$ 1,167,922	\$ 1,202,960	\$ 1,239,048	\$ 1,276,220	\$ 1,314,507
Library Fund	\$ 289,555	\$ 325,500	\$ 335,000	\$ 345,050	\$ 355,402	\$ 366,064	\$ 377,045
Bond and Interest Fund	\$ 2,057,091	\$ 2,107,136	\$ 2,067,002	\$ 2,175,097	\$ 2,034,502	\$ 1,985,857	\$ 1,892,509
Emergency Equipment Fund	\$ 86,236	\$ 104,663	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000
Total Annual Expenditures	\$ 6,452,581	\$ 6,757,707	\$ 7,145,113	\$ 7,427,063	\$ 7,466,475	\$ 7,604,211	\$ 7,703,847
 Expenditure +/- Revenue	 \$ 263,421	 \$ (168,424)	 \$ (200,711)	 \$ (215,632)	 \$ 32,726	 \$ 119,563	 \$ 334,453
Fund Balance	\$ 3,055,848	\$ 2,876,745	\$ 2,662,757	\$ 2,447,125	\$ 2,479,851	\$ 2,599,414	\$ 2,933,867
 Required Available Fund Balance	 \$ 8,065,726	 \$ 8,447,134	 \$ 8,931,391	 \$ 9,283,829	 \$ 9,333,094	 \$ 9,505,263	 \$ 9,629,809

The table and chart visualizing the 5-year forecast includes revenue and expenditure assumptions. The revenue and expense assumptions will be reviewed annually to ensure the forecast stays up to date and can be used to stress test our taxing funds in

The Fund Balance Forecast Summary chart shows total revenues in blue and available fund balance in tan. The orange line is our annual expenditures, and the green line shows how much fund balance we need to stay within our City policy limit of 25% fund balance of annual expenditures. As shown, the City will have budgeted uses of fund balance through FY24. The budgeted use of fund balance is due to the Library Fund and the Employee Benefit Fund intentionally being overbudgeted due to volatile healthcare costs and ensuring the Library receives the maximum amount of funding provided. FY25 through FY27 shows revenues meeting or exceeding annual expenditures.





Budget Message

Opportunities & Challenges

The City is ripe with opportunities that benefit the quality of life for residents while establishing sustained and managed growth over the next several years. The growth that the City is set to experience will need to be managed strategically utilizing our strategic plan to assist in guiding the City in the best direction possible.

Capital Improvement Plan - Projects

The City has made several announcements over the past 2 fiscal years regarding new developments occurring in the city. The expected growth is exciting and will add several new elements to our beloved city. Growth brings many opportunities, but it also presents several challenges as well. The current CIP projects are shown in the table below:

Project Name	Prior Expenses	2023 Estimate	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Project Total
Meridian: Railroad to 69th	\$379,398	\$1,453,193	\$3,965,016	\$0	\$0	\$0	\$5,797,607
Meridian: Main to 5th	\$270,528	\$1,799,140	\$3,965,016	\$0	\$0	\$0	\$6,034,684
Ford Street: Bridge to Broadway	\$2,681,489	\$3,427,334	\$0	\$0	\$0	\$0	\$6,108,823
Ford St and Dexter—Utility Extensions	\$0	\$702,100	\$0	\$0	\$0	\$0	\$702,100
Pool/Rec Center	\$42,124	\$1,704,276	\$19,133,808	\$0	\$0	\$0	\$20,880,208
Engine 41—Fire Truck	\$775,212	\$0	\$0	\$0	\$0	\$0	\$775,212
City Entryway Signs	\$33,706	\$29,294	\$0	\$0	\$0	\$0	\$63,000
Seneca: Ford to 5th	\$0	\$0	\$0	\$1,000,000	\$5,158,614	\$0	\$6,158,614
Water Treatment Plant	\$66,638	\$0	\$300,000	\$1,300,000	\$4,400,000	\$0	\$6,066,638
TIF	\$2,534,252	\$500,000	\$1,965,748	\$0	\$0	\$0	\$5,000,000
Totals	\$6,783,347	\$9,615,337	\$29,329,588	\$2,300,000	\$9,558,614	\$0	\$57,586,885

The current CIP plan is the largest capital investment in the City's history over a 5-year period. The importance of diversifying the revenue sources for all these projects cannot be overlooked. The challenge that presents itself with such a large capital investment is the City's statutory debt capacity. The City's debt capacity forces staff to plan and forecast projects based on the revenue source needed to fund the projects as well as what projects to include or exclude based upon the exempt or nonexempt status of the project in relation to debt capacity. Doing this results in the best possible mixture of infrastructure and quality of life projects to be planned and completed.



Budget Message

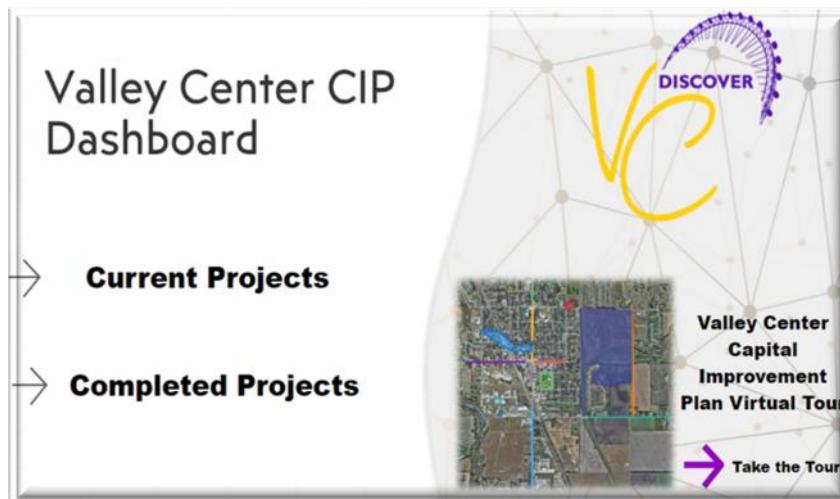
Through FY27, the City anticipates funding \$57,586,885 in projects. \$38,254,560 of this total is anticipated to be financed using long term debt. The current CIP projects are funded by various revenue sources including:

Property taxes -	\$11,235,203
Tax Increment Financing -	\$5,000,000
Local Option Sales Tax -	\$20,767,208
General Fund -	\$63,000
Streets Funding -	\$696,144
Water Funding -	\$6,544,305
Wastewater Funding -	\$153,518
Stormwater -	\$447,146
Federal/Grant Funding	\$12,438,816
Land Proceeds -	\$241,546

Staff have incorporated the CIP plan into a dashboard and also a virtual tour of the City. Please click on the image below to be directed to the CIP dashboard located on the City's website for more information.

Along with the capital investment being made into the City's infrastructure and quality of life, the City still has other areas that need focus as well. The City's Tax Increment Financing District (TIF) is approximately 12 months behind schedule due to the permitting delays but some development is starting to occur. A group of 20 lots within the TIF district have been removed from the flood plain and are now currently having infrastructure constructed to begin the home building process.

The City has completed its feasibility study with the consultants hired to assess the possibility of municipalizing the electric system for the City. Now that the feasibility study is complete, the City can begin assessing if owning and operating its own system would be a benefit to the community and the City.





Budget Message

Managing Growth

The City has made several announcements over the past 2 fiscal years regarding new development occurring in the city. The expected growth is exciting and will add several new elements to our beloved city. Growth brings many opportunities, but it also presents several challenges as well. City staff need to be sure to remain forward thinking during planning sessions and discussion revolving around needed infrastructure, utilities, and additional needed personnel. Keep up to date with all the new projects on the City's website, social media accounts, and the interactive CIP dashboard.

Conclusion

Over the past three budget cycles the City has taken tremendous strides in replacing equipment, maintaining what we currently have instead of waiting for items to fail, creating replacement programs to avoid the future burden of major one-time purchases, and sought out grant funding and alternative revenue sources. City Council should be commended for their forward thinking and their willingness to explore new ideas such as the public power project and the water treatment facility.

The FY23 budget is the time to focus on personnel and prepare for the growth the City is going to experience. The FY23 budget strengthens the City's foundation through capital planning and effective cash management while solidifying the City's commitment to our personnel. The approval of the compensation adjustments assists in retaining our tenured employees during an unprecedented time of turnover in the government field while making the City extremely competitive with surrounding public and private entities in the recruitment of new talent.

It is a great time to be living and working in Valley Center. Excitement for what the next few years will bring is abundant, and now, more than ever, is the best time to discover what Valley Center has to offer.

Respectfully submitted,

Barry Smith
Assistant City Administrator for Finance and Administration

[**Click to See the City's Interactive Budget and Long Term Debt Summary**](#)



Budget Process

Overview: Every year the City of Valley Center creates a budget document which details all revenues and expenditures for the city. With the input of each Department Manager, the City Administrator, and the Finance Director, a budget document is drafted and then presented to the City Council. The City Council reviews the budget document and sets the mill levy for the budget. A public hearing is set for citizen input and discussion. Once all parties agree on the budget, the budget is sent to Sedgwick County by August 25th for certification. This certified budget document becomes the guideline for city revenues and expenditures for the following year.

Basis of Accounting and Budgeting: The State of Kansas legally requires a modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues once they are received and are available to be used for expenditures. Expenditures are recognized once the liability is incurred. This basis of accounting differs from a cash basis system where revenues and expenditures are recorded once monies are exchanged. Modified Accrual accounting is comparable to a check book system. When checks or payments are written, they are deducted from the remaining balance even though they may not have been cashed yet. Revenues are not recognized until the funds are received and are available for other purchases or expenditures. The City does have an option to opt out of this requirement, which the City has done for the past several years. The City opts out of the modified accrual and uses the regulatory basis or cash basis of accounting. This method of accounting prevents the city from spending too much at any given time.

Budget Development: The city creates a budget calendar which is presented to the City Council in March. Upon approval, department heads provide City Administration a list of needs within their department which are discussed thoroughly. Once all departmental needs have been identified, City Administration creates the initial draft of the budget based on prioritized needs and available resources. The initial draft is discussed with department heads in weekly staff meetings until the first official draft of the budget is presented to the Council.

Budget Review and Adoption: Official first draft of the budget is presented to the council approximately two months prior to adoption. Council will then have the opportunity to critique and review the presented budget. Council will then discuss priorities for the community and receive feedback from the citizens. All desired changes to the budget are added and ultimately a final budget is adopted by August 25th. Once the annual budget is adopted, the City Administrator shall conduct periodic budget reviews and report on any significant deviations and present a corrective action plan to manage the adopted budget in accordance with adopted City policies.

Citizen Involvement: The citizens of Valley Center are highly encouraged to attend City Council meetings located at City Hall to discuss the upcoming budget. Notices of the meetings are printed in the local newspaper and posted on the City social media sites.

Budget Amendments: If spending exceeds statutory budget authority for any fund, the budget must be amended. This process involves certain steps similar to those of adopting the original budget to include holding a public hearing and formal adoption of the revised budget by City Council.

Monitoring and Reporting Process: Each department is charged with the responsibility of staying within their budget authority. In addition, the Finance and Administration department monitors spending and budget status for each department on a continuous basis throughout the year. Controls are set in place to prevent excess spending through the accounting software as well.

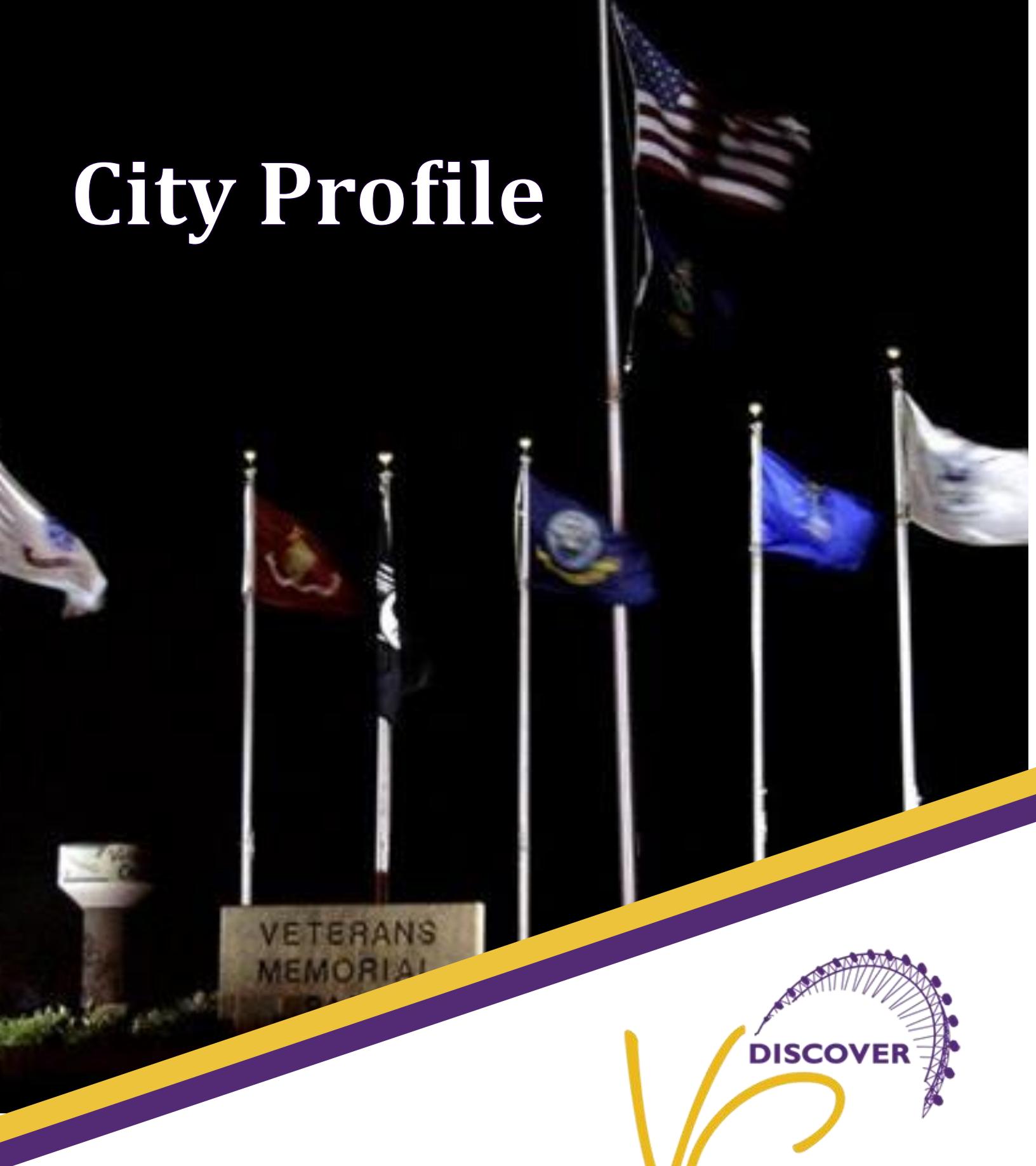


Budget Calendar

2023

March 21 st	Department budget worksheets distributed to department heads
April 28 th	Department base budget and department budget requests & outcomes due to Finance / City Administrator
May 1 st – May 15 th	Individual meetings with departments / City Administrator/ Finance Department
June 6th 6:00 pm	Department budget presentations <i>(prior to regular council meeting)</i>
June 14 th	Deadline for Sedgwick County to notify the city of our revenue-neutral rate
June 20th	2024 budget draft presentation and discussion <i>(regular council meeting)</i>
June 27th	<i>Potential Special Budget meeting if needed</i>
July 4th	<i>No Meeting</i>
July 11th	Comprehensive budget discussion, and determine intent to exceed the revenue neutral rate for the FY2024 budget. <i>(July 4th is a holiday, need to reschedule this meeting)</i>
July 18th	CIP review/discussion <i>(regular council meeting)</i>
July 20 th	Deadline to notify Sedgwick County if we will exceed revenue neutral rate
August 10 th	Publish notice of intent to exceed the revenue neutral rate on the city website and in the Ark Valley News – must include proposed tax rate, our revenue neutral rate, and the date, time, and location of the public hearing
September 5th	Notice to exceed revenue neutral rate hearing. Public hearing for 2024 budget. After public hearings, the council will adopt a resolution to approve exceeding the revenue-neutral rate with a roll call vote. Approval of 2024 budget. <i>(regular council meeting)</i>
September 1st	Last day to publish both hearings for the 2024 budget <i>(if needed)</i>
Sep 19th	Last day to hold public hearings and approve the FY2024 budget. <i>(if needed)</i>
Sept 29th	Last day to certify the 2024 budget to Sedgwick County <i>(if needed)</i>

City Profile





City Profile

The City of Valley Center is a middle class suburb located 10.5 miles North of downtown Wichita, KS. The City totals 6.95 square miles and continues to grow. Highlighted below are some statistics regarding the City including population, education obtainment, and environmental conditions. NOTEWORTHY ACHIEVEMENT: VALLEY CENTER IS NOW #1 FOR SAFEST CITIES IN KANSAS BASED ON 2021-2022 OVERALL CRIME RATE!

According to the Census Bureau:

Population (2020): 7,340

Population per square mile (2020): 1,056

Total Land area (2020): 6.95 sq. miles

Median Household Income(2017): \$70,819

Educational Attainment (Age 25+):

- 3.5% Less then High School
- 92.8% High school graduate or higher
- 27.6% Some College
- 5.7% Associate's Degree
- 39.2% Bachelors Degree
- 6.5% Master's/PhD and/or Professional Degree.

Median Housing Value(2020): \$145,000

Total Housing Units (2015): 2,552

Number of Companies(2012): 498

Year of Incorporation: 1885

Form of Government: Mayor/Council

County: Sedgwick

Bond Rating: Standard and Poor's AA-

Climate: Rainfall (in.) — 31.4

Snowfall (in.) — 13.8

Avg. July High — 93

Avg. Jan. Low — 20.2

Sunny Days/Year — 226

Police:

- Police Stations — 1
- Police officers/support staff — 20

Fire:

- Number of Stations — 1
- Career/Volunteer Fire Fighters — 6/15
- Number of Vehicles — 7

Education

- Schools Located in Valley Center-
- Elementary schools(K-3) — 3
- Intermediate School(4-5) — 1
- Middle Schools(6-8) — 1
- High Schools(9-12) — 1

Serviced by Universities-

- Wichita State University
- Friends University
- Kansas University School of Medicine
- Wichita Area Vocational-Technical School
- Newman University

Parks and Recreation

- Swimming Pool — 1
- Splash Pad — 1
- Parks — 5
- Fishing Pond — 2
- Pedestrian/Bike Path — 17.3 Linear Miles
- Golf Course (nine holes) — 1

City Profile and Statistics

VALLEY CENTER IS NOW #1 FOR SAFEST CITIES IN KANSAS BASED ON 2021-2022 OVERALL CRIME RATE!

- Full-time law enforcement employees in 2023 is 20.
- The police officers to residents ratio is 2.43 officers per every 1,000 residents.

The below chart shows the crime rate averages for murders, rapes, robberies, assaults, burglaries, thefts, arson based on 2003-2020 data.





City Profile

Assessed Valuation

The following table shows the assessed valuation of the taxable tangible property within the City for the following years:

Year	Real Property	Personal Property	Utilities	Motor Vehicles	Total Valuation
2015	\$41,533,335	\$941,201	\$3,252,167	\$7,807,764	\$53,534,467
2016	43,009,057	898,748	2,413,248	8,260,512	54,581,565
2017	44,748,909	924,439	2,503,423	8,478,776	56,655,547
2018	47,138,918	949,532	2,786,019	8,816,240	59,690,709
2019	49,860,350	919,955	2,961,595	8,990,224	62,732,124
2020	52,759,670	1,400,916	3,075,826	9,112,891	66,349,303
2021	55,460,343	909,118	3,002,416	9,488,257	68,860,134
2022	59,682,949	945,647	3,040,721	9,231,864	72,901,181
2023 ¹	65,538,933	1,233,808	3,153,596	9,231,864	79,158,201

¹ Preliminary 2023 assessed valuation figures used for budgeting purposes. 2023 motor vehicle valuation not yet available; 2022 data used for estimation purposes only.

Source: County Clerk

Major Taxpayers:

The following table sets forth the ten largest taxpayers in the City for taxes levied in 2022:

Taxpayer	Assessed Valuation	Taxes Paid
EVERGY KANSAS SOUTH INC	\$1,432,922	\$78,604.36
PRO-BUILD REAL ESTATE HOLDINGS LLC	1,393,376	76,435.04
MIMG OPMO TWIN HOMES AT REDBUD LLC	1,037,013	56,886.39
NATIONAL PLASTICS COLOR INC	902,523	49,508.79
KANSAS GAS SERVICE-A DIV OF ONE GAS	702,787	38,552.08
TNG RETRO HOLDINGS LLC	551,753	30,266.96
BNSF	366,569	20,108.51
UNION PACIFIC RAILROAD CO	361,702	19,841.52
VALLEY OFFSET PRINTIN INC	334,740	18,362.49
SKM ENTERPRISES LLC	319,943	17,550.78

Tax Rates:

Source: County Clerk

The City may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the City and the assessed valuations provided by the County appraiser.

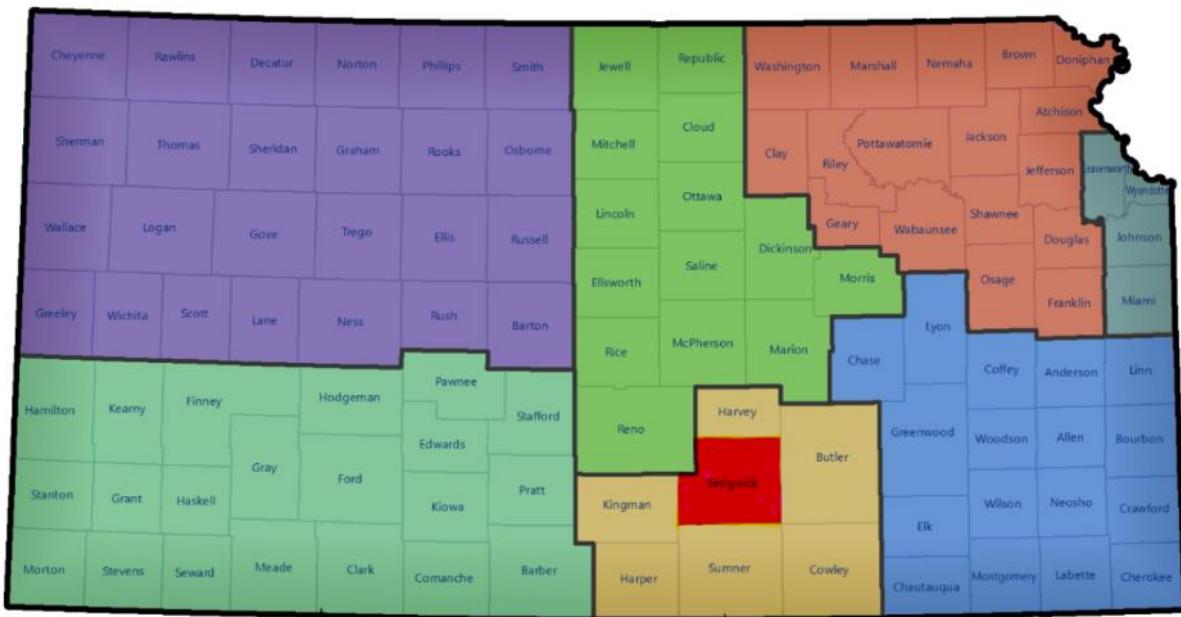
The following table shows the City's mill levies by fund (per \$1,000 of assessed valuation) for each of the years indicated and the current year:

Year	General Fund	Library Fund	G.O. Bonds	Misc. Funds	Total Levy
2014/15	19.419	4.507	16.315	15.201	55.442
2015/16	35.362	4.507	5.485	10.092	55.446
2016/17	34.899	4.506	5.484	10.751	55.640
2017/18	34.505	4.394	5.422	10.630	54.951
2018/19	23.061	4.506	16.508	10.902	54.977
2019/20	23.052	4.504	11.501	15.898	54.955
2020/21	22.714	4.505	14.529	13.264	55.012
2021/22	21.626	4.487	14.471	14.264	54.848
2022/23	22.413	4.382	14.131	13.930	54.856

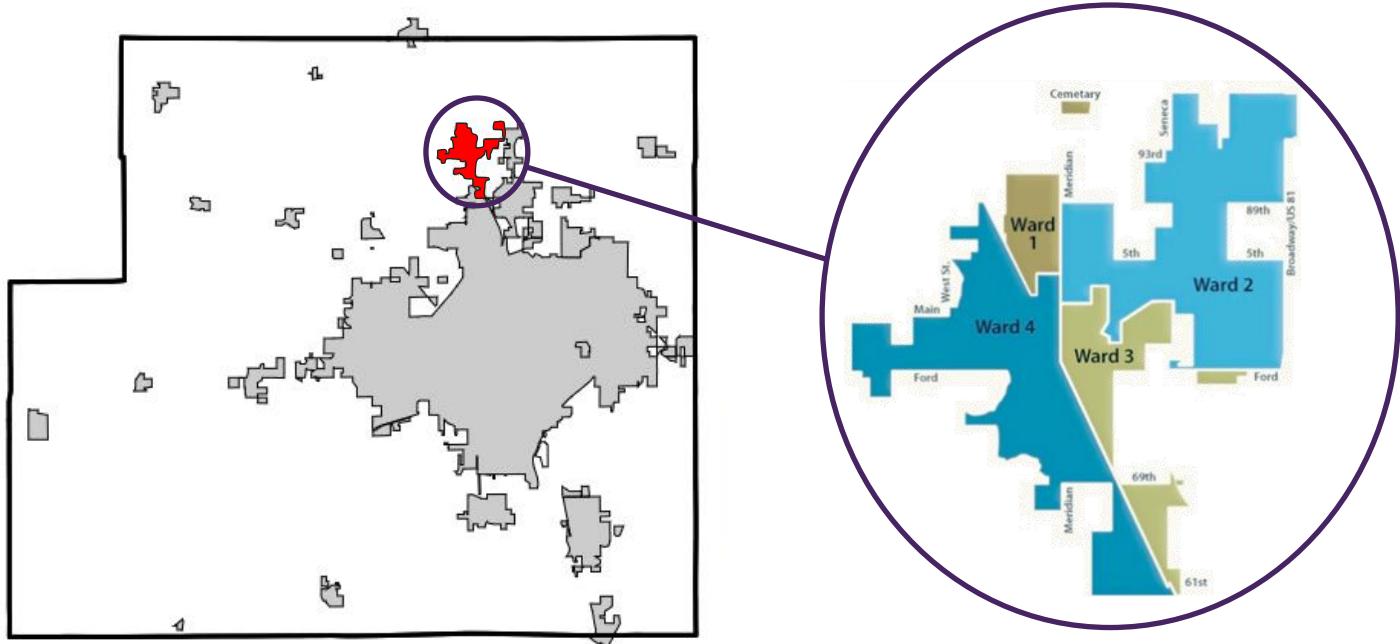
Source: County Clerk

City Vicinity

Valley Center is located in Sedgwick County, KS which is in the South Central part of the state.
Highlighted in red.

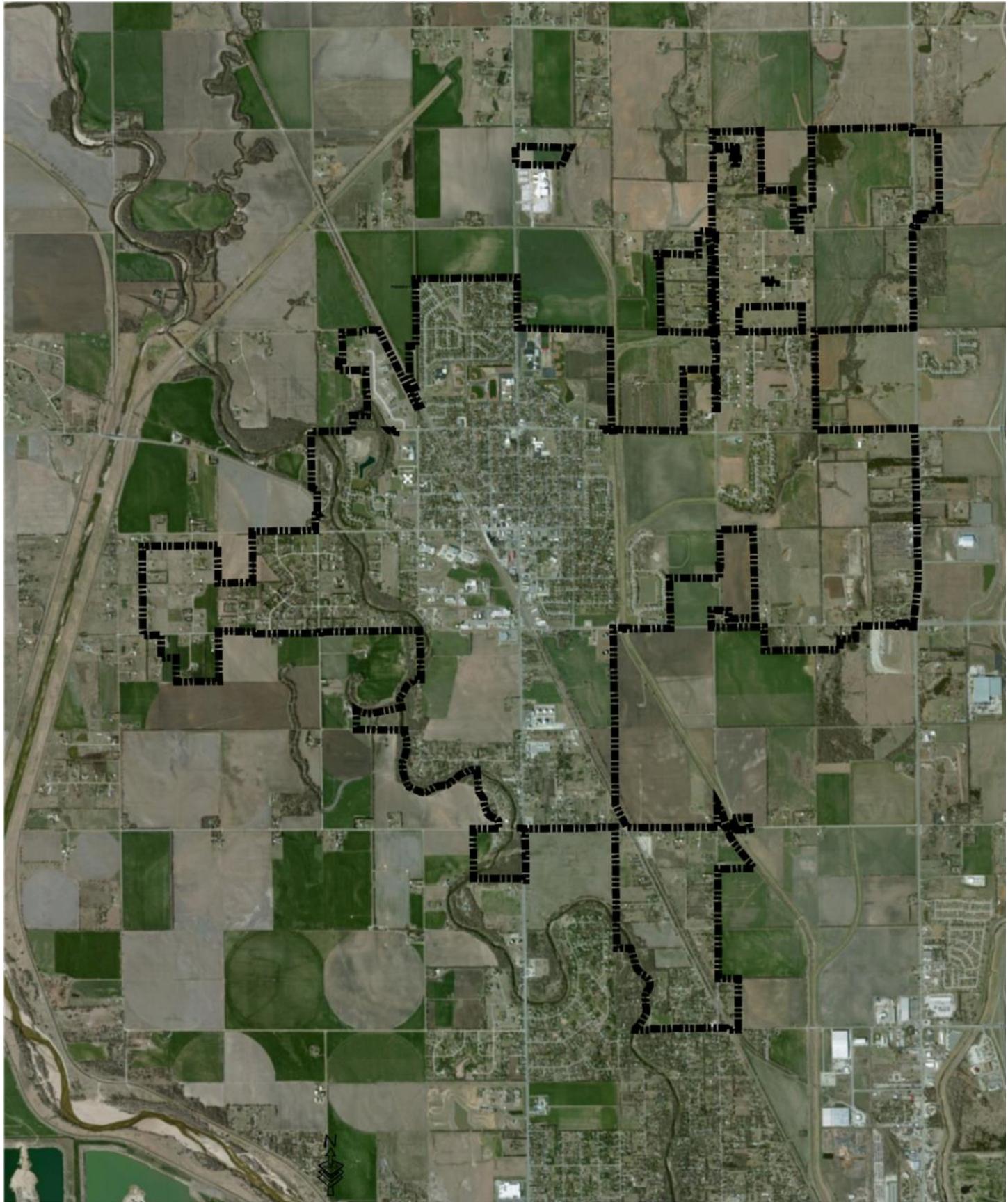


Below is a comparison of Valley Center to the surrounding areas of Wichita, Park City, Goddard, Sedgwick, Derby, and other smaller communities within Sedgwick County.
Highlighted in red.





City Boundaries



Property Tax Example



[Click here to test our online property tax calculator.](#)

Determining Property Tax Example

To determine your assessed valuation you must multiply the market value of your home by 11.5%.

$$\$150,000 \times 11.5\% = \$17,250$$

To determine city tax liability multiply your assessed valuation by the current mill levy for the city.

$$\$17,250 \times .054856 = \$946.27$$

City tax liability = \$946.27

To determine the monthly expense for city services divide the tax liability by 12 months.

$$\$946.27 / 12 = \$78.86$$

Market Value of \$150,000

Monthly expenses for city services = \$78.86

The \$78.86 that taxpayers provide per month goes a long way.

The following lists examples of services the citizens receive for their tax dollars.

- ◆ Police Protection
- ◆ Fire Protection
- ◆ Infrastructure Maintenance
- ◆ Public Swimming Pools
- ◆ Community Development
- ◆ Senior Services
- ◆ New Road Construction
- ◆ Street construction/maintenance
- ◆ Municipal Court
- ◆ Snow Removal
- ◆ Animal Control
- ◆ Drug Prevention Education
- ◆ Sidewalk Repair
- ◆ Street Lighting
- ◆ Governmental Administration
- ◆ Public Parks and Buildings maintenance



Property Tax Visual

The City receives \$0.33 for every \$1.00 that a Valley Center citizen pays in Property Taxes.



- ⇒ Valley Center receives almost 85% of it's Ad Valorem Tax from residential property.
- ⇒ Just under 15% of the Ad Valorem Tax received is from property classified as Commercial and Industrial.
- ⇒ The City receives less than 1% total combined Ad Valorem Tax from Agriculture, Vacant and Non-profit property.

Property Tax Sources

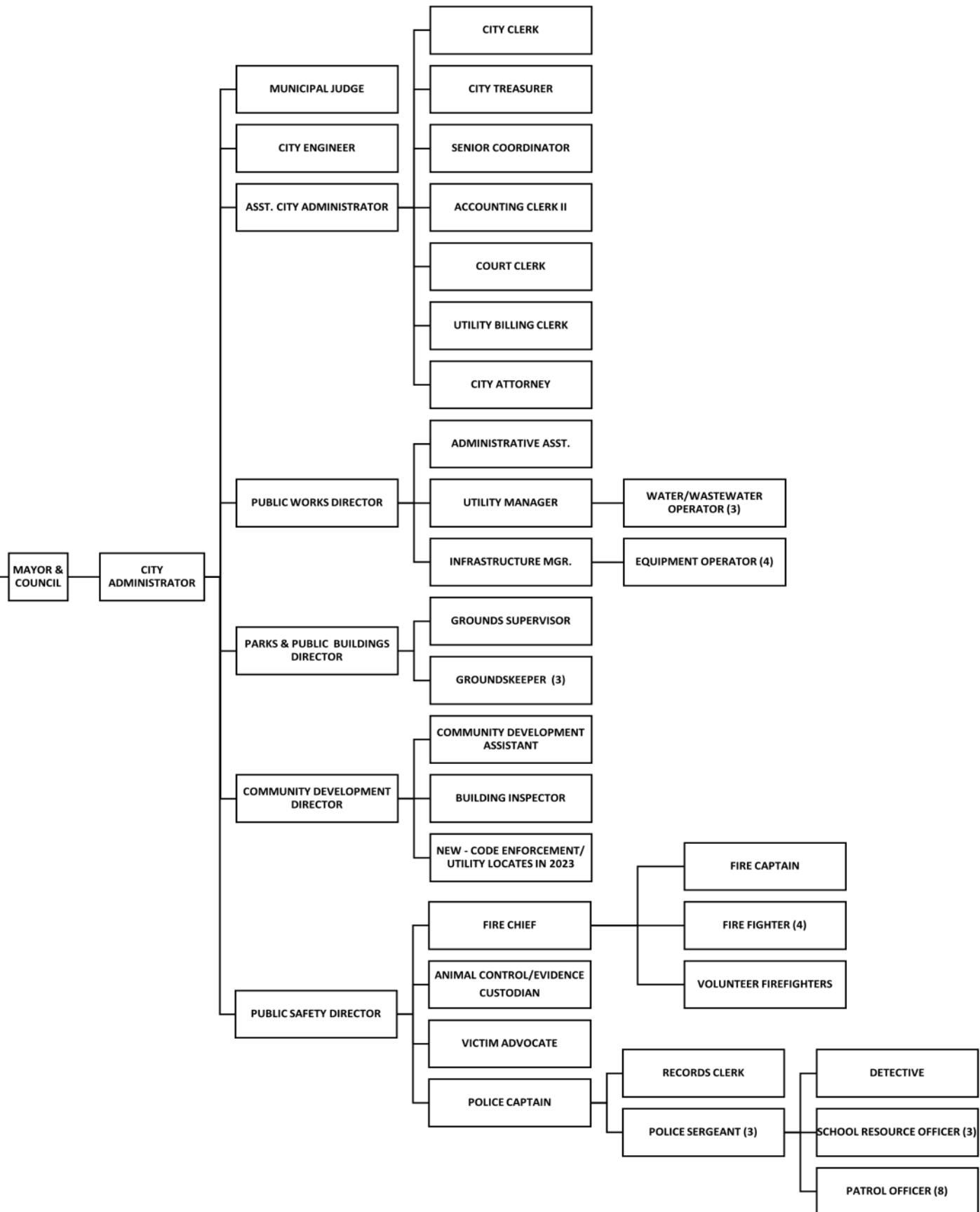
Residential	84.71%	
Commercial & Industrial	14.68%	
Agriculture	0.29%	
Vacant	0.26%	
Non Profit	0.06%	





City Organization Chart

CITIZENS





Form of Government

Valley Center is governed by a Mayor and an eight-member City Council, which when combined comprise the Governing Body. Council members are elected by wards, with the Mayor elected at-large, all on a non-partisan ballot. Council members are elected to staggered four-year terms. City Council elections are held every two years, with the next election to be held in November 2019, when four City Council positions will be on the ballot.

Governing Body

Name	Title	Office Term
Lou Cicirello	Mayor 2020-2023	4 Years
Jet Truman	Mayor 2024-2027	4 Years
Matt Stamm	Councilmember	4 Years
Robert Wilson	Councilmember	4 Years
Christopher Evans	Councilmember	4 Years
Gina Gregory	Councilmember	4 Years
Dale Kerstetter	Councilmember	4 Years
Ron Colbert	Councilmember	4 Years
Ben Anderson	Councilmember	4 Years
Clint Bass	Councilmember	4 Years

Administrative Officials

Name	Title	Employed Since
Brent Clark	City Administrator	2019
Barry Smith	Assistant City Administrator for Finance and Admin.	2019
Rodney Eggleston	City Superintendent	2018
Neal Owings	Parks & Public Grounds Director	1998
Lloyd Newman	Police Chief	1995
Lonnie Tormey	Fire Chief	1977
Ryan Shrack	Community Development Director	2015
Kristi Carrithers	City Clerk	2015



Governing Body



Ward 1:
Ron Colbert



Mayor Louis Cicirello
2019-2023



Ward 1:
Robert Wilson



Ward 3:
Matt Stamm



Ward 3:
Christopher Evans



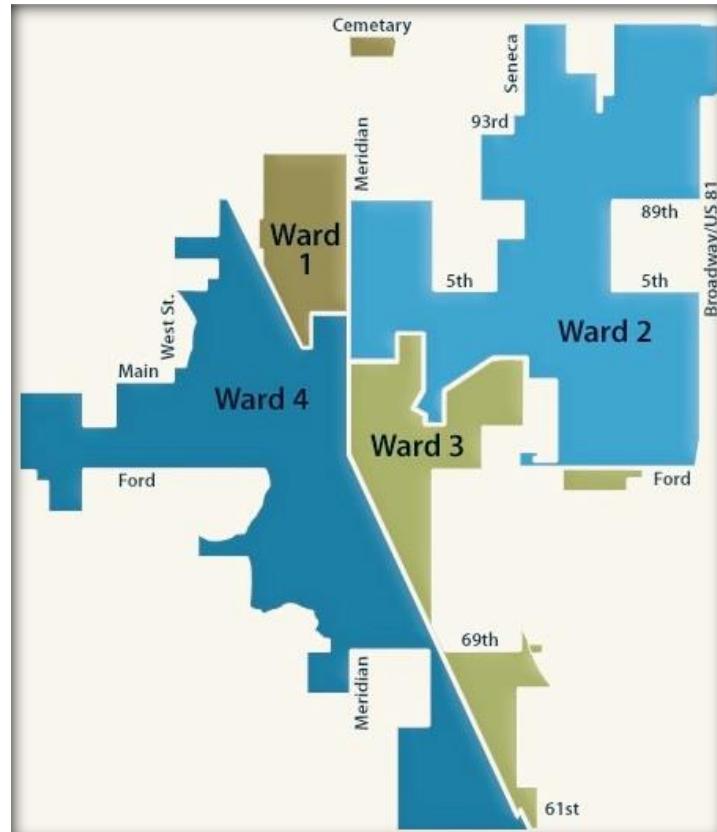
Ward 2:
Gina Gregory



Ward 4:
Clint Bass

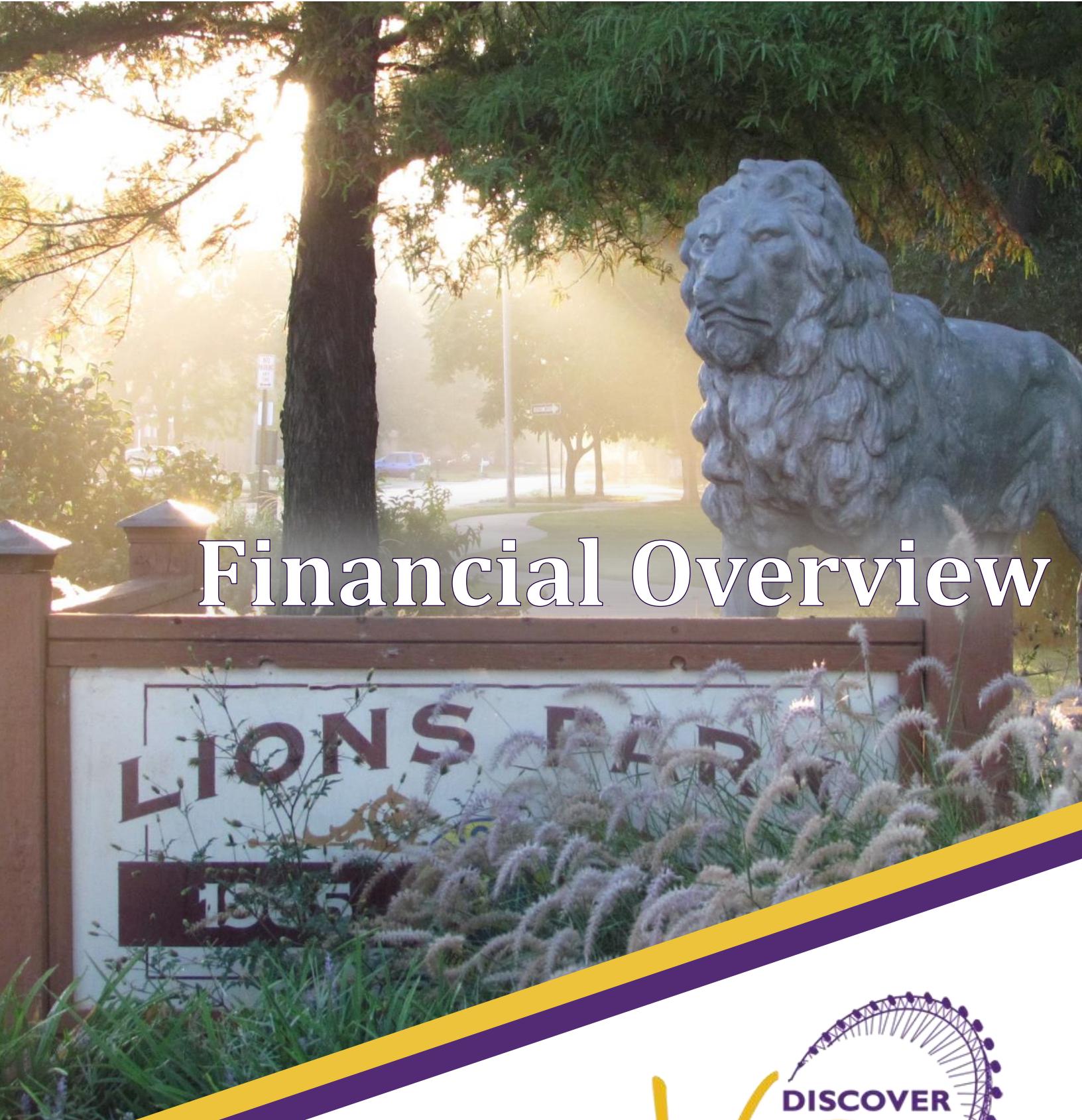


Ward 2:
Dale Kerstetter



Ward 4:
Ben Anderson

[Click here to meet the Mayor and Council](#)



Financial Overview





Accounts and Funds

The City currently has 14 Budgeted funds

- General Fund (010)
- Employee Benefit Fund (110)
- Bond & Interest Fund (410)
- Emergency Equipment Fund (160)
- Library Fund (140)
- TIF Fund (050)
- Special Streets & Highway (150)
- Stormwater Fund (612)
- Special Alcohol & Drug Program (030)
- Solid Waste Fund (613)
- Sewer Fund (620)
- Special Parks & Recreation (020)
- Water Fund (610)
- Pool/Rec Sales Tax Fund (040)

The City currently has 11 Non-Budgeted funds

- Equipment Reserve
- Land Bank
- Drug Tax Distribution
- State & Federal Grant Management
- Water Reserve
- Park Beautification
- Public Safety Training
- 2007 Sewer KDHE Loan P&I
- Gifts and Grants
- State & Federal Grant Management
- Sewer Reserve
- Building Equip. Reserve

What makes a fund Budgeted or Non-Budgeted?

Budgeted funds are used for the daily operations of the city, and are statutorily obligated to be budgeted, meaning staff and the governing body must review and adopt expected revenue and maximum expenditure amounts as part of the budgeting process.

Non-Budgeted funds are not used for everyday operations. Some are rainy day funds, and others are used more like a savings account for specific types of purchases. These funds are not required to be budgeted because the balance of the non-budgeted funds come from either budgeted transfers from operating funds, or other outside revenue sources.

Non-budgeted funds must still be used for a purpose applicable to the type of fund.



Accounts and Funds

Basis of Budgeting and Accounting

All governmental funds are accounted for and budgeted using the Regulatory Basis of accounting.

Revenues are recognized when they become measurable and available.

Expenses are recognized when the liability is incurred, even if the funds have not been distributed.

In compliance with K.S.A. 75-1120a the city council passes a resolution each year allowing the city to waive the requirement for the application of Generally Accepted Accounting Principles (GAAP), which is typically required for taxing entities.

Our annual audit is completed utilizing the same regulatory basis of accounting or cash basis of accounting.

Valley Center maintains and tracks revenues and expenditures for each fund.

Funds are tracked using accounting software. The Funds are broken down into line items with each line item representing a particular function.

For example: The General Fund is considered fund 010. Administration, which is a part of the General Fund, is considered account 5100. Salary for full time administration staff is line item 700.101. When the City pays the salary for a full time administration employee it would come out of 010-5100-700.101 line item.

Every fund, department, and line item has their own respective account numbers which are used for tracking and reporting purposes.

Department and Fund Relationships

The majority of the City's operating departments draw funding from the General Fund which is the primary operating fund. However, as shown below, some departments are funded from multiple funds.

	General Fund	Water Operating Fund	Sewer Operating Fund	Special Highway Fund	Employee Benefits Fund
Finance and Administration Department	X	X	X		X
Community Development Department	X				X
Parks and Public Buildings Department	X				X
Police Department	X				X
Fire Department	X				X
Water Department		X			X
Sewer Department			X		X
Streets Department				X	X



Budgetary & Financial Policies

Governing Body Adoption: 09/22/2023

CITY OF VALLEY CENTER BUDGETARY AND FINANCIAL POLICIES

SECTION 1: SCOPE

- 1.1** This is a condensed version of the financial policies for the city of Valley Center.
- 1.2** The following policies have been established to ensure the provision of efficient and effective municipal services and to establish procedures that are financially prudent and economically sound, and in the best interest of the city of Valley Center.

SECTION 2: OBJECTIVES

- 2.1** Elected officials and city staff are representatives of the people of Valley Center. They are expected to manage the city of Valley Center for the economic and social benefit of all residents.
- 2.2** Provide increased public confidence in financial management and minimize financial risk.
- 2.3** Provide effective financial management that conforms with Kansas statutes.
- 2.4** Ensure public access to annual budgets, taxes, reports, audits, and provide residents with the highest level of transparency and clarity possible.
- 2.5** Protect and enhance the City's credit rating and prevent the default of any payments on municipal debt.
- 2.6** Provide safeguards to ensure the quality and integrity of financial systems.

SECTION 3: ASSETS

3.1 Management of Assets

The City of Valley Center will manage its financial assets in a sound and prudent manner along with maintaining and further developing programs to ensure its ability to pay for city services to enhance economic opportunities and the quality of life of residents.

City staff have a fiduciary responsibility for the assets managed on behalf of the people here today and those who come after us.

3.2 Inventory of Capital Assets

The City shall maintain an inventory of all major capital assets and assess the condition thereof.

The capital improvement plans for the City shall include this information as part of its planning and implementation process.



Budgetary & Financial Policies

City of Valley Center Budgetary and Financial Policies

SECTION 4: REVENUES

4.1 Estimate Revenues

- Revenue projections shall be objectively prepared using a reasonably conservative, objective, and analytical approach.
- Many General Fund revenues are based on volatile revenues that rise and fall with the economy's strength.
- Examples include fee revenue from planning and building permits; sales taxes; and Franchise Fees.
- Even when economic growth is occurring, it can vary from just barely keeping up with inflation to a genuine economic boom. It is most fiscally prudent to budget these revenues conservatively, using the lower end of the expected range.
- All revenue projections will be carefully reviewed using historical data of actual city revenues and knowledge of local factors; regional economic forecasts; and state and national projections. Staff will balance these factors before making any projections.

4.2 Revenue Base

- The City will endeavor to maintain a diversified and stable revenue base to minimize the effects of economic fluctuations on revenue generation.
- Among the most stable revenues are property taxes and utility user fees, which are both more robust in their contribution to our tax base than sales taxes. We are fortunate to have a diversified revenue base today, without a significant reliance on any one employer. Economic development policies that encourage this type of diversified revenue base are in the best interests of our fiscal health.

4.3 Fees

- Fee-supported services shall be reviewed, and fees adjusted to reduce public subsidies and move toward full cost recovery where appropriate. Fees and charges will be set at a level to ensure that the specific level of coverage is met.
- Revenue generated from user fees, charges and utility rates will be reviewed annually to ensure that the coverage ratio continues with increases in service delivery and are set at a self-supporting level.
 - Fees and charges authorized to recover the City's services cost may be exempt from this policy when adhering to a formula would establish fees and charges at a level that may be considered a hardship for the public.
- In addition to development fees, the City offers a wide variety of other services which fees, including library costs, park and recreation costs, and special programs for seniors and others could offset. However, very few jurisdictions charge full costs for these services. Nevertheless, some fees must be charged for most of these services, and those fees should be reviewed annually as part of the annual budget process and recommendations for any changes that could be made to City Council at the same time services provided by the budget are considered.



Budgetary & Financial Policies

City of Valley Center Budgetary and Financial Policies

4.4 Interest

The City will maintain one primary checking account for receiving revenue. Interest on idle funds will be distributed according to the City's Investment Policy.

4.5 One-Time Revenues

It shall be the policy of the City not to use one-time revenues for ongoing expenditures.

Any windfall revenues shall not be used to expand the base budget by adding staff or negotiating salary increases using these revenues alone as the basis for the action.

One-time revenues will only be used for one-time expenditures.

SECTION 5: CAPITAL IMPROVEMENTS

5.1

The City staff shall establish a ten-year Capital Improvement Plan (CIP) with an increased focus on the first five-year outlook presented annually to the City Council.

The goal is to guide decision-making on public improvements and major program expenditures. The CIP provides a mechanism for scheduling public physical improvements over a number of years. It also establishes the City's priorities for public projects based on available financial resources and project criteria.

The City supports a CIP planning process that assesses the long-term financial implications of current and proposed operating and capital budgets, budget policies, investment policies, programs, and assumptions.

5.2

Major capital projects will be included in the City's 10-Year Capital Improvement Plan.

All capital projects submitted for inclusion shall provide the following information to be evaluated by the City Council:

- Project Scope including a clear and concise general summary
- Background Information
- Justification
- Operating Impacts
- Community Impact
- Cost estimates including methods of financing
- Recommended time schedules for each improvement
- Location and map for visual aid

The City updates its Capital Improvement Plan (CIP) annually following analysis of unaudited year-end financial reports and prior to the adoption of the City's annual operating budget.

The City may dedicate mill levy proceeds, sales taxes, user fees, or other local revenues to fund capital improvements.

5.3 Adoption

The City Council shall review and adopt the Capital Improvement Plan annually.

Any amendment that results in an increase to the CIP as submitted must specifically identify the method of financing proposed to accomplish such an increase.



Budgetary & Financial Policies

City of Valley Center Budgetary and Financial Policies

5.4 New Development

Development fees will offset development process costs and related administrative expenses.

New development is part of the economic diversification that is desirable in the City. However, new development has significant costs associated with it, not least of which is the processing of the permits to ensure compliance with Federal, State, and local laws and ordinances. It is unfair for existing residents and businesses to pay these costs.

SECTION 6: EXPENDITURES

6.1 It is the policy of the City of Valley Center to fund current expenditures for operating budgets with current revenues. The City Administrator's Budget Message shall explain any deviation from this policy.

This policy requires that in any given fiscal year we do not budget recurring appropriations in excess of the revenue we expect to receive in the same year.

6.2 Revenue enhancement would generally be in the form of new or increased taxes and fees. Any year-end operating surpluses will revert to unappropriated balances for use in maintaining policy-set reserve levels, and the remaining balances will be available for one-time carry-over expenditures, including capital improvement projects or limited-term expenditures.

6.3 The City uses the "Pay As You Go" (PAYGO) approach which mandates that any increase in expenditures, decreases in revenues, or combination of the two that would result in a budget imbalance will require cost-cutting and/or revenue enhancement, rather than spending unappropriated surpluses or designated reserves to support ongoing operations.

Cost-cutting measures may include reductions in staff (either through eliminating vacant positions, attrition, hiring freezes, or actual lay-offs), or reductions in expenditures for materials, services, and supplies.

Expenditure reductions may very well result in reduced service levels.

6.4 The City Administrator would explain any apparent exception to this policy with the proposed action that would bring this policy into apparent conflict.

An example might be the State being late in some payments to the City, but the adopted State budget includes those late payments. In such circumstances, short-term use of reserves would not be an actual violation of this policy.

6.5 Before the City undertakes any agreement, partnership, or action that creates fixed costs, the cost implications (both operating and capital) for such arrangements will be fully determined for the current and future years.

Future years shall be defined as the useful life of the project, vehicle or equipment, etc. that such fixed costs are attributed to in the arrangement.

6.6 Procurement of all goods and services will adhere to the City's Purchasing Policy.

6.7 Any debt issued by the City will adhere to the City's Debt Management Policy



Budgetary & Financial Policies

City of Valley Center Budgetary and Financial Policies

SECTION 7: BUDGET

7.1 Budget Process

The annual budget process develops service priorities and the level and type of resources to fund those services.

Statutes of the State of Kansas govern the operating budget process. It dictates that the City must:

- Prepare an annual budget.
- Account for prior, current, and ensuing years.
- Maintain a fund balance within prescribed limits.
- Hold formal hearings with appropriate publication and notice.
- Complete the budget process and submit the adopted budget to the County Clerk.
- Not exceed adopted expenditure authority without approval through a formal amendment process.

7.2 Budget Guidelines

Department budgets will be specified during the annual budget process.

The budget will be prepared with revenues budgeted conservatively and expenditures overinflated to cover potential unforeseen operating expenditures or revenue shortfalls.

- In the case of unforeseen expenditures or revenue shortfalls the City will not exceed budget authority without following the formal amendment process.

The City will maintain a balanced budget and the City will adopt an annual budget that will provide for a cash reserve in certain designated budgeted funds.

The City Finance Director must authorize all transfers between funds and all transfers shall follow the appropriate Kansas statute(s).

Changes will be evaluated programmatically and fiscally prior to adoption.

The City will maintain a budgetary control system to monitor compliance with the budget.

7.3 Budgeting Using of Basis of Accounting

The State of Kansas legally requires a modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues once they are received and are available to be used for expenditures. Expenditures are recognized once the liability is incurred. This basis of accounting differs from a cash basis system where revenues and expenditures are recorded once monies are exchanged.

Modified Accrual accounting is comparable to a checkbook system. When checks or payments are written, they are deducted from the remaining balance even though they may not have been cashed yet. Revenues are not recognized until the funds are received and are available for other purchases or expenditures. The City does have the option to opt out of this requirement, which the City has done for the past several years. The City opts out of the modified accrual and uses the regulatory basis or cash basis of accounting. This method of accounting prevents the city from spending too much at any given time.



Budgetary & Financial Policies

City of Valley Center Budgetary and Financial Policies

7.4 Budget Reviews

Once the annual budget is adopted, the City Administrator shall conduct periodic budget reviews and report on any significant deviations and present a corrective action plan to manage the adopted budget in accordance with adopted City policies.

City staff nearly constantly review expenditures and revenues of the current fiscal year and compare them to the adopted budget.

- Each department is charged with the responsibility of staying within its budget authority.
- The Budget staff does a formal mid-year review with departments comparing budgets to actuals.
- On a monthly basis the previous month's financial records are closed, and expenditure and revenue reports are provided to Departments.

7.5 Five-Year Projection

The annual budget shall present a five-year revenue and expenditure projection for the General Fund and other major funds of the City. A long-range financial perspective is essential to provide a more comprehensive and thorough overview of the City's long-term financial needs.

Components of this plan include the use of an annual operating budget and a five-year financial forecast with revenue and expenditure projections. The approach will be supported by the staff's use of historical data, current economic trends, and the identification of future financial events.

SECTION 8: RESERVE FUND BALANCE

8.1 It is the policy of the city of Valley Center to establish and maintain a reserve fund balance for designated funds, no less than 25% of the current year's expenditure appropriations.

8.2 Cash reserves help to maintain investment-grade credit ratings, meet seasonal requirements in cash flow, and reduce susceptibility to negative impacts from emergency or unanticipated expenditures or revenue shortfalls.

The designated funds that must maintain an unappropriated balance equal to or greater than 25% of annual appropriated operating expenditures are:

- 010 – General Fund
- 110 – Employee Benefit
- 150 – Special Streets & Highway
- 610 – Water Fund
- 620 – Wastewater Fund

All other remaining funds will be reviewed annually to ensure the current reserve balance is adequate. Based on the volatility and reliability of the revenue mix for each fund, reserve balances will be reviewed more often.

8.3 Unforeseen developments occur more often than not in any given budget year. Maintaining reserves is considered a prudent management practice and can be used for numerous unforeseen situations.

Examples of potential uses and drawdowns include:

- Federal/State/County budget cuts.
- Local revenue shortfall due to major business closures or relocations.
- Increase in demand for a specific service.
- Legislative or judicial mandate to provide a new/or expanded service or program.
- One-time City Council-approved expenditure.



Budgetary & Financial Policies

City of Valley Center Budgetary and Financial Policies

- Unexpected increase in inflation.
- Natural disaster.

To ensure the continuance of sound financial management of public resources, if unforeseen circumstances occur which cause the reserves to drop below their prescribed levels, then staff will immediately present the City Council with various options for curing the deficiency(ies).

SECTION 9: ACCOUNTING AND FINANCIAL REPORTING

9.1 City staff will establish and maintain accounting records of financial statements that are consistent with the standards applicable to the Kansas Municipal Audit and Accounting Guide and requirements set forth in Kansas law. KMAAG is a guide mandated by K.S.A. 75-1123.

All checking and petty cash funds shall be balanced monthly. Reconciliations shall be maintained for review by the independent auditors on an annual or non-routine basis. A cash-flow analysis will be made of all funds annually. Disbursement, collection, and deposition of all funds will be scheduled to ensure maximum cash availability.

9.2 The Finance Director will provide City Council with an unaudited year-end summary financial report after the end of the fiscal year. Revenue and Expenditure fund balance reports and other explanatory reports and updates will be presented to City Council on a quarterly basis.

City staff will produce unaudited financial reports, including but not limited to cash position and investment performance, to provide financial data to City Council and the community's citizens. Efforts will be made to provide these reports via print and electronic media.

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Budgetary & Financial Policies Glossary

City of Valley Center Budgetary and Financial Policies

GLOSSARY

As used in this policy and amendments thereto, the following words and phrases shall have the following meanings unless a different meaning clearly appears from the context:

ASSESSED VALUATION — The value assigned to property by a municipality for the purposes of taxation, particularly when it comes to municipal property taxes. These valuations take into account a number of different factors, including overall quality, market conditions, and nearby property values.

BALANCED BUDGET — expenditures shall not exceed the available cash balance, less reserves, plus revenues.

CAPITAL IMPROVEMENT PLAN (CIP) — The plan for capital expenditures that typically extends five to ten years beyond the capital budget, used for sustaining and improving the community's infrastructures. It coordinates strategic planning, financial capacity, and physical development.

EXPENDITURES — Regularly repeated costs such as salaries and wages of employees, administrative costs, general maintenance of equipment, and expenses on public services for residents.

FIXED COSTS — Costs that generally do not vary or are legally or contractually mandated such as retirement, FICA/Social Security, insurance rates, and debt service costs.

GENERAL FUND — The primary fund used by a government entity. This fund is used to record all resource inflows and outflows that are not associated with special-purpose funds.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) — Board responsible for developing standards of state and local governmental accounting and financial reporting.

KANSAS MUNICIPAL AUDIT AND ACCOUNTING GUIDE (KMAAG) — A guide mandated by K.S.A. 75-1123 concentrating primarily on financial statements prepared to demonstrate compliance with the cash basis and budget laws and Kansas finance-related compliance issues.

KANSAS STATUTES — A written law enacted by the Kansas State Legislature.

MILL LEVY — The amount the City raises through the property tax.

PAYGO (PAY AS YOU GO) — This is the practice in the United States of financing expenditures with funds that are currently available rather than borrowed.

PRUDENT MANAGEMENT PRACTICE — The standard of care that would be observed by a person who is dealing with the property of another showing care for the future.

REVENUE — The City's annual income from which public expenses are met.

SURPLUS — The total amount of cash, revenue, and other assets that exceed liabilities and reserves.

TAX REVENUE — The tax income allocated for local governments and services.

UNAPPROPRIATED BALANCES — Retained revenue of remaining to be allocated or assigned to a purpose.

WINDFALL REVENUE — An unexpected gain in income which could be due to winning a lottery, unforeseen inheritance or shortage of supply.

[**Other financial policies and financial documents can be found here**](#)



Assessed Valuation and Mill Levy

- As of January 1st, The county appraisers office appraises all real estate and personal property in the city. From this, an assessed valuation is determined through a mathematical calculation. Commercial real estate is assessed at 25% of appraised value and residential real estate is assessed at 11.5% of its appraised value. One exception exists, however, in regards to residential property including mobile homes, the first \$20,000 of the appraised value is not subject to the school general levy.
- Once the city receives its estimated assessed value, the city determines the value of each mill by dividing the assessed valuation by 1,000. For 2023 the city's estimated assessed value was \$63,677,066, bringing the value of each mill to roughly \$63,677. This number is then multiplied by the total mill levy for the city to determine the total Ad Valorem tax dollars to be collected for the budget year.
- For 2024 the mill levy for Valley Center is estimated at 54.856 to bring in an estimated \$3,835,881 in Ad Valorem taxes.
- In November of 2023 the city will receive its actual assessed valuation to determine the actual mill levy for the year.

Year	Assessed Valuation	% Change
2013	\$44,128,717	2.41%
2014	\$44,845,295	1.60%
2015	\$45,726,703	1.93%
2016	\$45,729,797	0.01%
2017	\$46,311,594	1.26%
2018	\$48,269,842	4.26%
2019	\$50,899,065	4.22%
2020	\$53,746,894	5.60%
2021	\$57,295,563	6.60%
2022	\$59,194,838	3.31%
2023	\$63,677,066	7.25%
2024	\$69,926,337	9.83%

Mill Levy Ten Year Comparison (in mills)

Levy Year	Budget Year	State	County	Library	School District	City	Total
2013	2014	1.5	29.377	4.501	66.257	49.129	150.764
2014	2015	1.5	29.478	4.507	64.480	50.936	150.901
2015	2016	1.5	29.383	4.507	66.599	50.939	152.928
2016	2017	1.5	29.359	4.507	66.599	51.144	153.109
2017	2018	1.5	29.359	4.445	66.599	51.144	153.047
2018	2019	1.5	29.383	4.506	64.370	50.471	150.230
2019	2020	1.5	29.384	4.506	64.73	50.471	150.579
2020	2021	1.5	29.376	4.506	64.779	50.506	150.667
2021	2022	1.5	29.37	4.487	65.584	50.361	151.302
2022	2023	1.5	29.37	4.381	65.763	50.467	151.481
*2023	2024	1.5	29.37	4.331	68.158	50.525	153.884

*ESTIMATED



City Wide Budget Summary

		Sum of 2022 ACTUALS	Sum of 2023 BUDGET	Sum of 2024 BUDGET
REVENUE	\$	30,526,565	\$ 30,086,337	\$ 15,198,436
TAXES	\$	3,688,633	\$ 3,959,414	\$ 4,295,138
CHARGES FOR SERVICES	\$	4,512,876	\$ 4,394,938	\$ 4,479,341
FINES & FORFEITURES	\$	158,689	\$ 134,500	\$ 167,000
INTERGOVERNMENTAL	\$	2,912,391	\$ 2,786,960	\$ 3,355,000
LICENSES & PERMITS	\$	807,357	\$ 661,150	\$ 788,386
MISC TRANSFERS	\$	10,959,589	\$ 844,600	\$ 977,550
MISCELLANEOUS	\$	583,218	\$ 278,000	\$ 401,000
OTHER REVENUES	\$	681,509	\$ 556,974	\$ 538,421
USE OF MONEY & PROPERTY	\$	218,961	\$ 24,251	\$ 78,600
TEMPORARY FINANCING	\$	5,345,103	\$ 15,000,000	\$ -
BAD DEBT	\$	100,000	\$ 100,000	\$ 118,000
EXPENDITURE	\$	23,000,111	\$ 30,842,440	\$ 38,112,430
BAD DEBT	\$	2,571,954	\$ -	\$ -
CAPITAL OUTLAY	\$	2,529,561	\$ 16,759,788	\$ 1,131,546
COMMODITIES	\$	274,250	\$ 252,150	\$ 293,850
CONTRACTUAL SERVICES	\$	4,350,639	\$ 2,983,470	\$ 23,307,896
DEBT SERVICE	\$	1,701,319	\$ 1,500,000	\$ 3,514,529
MISCELLANEOUS	\$	-	\$ -	\$ 61,459
OTHER	\$	5,326,951	\$ 1,842,979	\$ 1,958,661
PERSONNEL SERV. & BENEF.	\$	4,395,001	\$ 4,627,953	\$ 5,312,708
PRAIRIE LAKE RE-DEVELOPMENT	\$	37	\$ 2,876,100	\$ 2,531,781

- ◊ Expenditures are purposely over estimated due to the possibility of receiving more revenue than predicted, thus creating a negative ending balance and preventing a budget amendment to occur.
- ◊ Total expenditures for 2024 do not match the State Budget Form due to cash carryover amounts not included in this summary to show a clearer picture of actual total expenditures.



Budget Summary by Fund

	ENTERPRISE	RESERVE	SPECIAL REVENUE	TAXING	GRAND TOTAL
EXPENDITURE	\$ 4,828,788.00	\$ 312,320.00	\$ 2,424,908.00	\$ 28,014,633.00	\$ 38,112,430.00
CAPITAL OUTLAY	\$ 417,800.00	\$ 106,320.00	\$ 522,000.00	\$ 85,426.00	\$ 1,131,546.00
COMMODITIES	\$ 71,250.00	\$ -	\$ 66,800.00	\$ 155,800.00	\$ 293,850.00
CONTRACTUAL SERVICES	\$ 2,200,950.00	\$ 206,000.00	\$ 74,780.00	\$ 20,826,166.00	\$ 23,307,896.00
DEBT SERVICE	\$ -	\$ -	\$ 1,227,529.00	\$ 2,287,000.00	\$ 3,514,529.00
MISCELLANEOUS	\$ 45,000.00	\$ -	\$ 16,459.00	\$ -	\$ 61,459.00
OTHER COSTS/MISC. PERSONNEL SERVICES AND BENEFITS	\$ 1,270,550.00	\$ -	\$ 36,000.00	\$ 652,111.00	\$ 1,958,661.00
PRAIRIE LAKE RE-DEVELOPMENT	\$ 823,238.00	\$ -	\$ 481,340.00	\$ 4,008,130.00	\$ 5,312,708.00
REVENUE	\$ 4,523,941.00	\$ 465,000.00	\$ 2,467,429.00	\$ 7,624,066.00	\$ 15,198,436.00
CHARGES FOR SERVICES	\$ 4,473,341.00	\$ -	\$ -	\$ 6,000.00	\$ 4,479,341.00
FINES & FORFEITURES	\$ -	\$ -	\$ -	\$ 167,000.00	\$ 167,000.00
INTERGOVERNMENTAL	\$ -	\$ -	\$ 2,460,000.00	\$ 895,000.00	\$ 3,355,000.00
LICENSES & PERMITS	\$ 5,000.00	\$ -	\$ -	\$ 783,386.00	\$ 788,386.00
MISC TRANSFERS	\$ -	\$ 245,000.00	\$ -	\$ 732,550.00	\$ 977,550.00
MISCELLANEOUS	\$ 12,000.00	\$ 220,000.00	\$ -	\$ 169,000.00	\$ 401,000.00
OTHER REVENUES	\$ -	\$ -	\$ -	\$ 538,421.00	\$ 538,421.00
TAXES	\$ -	\$ -	\$ 7,429.00	\$ 4,287,709.00	\$ 4,295,138.00
USE OF MONEY AND PROPERTY	\$ 33,600.00	\$ -	\$ -	\$ 45,000.00	\$ 78,600.00
BAD DEBT	\$ 118,000.00	\$ -	\$ -	\$ -	\$ 118,000.00

- ◊ The City transfers all revenue obtained within The Library Fund to the Library.
- ◊ Expenditures are purposely over estimated due to the possibility of receiving more revenue than predicted, thus creating a negative ending balance and preventing a budget amendment to occur.
- ◊ Total expenditures do not match the State Budget Form due to cash carryover amounts not included in this summary to show a clearer picture of actual total expenditures.



Fund Balance by Fund

2023 FUND BALANCE SUMMARY	REVENUE	EXPENDITURE	BEGINNING BALANCE 1/1/23	ENDING BALANCE 11/31/23	% CHANGE
TAXING					
BOND AND INTEREST	\$ 2,076,664.95	\$ 2,052,646.85	\$ 1,099,684.11	\$ 1,123,702.21	-2%
EMERGENCY EQUIPMENT	\$ 80,775.41	\$ 105,376.33	\$ 144,506.18	\$ 119,905.26	21%
EMPLOYEE BENEFIT	\$ 1,132,414.30	\$ 1,110,761.41	\$ 456,888.93	\$ 478,541.82	-5%
GENERAL FUND	\$ 3,854,581.29	\$ 3,701,978.89	\$ 1,448,898.59	\$ 1,601,500.99	-10%
LIBRARY	\$ 303,620.51	\$ 303,657.41	\$ 894.81	\$ 857.91	4%
ENTERPRISE					
SEWER OPERATING	\$ 1,441,726.48	\$ 1,226,158.20	\$ 1,309,993.48	\$ 1,525,561.76	-14%
SOLID WASTE UTILITY	\$ 574,098.17	\$ 543,447.64	\$ 108,412.29	\$ 139,062.82	-22%
STORMWATER UTILITY FUND	\$ 327,224.00	\$ 196,241.32	\$ 261,550.78	\$ 392,533.46	-33%
WATER OPERATING FUND	\$ 2,336,369.50	\$ 2,001,141.80	\$ 2,562,040.13	\$ 2,897,267.83	-12%
SPECIAL REVENUE					
ADSAP	\$ 15.00	\$ -	\$ 1,056.19	\$ 1,071.19	-1%
DRUG TAX DISTRIBUTION	\$ 714.04	\$ -	\$ 2,777.38	\$ 3,491.42	-20%
LAW ENFORCE BLOCK GRANT	\$ -	\$ -	\$ 0.15	\$ 0.15	0%
POOL/REC SALES TAX	\$ 19,273,208.24	\$ 4,606,730.44	\$ 1,284,906.15	\$ 15,951,383.95	-92%
SPECIAL ALCOHOL	\$ 4,915.22	\$ 249.64	\$ 4,368.13	\$ 9,033.71	-52%
SPECIAL PARKS AND REC	\$ 5,808.68	\$ -	\$ 31,913.06	\$ 37,721.74	-15%
STREETS	\$ 1,105,262.31	\$ 850,814.00	\$ 619,193.54	\$ 873,641.85	-29%
TIF FUND	\$ 90,683.27	\$ 340,505.83	\$ 2,842,860.34	\$ 2,593,037.78	10%
CAPITAL PROJECTS	\$ 9,110,732.71	\$ 10,284,271.73	\$ 2,493,267.36	\$ 1,319,728.34	89%
RESERVE					
BUILDING EQUIPMENT RESERVE	\$ 1,991.05	\$ -	\$ 63,419.10	\$ 65,410.15	-3%
EQUIPMENT RESERVE	\$ 49,677.09	\$ 14,539.99	\$ 367,887.33	\$ 403,024.43	-9%
FLEET MANAGEMENT FUND	\$ 142,713.04	\$ 151,152.28	\$ 132,985.42	\$ 124,546.18	7%
LAND BANK RESERVE	\$ 2,627.84	\$ -	\$ 78,954.14	\$ 81,581.98	-3%
PARK BEAUTIFICATION FUND	\$ -	\$ -	\$ 2,215.33	\$ 2,215.33	0%
PUBLIC SAFETY TRAINING FUND	\$ 2,920.00	\$ -	\$ 4,002.66	\$ 6,922.66	-42%
SEWER LOAN P&I	\$ 208,647.14	\$ 208,647.14	\$ -	\$ -	0%
SEWER SURPLUS RESERVE	\$ 7,195.24	\$ -	\$ 223,072.57	\$ 230,267.81	-3%
WATER SURPLUS RESERVE	\$ 20,913.53	\$ 8,103.25	\$ 654,725.75	\$ 667,536.03	-2%

Library Fund: The Library fund is annually budgeted with expenses above revenues so the City will be in a position to transfer more tax dollars pending the actual valuations that come in near year end. This avoids the City having to amend the budget if tax revenues come in above estimates.

General Fund: GF has had slightly higher expenditures in 2023 due to more FTE's, salary and commodities increases. It is anticipated that this will level off in 2025 when revenues catch up.

Employee Benefit: 2023 was the first year the City of Valley Center provided KP&F retirement to our Police officers and Fire Fighters. This is a great benefit to them and will help staff retention.

All other fund expenses that are over revenues are intentional due to surplus balances.

All Funds are in compliance with the city's fund balance policy, requiring a minimum fund balance of 25% of annual budgeted expenditures.



Investment Policy

Governing Body Adoption: 08/15/2023

CITY OF VALLEY CENTER INVESTMENT POLICY

SECTION 1: SCOPE

- 1.1 This policy applies to all the investments of municipal funds.
- 1.2 Except for cash in certain restricted and special funds, the City of Valley Center will consolidate cash and reserve balances from all funds to maximize investment earnings and increase efficiencies regarding investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on the respective participation and in accordance with Kansas cash-basis law.
- 1.3 All idle fund investments will be made in accordance with K.S.A. 12-1675.
- 1.4 All Bond Proceed investments will be made in accordance with K.S.A. 10-131.

SECTION 2: OBJECTIVES

- 2.1 Investments shall be made with the primary objective of the safety of the principal, followed by liquidity needs and then the rate of return on said investments. The city's portfolio shall be sufficiently liquid to meet operating requirements that can be reasonably anticipated.
- 2.2 **Safety**
 - Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
- 2.3 **Credit Risk**
 - The City of Valley Center will minimize credit risk. In the case of this policy, credit risk is the risk of loss due to failure of the security issuer or backer, by limiting investments to only the investment types listed in this document as suitable investments and by diversifying the investment portfolio to minimize the impact of potential losses.
- 2.4 **Interest Rate Risk**
 - The City of Valley Center will minimize the risk of interest rate changes due to changes in market value of securities in the portfolio by staggering investment maturities.
- 2.5 **Collateralization**
 - Where allowed by state law, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.
- 2.6 **Liquidity**
 - The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated, thereby avoiding the need to sell securities on the open market prior to maturity. This is accomplished by structuring the portfolio so that an investment's maturity date(s) are concurrent with cash needs to meet anticipated demands.



Investment Policy

City of Valley Center Investment Policy

2.7 Rate of Return

- The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles while considering the investment risk constraints and liquidity needs of the City. Rate of return is of secondary importance compared to the safety and liquidity objectives previously described.

SECTION 3: STANDARDS OF CARE

3.1 Prudence

- The standard of prudence to be used by investment officials shall be the "prudent person rule" and shall be applied to the management of the entire portfolio. Investment officials acting in accordance with written procedures, this investment policy, and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided, deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.
- The "prudent person rule" expresses that investments shall be made with judgment and care, under circumstances then prevailing, which person of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

3.2 Ethics

- Officers and employees involved with city investments shall refrain from engaging in any outside matters of financial or personal interests incompatible with the impartial and objective performance of duties. Officers and employees involved with city investments shall disclose any personal material interests in financial institutions with which they conduct business on behalf of the city.

SECTION 4: SUITABLE AND AUTHORIZED INVESTMENTS

4.1 This policy will permit the following investments and are those defined by Kansas State Statutes K.S.A. 12-1675 and K.S.A. 10-131.

4.2 Acceptable Investment of General Idle Funds

- Certificates of Deposit (CDs)
 - Instruments issued by banks or savings and loans that state specified sums have been deposited for specified periods of time and at specified interest rates.
 - Certificates of deposit are required to be backed by acceptable collateral securities as dictated by Kansas Statutes.
 - The maximum maturity is two years unless the City's investment policy is approved by the State of Kansas Pooled Money Investment Board (PMIB), in which case the maturity may be up to four years.
- Repurchase Agreements (REPOS)
 - Repurchase agreements are contractual agreements between the City and commercial banks, trust companies, state or federally chartered savings and loan associations or federally chartered savings banks.
 - The repurchase agreement issuer receives cash and, in turn, sells securities to the City. The City agrees to resell the securities to the issuer on a specific future date at the original purchase price plus a negotiated interest payment.
 - Repurchase agreements are required to be backed by acceptable collateral securities as dictated by Kansas Statutes. If the City's investment policy is approved by the PMIB, a



Investment Policy

City of Valley Center Investment Policy

repurchase agreement may be executed with a primary dealer, or a broker-dealer registered in accordance with K.S.A.17-12a401.

- **United States Treasury Obligations**
 - These obligations must mature within two years from date of purchase and are guaranteed as to principal by the United States Government.
 - The maximum maturity may be four years, if and when the City's investment policy is approved by the PMIB.
- **United States Government Agency Securities**
 - United States Government Agency securities include indirect obligations of the federal government, issued by the Government National Mortgage Association and the Small Business Administration. These securities are backed by the full faith and credit of the United States Government.
 - The City's investment policy must be approved by the PMIB prior to the purchase of United States Government Securities.
 - Investment in these securities is limited to those that have no more interest rate risk than United States Government obligations of similar maturities. The maximum maturity is four years.
- **Government Sponsored Corporations Instruments**
 - Obligations of enterprises sponsored by the United States Government, such as Federal Farm Credit System, Federal Home Loan Mortgage Association, Federal National Mortgage Association and the Student Loan Marketing Association.
 - Investment in these securities is limited to those that have no more interest rate risk than United States Government obligations of similar maturities and are not mortgage backed.
 - To participate, the City's investment policy must be approved by the PMIB.
- **Kansas Municipal Investment Pool**
 - A pool of investments consisting of CDs, United States Treasuries, United States Agencies, Commercial Paper, and Repurchase agreements.
 - The pool is administered by the Pooled Money Investment Board.
- **Temporary Notes of the City**
- **Commercial Bank Savings Accounts**
 - Other types of investments may be added to this list as changes to the statutes governing such investments are revised.
 - The above instruments may be purchased from eligible banks, savings and loans, primary dealers and the State Treasurer's Office.

4.3 Acceptable Investment of Bond Proceeds

- The City of Valley Center may invest proceeds from any bond or temporary note which are not immediately needed in accordance with Kansas Statute 10-131 and the specific bond or note resolution. Funds will be invested as required by federal regulations regarding arbitrage on tax-exempt bond proceeds. The interest received on the investment of bond and note proceeds shall be used for the purpose of paying interest on the bonds or notes issued or for paying the cost of the project for which the bonds or notes were issued.



Investment Policy

City of Valley Center Investment Policy

SECTION 5: LOCAL CONSIDERATIONS

5.1 The city's policy is to conduct business with all the banks in Valley Center, pending competitive investment rates are being offered and the service received is satisfactory. Rates are considered not competitive if lower than the "Minimum Investment Rates Banks Must Offer to Secure Public Funds" published by the Kansas Municipal Investment Pool.

SECTION 6: REPORTING

6.1 City of Valley Center finance staff will prepare a quarterly report on the City's investment portfolio status. This report will be provided to the City Administrator and City Council.

SECTION 7: APPROVAL OF INVESTMENT POLICY

7.1 This investment policy shall be formally approved and adopted by the City Council for the City of Valley Center. This policy can be reviewed at any time at the request of the City Council or City Staff. City Council must approve any and all revisions.

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Investment Policy Glossary

City of Valley Center Investment Policy

GLOSSARY

As used in this policy, and amendments thereto, the following words and phrases shall have the following meanings unless a different meaning clearly appears from the context:

BANK – Any bank incorporated under the laws of this state or any other state or organized under the laws of the United States, which has a main or branch office in this state.

CASH FLOW — Cash receipts minus disbursements from a given asset, or group of assets, for a given period. An analysis of the movement of cash through a venture as contrasted with the earnings of the venture.

CERTIFICATE OF DEPOSIT — A time deposit with a specific maturity evidenced by a certificate.

COLLATERALIZATION — Process by which a borrower pledges securities or deposits for the purpose of securing the repayment of a loan and security.

COST — An amount paid or required in payment for a purchase of an investment.

FANNIE MAE — (formerly the Federal National Mortgage Association) is a private stockholder-owned corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. Fannie Mae's securities are also highly liquid and are widely accepted. Fannie Mae assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL HOME LOAN BANK (FHLB) — Government-sponsored wholesale banks which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLB is to liquefy the housing-related assets of its members who must purchase stock in their district Bank.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC) — A federal agency which purchases first mortgages from members of the Federal Reserve System and the Federal Home Loan Bank System. Commonly called "Freddie Mac".

INTEREST RATE — The annual rate of interest received by an investor from the issuer of fixed-income securities. The percentage of an amount of money which is paid for its use for a specified time.

INTERNAL CONTROLS — An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

INVESTMENT — Commitment of money to gain profit or interest as by purchasing securities.

INVESTMENT AGREEMENTS — An agreement with a financial institution to borrow public funds subject to certain terms and conditions regarding collateralization, liquidity and interest rates.

INVESTMENT RATE — A rate which is the equivalent yield for United States government securities having a maturity date as published in the Wall Street Journal, nearest the maturity date for equivalent maturities. The 0-90 day rate shall be computed on the average effective federal funds rate as published by the federal reserve system for the previous week.

KANSAS MUNICIPAL INVESTMENT POOL (MIP) — The State of Kansas offers a Local Government Investment Pool (LGIP) entitled "State of Kansas Municipal Investment Pool," which is governed by the State of Kansas Pooled Money Investment Board.

KANSAS STATUTES — A written law enacted by the Kansas State Legislature.



Investment Policy Glossary

City of Valley Center Investment Policy

LIQUIDITY — Refers to the ability of an instrument to be converted into cash rapidly without substantial loss of value.

MARKET VALUE — The price at which a security is trading and could be purchased or sold on a given day.

MUNICIPAL BONDS — Unless otherwise expressly provided, when used in chapter 10 of the Kansas Statutes Annotated, and amendments thereto, "municipal bonds" means and includes all bonds issued by any municipality which constitute a general obligation of the municipality, except railroad aid bonds.

PORTFOLIO — Collection of securities held by an investor.

PRINCIPAL — The face amount or par value of a debt security. (2) One who acts as a dealer buying and selling for his own account.

REPURCHASE AGREEMENT (REPO) — An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price at a specified later date.

SAFEKEEPING — The holding of securities by a financial institution on behalf of the securities owners.

SAFETY — Freedom from risk.

SAVINGS AND LOAN ASSOCIATION — Any savings and loan association incorporated under the laws of this state or any other state, or organized under the laws of the United States and which has a main or branch office in this state.

SAVINGS BANK — Any savings bank organized under the laws of the United States, and which has a main or branch office in this state.

SECURITIES — Documents that can be traded for value; an instrument of ownership or debt used to finance government and corporate entities.

TIME DEPOSITS — Another term for a savings account or certificate of deposit in a commercial bank.

UNITED STATES GOVERNMENT SECURITIES (TREASURIES) — Bonds, notes, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to the full and timely payment by the United States of America.

Strategic Plan



Strategic Plan

On July 6th, 2021 the Valley Center City Council adopted 2021-2023 Strategic plan. As you will see, this plan focuses on growth, community, and citizen engagement. The 2021-2023 Strategic Plan was created using a steering committee that included city staff, elected officials, and members of the community. Meetings and Town Halls were held to gather the collective goals of our community members. Then all of those goals were compiled into this plan. City staff are excited to execute this plan to help Valley Center move forward.





Strategic Plan



City of Valley Center **STRATEGIC PLAN**



June, 2021



Letter From the Mayor

WELCOME MESSAGE FROM THE CITY

It is truly a pleasure to welcome you to the City of Valley Center, a beautiful, friendly community situated in the Little Arkansas River Valley, just nine miles north of downtown Wichita. The 7,000-plus residents of Valley Center have a great deal of pride in their city, which offers a wide range of recreational activities, excellent schools and a safe and neighborly environment. In Valley Center, we know what it's like to have the best of both worlds. We enjoy the benefits of small-town living, but take full advantage of a modern sense of civic purpose. Our residents know this is a transformative time in Valley Center. The city has grown and changed since its early days as an agricultural hub, yet has remained a distinct community that fosters an identity separate from its big, bustling neighbor to the south. We've asked for citizen input to help us construct a road map that will guide the development of future amenities. As you'll see in this strategic plan, the ideas put forward by our citizens have been incorporated every step of the way.

Currently, Valley Center's unique recreational and cultural offerings include a 9-hole golf course, as well as five clean and safe public parks that provide access to fishing ponds, playgrounds, a public swimming pool, disc golf course, more than 17 miles of pedestrian and bike trails and a wildly popular splash park. Valley Center is home to many churches, a well-stocked public library, an active senior club and much more. Valley Center is continually improving its infrastructure through roadway and drainage projects, and exploring other ways to positively impact residents' lives. In 2020, the people of Valley Center voted to approve a sales tax to construct a new state-of-the-art Recreation and Aquatics Complex that is slated to begin construction in 2023.

We are building on our proud heritage while welcoming new ideas, new businesses and new families. I invite you to stroll through our historic downtown, shop at our friendly local businesses and join our many highly motivated civic groups that work collaboratively for the good of our community.

I believe we'll exceed your expectations and that you'll discover what we have always known: Valley Center is an incredible place to call home.

If you need assistance or more information about Valley Center, our team would be pleased to assist you.

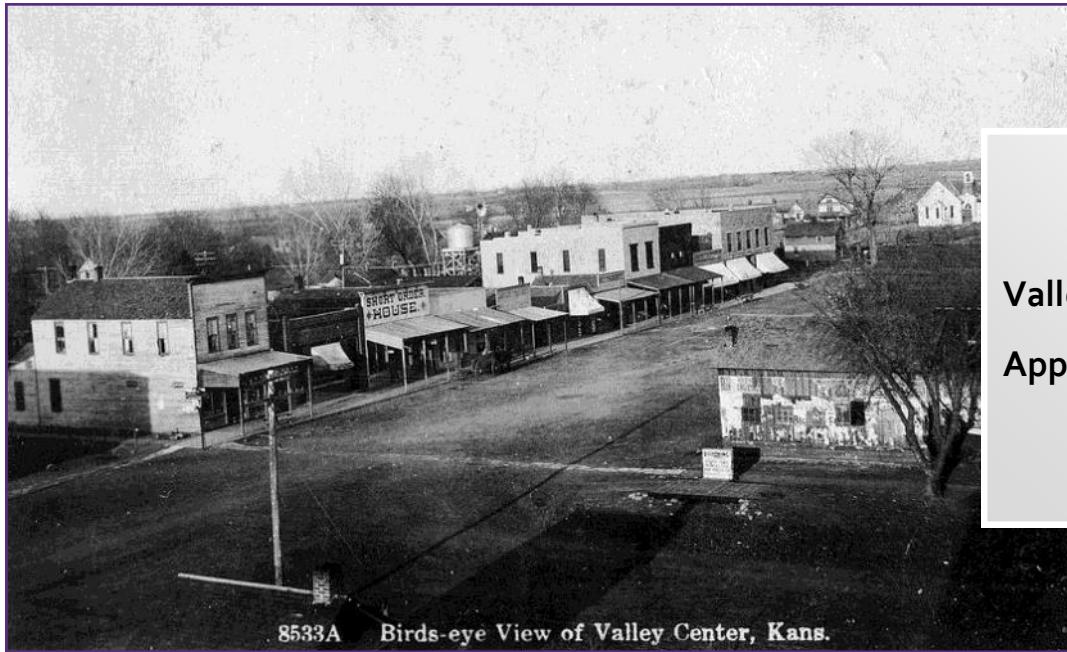
The direct line to City Hall is (316) 755-7310.

Sincerely,

Mayor Lou Cicirello



Mission Statement



8533A Birds-eye View of Valley Center, Kans.

Valley Center Main Street
Approx. 1910

Valley Center will respect its foundational history, adapt to change, and use proactive community visioning to ensure excellence in quality of life and stewardship for the next generation.



Mural of the Valley Center Flag painted on the building of a local business.



Strategic Goals

Listed below are the strategic goals of the 2021-2025 Strategic Plan. Having this plan in place will help guide city staff and elected officials when making crucial decisions regarding the city's economic and financial planning. The plan acts as an excellent road map so we can all see the path the city is on and keep our eyes ahead as we move forward.

2021 STRATEGIC PLAN GOALS:

Listen and Engage. *Be a city that elevates and evolves ways to communicate with the community, ensuring all can learn, engage, and be heard in decisions that affect them.*

Economic Diversity. *A City that grows with purpose to support, retain, and expand many types of businesses by reducing barriers and leveraging community opportunities.*

Community Spaces. *Parks, trails, event spaces, and public spaces will grow with the city, with a focus on accessible design for all ages and abilities.*

Efficient Public Facilities. *There is adequate infrastructure to deliver efficient and effective services to meet community needs.*

Housing. *Safe neighborhoods, a variety of living options, and affordable/attainable housing.*



Strategic Goals

Goal: Listen and Engage. *Be a city that elevates and evolves ways to communicate with the community, ensuring all can learn, engage, and be heard in decisions that affect them*

OBJECTIVE 1: INCREASE THE NUMBER OF CITIZENS, ESPECIALLY YOUTH AND SENIORS, THAT ARE ACTIVELY ENGAGED IN COMMUNITY PROJECTS, VOLUNTEER OPPORTUNITIES, AND PUBLIC POSITIONS.

Strategy 1.1. *Continually adapt processes to engage and enhance communication between the City and schools, partners, and citizens as technology and ways to absorb information evolves.*

Actions

1.1.A Launch the new City news and information mobile application (app). Develop a method to monitor the app's success related to usage, accessibility, and reaching intended populations based on content. (2021)
» (Note the tools of the app can help address many of the actions under the "Listen and Engage" Goal)

1.1.B Evaluate communication methods that proved successful during the pandemic and adopt as standard options to engage people post-pandemic. (2021)

1.1.C Create a communication plan to target and engage hard to reach populations such as youth, lower-income households, and senior residents. (2021)

Strategy 1.2. *Expand the variety of community events in the City to engage local and surrounding area residents to enhance community connections.*

Actions

1.2.A Fund and grow awareness of the Main Street Valley Center program and ways to participate in initiatives, projects, and expanding events. (2021-2022)

1.2.B Develop new events and opportunities for public gatherings. Examples include food trucks, farmers markets, or other unique opportunities. (2022-2023)

OBJECTIVE 2: INCREASE THE NUMBER OF POSITIVE INTERACTIONS AND OUTREACH BETWEEN CITIZENS, BUSINESSES, AND THE CITY.

Strategy 2.1. *Collaborate on where the City, citizens, and businesses want Valley Center to be in the future.*

Actions

2.1.A Update the 2014 Comprehensive Plan. (2023). The update should include metrics used for city decision-making and share those metrics with the public and business community.

Strategy 2.2. *Develop ways to check in with citizens and employers regularly.*

Actions

2.2.A Conduct an annual citizen satisfaction survey to gauge perceptions of City services, events, programs, and facilities (a 2019 survey garnered responses from about 7% of the population). (2022 and ongoing)

2.2.B Survey employers in Valley Center annually to gauge the performance of City services, workforce needs, and plans for growth in the community. (2022 and ongoing)

Strategy 2.3. *Elevate successful programs and outcomes achieved by the City, especially those developed with a public engagement process.*

Actions

2.3.A Create a schedule to include regular features in the City newsletter about citizen satisfaction related to programs, outcomes, and actions taken because of concerns and feedback. (2022-2023)



Strategic Goals

Goal: Economic Diversity. *A City that grows with purpose to support, retain, and expand many types of businesses by reducing barriers and leveraging community opportunities*

OBJECTIVE 1: BE A PLACE THAT ACTIVELY SUPPORTS THE CREATION, RETENTION, RESILIENCY, AND GROWTH OF BUSINESSES.

Strategy 1.1. *Establish or maintain processes that are clear, enforced consistently, and tied to adopted plans.*

Actions

- 1.1.A** Create a system to track requested variances or special exceptions in development applications and evaluate regulatory changes for frequent requests. (2021)
- 1.1.B** Review processes and procedures for items that could be approved administratively rather than through multiple approval procedures. (2023 with Comprehensive Plan)
- 1.1.C** Track the use of the adopted incentives currently consistent with Sedgwick County and Wichita, to determine how they are used and whether additional incentives are needed to achieve the Objectives in this Strategic Plan. (2021 and ongoing)

Strategy 1.2. *Ensure adequate public services and infrastructure to support new commercial and industrial growth areas (Also see actions under "Efficient Public Facilities" Goal).*

Actions

- 1.2.A** Complete a comprehensive plan that helps determine the feasibility and range of costs for expanding infrastructure into different growth areas. (2022-2023)
- 1.2.B** Maintain a public inventory/repository of shovel-ready sites for expansion or new uses. (2021 and ongoing)

Strategy 1.3. *Nurture current and potential entrepreneurs through connections and mentorships.*

Actions

- 1.3.A** Partner with Main Street, the Chamber, and other partners such as Wichita State University to develop an educational business series. Focus could include start-up assistance for the first three years, financial statements, legal considerations, and general information a new business owner may not know. (2022-2023)
- 1.3.B** Evaluate spaces to create a co-working space for businesses just starting and those having a limited need for a whole storefront space. (2021-2022)
- 1.3.C** Investigate and tailor economic development resources to support entrepreneurs with higher priority for specific skills gaps - for example, business start-up assistance for a plumbing business. (2021 and ongoing)

Strategy 1.4. *Foster the next generation of skilled workforce and tradespersons.*

Actions

- 1.4.A** Team with a local community college, WSU, USD 262, to identify professional training programs that could be based in Valley Center. (2021-2022)
- 1.4.B** Develop resources to help businesses develop succession plans, ensuring that existing businesses and services remain a vital part of the community. (2022-2023)

Strategy 1.5. *Retain successful and positive businesses in Valley Center.*

Actions

- 1.5.A** Use information from a business employer survey (see "Listen and Engage" Goal) to address impending market challenges that the City can influence. (2022)
- 1.5.B** Develop resources or an incentive package to help local businesses recover from the pandemic as necessary. (2021)
- 1.5.C** Investigate and offer resources to businesses to be more resilient. (2022 and ongoing)



Strategic Goals

Goal: Community Spaces. Parks, trails, event spaces, and public spaces will grow with the city, with a focus on accessible design for all ages and abilities

OBJECTIVE 1: ENSURE THAT ALL RESIDENTS HAVE ACCESS TO WELL-MAINTAINED BIKE AND PEDESTRIAN PATHWAYS.

Strategy 1.1. Implement the Pedestrian & Bicycle Facilities Master Plan.

Actions

1.1.A Start planning, create maintenance funds, and begin to implement key projects from the Plan (2021 and ongoing):

- i. Build out priority sidewalk network (Meridian is the highest priority)
- ii. Safe-streets connecting major north-south and east-west corridors (Meridian - highest priority)
- iii. Shared sidewalks
- iv. City-wide connectors via a city loop trail
 - Wetland Park ADA trail access to neighborhood sidewalks
- v. Bike routes (lower priority)
- vi. Regional trail (lower priority)
 - Bike/Pedestrian path for dry detention pond in conjunction with Ford Street development
 - Corps of Engineers Levee trail

OBJECTIVE 2: PROVIDE AND MAINTAIN SUFFICIENT PARKS, GATHERING, AND GREEN SPACES FOR COMMUNITY NEEDS THAT INCREASE QUALITY OF LIFE.

Strategy 2.1. Evaluate gaps and needs in park and community space level of service and diversity.

Actions

2.1.A Identify and implement the community vision for the landscape reserve area in the Cemetery that would complement and respect the Cemetery context. (2021-2022)

2.1.B Evaluate the feasibility of options for public access to the river for recreational activities. Potential access includes the City owned property at 69th and Meridian. (2022-2025)

Strategy 2.2. Develop community spaces that create activity and gathering areas in the city.

Actions

2.2.A Use the Parks Master Plan and Pedestrian & Bicycle Facilities Master Plan to elevate outdoor activities. (Ongoing)

2.2.B Set a timeline for the design and use of an outdoor pavilion in Lions Park. (2021-2022)

Strategy 2.3. Address existing neighborhood and resident concerns that affect the overall quality of spaces.

Actions

2.3.A Study the feasibility of railroad quiet zones in Valley Center. (2021)

2.3.B Develop and adopt a plan to increase lighting in park spaces for aesthetic and security purposes. Evaluate the efficiency of renewable energy options and current pilot projects on city streets when developing the implementation plan. (2021-2022)

OBJECTIVE 3: LEAVE VISITORS AND RESIDENTS WITH A POSITIVE IMPRESSION OF VALLEY CENTER.

Strategy 3.1. Inform people about what the community offers.

Actions

3.1.A Implement an enhanced family of pedestrian and motorist wayfinding signage systems to community destinations. (2023)

3.1.B Enhance community entryway signage at all corridors into Valley Center, focusing on Ford Street/W 77th Street first. (2022)

3.1.C Use the city mobile application to market recreational programs to people living outside of Valley Center. (2021 and ongoing)

Strategy 3.2. Enhance the streetscape of entryway corridors as a major contributor to visual community spaces in Valley Center.

Actions

3.2.A Ensure that reconstruction or expansion projects of corridors include landscaped environments. Upcoming projects include Meridian and Ford Street. (2022-2023)

3.2.B Explore funding options for public art and beautification projects. (2023)



Strategic Goals

Goal: Efficient Public Facilities. *There is adequate infrastructure to deliver efficient and effective services to meet community needs.*

OBJECTIVE 1: HAVE FUNDING PLANS FOR INFRASTRUCTURE PROJECTS AND SERVICES TO ENHANCE RESIDENTS' QUALITY OF LIFE.

Strategy 1.1. *Maintain existing infrastructure before failure and safety concerns and preserve quality of life.*

Actions

1.1.A Identify and secure funding partners for infrastructure improvements in the Main Street district for the greatest visual impact. (2023)

Strategy 1.2. *Evaluate long-term needs around City space, personnel, equipment, and funding.*

Actions

1.2.A Evaluate all public facilities' needs related to space and functionality, including expansion alternatives and combining new facility locations. (2021-2022)

1.2.B Dedicate funding to replace Fire and Police Department equipment as necessary to maintain high quality of service. For example, Engine 41 and public safety radios. (2023)

Strategy 1.3. *Identify new funding opportunities including grants, foundations, and other streams to enhance City services.*

Actions

1.3.A Work with the community foundation to see if their mission and funding programs can be targeted or refined to target gaps and needs in this Plan. (2021)

Strategy 1.4. *Grow in a contiguous, compact, and fiscally responsible manner.*

Actions

1.4.A Ensure regulations and development agreements require building infrastructure with development rather than ahead of development. (2021- continued with the 2023 Comprehensive Plan Update)

1.4.B Evaluate and then establish policies/standards that encourage or require building at densities that fiscally support the future maintenance of infrastructure to serve the development. (2023 with Comprehensive Plan Update)

1.4.C Complete a Water Treatment Plant study to understand the capacity needed to support future residential, commercial, and industrial growth and projected reductions in water rates as a result. (2021-2022)

OBJECTIVE 2: THE CITY WILL DEVELOP CAPITAL IMPROVEMENT PLANS WITH DECISIONS THROUGH A LOGICAL, METRIC-BASED PROCESS.

Strategy 2.1. *Develop a process for bi-annual CIP planning that considers community needs.*

Actions

2.1.A Implement a formal CIP review committee. (2021)

Strategy 2.2. *Continually evaluate ways to increase the efficiency of personnel and use of City funds.*

Actions

2.2.A Evaluate the fiscal efficiency/feasibility for the City to complete specific street maintenance work rather than through contractors. Amend CIP budgets accordingly. This may involve increasing City facilities, personnel, and equipment. (2021-2022)

2.2.B Update technology resources for City staff, including updates to servers and technology equipment/software. (2022-2023)

2.2.C Continue to support Valley Center's public safety services with an annual evaluation and funding plan for short term and long term needs. (On-going)



Strategic Goals

Goal: Housing. Safe neighborhoods, a variety of living options, and affordable/attainable housing

OBJECTIVE 1: ENCOURAGE OWNERS TO MAINTAIN EXISTING HOUSING IN GOOD CONDITION TO RETAIN AFFORDABLE, QUALITY HOUSING OPTIONS.

Strategy 1.1. *Identify opportunities for and/or promote available rehabilitation funding to improve the appearance and the value of housing in the community.*

Actions

- 1.1.A** Continue to market the Neighborhood Revitalization Program (NRP) to those most in need of assistance. Monitor and report the use of the program to the public. (2021 and ongoing)
- 1.1.B** Explore potential funding tools that can assist the maintenance of renter-occupied housing or what tools exist that need to be marketed. (2022-2023)

OBJECTIVE 2: INCREASE THE VARIETY OF HOME TYPES AND PRICES FOR ALL AGES AND TYPES OF HOUSEHOLDS.

Strategy 2.1. *Establish proactive measures to stimulate quality housing construction in the community.*

Actions

- 2.1.A** Establish public/private partnerships to create affordable housing (homes and lots), targeting moderately priced homes priced between \$180,000-\$250,000 (2020 dollars). (2023)
- 2.1.B** Continue to proactively market the Housing Incentive Program and Commercial Housing Incentive Program to meet needs the private market cannot satisfy alone. (2021 and ongoing)
- 2.1.C** Establish an annual check-in meeting with local developers and builders to understand challenges, opportunities, and whether existing programs target the suitable needs in residential development. (2021 and ongoing)
- 2.1.D** Develop prepackaged site plans or development plans which fill housing variety needs and gaps in Valley Center. These can then be used to fast-track approval or offer incentives/infrastructure assistance if met by the builder or developer. (2023, possibly with Comprehensive Plan Update)

Strategy 2.2. *Identify local housing needs and ensure that growth and development policies align with these needs.*

Actions

- 2.2.A** Evaluate the future housing demand for senior and multi-family housing, which could include condos, multiplexes, patio homes, assisted living facilities, and traditional apartments. (2022-2023)
- 2.2.B** Identify and market programs and initiatives that help people age in the community. (2022-2023)

(Note the above strategies can relate to rental housing to provide options and variety)



Stakeholders

ENGAGEMENT SUMMARY

Many stakeholders were involved in the creation of the 2021 Valley Center Strategic Plan. Those involved understood that many goals and objectives from the 2016 Strategic Plan are not obsolete. Therefore, many of the goals, objectives, strategies, and actions reflect items started under the 2016 Plan.

The following engagements took place in the process of creating the 2021 Strategic Plan.

Steering Committee. A steering committee comprised of staff, City Council members, and community stakeholders met regularly to discuss plan elements and guide the plan's creation.

City Council Kick-off. A kick-off meeting with the City Council in March 2020 asked members where they want to see Valley Center in the future and the challenges to get there.

Steering Committee Kick-off. A kick-off meeting with the Steering Committee asked them the opportunities and challenges for Valley Center in the next five years. The exercise began the process of identifying objectives for the 2021 Plan.

2016 Plan Survey. Steering Committee and Council members were surveyed at the beginning of the process to ask what strategies from the 2016 Plan are still relevant today. The exercise helped understand which items might still need to be pursued in the 2021 Plan.

Listening Sessions. Eight sessions were held in January 2021 with small groups representing a variety of target groups to understand market conditions in Valley Center and the feasibility of specific actions.

Visioning Workshop. A visioning workshop in March of 2021 gathered around 25 stakeholders with a broad representation of the community to evaluate a draft version of the 2021 strategic plan. The participants helped to refine the Plan for the actions most feasible and reflective of where Valley Center should focus in the next three to five years.

Emerging Themes from the Engagement Process:

- Infrastructure maintenance
- Overcome "growing pains" – new facilities and operations for quality of life
- Appropriate housing growth
- Create an environment for business
- Establish Valley Center's image
- Enhance Valley Center's "curb appeal"
- Evolve to a desirable community for all households
- Continue leadership in parks and recreation
- Create places for gathering and memorable experiences



Major Revenues, Financial Forecasting & Long Range Financial Plan





Major Revenues—Property Tax Visual

Major revenues for the overall 2024 budget are detailed below in the graph.



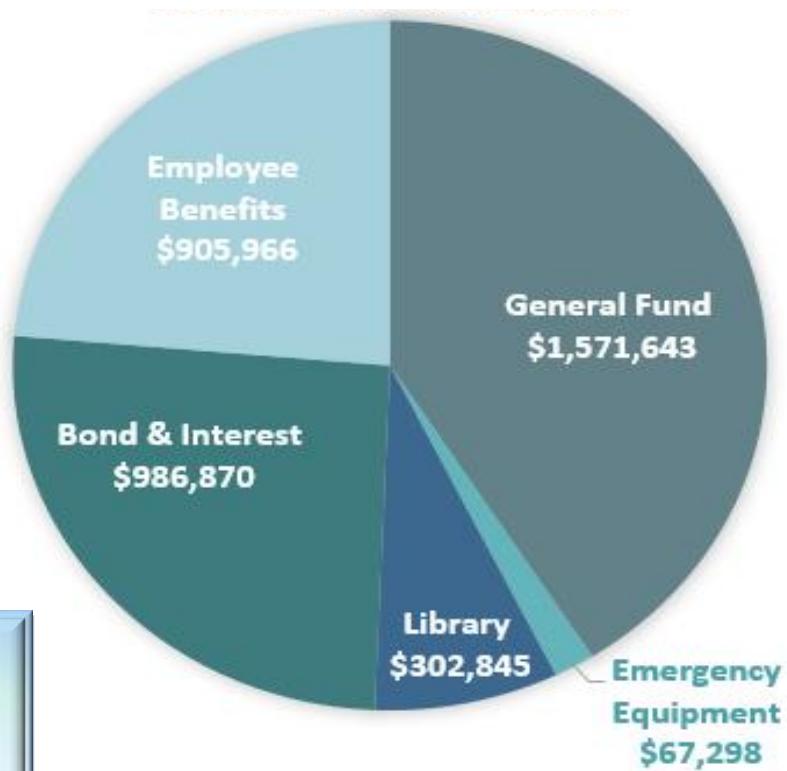
Charges for Services 32%: User charges are derived from services provided by the City such as water, storm water, sewer, and solid waste. Rates for these charges were determined by a cost study performed by an outside firm.

Ad Valorem Taxes 29%: Ad valorem taxes are strictly property taxes. These taxes are based off of each properties' assessed valuation.

Intergovernmental 20%: This category is mostly Sales Tax that is collected by the county and a portion is distributed to the cities within the county based on population and size.

Miscellaneous Transfers 6%: This category is comprised of transfers from the non-budgeted water, sewer and streets funds.

Other Revenue 4%: Includes such revenue as Special Assessments. Special assessments are charges for new infrastructure and upgrades to existing infrastructure. When new infrastructure or upgrades are made to existing infrastructure, the overall cost is divided amongst the home-owners and businesses based upon the frontage area of the property that is directly benefiting from the new or upgraded infrastructure.



[Click here to test our online property tax calculator.](#)

[Created for residents convenience.](#)



Major Revenues—Property Tax Visual

THE 2024 BUDGET TOTALS \$3,835,881 OF PROPERTY TAX REVENUE

The picture illustrates how one dollar of property tax is distributed amongst the taxing funds.



↳ **General Fund** — Supports the Administration, Parks and Public Buildings, Public Safety, Legal and Court, and Community Development departments.
41% of total tax dollars are spent in the General Fund.

↳ **Employee Benefits** — Funds items such as retirement plans, insurance for City staff, workman's compensation, social security and others.
24% of total tax dollars are spent on Employee Benefits.

↳ **Bond & Interest** — Funds debt service payments.
26% of total tax dollars are spent on Debt Service.

↳ **Library** — Funds the Library.
8% of total tax dollars are transferred to the City Library.

↳ **Emergency Equipment** — Provides funding for the Police and Fire Departments equipment and vehicles.
2% of total tax dollars are allocated to the Emergency Equipment fund.



Major Revenues-Property Tax Forecast

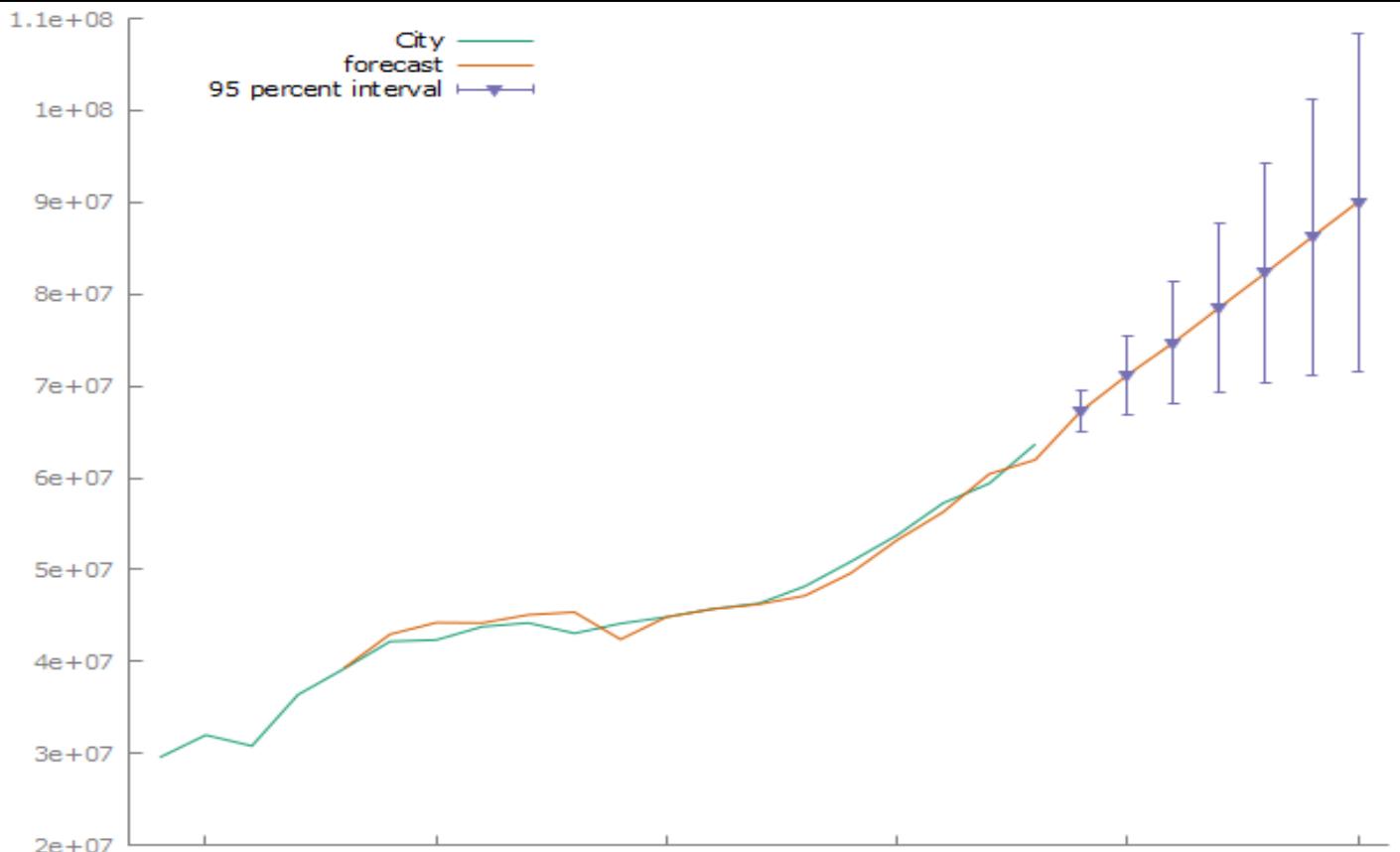
An important tool for local municipalities to utilize is forecasting. Our projections are calculated using time series forecast with a moving average . Time series data is a sequences of measurements that follow non-random orders. The analysis of time series is based on the assumption that successive values in the data represent consecutive measurements taken at equally spaced time intervals.

	2022 ACTUAL	2023 PROJECTED	2024 PROJECTED	2025 PROJECTED	2026 PROJECTED	2027 PROJECTED
General Fund	21.626	22.413	22.476	21.050	20.050	19.050
Employee Benefits	13.267	12.956	12.956	14.883	14.883	14.883
Bond & Interest	14.471	14.131	14.131	13.500	14.500	15.500
Library	4.487	4.382	4.331	4.381	4.381	4.381
Emergency Equipment	.997	.974	.962	1.014	1.014	1.014
Total	55.012	54.856	54.848	54.848	54.848	54.848
Total Dollars	\$3,148,667	\$3,256,435	\$3,363,103	\$3,406,893	\$3,489,576	\$3,560,157
Assessed Value	\$57,236,412	\$59,194,838	\$61,133,851	\$61,929,704	\$63,432,765	\$64,716,058
AV Mill Value	\$57,236	\$59,195	\$61,134	\$61,930	\$63,433	\$64,716
% Change in Assessed Value	5.65%	3.4%	3.28%	1.3%	2.43%	2.02%

We utilized an ARIMA model which is the most general class of models for forecasting a time series data. ARIMA stands for AutoRegressive, Integrated, and Moving Average. The ARIMA model takes into account autocorrelation, the moving average factors within the series, and the drift or trend (integrated). The ARIMA model tries to break down the autocorrelation while adding in factors for moving average and the trend. The ARIMA model gives us the best results for this calculation. As seen on the following page, the 2021 Valuation year (received in 2022) was under the actual certified amount by \$1,636.15. By keeping this model updated the City will maintain a great estimate on property taxes based on assessed valuation history.



Major Revenues-Property Tax Forecast



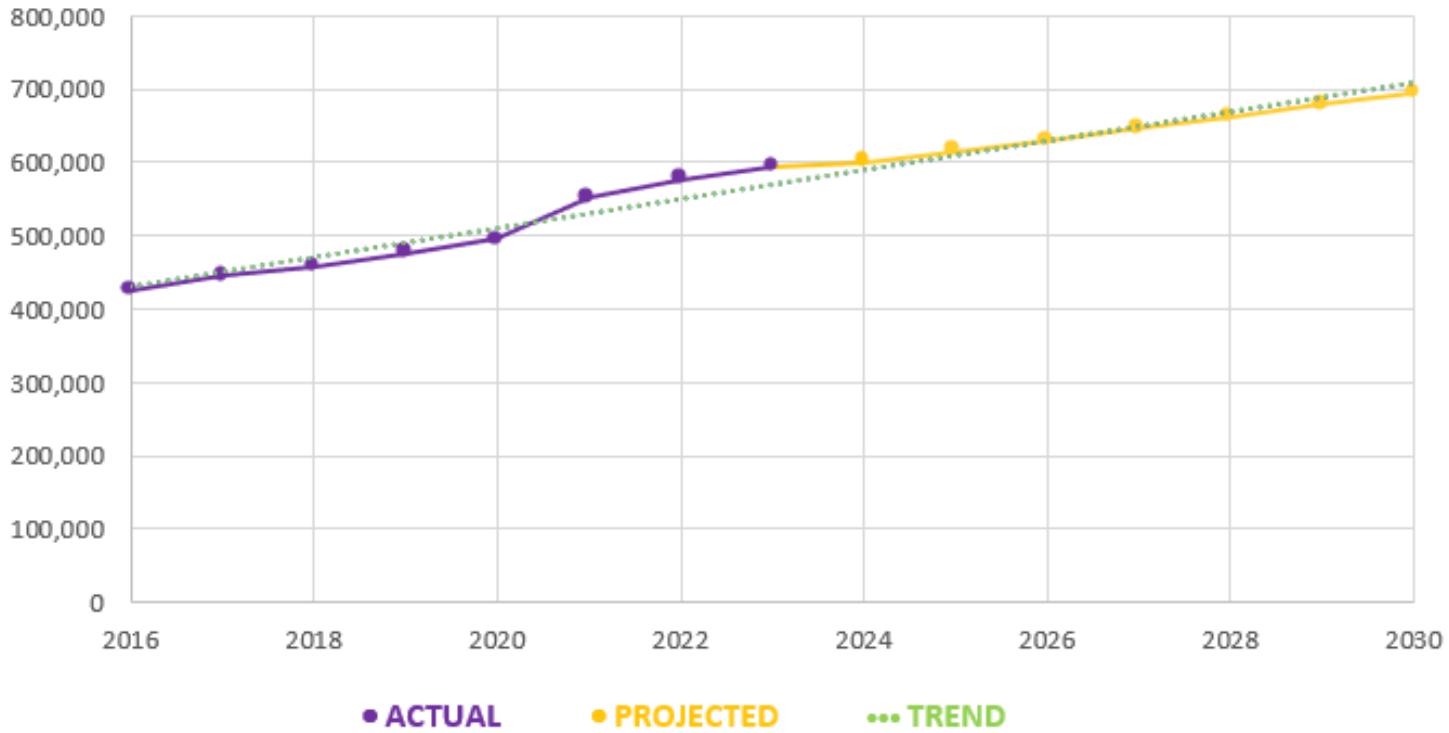
	City	prediction	std. error	95% interval
2004	29564282.00			
2005	31997750.00			
2006	30796048.00			
2007	36377123.00			
2008	39208830.00	39282511.64		
2009	42178107.00	42961696.59		
2010	42344615.00	44233438.32		
2011	43792585.00	44188231.50		
2012	44193447.00	45081208.23		
2013	43065035.00	45367652.75		
2014	44128717.00	42402426.03		
2015	44845295.00	44843008.96		
2016	45726703.00	45710223.38		
2017	46321053.00	46234165.77		
2018	48176771.00	47156058.96		
2019	50874469.00	49616986.51		
2020	53741900.00	53211558.63		
2021	57236412.00	56267723.79		
2022	59371877.00	60408837.80		
2023	63669317.00	61962491.45		
2024		67287347.40	1152523.911	65028442.05 - 69546252.76
2025		71184334.92	2207160.309	66858380.21 - 75510289.64
2026		74711708.30	3428333.402	67992298.30 - 81431118.29
2027		78553137.08	4698097.973	69345034.26 - 87761239.91
2028		82310715.36	6138557.031	70279364.66 - 94342066.06
2029		86182692.58	7695728.204	71099342.47 - 101266042.70
2030		90012054.15	9377586.406	71632322.53 - 108391785.76



Major Revenues- Enterprise Forecast

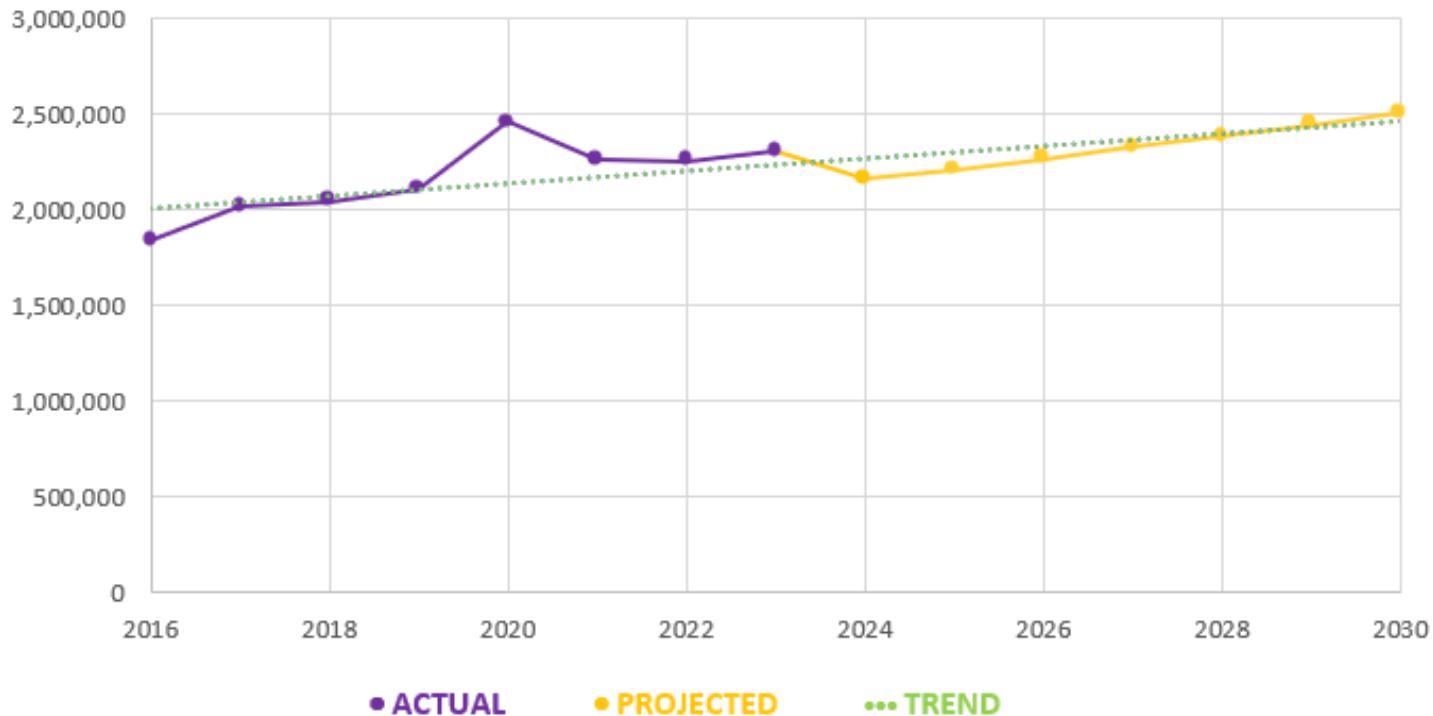
Solid Waste service fees are projected at \$600,076 for 2024

SOLID WASTE SERVICE FEES



Sale of Water is on pace to bring in \$2,302,192 for 2023.

SALE OF WATER

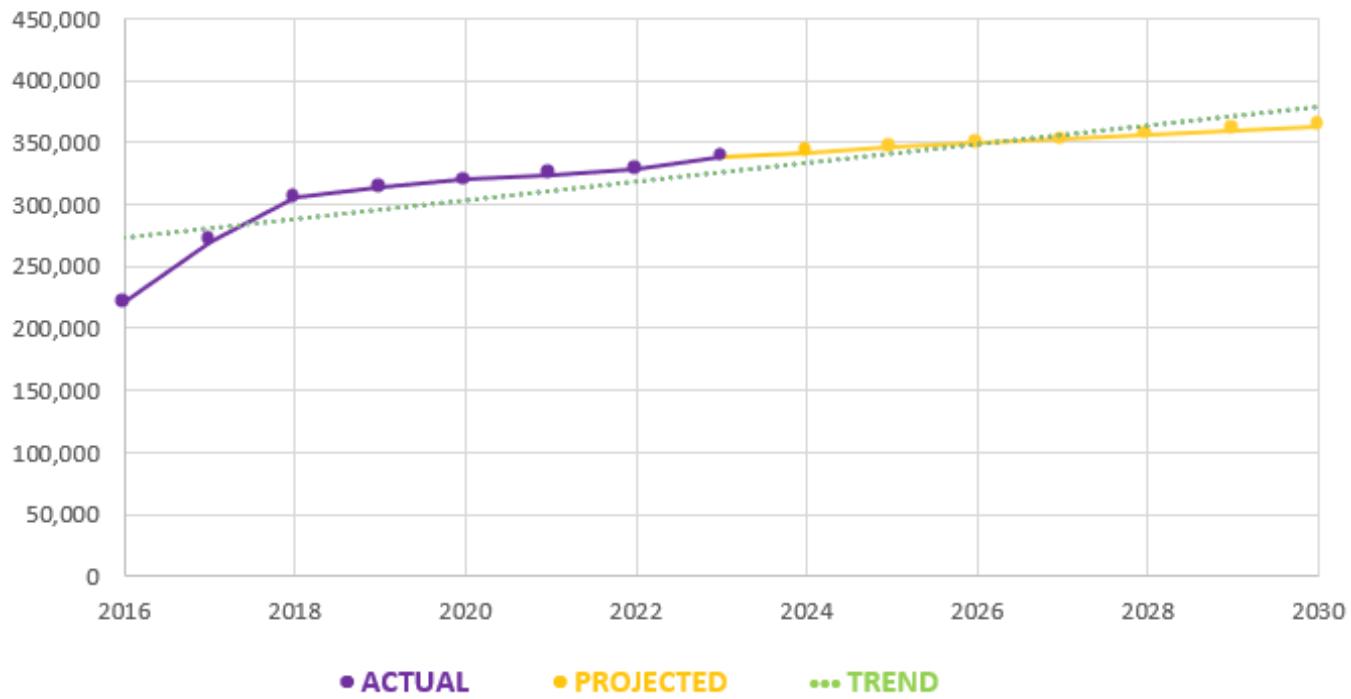




Major Revenues - Enterprise Forecast

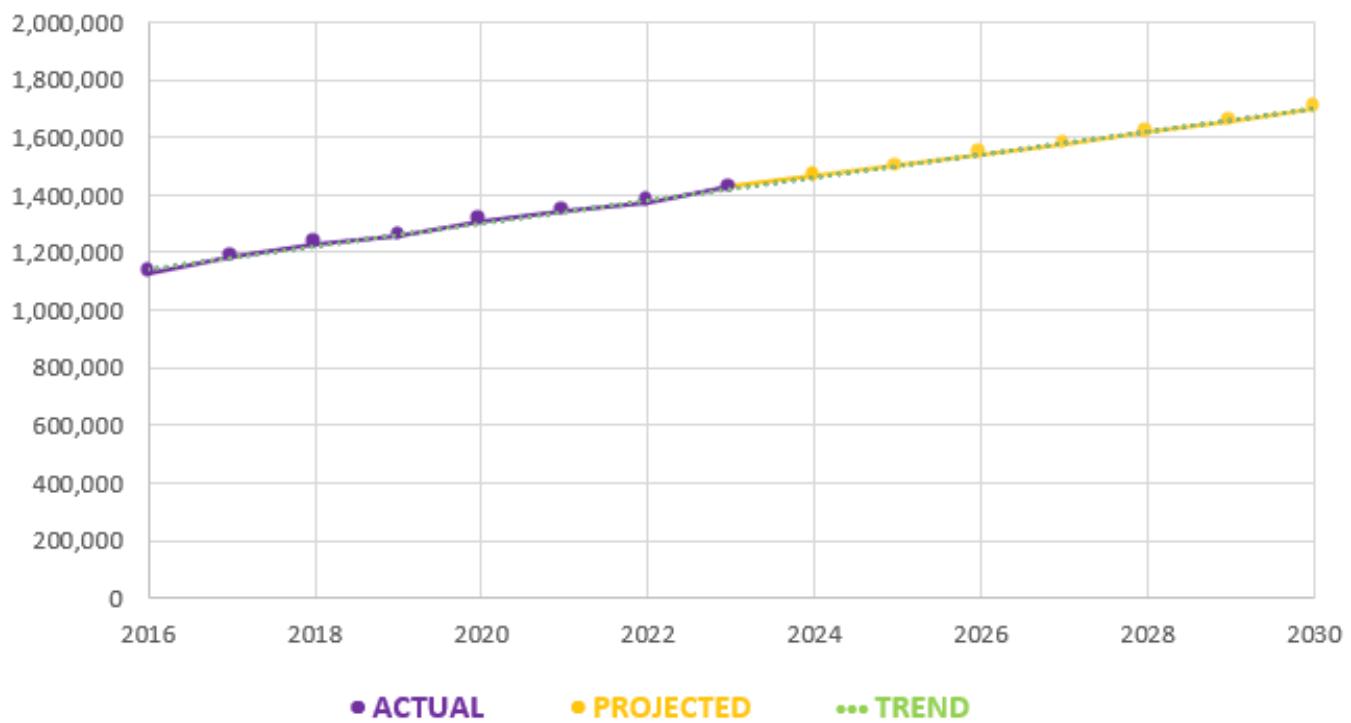
Based on a recent Stormwater fee resolution that kept the stormwater management fee flat we forecast a 1% increase based on City residential growth. The fund was budgeted for \$325,000 in revenue for 2023 but is on pace to bring in \$338,940. 2024 is forecasted at \$342,329.

STORMWATER MANAGEMENT FEES



Sewer charges are on pace to bring in \$1,430,111 for 2023 and projected at \$1,465,864 for 2024.

SEWER SERVICE FEES





Five-Year Financial Plan

Five-Year Financial Plan

The following financial plan will outline the city's financial position by highlighting the fiscal year 2021 and 2022 actual revenues and expenditures, the budget for 2023, revised as of June 1st, and the proposed budget for fiscal year 2024. In addition to the budgeted and historical numbers we will also review forecasted numbers through 2028 for the city's governmental funds.

The city's governmental funds (funds that levy property taxes) consist of the General Fund, Employee Benefits Funds, Library Fund, Emergency Equipment Fund and the Bond and Interest Fund.

Forecasted Revenues



Property Tax

City staff maintain revenue forecasting using the ARIMA model which is the most general class of models for forecasting a time series data. ARIMA stands for AutoRegressive, Integrated, and Moving Average. The ARIMA model considers autocorrelation, the moving average factors within the series, and the drift or trend (integrated). The ARIMA model gives us the best results for this calculation.

Sedgwick County provides the estimated valuation for the city each year in June for the purpose of budgeting the following year's revenue. In 2023 the estimate received from the county, for FY2024 budget, was 9.8% higher than the previous year. Typically, the City of Valley Center sees a valuation increase of approximately 5.7% on average. Starting in 2025 the city estimates 40 new homes will be added each year with an average appraised value of \$200,000 dollars. This will mean a \$920,000 annual increase to the city's valuation, that will change our expected increase percentage to roughly 6.5%.



Five-Year Financial Plan

County Sales Tax

The county sales tax distributions are split equally between the General Fund and the Special Streets and Highway Fund. Valley Center's portion of the county sales tax was budgeted with an assumed 17% increase. The large increase was due to the last two years of actuals remaining steady with higher than anticipated receipts. The budgeted amount for 2022 was \$600,000 for General Fund and the actual revenue received was \$816,242. Based on the current 2023 county sales tax revenue received to date, the budgeted 2023 sales tax revenues have been increased to \$800,000. Based on the past and current trends, we expect approximately \$860,248 in revenue. In 2024, we are budgeting sales tax revenue at \$800,000 conservatively due to the volatility that consumer spending can have on sales tax revenues.

Throughout 2020, unemployment spiked to all time highs due to the coronavirus pandemic. Throughout 2021 and 2022 the unemployment rate slowly declined, but at the same time job vacancies remained high. Because the ratio of job vacancies to unemployment remained high, this created wage pressure throughout the economy which resulted in higher prices for goods and services due to higher wage demand from workers. Also, throughout 2021 & 2022 consumer spending was able to be sustained due to national policy decisions that helped consumers financially. These policies included the freeze on student loan payments, PPP loans, direct stimulus payments to individuals and families, as well as changes to unemployment rules and tax laws such as the child tax credit.

In 2023 covid relief programs are reaching their designated end points, along with the consistent increase in cost of goods and services. Regardless, we do not anticipate a decrease in county sales tax revenue due to the rise of inflation and the increase in wages across the local and state economy.

License and Permits

This category is comprised of 18 items, several being liquor licenses, business, contractor and sub-contractor licenses and permits, firework permits, and pet licenses. We are anticipating this category to generate an additional \$15,000 for fiscal year 2023, due to the new housing developments generating increased permit and license revenue from contractors and sub-contractors.

Utility Franchise Fees

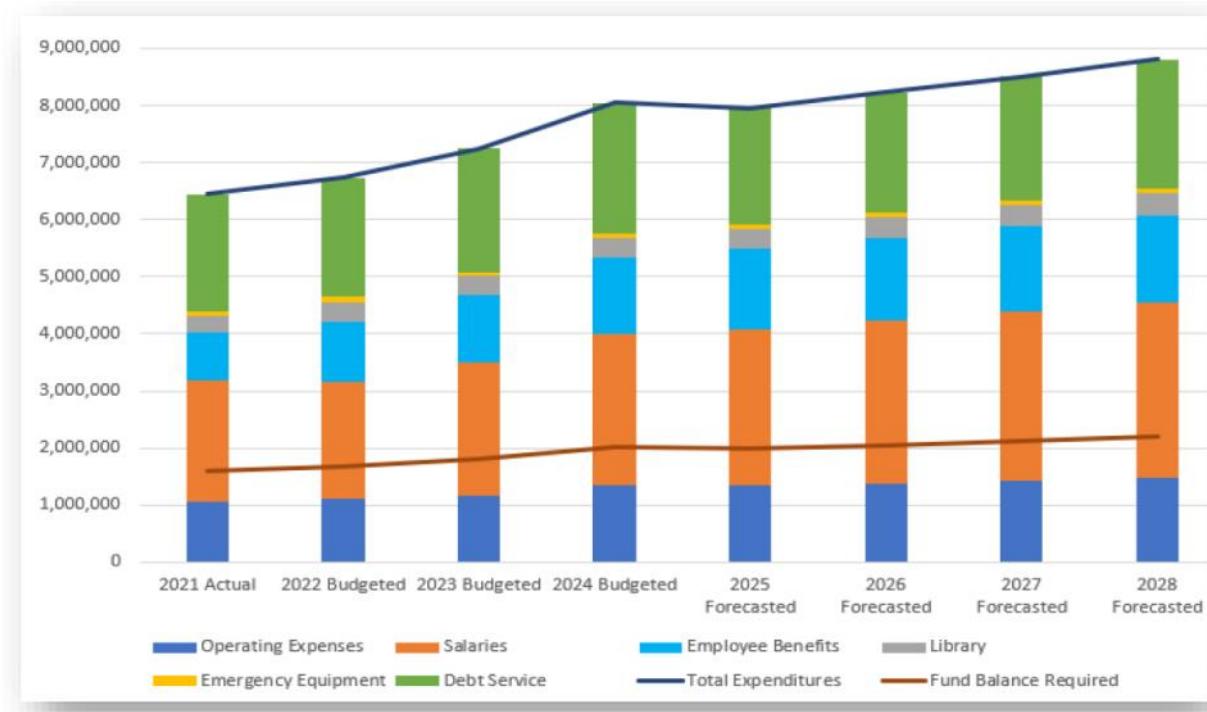
Utility franchise fees are charged to all utility companies that utilize the City's Right of Way to deliver services to the residents of the City. The City charges a 5% franchise fee on all eligible receipts the utility companies collect. The franchise fee is then remitted to the City on a monthly or quarterly basis. Utility Franchise Fees are budgeted in line with FY23 but recent rate increase proposals from Evergy may result in an increase in Franchise Fee revenue over what is currently budgeted.

Other Revenues

This category is comprised of police fines and court and diversion fees, community building rental fees, reimbursements, interest on idle funds, cemetery lot sales and burial fees. This is a revenue source that was budgeted conservatively for 2023 at \$438,474 which is a decrease versus 2022 actuals. In 2024, we have again budgeted conservatively with an increase of 5% over fiscal year 2023.

Five-Year Financial Plan

Forecasted Expenditures



Operating Expenses

Operating expenditures are budgeted with a 5% increase for fiscal year 2023. This is higher than previous years due to post-covid inflation causing cost of equipment and supplies, chemicals and fuel to rise. The cost of insurance increased by 10%, partially due to several new vehicles being leased. The City also offers a property tax rebate to purchasers of newly built homes, with the increase of new homes we anticipate property tax rebates to steadily increase as homes are sold.

Salaries

Salaries in 2022 were budgeted to increase 3%. Mid-year in 2022 City Council approved a one-time cost of living salary adjustment. Beginning in 2023 and for the years to follow we will assume a 2.5% merit increase and 1.5% cost-of-living increase. For 2024 there will be a budgeted 7% increase for General Fund due to the above-mentioned increases but also due to changes that were made to the Employee Policy Manual that took effect January 1st, 2023. These changes included an added paid holiday for Juneteenth, sick leave payout not exceeding \$15,000 for tenured employees of 10+ years, increased vacation accrual, stand-by and call back pay for certain departments and increased longevity pay.

Employee Benefits

KPERS:

The employer contribution for KPERS has typically increased annually in accordance with rate increases approved by the 2012 legislature. In 2023 we had a decrease in the rate from 9.9% of gross wages to 9.4%, in 2024 this will increase to 10.3%.

Five-Year Financial Plan

Employee Benefits cont.

KP&F:

At the beginning of fiscal year 2022 the City of Valley Center transitioned all police officers and full-time fire fighters from KPERS to KP&F. In 2023 we had a decrease in the employer contribution rate from 22.99% to 22.86%, so for fiscal year 2023 we have budgeted FY 2022 actuals plus anticipated increases in employer contributions due to annual employee salary increases. In 2024 we will increase the budget due to the contribution rate rising to 23.10% of gross wages.

Health Insurance:

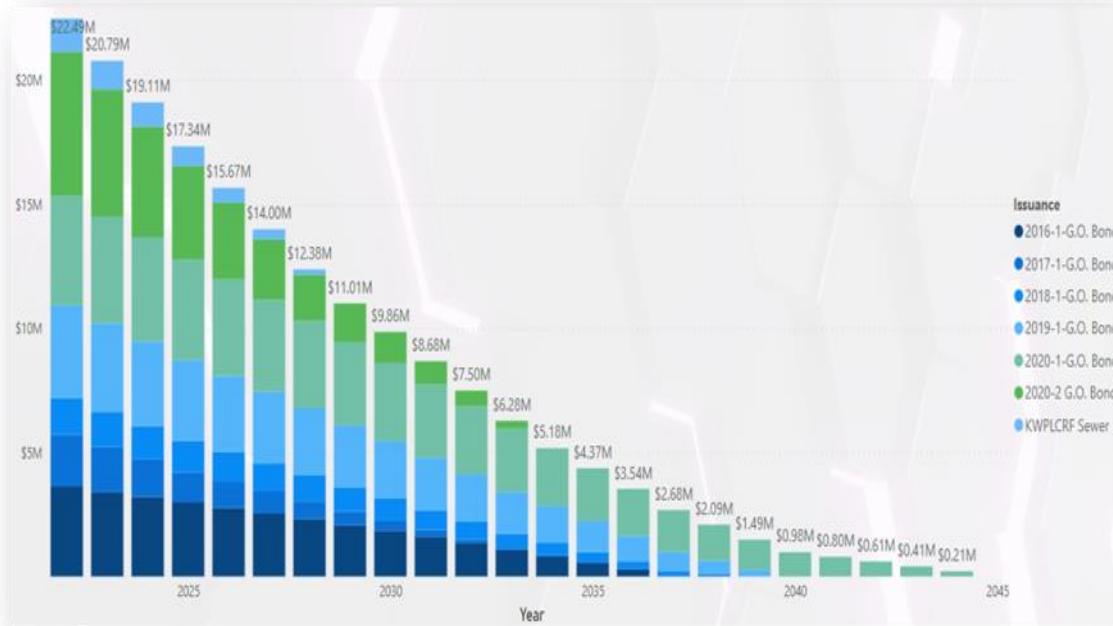
The City of Valley Center has a partially self-funded insurance policy for its employees. This creates some volatility in the fund, but overall has been a money saver for the city. Due to the trending increase in insurance claims and premiums we have budgeted a 10% increase over fiscal year 2022. In 2022 we saw a spike in insurance claims and premiums, this can be attributed in part to the hospitals having more space to accommodate elective procedures along with rising prescription costs. FY has shown a downward trend in claims which will result in FY23 mirroring FY21.

Bond and Interest

Our annual bond and interest payments for existing debt are outlined in advance with the detailed amortization schedule provided to the city when the debt is issued. As of June 2023, we have issued no new bonds or temp notes since the 2022-1 and 2022-2 Temporary Notes.

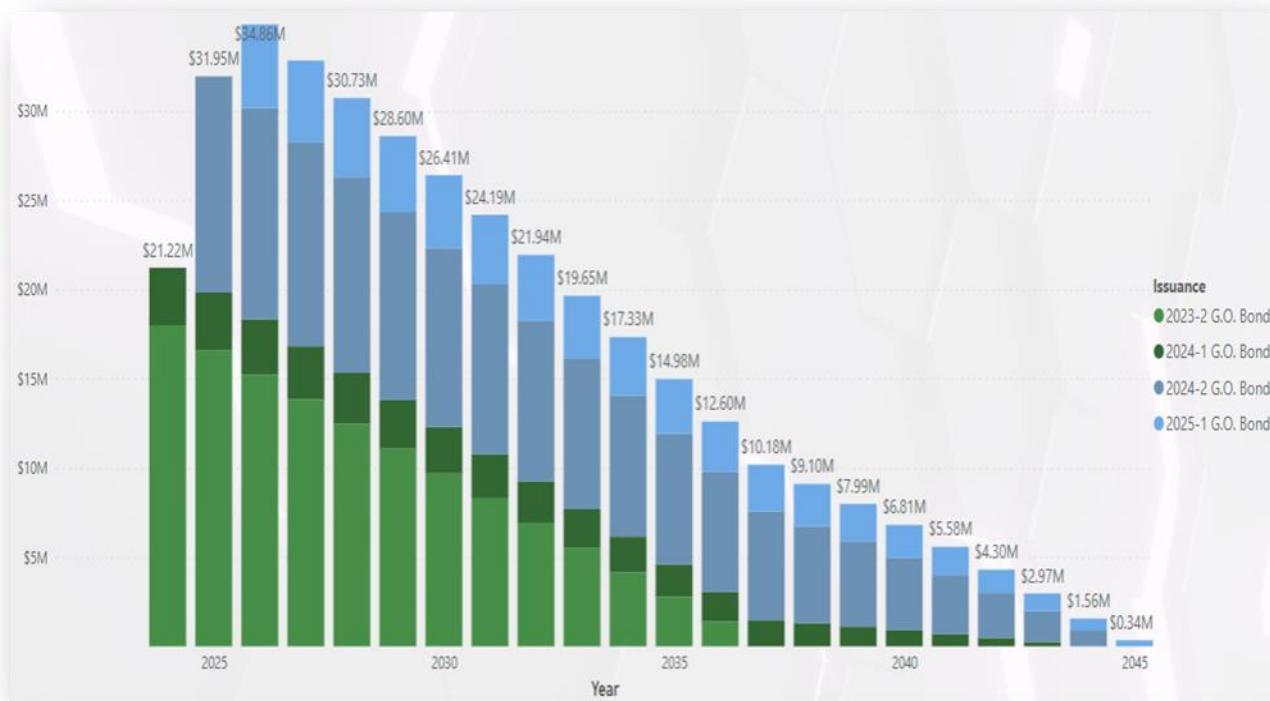
The city currently has several projects in the works, but not all will be supported by ad valorem taxes. Funding also comes from the city's Water, Sewer and Stormwater Funds. Many projects are new subdivisions that will be supported by special assessments as well as a Tax Increment Financing district that is supported by ad valorem taxes but is separated into a different fund until the district is dissolved in twenty years.

The following graph shows the overall current debt that has been issued:

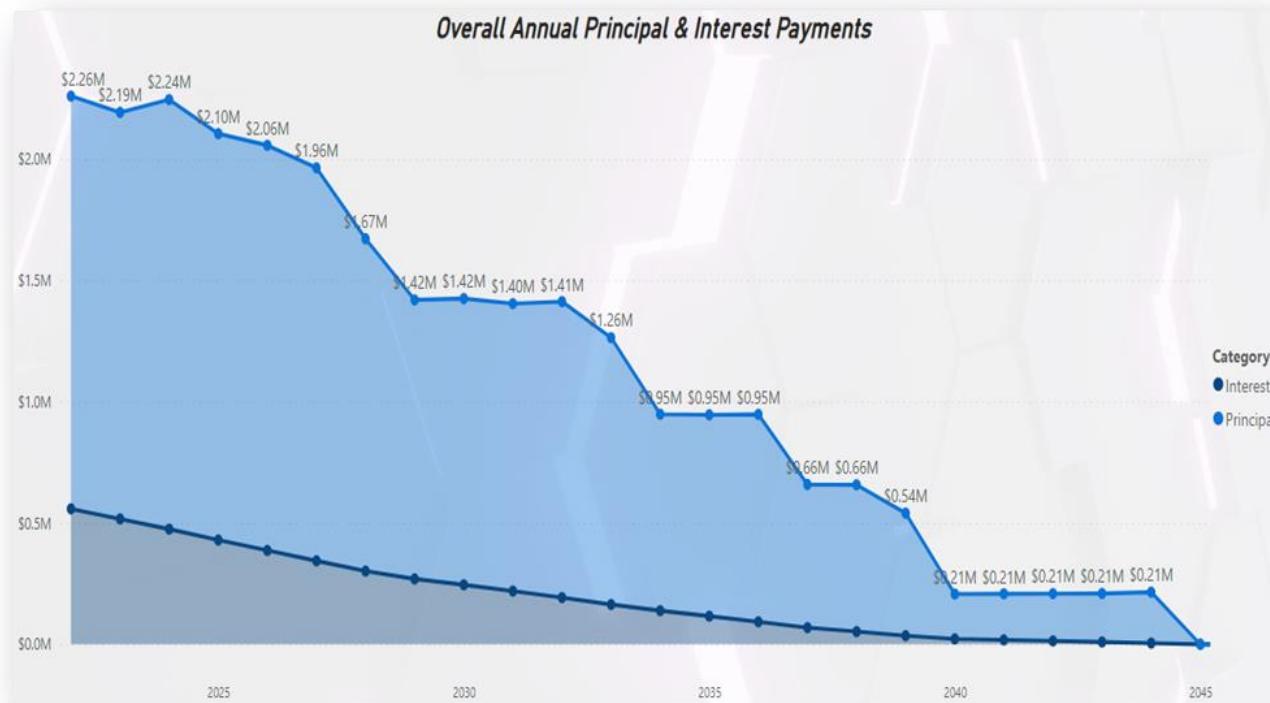


Five-Year Financial Plan

The following graph shows the overall forecasted debt:

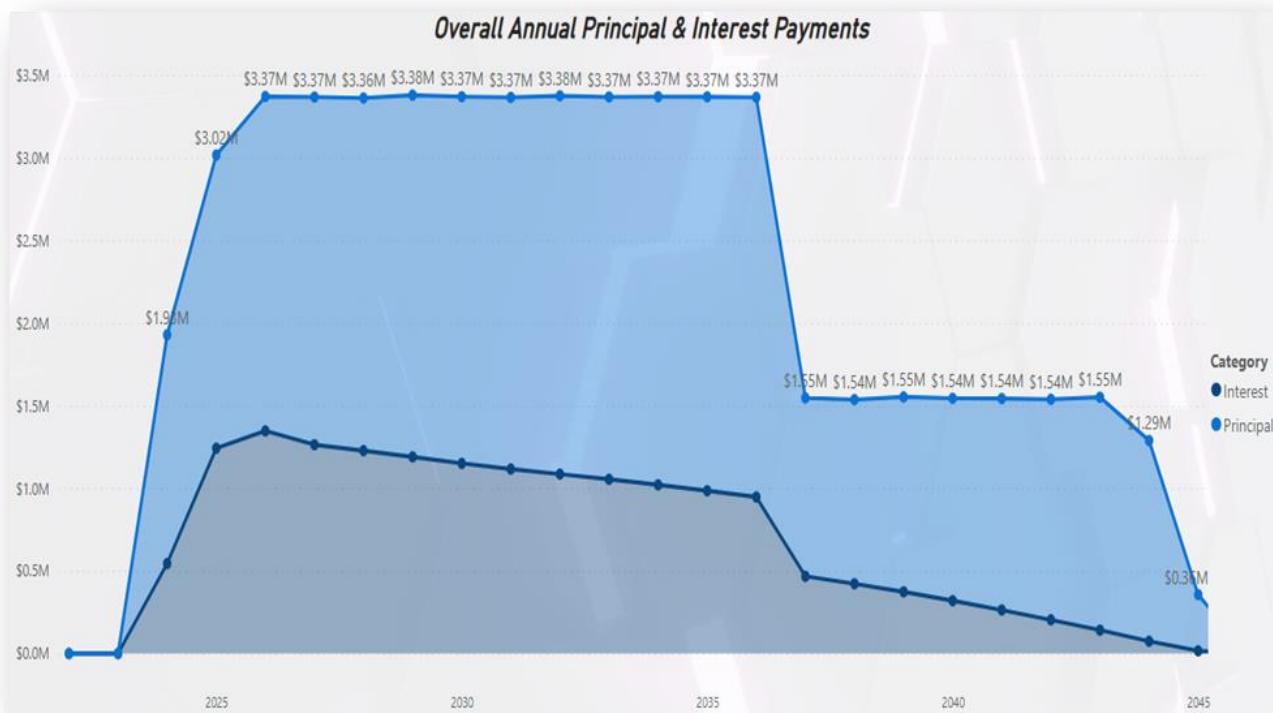


The following graph shows the overall current annual Principal and Interest payments for debt that has been issued:

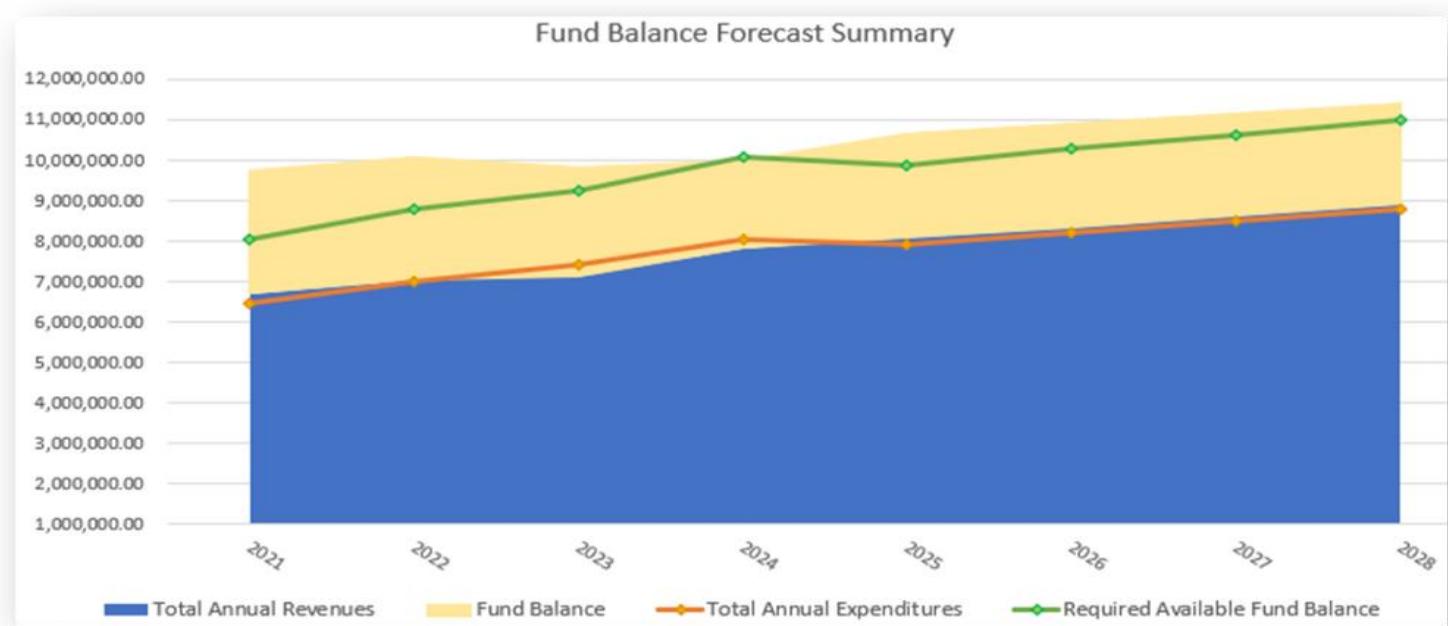


Five-Year Financial Plan

The following graph shows the overall forecasted annual Principal and Interest payments for anticipated debt:



Fund Balance and Necessary Resources





Five-Year Financial Plan

The city of Valley Center's financial policy outlines instructions from the city council for staff to budget in such a way to maintain a reserve fund balance of 25% of the annual expenditures for a given fund. What is illustrated in this graph is the city's conservative revenue budgeting. The necessary available resources are shown with the green line, this is the resource dollar amount the city would need each year to be compliant with our financial policy. The blue shaded area is the actual and projected revenues and yellow is the actual and projected carried over fund balance.

For 2023, and 2024, we are expecting expenses to be higher than revenue. This is caused by the addition of KP&F, increased salaries, changes made in the employee policy manual and increased insurance claims. Even with the intentional budgeting of expenses over revenues, overall fund balance does not drop below 25% of annual expenditures. In 2025 expenditures fall back in line with revenues.

During the budgeting process, we diligently review revenue sources and assume that we will receive lower than estimated revenues. This helps to ensure that we do not overbudget expenditures.

Revenues	2021 Actual	2022 Actual	2023 Budgeted	2024 Budgeted	2025 Forecasted	2026 Forecasted	2027 Forecasted	2028 Forecasted
General Fund	3,379,530.00	3,538,289.35	3,572,314.40	3,760,958.00	3,902,082.68	4,049,248.99	4,202,716.45	4,362,755.76
Employee Benefits Fund	955,024.00	1,068,654.82	1,078,456.26	1,153,528.00	1,199,001.76	1,246,521.84	1,296,180.32	1,348,073.44
Library Fund	290,114.00	301,473.30	315,369.79	337,221.00	352,395.95	368,253.76	384,825.18	402,142.32
Bond and Interest Fund	2,026,207.00	2,076,050.59	2,114,215.43	2,508,764.00	2,558,353.69	2,610,174.91	2,664,328.08	2,720,918.15
Emergency Equipment Fund	70,144.00	74,748.35	75,358.88	80,095.00	83,474.28	87,005.62	90,695.87	94,552.18
Total Annual Revenues	6,721,019.00	7,059,216.41	7,155,714.76	7,840,566.00	8,095,308.35	8,361,205.12	8,638,745.91	8,928,441.85
Expenditures	2021 Actual	2022 Actual	2023 Budgeted	2024 Budgeted	2025 Forecasted	2026 Forecasted	2027 Forecasted	2028 Forecasted
General Fund	3,179,740.00	3,530,650.58	3,710,222.00	4,007,933.67	4,051,697.48	4,238,780.01	4,394,461.88	4,555,954.95
Employee Benefits Fund	839,959.00	1,068,616.79	1,168,672.00	1,354,650.00	1,395,289.50	1,437,148.19	1,480,262.63	1,524,670.51
Library Fund	289,555.00	301,473.30	315,258.00	345,000.00	355,350.00	366,010.50	376,990.82	388,300.54
Bond and Interest Fund	2,057,091.00	2,068,933.71	2,166,000.00	2,287,000.00	2,034,502.00	2,105,709.57	2,179,409.40	2,255,688.73
Emergency Equipment Fund	86,236.00	62,916.28	63,000.00	71,896.00	74,052.88	76,274.47	78,562.70	80,919.58
Total Annual Expenditures	6,452,581.00	7,032,590.66	7,423,152.00	8,066,479.67	7,910,891.86	8,223,922.73	8,509,687.43	8,805,534.32
Expenditure +/- Revenue	268,438.00	26,625.75	(267,437.24)	(225,913.67)	184,416.49	137,282.39	129,058.48	122,907.53
Fund Balance	3,055,848.00	3,015,679.64	2,673,187.27	2,187,843.13	2,575,439.92	2,548,399.32	2,521,358.73	2,494,318.13
Required Available Fund Balance	8,065,726.25	8,790,738.33	9,278,940.00	10,083,099.59	9,888,614.82	10,279,903.41	10,637,109.29	11,006,917.90

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Governmental Funds



General Fund Overview and Revenue Summary

The General Fund is the primary operating fund for the City. The General Fund for Valley Center is a legally required fund which accounts for the general operations and activities that the City provides that do not need to be accounted for elsewhere.

The General Fund provides funding for staff in the Police, Fire, Parks & Public Buildings, Finance & Administration, Municipal Court and Community Development Departments.

STAFF POSITIONS:

43 FULL-TIME | 22 PART-TIME

YEARLY COST: \$2,653,480

ADMINISTRATION: 7

LEGAL/COURT: 1

COMMUNITY DEVELOPMENT: 4

POLICE: 20

FIRE: 6 | 13 part-time

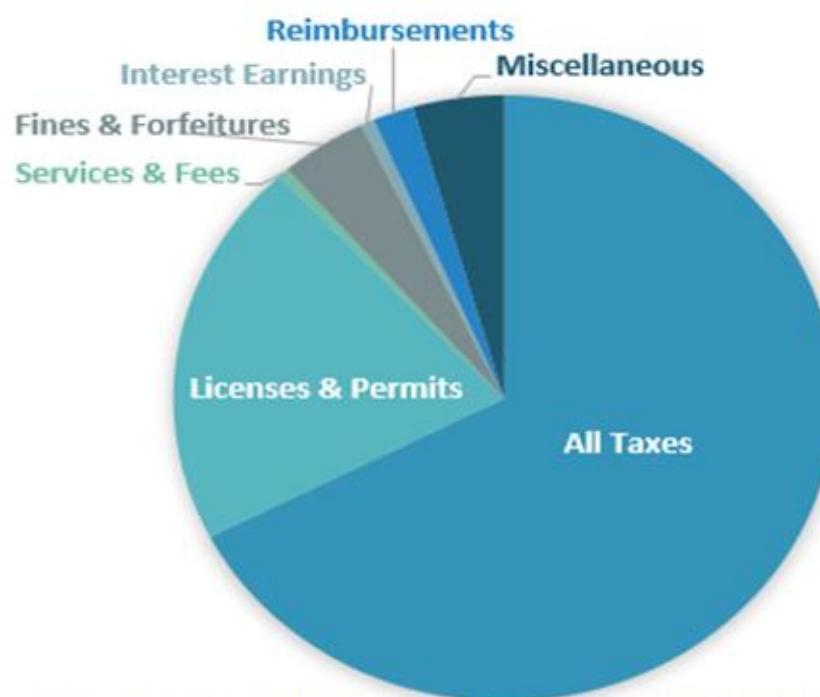
PARKS & PUBLIC BUILDINGS: 6

CITY COUNCIL: 9 part-time

The General Fund for Valley Center encompasses seven areas of revenue. The seven areas include Taxes, Licenses & Permits, Charges for Services, Fines & Forfeitures, Interest Earnings, Reimbursements, and Miscellaneous.

The General Fund main revenue source is taxes.

The taxes category is made up of ad valorem tax, sales tax, motor vehicle tax, watercraft tax, delinquent tax, recreational vehicle tax, county sales tax and alcohol tax. The second largest revenue source is licenses and permits. This revenue comes from licenses and permits for buildings, housing projects, construction, and various other activities that are completed by the citizens and businesses within the City.



The 2024 revenue sources for the General Fund amount to \$3,799,458 dollars.

All Taxes: 67% - \$2,562,872

Licenses & Permits: 21% - \$744,866

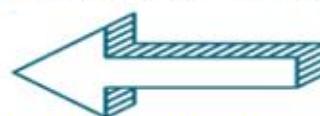
Miscellaneous: 4% - \$169,000

Fines & Forfeitures: 4% - \$162,000

Reimbursements: 2% - \$76,200

Interest Earnings: 1% - \$25,000

Services & Fees: 1% - \$21,000



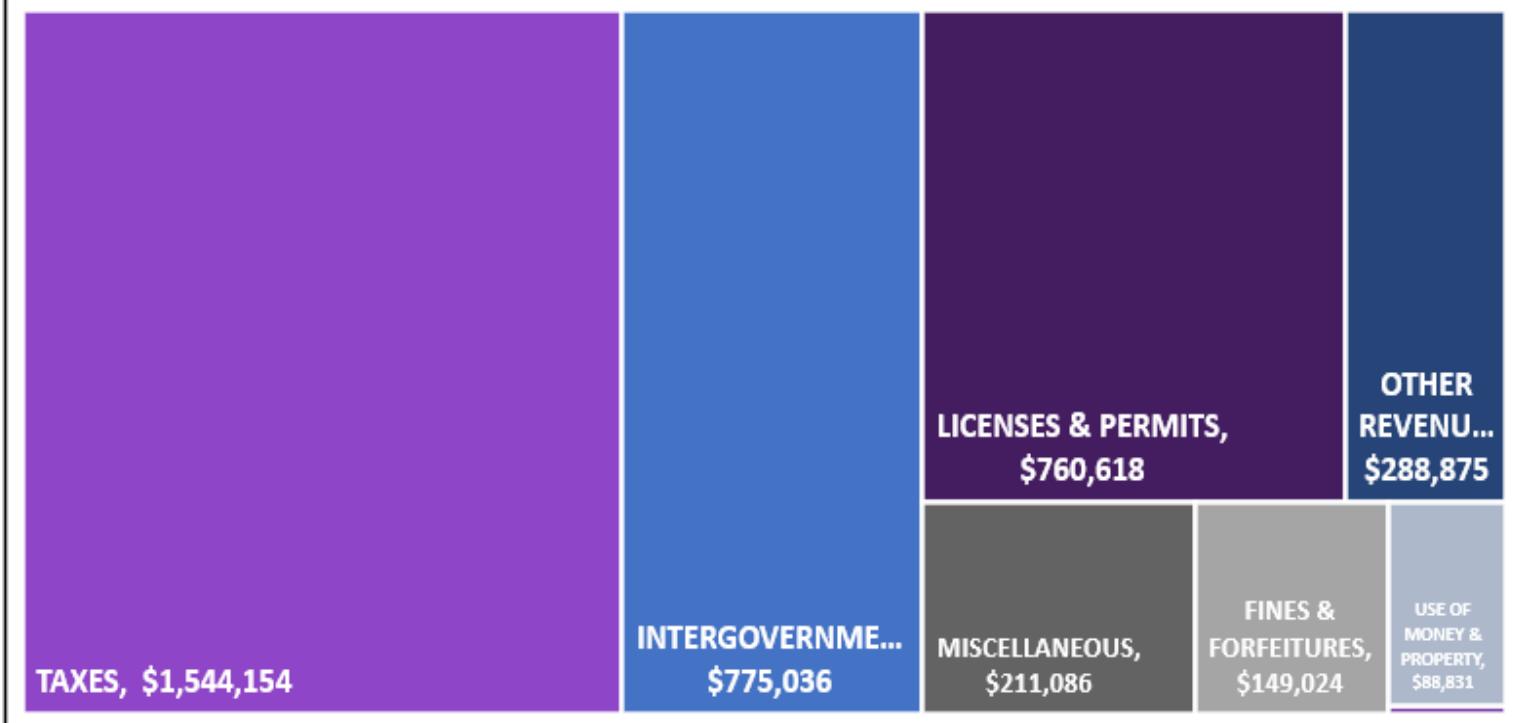


General Fund Overview and Revenue Summary

The General Fund is the primary operating fund for the City. The General Fund for Valley Center is a legally required fund which accounts for the general operations and activities that the City provides that do not need to be accounted for elsewhere.

REVENUE	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
GENERAL FUND	\$ 3,538,289	\$ 3,364,798	\$ 3,820,655	\$ 3,799,458
BAD DEBT	\$ -	\$ -	\$ -	\$ -
CHARGES FOR SERVICES	\$ 3,250	\$ 6,000	\$ 3,030	\$ 6,000
FINES & FORFEITURES	\$ 150,363	\$ 134,500	\$ 149,024	\$ 162,000
INTERGOVERNMENTAL	\$ 816,242	\$ 700,000	\$ 775,036	\$ 800,000
LICENSES & PERMITS	\$ 801,928	\$ 661,150	\$ 760,618	\$ 783,386
MISCELLANEOUS	\$ 157,318	\$ 169,000	\$ 211,086	\$ 169,000
OTHER REVENUES	\$ 106,351	\$ 54,974	\$ 288,875	\$ 76,200
TAXES	\$ 1,463,832	\$ 1,616,173	\$ 1,544,154	\$ 1,762,872
USE OF MONEY & PROPERTY	\$ 39,006	\$ 23,001	\$ 88,831	\$ 40,000

2023 General Fund Revenues

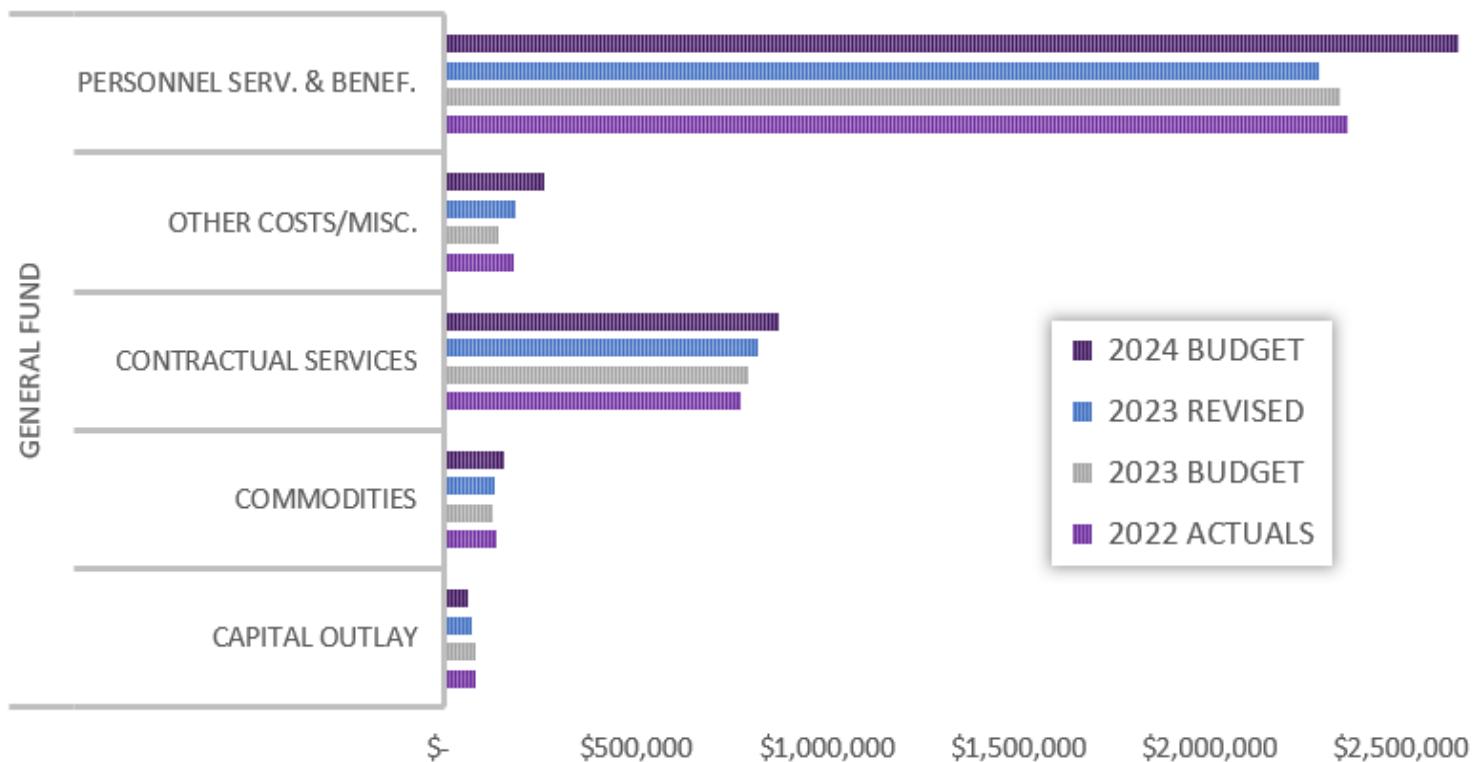




General Fund Expenditure Summary

All department expenditures are broken down into categories ranging from salary and benefits, contractuals, commodities, miscellaneous/other, and capital outlay.

EXPENDITURE	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
GENERAL FUND	\$ 3,530,650	\$ 3,491,449	\$ 3,494,211	\$ 4,006,184
CAPITAL OUTLAY	\$ 79,238	\$ 83,450	\$ 69,499	\$ 61,530
COMMODITIES	\$ 134,830	\$ 128,200	\$ 128,870	\$ 155,800
CONTRACTUAL SERVICES	\$ 774,471	\$ 797,240	\$ 821,090	\$ 876,263
OTHER COSTS/MISC.	\$ 178,749	\$ 142,379	\$ 184,977	\$ 259,111
PERSONNEL SERV. & BENEF.	\$ 2,363,362	\$ 2,340,180	\$ 2,289,776	\$ 2,653,480



- **Salary and Benefits:** This expenditure handles the hourly and salary wages for all employees within the General Fund.
- **Contractuals:** This expenditure includes items such as postage, training fees, and low level maintenance.
- **Commodities:** Consumable resources such as office supplies, motor fuel, and parts
- **Miscellaneous/Other:** This expenditure handles any unforeseen low cost expenses and any transfers to other funds.
- **Capital Outlay:** This expenditure handles any capital need for the department such as furniture, software, computers, etc.



General Fund Departmental Expenditures

DEPARTMENTAL EXPENDITURE						
	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET		
GENERAL FUND	\$ 3,529,113	\$ 3,491,449	\$ 3,484,998	\$ 3,992,164		
ADMINISTRATION	\$ 793,317	\$ 705,479	\$ 824,106	\$ 920,019		
CAPITAL OUTLAY	\$ 2,955	\$ 6,500	\$ 3,356	\$ 4,000		
COMMODITIES	\$ 9,597	\$ 8,000	\$ 7,004	\$ 11,000		
CONTRACTUAL SERVICES	\$ 196,534	\$ 173,500	\$ 264,408	\$ 220,280		
OTHER COSTS/MISC.	\$ 138,304	\$ 76,879	\$ 138,114	\$ 203,111		
PERSONNEL SERV. & BENEF.	\$ 445,927	\$ 440,600	\$ 411,224	\$ 481,628		
COMMUNITY DEVELOPMENT	\$ 233,119	\$ 249,190	\$ 208,293	\$ 264,480		
CAPITAL OUTLAY	\$ 4,423	\$ 3,450	\$ 4,484	\$ 1,950		
COMMODITIES	\$ 1,584	\$ 2,200	\$ 3,270	\$ 3,300		
CONTRACTUAL SERVICES	\$ 54,716	\$ 45,060	\$ 49,793	\$ 55,350		
OTHER COSTS/MISC.	\$ 14,222	\$ 30,000	\$ 11,956	\$ 20,000		
PERSONNEL SERV. & BENEF.	\$ 158,175	\$ 168,480	\$ 138,790	\$ 183,880		
FIRE	\$ 418,057	\$ 497,650	\$ 481,091	\$ 520,458		
CAPITAL OUTLAY	\$ 28,379	\$ 33,000	\$ 29,275	\$ 27,280		
COMMODITIES	\$ 11,779	\$ 9,000	\$ 10,336	\$ 12,700		
CONTRACTUAL SERVICES	\$ 72,708	\$ 104,150	\$ 77,460	\$ 103,550		
OTHER COSTS/MISC.	\$ 3,221	\$ 2,500	\$ 2,779	\$ 3,000		
PERSONNEL SERV. & BENEF.	\$ 301,970	\$ 349,000	\$ 361,241	\$ 373,928		
LEGAL & MUNIPICAL COURT	\$ 171,669	\$ 175,950	\$ 156,731	\$ 174,850		
CAPITAL OUTLAY	\$ 1,892	\$ -	\$ -	\$ -		
COMMODITIES	\$ 1,151	\$ 1,000	\$ 568	\$ 1,200		
CONTRACTUAL SERVICES	\$ 104,173	\$ 101,850	\$ 101,528	\$ 97,800		
OTHER COSTS/MISC.	\$ 17,591	\$ 26,000	\$ 12,128	\$ 26,000		
PERSONNEL SERV. & BENEF.	\$ 46,862	\$ 47,100	\$ 42,507	\$ 49,850		
PARKS AND PUBLIC BUILDINGS	\$ 538,725	\$ 556,180	\$ 542,447	\$ 625,983		
CAPITAL OUTLAY	\$ 12,602	\$ 6,500	\$ 13,316	\$ 3,500		
COMMODITIES	\$ 46,974	\$ 54,500	\$ 57,619	\$ 60,500		
CONTRACTUAL SERVICES	\$ 205,279	\$ 188,180	\$ 180,934	\$ 211,783		
OTHER COSTS/MISC.	\$ 5,412	\$ 7,000	\$ 20,000	\$ 7,000		
PERSONNEL SERV. & BENEF.	\$ 268,458	\$ 300,000	\$ 270,578	\$ 343,200		
POLICE	\$ 1,374,227	\$ 1,307,000	\$ 1,272,331	\$ 1,486,374		
CAPITAL OUTLAY	\$ 28,988	\$ 34,000	\$ 19,068	\$ 24,800		
COMMODITIES	\$ 63,745	\$ 53,500	\$ 50,073	\$ 67,100		
CONTRACTUAL SERVICES	\$ 141,060	\$ 184,500	\$ 142,361	\$ 185,800		
PERSONNEL SERV. & BENEF.	\$ 1,140,434	\$ 1,035,000	\$ 1,060,828	\$ 1,208,674		



General Fund Departmental & Expenditure Summary

FINANCE AND ADMINISTRATION DEPARTMENT

Service Description: The Administration and Finance Department provides central support services to the organization. It consists of the City Administrator's Office, Finance Department, and the Office of the City Clerk. All questions regarding the general management of the City and its financial operations, including utility billing and records, are handled by this department. In addition, the Finance and Administration Department acts as Secretary for the City Council.

FY2024 Administration Department Goals & Objectives:

- A. Provide Citizen Engagement Opportunities
- B. Preserve Public Trust
- C. Ensure Reliable and Inclusive Access to All City Services
- D. Provide Internal Support for the Organization
- E. Listen and Engage



Mission: *To provide excellent public service to our citizens and businesses; continuing to increase quality of service to our community through education, information, and technology. The Office of Finance and Administration Department exists to uphold the public trust, protect local democracy, and provide access to matters of public interest diversely and inclusively.*

Key Performance Measures	2020	2021	2022	2023
Total Funding Received from Department on Aging for Senior Services	\$5,000	\$5,000	\$18,000	\$18,000
General Obligation Bond Rating: Standard and Poor's	AA-	AA-	AA-	AA-
Success Rate for Reported Simulated Phishing E-mails	N/A	N/A	50%	79%
Achieve operational excellence by providing consistent staff availability without technology downtime.	N/A	N/A	N/A	>95%
% of Eligible Employees Receiving Wellness Discount	90%	90%	90%	99%



General Fund Departmental & Expenditure Summary

ADMINISTRATION SERVICES

Utility Billing**Finance****Human Resources****Information Technology****Senior Services****EXPENDITURE****2023 BUDGET****2023 REVISED**

CAPITAL OUTLAY	\$ 6,500	\$ 3,356
COMMODITIES	\$ 8,000	\$ 7,004
CONTRACTUAL SERVICES	\$ 173,500	\$ 264,408
OTHER COSTS/MISC.	\$ 76,879	\$ 138,114
PERSONNEL SERV. & BENEF.	\$ 440,600	\$ 411,224
Grand Total	\$ 705,479	\$ 824,106

2023 YTD EXPENDITURE TOTALS AS OF 11/30/2023**FULL-TIME EMPLOYEE SUMMARY**

	2022 ACTUAL	2023 ACTUAL	2024 BUDGET
ADMINISTRATION TOTAL	7	7	7
ACCOUNTING CLERK I	1	1	1
ACCOUNTING CLERK II	1	1	1
ASST CITY ADMINISTRATOR	1	1	1
CITY ADMINISTRATOR	1	1	1
CITY CLERK	1	1	1
CITY TREASURER	1	1	1
SENIOR SERVICES COORDINATOR	1	1	1



General Fund Departmental & Expenditure Summary

LEGAL AND COURT DEPARTMENT

Service Description: Processes and manages all misdemeanors and infractions for traffic and criminal cases for payment and appearances in court. This department ensures proper handling of all court cases in a timely manner. Monitoring defendants on diversion or probation and issuing warrants and driver license suspensions if needed. Court also maintain strong financial controls for fees and fines owed to the City.

FY2024 Legal & Court Goals & Objectives:

- A. Maintain upmost efficiency of the Valley Center Municipal Court.
- B. Adhere to all state statutes to protect the legal rights of plaintiffs and defendants.
- C. Listen and engage



Mission: *Provide excellent service through expedient processing of misdemeanor violations and infractions while maintaining ethical, moral, and sound judgement.*

Key Performance Measures	2020	2021	2022	2023
First appearances successfully held	100%	100%	100%	100%
Consistent staff availability without technical downtime.	N/A	N/A	N/A	>95%
Percentage of cases disposed within 180 days	N/A	N/A	N/A	80%
Successful and reliable record retention	N/A	N/A	100%	100%

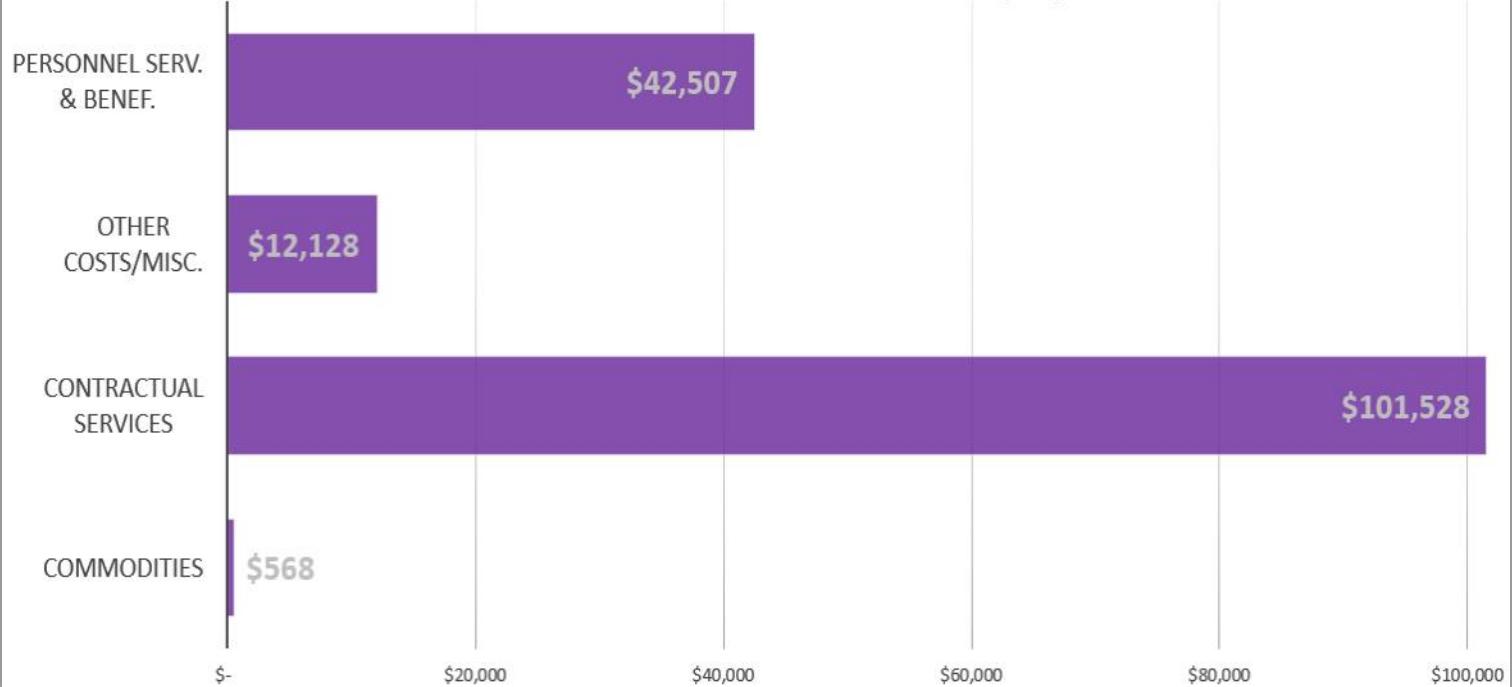


General Fund Departmental & Expenditure Summary

LEGAL AND COURT DEPARTMENT

EXPENDITURE	2023 BUDGET	2023 REVISED
COMMODITIES	\$ 1,000	\$ 568
CONTRACTUAL SERVICES	\$ 101,850	\$ 101,528
OTHER COSTS/MISC.	\$ 26,000	\$ 12,128
PERSONNEL SERV. & BENEF.	\$ 47,100	\$ 42,507
Grand Total	\$ 175,950	\$ 156,731

2023 YTD EXPENDITURE TOTALS AS OF 11/30/2023



FTE SUMMARY

	2022 ACTUAL	2023 BUDGET	2024 BUDGET
LEGAL & MUNICIPAL COURT	1	1	1
MUNICIPAL COURT CLERK	1	1	1
Grand Total	1	1	1



General Fund Departmental & Expenditure Summary

COMMUNITY DEVELOPMENT DEPARTMENT

Service Description: Serve as city staff to the City of Valley Center Planning and Zoning Board and Economic Development Board. Directs City's floodplain management program (CRS). Oversee all residential and commercial construction permits and zoning permits issued in the City of Valley Center. Enforce and maintain zoning and subdivision regulations. Direct economic development initiatives, such as tax abatements and business expansion/retention programs. Oversee all residential construction project inspections.

FY2024 Community Development Goals

& Objectives:

- A. Promote the Housing Incentive Program.
- B. Continue to grow Valley Center.
- C. Promote a clean and attractive community.
- D. Listen and Engage.
- E. Promote economic diversity



Mission: *To promote a clean and attractive community in which residents and businesses thrive through strategic quality of place and economic development activities and initiatives.*

Key Performance Measures	2020	2021	2022	2023
Number of Housing Incentive Program Applications	12	10	7	15
Number of New Construction Permits	N/A	N/A	N/A	15
Total assessed valuation added due to housing incentive program	\$ 935,042	\$ 451,027	\$ 215,611	\$ 300,000

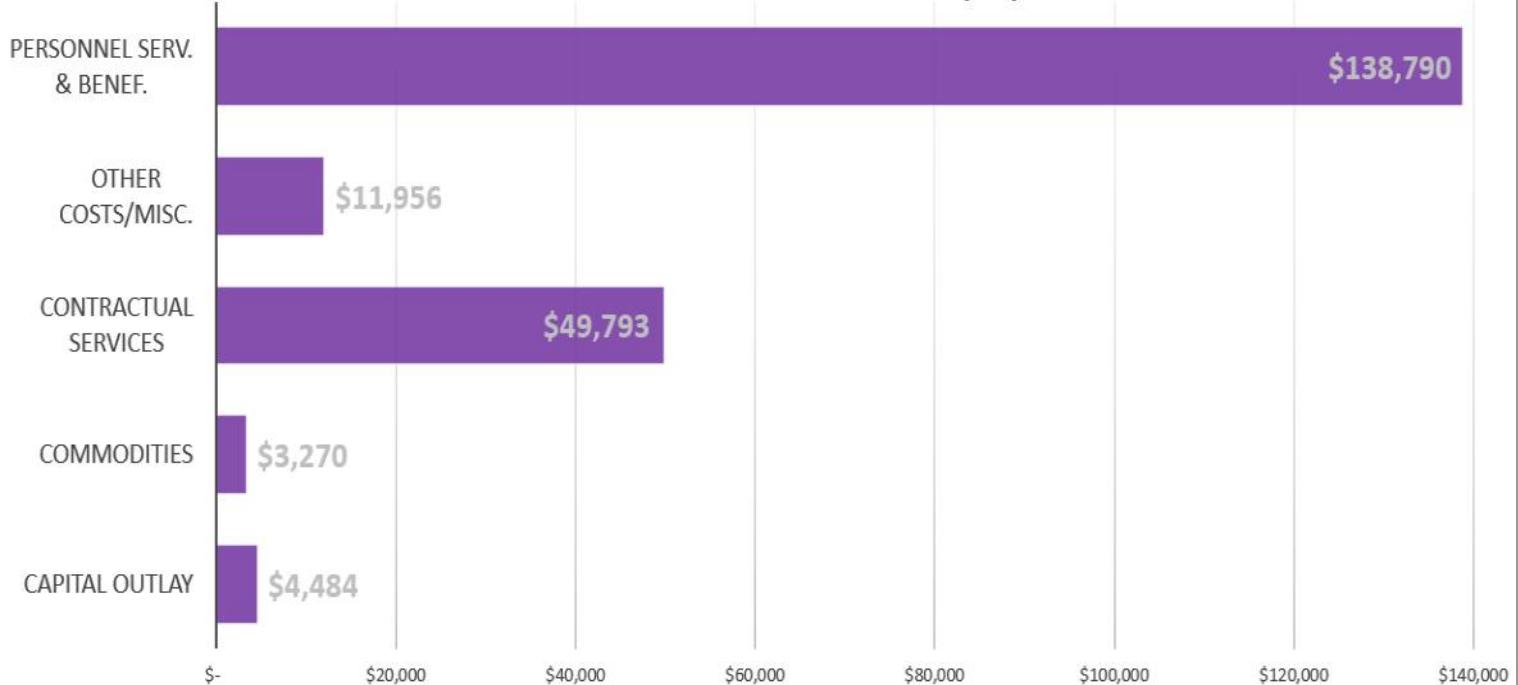


General Fund Departmental & Expenditure Summary

COMMUNITY DEVELOPMENT DEPARTMENT

EXPENDITURE	2023 BUDGET	2023 REVISED
CAPITAL OUTLAY	\$ 3,450	\$ 4,484
COMMODITIES	\$ 2,200	\$ 3,270
CONTRACTUAL SERVICES	\$ 45,060	\$ 49,793
OTHER COSTS/MISC.	\$ 30,000	\$ 11,956
PERSONNEL SERV. & BENEF.	\$ 168,480	\$ 138,790
Grand Total	\$ 249,190	\$ 208,293

2023 YTD EXPENDITURE TOTALS AS OF 11/30/2023



FULL-TIME EMPLOYEE SUMMARY

	2022 ACTUAL	2023 ACTUAL	2024 BUDGET
COMMUNITY DEVELOPMENT	3	3	4
ADMINISTRATIVE ASSISTANT	1	1	1
CODE INFORCEMENT OFFICER			1
COMMUNITY DEVELOPMENT DIRECTOR	1	1	1
COMPLIANCE OFFICER	1	1	1
Grand Total	3	3	4



General Fund Departmental & Expenditure Summary

PARKS AND PUBLIC BUILDINGS DEPARTMENT

Service Description: The Public Parks and Grounds department is responsible for many projects and activities such as:

- ◆ City park systems.
- ◆ Public buildings & facilities.
- ◆ City Municipal Cemetery.
- ◆ City swimming pool & splash pad.
- ◆ Partner with volunteer and community service organizations.
- ◆ Liaison for Outdoor Spaces & Public Properties Board.

FY2024 Parks & Public Buildings Goals & Objectives:

- A. Increase quality of life by maintaining great outdoor spaces and parks for all residents while keeping costs low.
- B. Maintain public buildings in such a way that residents take pride in their local facilities.
- C. Ensure departmental assets last as long as possible, while operating as efficiently as possible and maintain a plan for replacement.



Mission: *It is the mission of the Department of Parks & Public Buildings to enhance the quality of life in our community by providing the Citizens and Visitors of Valley Center with quality parks, public tree infrastructure, buildings & facilities and recreational spaces.*

Key Performance Measures	2020	2021	2022	2023
Park Expenditures per Acre	N/A	N/A	N/A	\$3,000
Response time to citizen initiated requests for service.	N/A	N/A	N/A	< 2 hours
Maintain department assets while being proactive in planning for replacements	N/A	N/A	Good	Great



General Fund Departmental & Expenditure Summary

PARKS AND PUBLIC BUILDINGS DEPARTMENT

EXPENDITURE	2023 BUDGET	2023 REVISED
CAPITAL OUTLAY	\$ 6,500	\$ 13,316
COMMODITIES	\$ 54,500	\$ 57,619
CONTRACTUAL SERVICES	\$ 188,180	\$ 180,934
OTHER COSTS/MISC.	\$ 7,000	\$ 20,000
PERSONNEL SERV. & BENEF.	\$ 300,000	\$ 270,578
Grand Total	\$ 556,180	\$ 542,447

2023 YTD EXPENDITURE TOTALS AS OF 11/30/2023



PARKS AND PUBLIC BUILDINGS	2022 ACTUAL	2023 ACTUAL	2024 BUDGET
GROUND/BUILDING MAINTENANCE	3	4	4
PARKS AND PUBLIC BUILDINGS DIRECTOR	1	1	1
PARKS SUPERVISOR	1	1	1
Grand Total	5	6	6



General Fund Departmental & Expenditure Summary

POLICE DEPARTMENT

Service Description: The core services of the department are to preserve the peace, protect citizens and their property, investigate crimes for prosecution, enforce the laws of the city, state and federal government, and respond to emergencies, traffic accidents, medical emergencies, and crimes in progress.

FY2024 Police Goals & Objectives:

- A. Keep crime low to attract new residents and ensure current residents feel safe.
- B. Provide high quality of life through enforcement of the laws of the City.
- C. Preserve Public Trust
- D. Listen and Engage.
- E. Continue to be the #1 safest City in Kansas



Mission: *To provide excellent public service to our citizens and businesses; continuing to increase quality of service to our community through education, information, and technology. The Office of Finance and Administration Department exists to uphold the public trust, protect local democracy, and provide access to matters of public interest diversely and inclusively.*

Key Performance Measures	2020	2021	2022	2023
Response time to emergency calls: Dispatch to Arrival	N/A	N/A	N/A	<5 Min
UCR part 1 crimes per 1,000 population	N/A	N/A	N/A	0.5
Number of sworn positions per 1,000 population	N/A	N/A	N/A	2.43



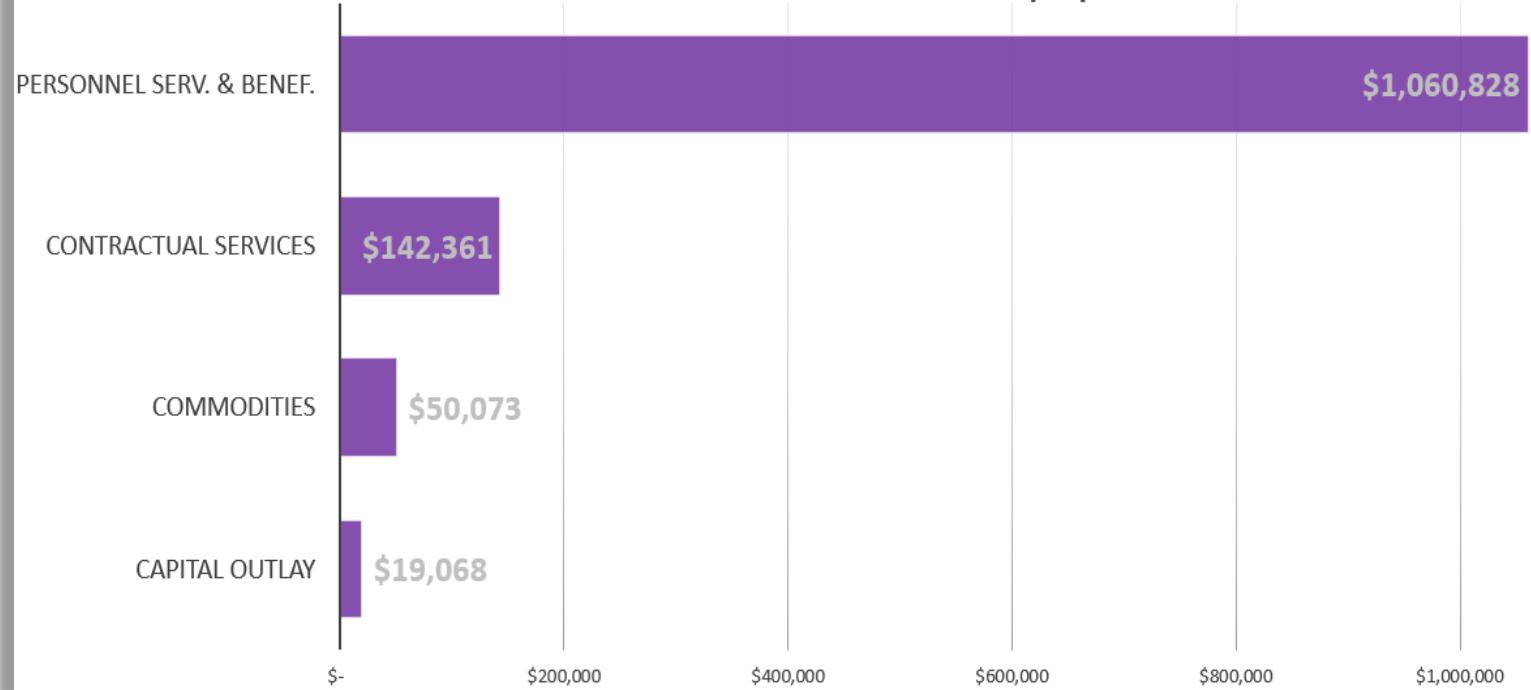


General Fund Departmental & Expenditure Summary

POLICE DEPARTMENT

EXPENDITURE	2023 BUDGET	2023 REVISED
CAPITAL OUTLAY	\$ 34,000	\$ 19,068
COMMODITIES	\$ 53,500	\$ 50,073
CONTRACTUAL SERVICES	\$ 184,500	\$ 142,361
PERSONNEL SERV. & BENEF.	\$ 1,035,000	\$ 1,060,828
Grand Total	\$ 1,307,000	\$ 1,272,331

2023 YTD EXPENDITURE TOTALS AS OF 11/30/2023



FULL-TIME EMPLOYEE SUMMARY	2022 ACTUAL	2023 ACTUAL	2024 BUDGET
ANIMAL CONTROL/RECORDS CLERK	1	1	1
CAPTAIN	1	1	1
DETECTIVE	1	1	1
POLICE SECRETARY	1	1	1
POLICE OFFICER	7	9	9
PUBLIC SAFETY DIRECTOR	1	1	1
SCHOOL RESOURCE OFFICER	2	3	3
SEARGEANT	3	3	3
Grand Total	17	20	20



General Fund Departmental & Expenditure Summary

FIRE DEPARTMENT

Service Description: The Fire Department provides many services for the residents and business of Valley Center such as: Fire Protection. Fire Prevention Program. Rescue. Emergency Medical. Special Assignments such as Inspections, Public Events, Blood Pressure Checks, Free Smoke Detector Program, and Burn Permits.

FY2024 Fire Goals & Objectives:

- A. Provide timely services to all residents of Valley Center
- B. Preserve public and private property through fire suppression.
- C. Preserve Public Trust
- D. Listen and Engage.



Mission: *To provide excellent public service to our citizens and businesses; continuing to increase quality of service to our community through education, information, and technology.*

The Office of Finance and Administration Department exists to uphold the public trust, protect local democracy, and provide access to matters of public interest diversely and inclusively.

Key Performance Measures	2020	2021	2022	2023
Response time to emergency calls: Dispatch to Arrival	N/A	N/A	N/A	<5 min
Number of calls taken	N/A	N/A	N/A	>800

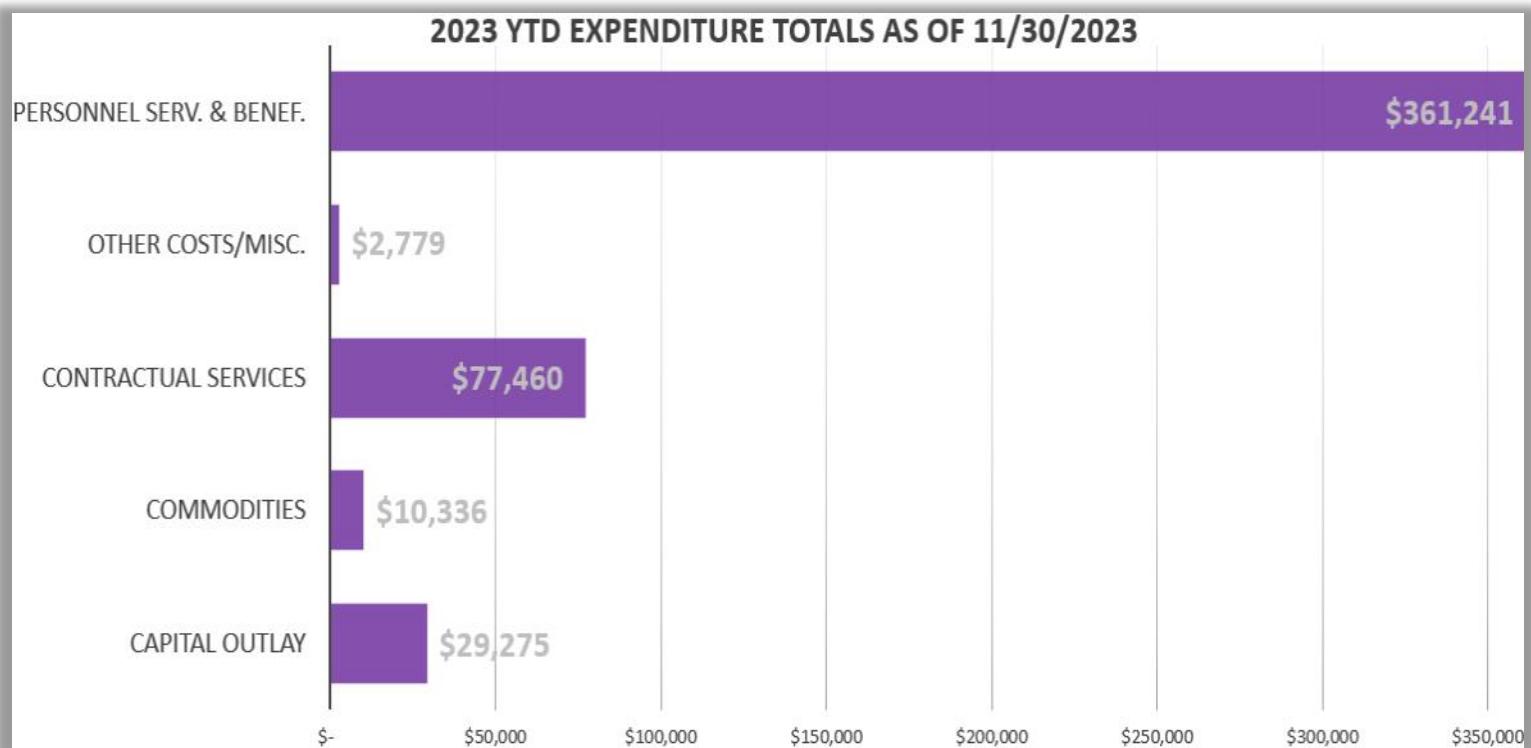




General Fund Departmental & Expenditure Summary

FIRE DEPARTMENT

EXPENDITURE	2023 BUDGET	2023 REVISED
CAPITAL OUTLAY	\$ 33,000	\$ 29,275
COMMODITIES	\$ 9,000	\$ 10,336
CONTRACTUAL SERVICES	\$ 104,150	\$ 77,460
OTHER COSTS/MISC.	\$ 2,500	\$ 2,779
PERSONNEL SERV. & BENEF.	\$ 349,000	\$ 361,241
Grand Total	\$ 497,650	\$ 481,091



FULL-TIME EMPLOYEE SUMMARY	2022 ACTUAL	2023 ACTUAL	2024 BUDGET
FIRE CAPTAIN	1	1	1
FIRE CHIEF	1	1	1
FIRE FIGHTER	2	4	4
Grand Total	4	6	6

Library Fund

The City of Valley Center is the taxing authority for the Library, which essentially means the City taxes its residents on behalf of the Library. The taxes collected are passed to the Library for operations.

The City levies approximately 4.5 mills annually on behalf of the Library.

Programs offered by the Library include:

- Monthly family coloring nights, high school teen book discussions, and intermediate school parties
- Bi-Monthly family fun nights which include movies, celebrating holidays, games, crafts, and treats
- Summer reading programs for children of all ages
- Various fund raising programs such as ice cream socials and Barnes & Noble storytelling
- Operation gratitude involved local citizens coming together to knit and crochet scarves to be sent to military service members





Library Fund Summary

REVENUE	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
TAXES	\$ 301,473	\$ 315,250	\$ 303,621	\$ 337,221
16/20M TRUCKS	\$ 168	\$ 156	\$ 162	\$ 131
AD VALOREM TAX	\$ 261,100	\$ 278,969	\$ 272,384	\$ 302,845
COMMERCIAL VEHICLE	\$ 880	\$ 843	\$ 741	\$ 777
DELINQUENT TAX	\$ 5,798	\$ 1,550	\$ 4,164	\$ 1,551
IN LIEU OF TAX	\$ -	\$ -	\$ -	\$ -
M & E TELECOM DIST	\$ -	\$ -	\$ -	\$ -
M&E NON TELECOM	\$ -	\$ -	\$ -	\$ -
MACH & EQUIP DISTRIBUTION	\$ -	\$ -	\$ -	\$ -
MOTOR VEHICLE TAX	\$ 32,564	\$ 32,692	\$ 25,335	\$ 30,831
RECREATIONAL VEHICLE TAX	\$ 741	\$ 772	\$ 585	\$ 699
WATERCRAFT TAX	\$ 223	\$ 268	\$ 249	\$ 387
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -
MISC REVENUE OFFSET	\$ -	\$ -	\$ -	\$ -
USE OF MONEY & PROPERTY	\$ -	\$ -	\$ -	\$ -
INTEREST ON IDLE FUNDS	\$ -	\$ -	\$ -	\$ -
EXPENDITURE	\$ 301,473	\$ 335,000	\$ 303,657	\$ 345,000
CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -
EQUIPMENT	\$ -	\$ -	\$ -	\$ -
OFFSET	\$ -	\$ -	\$ -	\$ -
MISC EXPENSE OFFSET	\$ -	\$ -	\$ -	\$ -
OTHER COSTS/MISC.	\$ 301,473	\$ 335,000	\$ 303,657	\$ 345,000
DISTRIBUTION-INTERFUND	\$ 295,675	\$ 335,000	\$ 303,621	\$ 345,000
PROPERTY TAX REBATE	\$ 5,799	\$ -	\$ 37	\$ -





Employee Benefit Fund

- ⇒ The Employee Benefit fund provides the budgeting of all personnel expenditures of those employees of departments that are located in the General Fund. The employee benefit expenditures for those employees assigned to the Special Streets and Highway department, Water Department, and Sewer Department are budgeted within their respective department budgets.
- ⇒ Personnel expenditures include health insurance, workman's comp insurance, unemployment insurance, KPERS (Kansas Public Employee Retirement System), Social Security, and Medicare.
- ⇒ Due to rising healthcare costs, City finance staff must be careful when budgeting for these benefits. The City takes a conservative approach and budgets accordingly in these areas. Rates for each category are sent out previous to budget adoption each year with the exception of health insurance. Health insurance is usually renewed at the end of each calendar year therefore require extra attention when budgeting for this benefit.
- ⇒ The Employee Benefit Fund is primarily funded by Ad Valorem Tax. The dedicated mill levy for this fund can be adjusted if benefit rates increase or decrease.

	2022 BUDGET	2023 BUDGET	2023 REVISED	2024 BUDGET
REVENUE	\$ 998,575	\$ 1,078,078	\$ 1,123,663	\$ 1,153,528
TAXES	\$ 886,575	\$ 935,078	\$ 897,388	\$ 1,010,528
INTERGOVERNMENTAL	\$ 98,000	\$ 95,000	\$ 118,853	\$ 95,000
OTHER REVENUES	\$ 14,000	\$ 48,000	\$ 89,538	\$ 48,000
USE OF MONEY & PROPERTY	\$ -	\$ -	\$ 17,884	\$ -
EXPENDITURE	\$ 1,054,248	\$ 1,168,672	\$ 1,056,939	\$ 1,354,650
CONTRACTUAL SERVICES	\$ -	\$ -	\$ 406	\$ -
OTHER COSTS/MISC.	\$ 27,000	\$ 12,000	\$ 1,596	\$ -
PERSONNEL SERV. & BENEF.	\$ 1,027,248	\$ 1,156,672	\$ 1,054,937	\$ 1,354,650





Bond & Interest Fund

- ◆ The Bond and Interest Fund for the City is a dedicated fund for paying debt service related to capital improvements and Special Assessment projects.
- ◆ The City maintains a consistent mill levy to meet our debt service obligations while remaining progressive through financing of a bi-annual capital improvement program. The financing sources for the Capital Improvement Program consists of temp notes, G.O. bonds, KDHE revolving loans, and available cash depending on timing, project, and cost.
- ◆ Several projects for the utilities were refunded/refinanced into G.O. Bonds, however the payment obligations are met by utility user fees, not tax dollars.

	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
REVENUE	\$ 2,076,051	\$ 2,113,815	\$ 2,076,665	\$ 2,253,764
EXPENDITURE	\$ 2,068,934	\$ 2,166,000	\$ 2,049,449	\$ 2,287,000
TAXES	\$ 970,636	\$ 1,019,715	\$ 978,648	\$ 1,101,993
MISC TRANSFERS	\$ 643,000	\$ 652,000	\$ 622,000	\$ 732,550
OTHER REVENUES	\$ 444,559	\$ 442,000	\$ 418,275	\$ 414,221
USE OF MONEY & PROPERTY	\$ 17,856	\$ 100	\$ 57,742	\$ 5,000
CONTRACTUAL SERVICES	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ 2,054,133	\$ 2,162,000	\$ 2,049,355	\$ 2,287,000
OTHER COSTS/MISC.	\$ 14,801	\$ 4,000	\$ 94	\$ -



Emergency Equipment

→ The Emergency Equipment Fund was created in 2005. This fund was created in response to concerns that the City may have insufficient funds for a new fire truck for the Fire Department. In 2004, the City Council voted to create this fund at the time, with a dedicated 1 mill each year, to fund future vehicle purchases and other large equipment.

→ This fund is also used in the event that a new vehicle or piece of equipment is needed due to exigent circumstances such as sudden failure or in the case of police vehicles, if one was wrecked and needed to be replaced in a short time period.

	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
REVENUE	\$ 74,748	\$ 70,340	\$ 80,620	\$ 80,095
TAXES	\$ 66,997	\$ 70,240	\$ 67,486	\$ 75,095
FINES & FORFEITURES	\$ 6,262	\$ -	\$ 8,648	\$ 5,000
OTHER REVENUES	\$ -	\$ -	\$ -	\$ -
USE OF MONEY & PROPERTY	\$ 1,490	\$ 100	\$ 4,486	\$ -
BAD DEBT	\$ -	\$ -	\$ -	\$ -
EXPENDITURE	\$ 62,916	\$ 63,000	\$ 92,356	\$ 71,896
CAPITAL OUTLAY	\$ 31,608	\$ 33,000	\$ 62,348	\$ 23,896
OTHER COSTS/MISC.	\$ 31,308	\$ 30,000	\$ 30,008	\$ 48,000



Enterprise Funds





Sewer Fund

The Valley Center Waste Water Treatment Plant (WWTP) was originally constructed in 1978 and has received upgrades in 1993, 1997, 2001, and 2007. The most recent upgrades included a new influent pump station, new headworks building, new clarifier, modifications to the aeration basin, new anaerobic and anoxic basins, and a new sludge pump station.

The main objective of the Sewer Fund is to provide the necessary infrastructure and operational resources for the wastewater service for the City. The Sewer fund provides the necessary funding needed for the City to ensure effluent and monitored compounds are in compliance with KDHE and EPA standards. In 2016, the WWTP was inspected by KDHE and passed with one of the best inspections in City history.

In 1999 a Wastewater Treatment Facility Study was completed for the City. The study assessed the condition of the plant, prepared population and loading projections through the year 2020, and established a phased approach to increase capacity and meet the anticipated permit requirements at that time.

As of 2016, phases 1 and 2 were been completed and phase 3 was completed in 2020. Phase 3 includes various upgrades to handle the increased population since the study was conducted and additional equipment to increase the effectiveness and efficiency of the plant.

SEWER	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
EXPENDITURE	\$ 1,348,515	\$ 1,409,369	\$ 1,184,212	\$ 1,531,697
CAPITAL OUTLAY	\$ 90,120	\$ 90,000	\$ 40,265	\$ 140,000
COMMODITIES	\$ 47,469	\$ 24,800	\$ 23,208	\$ 24,800
CONTRACTUAL SERVICES	\$ 457,750	\$ 461,700	\$ 426,247	\$ 457,860
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -
OTHER COSTS/MISC.	\$ 468,147	\$ 497,000	\$ 400,647	\$ 534,550
PERSONNEL SERV. & BENEF.	\$ 285,029	\$ 335,869	\$ 293,845	\$ 374,487
REVENUE	\$ 1,438,681	\$ 1,380,584	\$ 1,374,682	\$ 1,422,219
CHARGES FOR SERVICES	\$ 1,376,121	\$ 1,377,584	\$ 1,310,335	\$ 1,410,219
LICENSES & PERMITS	\$ 300	\$ -	\$ 600	\$ -
MISCELLANEOUS	\$ 876	\$ -	\$ -	\$ -
OTHER REVENUES	\$ 46,063	\$ 3,000	\$ 2,269	\$ -
TAXES	\$ -	\$ -	\$ -	\$ -
USE OF MONEY & PROPERTY	\$ 15,320	\$ -	\$ 61,479	\$ 12,000



Sewer Departmental Summary

SEWER DEPARTMENT

Service Description:

- Maintain and improve the necessary infrastructure and operational resources to handle the city's wastewater needs to ensure effluent and monitored compounds are in compliance with KDHE and EPA standards.
- Keeps things flowing across town through maintenance of sewer lines and lift stations.
- Tests and treats water before it is discharged.



SIGNIFICANT HIGHLIGHTS 2023:

- Achieved the best effluent numbers in February 2023 we have seen in several years.
- We have had a response rate of approx. 10% on our Lead & Copper Survey to solicit internal plumbing information for the recent EPA regulation.
- Assisted in reaching substantial completion on many city projects such as Cedar Ridge, Arbor Valley, Prairie Lakes & Sunflower Valley new housing additions.



Objectives:

- Maintain department wide performance measures.
- Be proactive in maintaining the waste water treatment plant.
- Provide training to continue to meet the high standards of this department.
- Ensure proper wastewater collection and disposal, sewer inspections and flushing.
- Complete scheduled maintenance.
- Maintain staffing.

SEWER UTILITY Staffing Summary	APPROVED 2022	APPROVED 2023	APPROVED 2024
PUBLIC WORKS ADMINISTRATION			
REGULAR FULL TIME			
PUBLIC WORKS DIRECTOR	0.5	0.5	0.5
UTILITIES MANAGER	0.5	0.5	0.5
ADMIN ASSISTANT	0.5	0.5	0.5
TOTAL	1.5	1.5	1.5
SEWER DEPARTMENT			
REGULAR FULL TIME			
WASTEWATER OPERATOR	3	3	3
TOTAL	3	3	3



Solid Waste Fund

Over the course of 2010, the City Council discussed implementing a solid waste franchise for residential customers, which was eventually approved and became effective in 2011. With the implementation of the franchise, all open trash hauling licenses would cease and one vendor would be awarded the bid to haul all residential solid waste. Waste Management was awarded the contract and, with the City's oversight, became the sole provider for residential solid waste service.

The purpose behind franchising solid waste was to both provide customers with expanded solid waste services at a reduced price and increase the useful life of city streets by reducing large truck traffic.

The contract includes recycling services for the City and its residents. All city buildings receive free solid waste pickup in order to reduce the expense of the tax payer.

All customer and billing issues are handled by the City to ensure customer satisfaction and proper management over the franchise.

Waste Management approached the City regarding recent changes in recycling. A smaller percentage of recycling is not being accepted. Therefore, the City is taking strides to educate citizens about proper recycling. The hope with this is to continue the relationship with Waste Management.



SOLID WASTE UTILITY	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
EXPENDITURE	\$ 579,767	\$ 615,280	\$ 543,448	\$ 588,820
CAPITAL OUTLAY	\$ -	\$ 16,000	\$ -	\$ 3,000
COMMODITIES	\$ -	\$ -	\$ -	\$ -
CONTRACTUAL SERVICES	\$ 559,767	\$ 599,280	\$ 543,448	\$ 585,820
OTHER COSTS/MISC.	\$ 20,000	\$ -	\$ -	\$ -
PERSONNEL SERV. & BENEF.	\$ -	\$ -	\$ -	\$ -
REVENUE	\$ 577,657	\$ 616,841	\$ 545,339	\$ 600,076
CHARGES FOR SERVICES	\$ 559,087	\$ 608,791	\$ 523,725	\$ 581,476
LICENSES & PERMITS	\$ 5,004	\$ -	\$ 4,587	\$ 5,000
MISCELLANEOUS	\$ 12,370	\$ 8,000	\$ 12,439	\$ 12,000
OTHER REVENUES	\$ -	\$ -	\$ -	\$ -
USE OF MONEY & PROPERTY	\$ 1,195	\$ 50	\$ 4,588	\$ 1,600



Stormwater Fund

Valley Center has had an extensive issue with flooding in and around the City. Stormwater drainage has been a major focal point for many years. In 2015, the City completed the largest infrastructure project in the City's history, consisting of rebuilding two major arterial roads within the City and eliminating drainage issues in the area. Although the project went over budget, it was still considered successful because it alleviated most, if not all, of the drainage issues that plagued local business and City Hall along Meridian Street. The City is still working to improve drainage throughout the remainder of the City, and will require significant resources.

STORMWATER FUND	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
EXPENDITURE	\$ 317,620	\$ 328,600	\$ 196,241	\$ 359,200
CAPITAL OUTLAY	\$ 120,000	\$ 100,000	\$ -	\$ 124,800
COMMODITIES	\$ 415	\$ 5,000	\$ 2,241	\$ 5,000
CONTRACTUAL SERVICES	\$ 34,605	\$ 31,000	\$ 31,400	\$ 36,400
OTHER COSTS/MISC.	\$ 162,600	\$ 192,600	\$ 162,600	\$ 193,000
PERSONNEL SERV. & BENEF.	\$ -	\$ -	\$ -	\$ -
REVENUE	\$ 327,723	\$ 324,000	\$ 310,695	\$ 325,000
CHARGES FOR SERVICES	\$ 323,788	\$ 324,000	\$ 298,271	\$ 325,000
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -
OTHER REVENUES	\$ -	\$ -	\$ -	\$ -
USE OF MONEY & PROPERTY	\$ 3,935	\$ -	\$ 12,424	\$ -

Public Works strives to continually clean storm water structures and logging the debris, cleaning culverts for ditch rehabilitation, continuing storm water education, and placing marker medallions on each storm water inlet.





Water Fund

The Water Fund provides several core services. The Water Fund is used to maintain and improve the City's infrastructure for water distribution to customers of the City. Currently, the City purchases its water from the City of Wichita but Valley Center is working on a new project to have its own water treatment facility.

The City partnered with PEC to perform a Water Rate Study. Through the findings of this study, the City will move to make policy that is most beneficial to our citizens.

In addition, the Water Fund provides resources so the City can ensure reliable water meters and accurate meter readings for proper billing of customers for their usage of water.

WATER OPERATING	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
EXPENDITURE	\$ 2,134,400	\$ 2,079,280	\$ 1,945,913	\$ 2,349,071
CAPITAL OUTLAY	\$ 127,036	\$ 56,200	\$ 117,382	\$ 150,000
COMMODITIES	\$ 35,192	\$ 41,450	\$ 26,766	\$ 41,450
CONTRACTUAL SERVICES	\$ 1,316,308	\$ 978,150	\$ 1,060,219	\$ 1,120,870
MISCELLANEOUS	\$ -	\$ -	\$ 30,361	\$ 45,000
OTHER COSTS/MISC.	\$ 328,500	\$ 590,000	\$ 375,000	\$ 543,000
PERSONNEL SERV. & BENEF.	\$ 327,364	\$ 413,480	\$ 336,186	\$ 448,751
REVENUE	\$ 2,287,194	\$ 2,079,563	\$ 2,225,834	\$ 2,176,646
CHARGES FOR SERVICES	\$ 2,250,629	\$ 2,078,563	\$ 2,110,343	\$ 2,156,646
MISCELLANEOUS	\$ 1,134	\$ -	\$ -	\$ -
OTHER REVENUES	\$ 5,489	\$ -	\$ 8,673	\$ -
TAXES	\$ -	\$ -	\$ -	\$ -
USE OF MONEY & PROPERTY	\$ 29,942	\$ 1,000	\$ 106,817	\$ 20,000

Water, Waste Water, and Streets departments are all under the Public Works umbrella. These departments provide many different services that keep the city moving as well as maintain the city's infrastructure.

Water provides safe and healthy water to our community by maintaining and testing the City's water distribution system, while simultaneously providing excellent service to our residents, doing water shut-offs and turn-ons, leak checks, and meter reads.



Water Departmental Summary

WATER DEPARTMENT

Service Description:

- Maintain and improve the City's infrastructure for water distribution
- Execute service orders for Water turn-ons, turn-offs, and other services such as leak checks when needed.

WATER UTILITY	APPROVED	APPROVED	APPROVED
Staffing Summary	2022	2023	2024
PUBLIC WORKS ADMN			
REGULAR FULL TIME			
PUBLIC WORKS DIRECTOR	0.5	0.5	0.5
UTILITIES MANAGER	0.5	0.5	0.5
ADMIN ASSISTANT	0.5	0.5	0.5
TOTAL	1.5	1.5	1.5
WATER DEPARTMENT			
REGULAR FULL TIME			
WATER OPERATOR	3	3	3
TOTAL	3	3	3

SIGNIFICANT HIGHLIGHTS 2023:

- Water tower renovation completed successfully.
- Passed KDHE inspection with flying colors.
- Have begun utilizing the new GIS system for documenting valve exercising and hydrant maintenance.
- Helped complete City pool renovations
- A staff member successfully passed the requirements for a level 2 water certification from KDHE.
- Assisted in reaching substantial completion on many city projects such as Cedar Ridge, Arbor Valley, Prairie Lakes & Sunflower Valley new housing additions.



Objectives:

- Maintain department wide performance measures
- Complete regularly scheduled meter replacements.
- Provide stellar service to all the city's water utility customers.
- Respond to customer calls in a timely fashion.
- Provide reliable infrastructure to all citizens and businesses.
- Retain experienced personnel; improve training program, evaluation and mentoring.



Special Revenue Funds





Special Alcohol & Drug Fund

The Special Alcohol and Drug Fund is required per state statute. All businesses with a Kansas state liquor license are required to pay taxes on the liquor that is sold. The City receives a portion of these taxes back from the state.

The purpose of this fund is for drug and alcohol education. These monies are required to be used in these areas alone per state statute. The City predominately uses this fund to increase educational awareness of the effects of drugs and alcohol.

SPECIAL ALCOHOL & DRUG	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
EXPENDITURE	\$ 255	\$ 1,000	\$ 310	\$ 1,000
CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -
COMMODITIES	\$ -	\$ -	\$ 50	\$ -
CONTRACTUAL SERVICES	\$ 255	\$ 1,000	\$ 260	\$ 1,000
OTHER COSTS/MISC.	\$ -	\$ -	\$ -	\$ -
REVENUE	\$ 1,340	\$ 1,478	\$ 4,915	\$ 3,070
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -
OTHER REVENUES	\$ -	\$ -	\$ -	\$ -
TAXES	\$ 1,340	\$ 1,478	\$ 4,661	\$ 3,070
USE OF MONEY & PROPERTY	\$ -	\$ -	\$ 254	\$ -



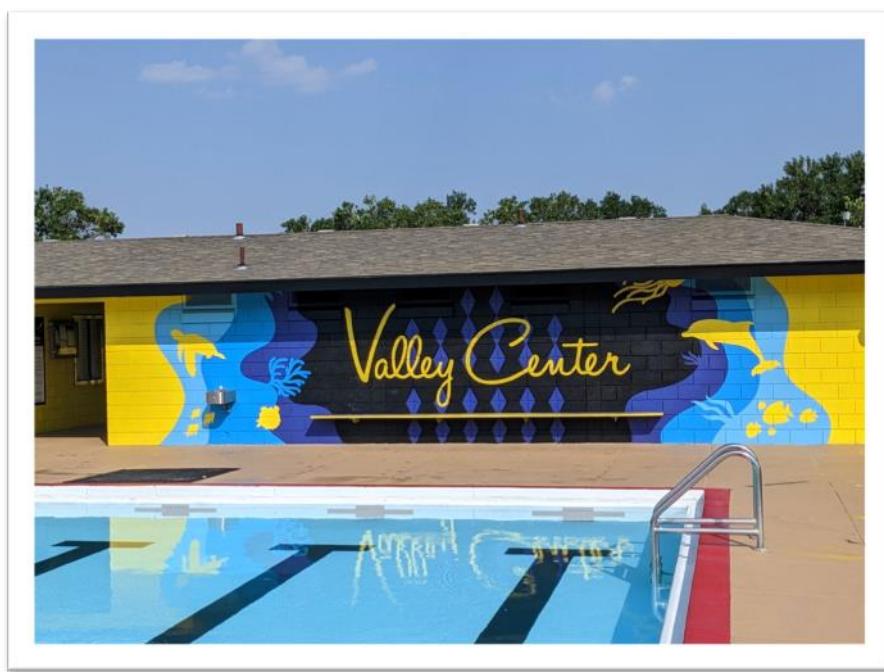


Special Parks & Rec Fund

Special Parks & Rec Fund is required per state statute. All businesses with a Kansas state liquor license are required to pay taxes on the liquor that is sold. The City receives a portion of these taxes back from the state.

The Special Parks and Rec Fund has been used to improve the quality of life in the City's parks. Some improvements include sidewalk enhancements and the building of trails for citizens to use. This fund has also been used for the addition of security cameras in the park to further enhance the quality of life for our citizens.

SPECIAL PARKS & REC	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
EXPENDITURE	\$	\$	\$	\$
COMMODITIES	\$ -	\$ -	\$ -	\$ -
CONTRACTUAL SERVICES	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ 16,459
OTHER COSTS/MISC.	\$ -	\$ 20,000	\$ -	\$ -
REVENUE	\$ 1,534	\$ 1,477	\$ 5,809	\$ 3,070
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -
OTHER REVENUES	\$ -	\$ -	\$ -	\$ -
TAXES	\$ 1,340	\$ 1,477	\$ 4,661	\$ 3,070
USE OF MONEY & PROPERTY	\$ 193	\$ -	\$ 1,147	\$ -





Special Streets & Highway Fund

Public Works has made great progress in the prevention of road bed erosion, by the removal of storm water sitting on the streets due to a lack of ditches or storm water run-off. The new Compact Track Loader has been an asset in cleaning street ditches and drainage structures. Another large factor in advancing this process has been the purchase of a Double Axle Trailer-Jetter for culvert cleaning purposes done on south Sheridan Street, Clarence, east 69th Street and south Interurban. The purchase of a new Cub Cadet Pro Z900 slope mower will make the process of mowing our city ditches and the Ford Street Detention Pond much more efficient.



STREETS AND HIGHWAY	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
EXPENDITURE	\$ 1,192,201	\$ 867,352	\$ 822,030	\$ 1,179,920
CAPITAL OUTLAY	\$ 669,120	\$ 363,000	\$ 352,472	\$ 522,000
COMMODITIES	\$ 56,344	\$ 52,700	\$ 59,288	\$ 66,800
CONTRACTUAL SERVICES	\$ 72,188	\$ 49,900	\$ 71,725	\$ 73,780
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -
OTHER COSTS/MISC.	\$ 20,000	\$ 20,000	\$ 20,000	\$ 36,000
PERSONNEL SERV. & BENEF.	\$ 374,549	\$ 381,752	\$ 318,545	\$ 481,340
REVENUE	\$ 1,142,336	\$ 1,001,960	\$ 1,105,262	\$ 1,095,000
INTERGOVERNMENTAL	\$ 1,105,254	\$ 991,960	\$ 1,062,643	\$ 1,095,000
LICENSES & PERMITS	\$ 125	\$ -	\$ 225	\$ -
MISCELLANEOUS	\$ 20,876	\$ 1,000	\$ -	\$ -
OTHER REVENUES	\$ 3,445	\$ 9,000	\$ 19,110	\$ -
TAXES	\$ -	\$ -	\$ -	\$ -
USE OF MONEY & PROPERTY	\$ 12,635	\$ -	\$ 23,284	\$ -



Streets Departmental Summary

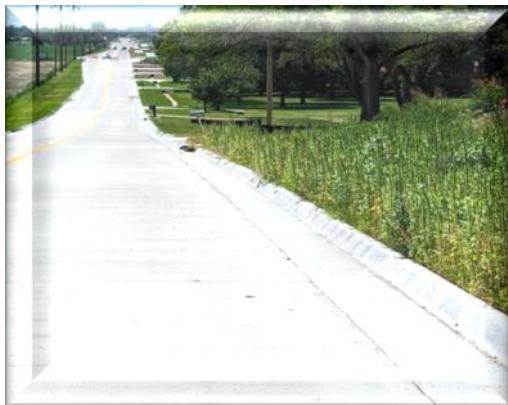
STREETS DEPARTMENT

Service Description: Streets maintains and improves the City's infrastructure such as streets, sidewalks, storm sewer, ditches, etc. Our Streets department is crucial to keeping traffic moving across the city. They coordinate road projects, patch cracks and pot holes, keep the lines fresh, and keep the storm drains clean. They also ensure development/builder compliance with KDHE/EPA stormwater regulations

SPECIAL STREETS AND HIGHWAY

APPROVED APPROVED APPROVED

Staffing Summary	2021	2022	2023
SPECIAL STREETS DEPARTMENT			
REGULAR FULL TIME			
INFRASTRUCTURE MANAGER	1	1	1
EQUIPMENT OPERATOR I	1	4	4
EQUIPMENT OPERATOR II	1	1	1
MECHANIC	1	0	0
UTILITY WORKER	0	0	0
STORMWATER	0	0	0
TOTAL	4	6	5



SIGNIFICANT HIGHLIGHTS 2023:

- Completed the move of a major natural gas mainline on N Meridian from 4th to City Hall in preparation for the Meridians project.
- Reached substantial completion on the Ford Street project.
- Completed the Mill & Overlay of the following: Meadow-Fieldstone to Parkway and 2nd Street-Sheridan to Birch.
- Entered a contract with Kansas Paving for the mill & overlay of approx. 12169 sq. yds of roadway.
- Hired two new employees for the Streets bringing the department to full staff.



Objectives:

- Ensure timely right-of-way maintenance, signs, traffic signal maintenance.
- Take a proactive approach for street repair and patching and curb and gutter maintenance.
- Manage storm drainage projects, road projects.
- Perform quality street sweeping and snow removal.
- Maintain staffing, training and development.

Non-Budgeted Funds





Non-Budgeted Funds

REVENUES	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
ADSAP	\$ -	\$ -	\$ 15	\$ -
BUILDING EQUIPMENT RESERVE	\$ 662	\$ -	\$ 1,991	\$ -
CAPITAL PROJECTS	\$ 10,436,333	\$ -	\$ 18,170,260	\$ -
DRUG TAX DISTRIBUTION	\$ 2,777	\$ -	\$ 714	\$ -
EQUIPMENT RESERVE	\$ 60,285	\$ 57,600	\$ 49,677	\$ 59,000
SEWER LOAN P&I	\$ 208,647	\$ -	\$ 208,647	\$ -
SEWER SURPLUS RESERVE	\$ 2,482	\$ 95,000	\$ 7,195	\$ 98,000
WATER SURPLUS RESERVE	\$ 7,509	\$ 100,000	\$ 20,914	\$ 220,000
Grand Total	\$ 10,718,696	\$ 252,600	\$ 18,459,413	\$ 377,000

EXPENDITURES	2022 ACTUALS	2023 BUDGET	2023 REVISED	2024 BUDGET
ADSAP	\$ -	\$ -	\$ -	\$ -
BUILDING EQUIPMENT RESERVE	\$ 57,436	\$ 61,000	\$ -	\$ -
CAPITAL PROJECTS	\$ 3,693,562	\$ -	\$ 10,115,764	\$ -
DRUG TAX DISTRIBUTION	\$ -	\$ -	\$ -	\$ -
EQUIPMENT RESERVE	\$ 36,398	\$ 19,000	\$ 14,540	\$ 76,320
SEWER LOAN P&I	\$ 208,647	\$ -	\$ 208,647	\$ -
SEWER SURPLUS RESERVE	\$ 97,415	\$ -	\$ -	\$ -
WATER SURPLUS RESERVE	\$ 571,723	\$ -	\$ 8,103	\$ -
Grand Total	\$ 4,665,181	\$ 80,000	\$ 10,347,054	\$ 76,320

FUND	FUND BALANCE AS OF	2021			2022			2023		
		January 1	2021	2021	January 1	2022	2022	January 1	2023	2023
ADSAP	January 1	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049
	December 31	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049
BUILDING EQUIPMENT RESERVE	January 1	\$ 119,805	\$ 119,805	\$ 119,805	\$ 63,031	\$ 63,031	\$ 63,031	\$ 63,031	\$ 63,031	\$ 63,031
	December 31	\$ 119,805	\$ 63,031	\$ 63,031	\$ 63,031	\$ 63,031	\$ 63,031	\$ 63,031	\$ 63,031	\$ 63,031
CAPITAL PROJECTS	January 1	\$ 837,233	\$ 620,752	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267
	December 31	\$ 620,752	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267	\$ 2,493,267
DRUG TAX DISTRIBUTION	January 1	\$ 5,343	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EQUIPMENT RESERVE	January 1	\$ 326,979	\$ 344,000	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887
	December 31	\$ 344,000	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887	\$ 367,887
SEWER LOAN P&I	January 1	\$ 58,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SEWER SURPLUS RESERVE	January 1	\$ 388,827	\$ 453,827	\$ 518,827	\$ 518,827	\$ 518,827	\$ 518,827	\$ 518,827	\$ 518,827	\$ 518,827
	December 31	\$ 453,827	\$ 408,894	\$ 408,894	\$ 408,894	\$ 408,894	\$ 408,894	\$ 408,894	\$ 408,894	\$ 408,894
WATER SURPLUS RESERVE	January 1	\$ 1,595,038	\$ 1,225,194	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980
	December 31	\$ 1,225,194	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980	\$ 690,980

Debt Management





Debt Policy

Governing Body Adoption: 08/15/2023

CITY OF VALLEY CENTER DEBT POLICY

SECTION 1. POLICY OBJECTIVES

- 1.1. The objectives of this policy are to plan and control capital expenditures, financing requirements, and guidelines for the issuance of various debt instruments. To hold borrowing costs at a minimum and maintain ratios within this policy's standards and in accordance with K.S.A. Chapter 10. The intent is to maintain or improve favorable ratings and competitive interest costs on all types of borrowing instruments, thereby providing savings to taxpayers.

SECTION 2. PAY-AS-YOU-GO

- 2.1. Pay-as-you-go (PAYGO) funding will use current-year revenues or reserves. The City shall strive to finance at least twenty percent (20%) of the City's capital improvement budget with pay-as-you-go financing from current resources. Neither pay-as-you-go nor bond financing is superior to the other, and traditionally a combination of approaches is the most prudent course.

2.2. Pay-As-You-Go Funding Use Considerations

- Current revenues and fund balances are available.
- Phasing-in of projects is feasible.
- Additional debt financing would adversely affect the City's credit rating.
- Market conditions are unstable or suggest difficulties in marketing.

2.3. Long-Term Debt Financing Use Considerations

- Revenues available for bond issues are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating that can be maintained.
- Market conditions present favorable interest rates and demand for City long-term financing.
- Current revenues or fund balances are sufficient to pay project costs.
- A project is immediately required to meet or relieve capacity needs.
- A project is mandated by the state or federal government.
- The life of the project or asset financing is five years or longer.

SECTION 3. GENERAL DEBT POLICY

- 3.1. City debt will be structured to achieve the lowest possible net interest cost to the City given market conditions, the urgency of the capital project, and the nature and type of any security provided. To every extent possible, the City will design the repayment of its overall debt issue so as to rapidly recapture its credit capacity for future use.
- 3.2. The City shall strive for the following benchmarks:
 - 20% maximum Statutory Direct Debt as a percentage of assessed valuation. In no case shall this ratio exceed the 30% maximum in accordance with K.S.A. 10-308.



Debt Policy

City of Valley Center Debt Policy

- Statutory direct debt as a percentage of assessed valuation is calculated with each debt issue and included in the Official Statement of each offering.
- Revenue bonds and bonds issued for the following projects shall be excluded from this calculation pursuant to K.S.A. 10-309.
 - Storm or sanitary sewer projects.
 - Municipal utilities.
 - Improvements to the intersection of streets and alleys.
 - Projects within the Valley Center Capital Improvement Plan.
- Rapid amortization of total debt (all general obligation and revenue bonds) with the objective of at least 60% over ten (10) years.

3.3. The City shall review and consider the effect debt could have on the following:

- Adherence to the Capital Improvement Plan.
- Potential for increase in assessed valuation.
- Potential for growth in sales tax revenue.
- Mill levy required to service the Bond & Interest Fund annually.
- Other factors as the City determines appropriate.

3.4. The City will levy the needed millage for the Bond and Interest Fund to ensure the current principal and interest payments required for the current fiscal year are covered, less any long-term debt supported by utility funds or special assessments.

SECTION 4. TEMPORARY NOTES

4.1. Petitions submitted for internal improvements, including engineer's estimates for project design, construction, staking, administration, and inspection, shall be used on a project-by-project basis to determine the amount required for each note.

4.2. Project timing shall be coordinated whenever possible so that temporary notes can be combined to avoid additional issuance costs, such as financial advisor, bond counsel, rating fees, publications, and closing costs. The maximum maturity of any one note shall be four years from the date of issue.

4.3. Call provisions shall be determined on a project-by-project basis. Various outstanding notes shall be combined and sold in a series as determined by project and maturity to reduce costs associated with public bond sales of several modest issues.

SECTION 5. GENERAL OBLIGATION BONDS

5.1. Issuance shall be, at most, twice per calendar year unless the prevailing interest rates dictate additional issuances.

5.2. Rapid debt maturity is desired. Generally, maturities shall be scheduled to level annual debt service requirements. The maximum maturity shall not exceed the anticipated useful life of the capital item and, in no case, shall exceed 20 years.

5.3. Debt shall be used only for equipment, land acquisition, or improvements that cannot be financed with current revenues; however, this may be modified to spread costs over a lengthy period of time based on historical growth or assessed valuation so that future citizens become responsible for portions of the cost where it is estimated that the cost of long-term borrowing is less than can be obtained through invested earnings.



Debt Policy

City of Valley Center Debt Policy

5.4. Payment of long-term debt shall be budgeted in the Bond and Interest fund unless directed by resolution to establish debt service accounts in utility or special revenue funds.

SECTION 6. REVENUE BONDS

6.1. For the City to issue new revenue bonds, projected annual revenues as defined by the ordinance authorizing such issuance shall be a minimum of 125% of the issue's average yearly revenue debt service. Annual adjustments to the City's rate structures shall be considered to maintain the 125% coverage factor if necessary.

SECTION 7. SPECIAL ASSESSMENT BONDS

7.1. The City shall maintain a watchful attitude over the issuance of special assessment bonds for benefit district improvements. While the City's share of any benefit district project may fluctuate, under Kansas law, the City shall not pay more than 95% of any proposed costs related to a benefit district.

SECTION 8. LEASE AGREEMENTS AND LEASE/PURCHASE AGREEMENTS

8.1. Lease/purchase agreements provide a flexible financial alternative for acquiring assets. Certain lease/purchase agreements are subject to voter approval. A lease/purchase agreement shall be negotiated only after a Request for Proposals is solicited to obtain the best available interest rate.

8.2. Generally, lease agreements shall be for a minimum of one (1) year and shall not exceed five (5) years. A lease agreement is not a binding long-term commitment to pay on the part of the City and therefore is not considered indebtedness; it is classed as debt by credit rating agencies.

SECTION 9. CASH ON DELIVERY (COD)

9.1. Cash on delivery provides payment in full of a public improvement upon demand of the City as provided for in the authorizing project resolution. Cash on delivery may be preferred when the City has been requested (by petition pursuant to the Special Assessment procedure) to make a public improvement for which traditional general obligation bonds would be issued and special assessments certified, thereby adding to the City's overall debt burden. The Council will consider requests for COD treatment if the petitioners can provide adequate credit enhancement that would ensure payment in full of total project costs as determined by the finance director. Credit enhancements could include letters of credit, cash held in escrow in the City's name, or any other instrument approved by the city attorney.

SECTION 10. ADMINISTRATION

10.1. It shall be the responsibility of the City Finance Director to maintain all necessary files associated with the issuance of city debt.

10.2. The Finance Director shall submit a fiscal impact statement of projects in the Capital Improvement Plan (CIP) that are to be funded with long-term debt.

- The fiscal impact statement shall be presented to City Council for consideration during the annual budget process.
- The fiscal impact statement shall contain, at a minimum, an estimate of the debt service levy to be required, a calculation showing the impact of this additional levy on the existing debt service levy, and the effect on the debt ratios identified in Section 3 above.



Debt Policy

City of Valley Center Debt Policy

- The fiscal impact statement will summarize the offsetting revenues of debt, such as special assessments, sales taxes, and user fees and projected user fee rate increases in the case of revenue bond financing.
- The fiscal impact statement shall provide information on any projected user fee rate increases in the case of revenue bond financing.

SECTION 11. REFUNDING OF DEBT

11.1 Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. In accordance with K.S.A. chapter 10 article 4 and within federal tax law constraints, refunding will be considered if there is a net economic benefit, or the refunding is necessary to modernize covenants essential to operations and management.

11.2 Staff and the City's financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. If the opportunity is beneficial the general rule(s) will be as follows:

- The present value savings of a particular refunding shall, in most cases, exceed 3% of the refunding maturities.
- Refunding issues that produce a net present value savings of less than 3% shall be considered on a case-by-case basis.
- Refunding issues with negative savings shall only be considered if a compelling public policy objective exists.

SECTION 12. CONDUIT FINANCING

12.1 The City may sponsor conduit financings in the form of Industrial Revenue Bonds for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the City's overall service and policy objectives as determined by the City Council.

12.2 All conduit financings must protect the City completely from any credit risk or exposure and must first be approved by the City Administrator before being submitted to the City Council for consideration.

SECTION 13. ARBITRAGE LIABILITY

13.1 The City shall minimize the cost of arbitrage rebate and yield restriction while strictly complying with the law. Federal arbitrage legislation is intended to discourage entities from issuing tax-exempt obligations unnecessarily.

- In compliance with the spirit of the legislation, the City shall not issue obligations except for identifiable projects with very good prospects of timely initiation.
- Temporary notes and subsequent general obligation bonds shall be issued timely in connection with project schedules so that debt proceeds are spent quickly.

13.2 Because of the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, bond counsel and other qualified experts' advice will be sought whenever questions about arbitrage rebate regulations arise.



Debt Policy Glossary

City of Valley Center Debt Policy

GLOSSARY

As used in this policy, and amendments thereto, the following words and phrases shall have the following meanings unless a different meaning clearly appears from the context:

ARBITRAGE — The difference between the interest expense paid by the bond debt issuer and the earnings from the invested proceeds.

ASSESSED VALUATION — The value assigned to property by a municipality for the purposes of taxation, particularly when it comes to municipal property taxes. These valuations take into account a number of different factors, including overall quality, market conditions, and nearby property values.

BONDS — Debt issued for a period of more than one year. When an investor buys bonds, he or she is lending money. The seller of the bond agrees to repay the principal amount of the loan at a specified time. Interest-bearing bonds pay interest periodically.

CAPITAL EXPENDITURES — Amount used during a particular period to acquire or improve long-term assets such as property, infrastructure, or equipment.

CAPITAL IMPROVEMENT PLAN (CIP) — A plan for capital expenditures that typically extends five to ten years beyond the capital budget, used for sustaining and improving the community's infrastructures. It coordinates strategic planning, financial capacity, and physical development.

CONDUIT FINANCING — Financing in which the issuer issues the bonds to finance a project to be used primarily by a third party.

CREDIT RATING or RATING — An evaluation of the municipalities ability to repay obligations or it's likelihood of not defaulting.

LONG-TERM DEBT — A legal obligation that typically does not mature for more than a decade

MARKET — The market for trading equities.

OFFICIAL STATEMENT — The disclosure document prepared by a bond issuer that gives detailed financial information about the issuer and the bond offering.

PAYGO (PAY AS YOU GO) — Is the practice in the United States of financing expenditures with funds that are currently available rather than borrowed.

RESERVES — Monies the City keeps on hand to meet emergency funding needs.

REVENUE BONDS — Bonds issued by any municipality to be paid from the revenue derived from the operation of a publicly owned utility, instrumentality, or facility of a revenue-producing character, or which are not general obligations of the issuing municipality.

STATUTORY DIRECT DEBT — also referred to as Statutory Debt Limit is the maximum amount of debt that a municipality can either issue or have outstanding at any given time. These limits are often put in place via statutes or constitutions on a state or municipal level to avoid taking on excessive risks of any kind.



Debt Management

"Notwithstanding the provisions of K.S.A. 10-308, and amendments thereto: (a) Bonds issued by any city for the purpose of acquiring, enlarging, extending or improving any storm or sanitary sewer system; or (b) bonds issued by any city for the purpose of acquiring, enlarging, extending or improving any municipal utility; or (c) bonds issued by any city to pay the cost of improvements to intersections of streets and alleys or that portion of any street immediately in front of city or school district property, shall not be included in computing the total bonded indebtedness of the city for the purposes of determining the limitations on bonded indebtedness provided in K.S.A. 10-308, and amendments thereto."

Type of Debt	Date of Issue	Date of Maturity	Interest Rate %	Amount Issued	Outstanding as of Jan 1, 2023	Due Date		Interest Due in 2023	Principal Due in 2023	Interest Due in 2024	Principal Due in 2024
						Interest	Principal				
2016-1 G.O. Bond	6/1/2016	12/1/2036	3.000%	\$ 4,490,000	\$ 3,420,000	6/1 & 12/1	12/1	\$ 83,150	\$ 210,000	\$ 78,950	\$ 220,000
2017-1 G.O. Bond	10/12/2017	12/1/2032	3.000%	\$ 3,030,000	\$ 1,805,000	6/1 & 12/1	12/1	\$ 52,533	\$ 290,000	\$ 45,282	\$ 300,000
2018-1 G.O. Bond	8/23/2018	12/1/2038	3.000%	\$ 1,470,000	\$ 1,405,000	6/1 & 12/1	12/1	\$ 46,230	\$ 65,000	\$ 43,858	\$ 70,000
2019-1 G.O. Bond	5/23/2019	12/1/2039	3.000%	\$ 3,980,000	\$ 3,580,000	6/1 & 12/1	12/1	\$ 116,150	\$ 165,000	\$ 109,550	\$ 170,000
2020-1 G.O. Bond	2/6/2020	12/1/2044	2.330%	\$ 4,675,000	\$ 4,310,000	6/1 & 12/1	12/1	\$ 109,318	\$ 110,000	\$ 104,918	\$ 155,000
2020-2 G.O. Bond	9/1/2020	12/1/2033	0.770%	\$ 6,540,000	\$ 5,115,000	6/1 & 12/1	12/1	\$ 84,168	\$ 655,000	\$ 71,068	\$ 670,000
2022-1 Temp Note	6/23/2022	3/1/2029	2.200%	\$ 9,490,000	\$ 9,490,000	6/1 & 12/1	12/1	\$ 307,239	\$ -	\$ 213,525	\$ 9,490,000
2022-2 Temp Note	6/23/2022	12/1/2024	3.210%	\$ 855,000	\$ 855,000	6/1 & 12/1	12/1	\$ 38,138	\$ -	\$ 26,505	\$ -
2023-1 Temp Note	9/12/2023	12/1/2025	4.375%	\$ 27,370,000	\$ -	6/1 & 12/1	12/1	\$ -	\$ -	\$ 1,433,599	\$ -
Total G.O. Bonds				\$ 61,900,000	\$ 29,980,000			\$ 836,926	\$ 1,495,000	\$ 2,127,255	\$ 11,075,000
Other:											
2007 KWPCRLF Sewer	7/26/2007	3/1/2029	2.510%	\$ 3,299,870	\$ 1,155,471	2/1	9/1	\$ 25,099	\$ 180,773	\$ 20,988	\$ 185,338
Leases:											
2020 RAVO 5 Street Sweeper	1/17/2020	1/1/2025	3.125%	\$ 150,004	\$ 92,676	1/1	1/1	\$ 2,936	\$ 29,934	\$ 1,988	\$ 30,883
TOTAL INDEBTEDNESS				\$ 65,349,874	\$ 31,228,147			\$ 864,961	\$ 1,705,707	\$ 2,150,230	\$ 11,291,221



Debt Management

DEBT STRUCTURE

Debt Summary

The following table summarizes certain key statistics with respect to the Issuer's tax and assessment supported general obligation debt, including the Notes:

Debt Summary	
Estimated Actual Valuation ¹	\$494,738,756
Preliminary Assessed Valuation ²	\$79,158,201
Outstanding General Obligation Debt	\$57,350,000
Gross Overlapping debt ³	\$24,776,585
Direct debt per capita (7,419 population)	\$7,730
Direct and overlapping debt per capita	\$11,070
Direct debt as a percentage of Preliminary Assessed Valuation	72.45%
Direct debt as a percentage of Estimated Actual Valuation	11.59%
Direct & overlapping debt as a percentage of Preliminary Assessed Valuation	103.75%
Direct & overlapping debt as a percentage of Estimated Actual Valuation	16.60%

¹ See "Property Valuations" *infra*.

² The 2023 preliminary assessed value of all tangible taxable property within the City. Also includes the taxable value of motor vehicles within the City. 2023 motor vehicle valuation not yet available; 2022 data used for estimation purposes only.

³ The overlapping debt includes the debt of USD 262, USD 259, and Sedgwick County. The State established the CIF in 1992 to assist school districts on making principal and interest payments on voted general obligation bond issues. Each school district that is obligated to make payments from its bond and interest fund is entitled to receive state aid from the CIF. A school district's entitlement of state aid from the CIF each year is determined by applying its state aid percentage factor to the bond and interest fund payment obligation for that year. Although the CIF has provided state aid in each year since its inception, no assurance can be given that state aid will continue in future years. However, the District is obligated to levy unlimited ad valorem taxes to provide for debt service payments on its outstanding general obligation bonds, including the Bonds, regardless of any state aid.

Authority to Incur Debt

Pursuant to Kansas law, the City is permitted to issue general obligation debt in an aggregate amount not to exceed 30% of its (1) assessed valuation as certified to the county clerk on the preceding August 25 (assessed valuation figures as of August 25 are typically estimates used for budgeting purposes and may be slightly different than final valuation figures shown herein) and (2) valuation of motor vehicles (the "Debt Limit"). State law exempts various types of general obligation bonds and temporary notes from counting against the City's Debt Limit; for instance, bonds or temporary notes issued for the purpose of acquiring, enlarging, extending or improving any storm or sanitary sewer system; for the purpose of acquiring, enlarging, extending or improving any municipal utility; or to pay the cost of improvements to intersections of streets and alleys or that portion of any street immediately in front of city or school district property, are not included in computing the total bonded indebtedness of the City for the purposes of determining the limitations on bonded indebtedness. The following table provides certain information relating to the City's outstanding general obligation debt, including the Notes, and its statutory Debt Limit:

Preliminary Assessed Valuation (including Motor Vehicle Valuation) ¹	\$79,158,201
Statutory Debt Limit ²	\$23,747,460
Outstanding General Obligation Debt	\$57,350,000
Exempt Debt	\$49,287,463
Net Debt against Debt Limit Capacity ³	\$8,062,537
Additional legal debt capacity	\$15,684,923
Statutory Direct debt as a percentage of Preliminary Assessed Valuation	10.19%

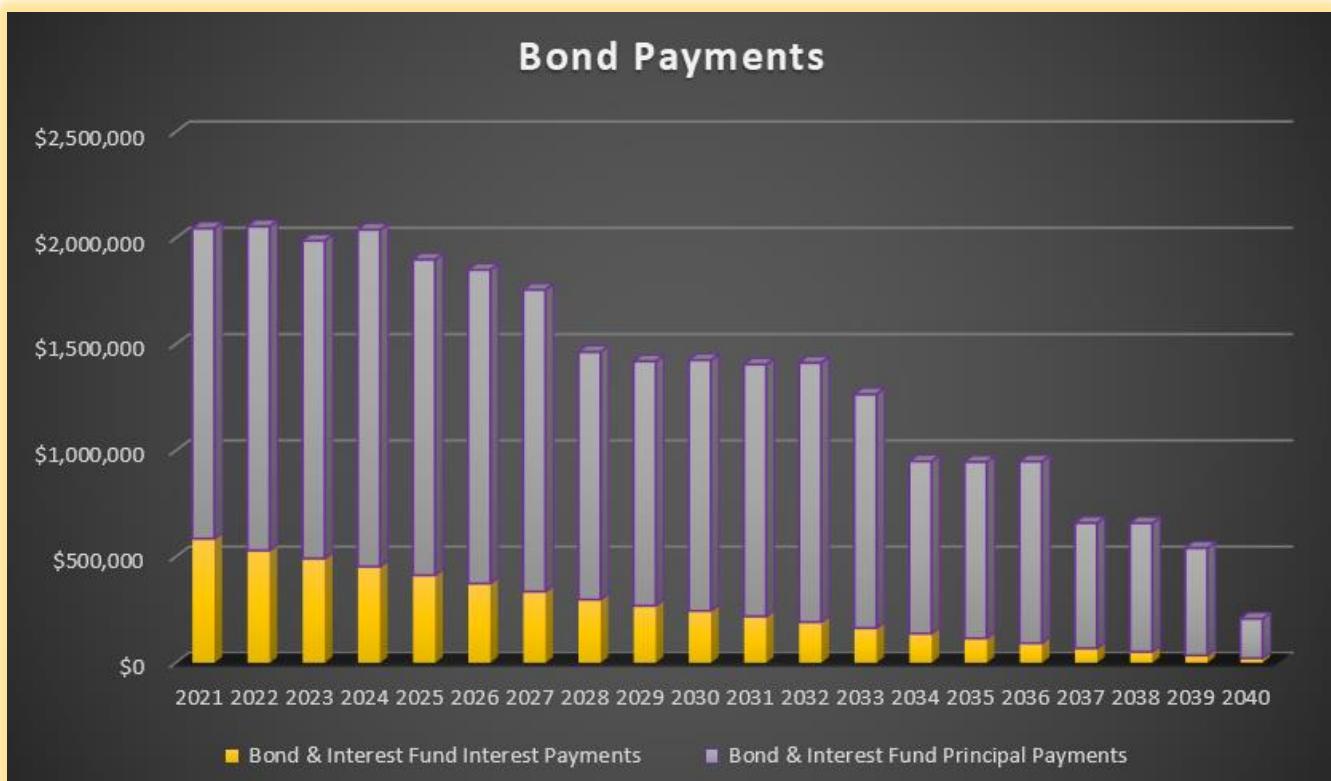
¹ The assessed value of all tangible taxable property within the City, as certified to the County Clerk on August 25th of the preceding year. Also includes the taxable value of motor vehicles within the City. 2023 motor vehicle valuation not yet available; 2022 data used for estimation purposes only. See K.S.A. 10-301 *et seq.*

² Based upon assessed value of all tangible taxable property within the City, as certified to the County Clerk on the preceding August 25. See K.S.A. 10-301 *et seq.*

³ Excludes general obligation debt that is exempt from the City's debt limit pursuant to State law exceptions.



Debt Schedule to Maturity—G.O. Bonds



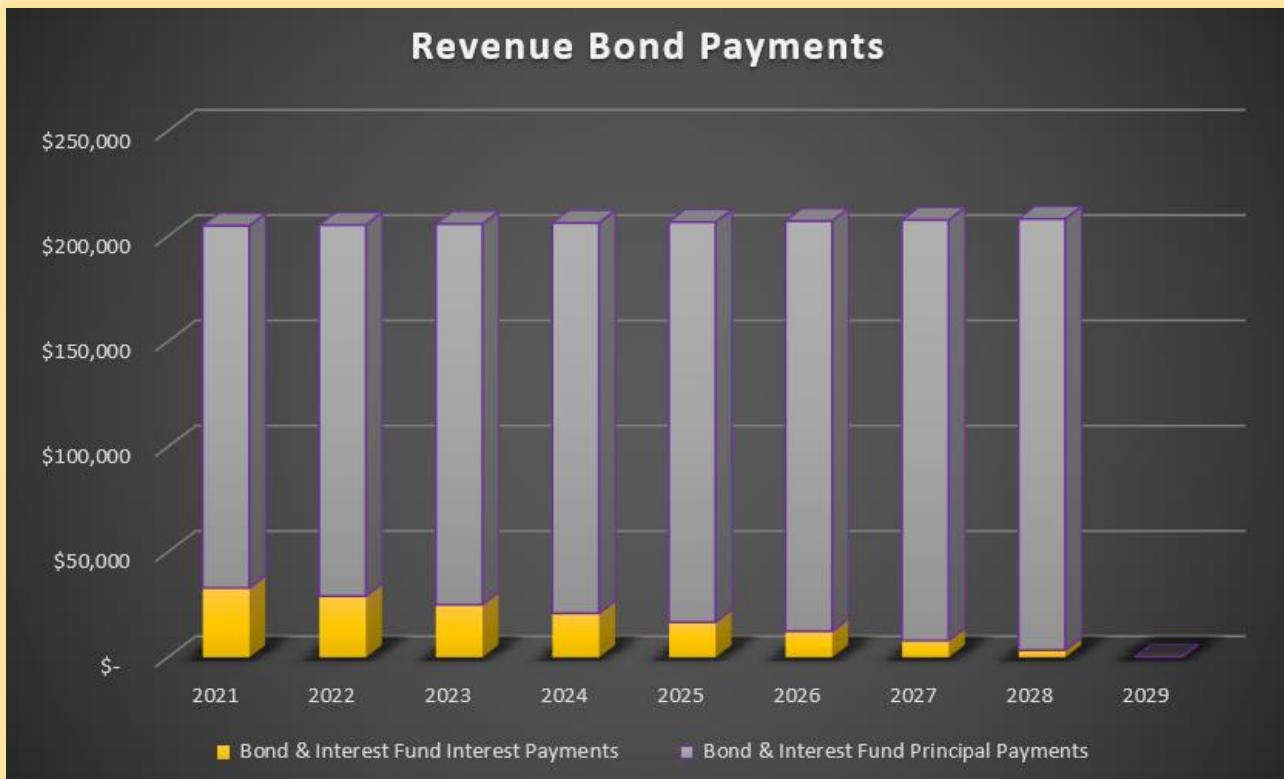
Total Debt Service Payments for all General Obligation Bonds Per Year

In 2020 the city refinanced four existing bonds, creating the 2020-2 bond. This move will save the city over \$900,000 in interest.

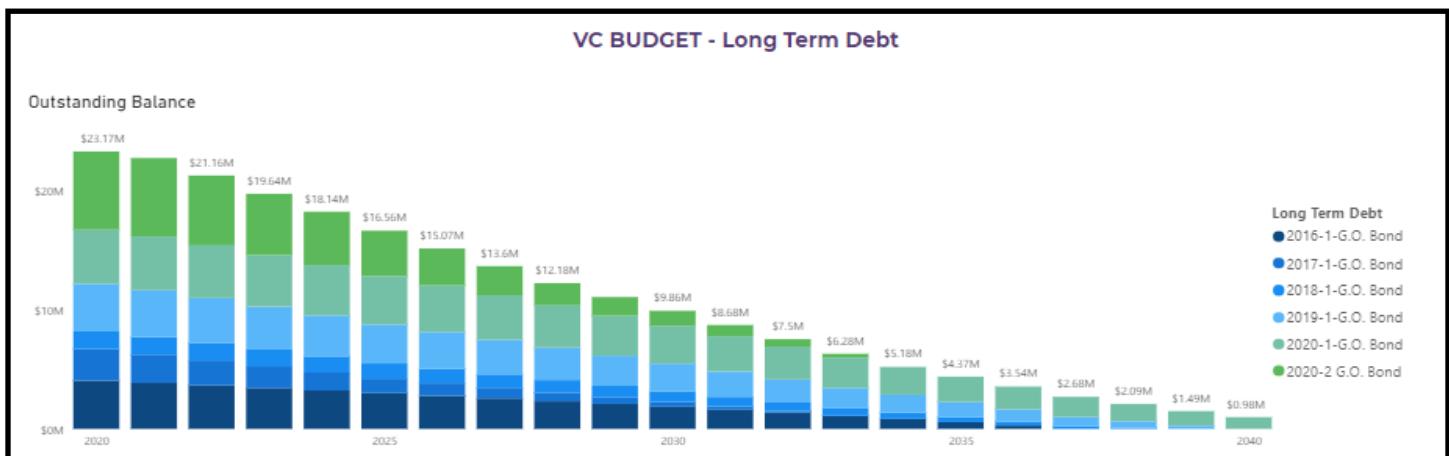
Fiscal Year	Beginning Balance	Bond & Interest Fund Interest Payments	Bond & Interest Fund Principal Payments	Total
2021	\$22,620,000	\$584,990	\$1,460,000	\$2,044,990
2022	\$21,160,000	\$529,134	\$1,525,000	\$2,054,134
2023	\$19,635,000	\$491,548	\$1,495,000	\$1,986,548
2024	\$18,140,000	\$453,626	\$1,585,000	\$2,038,626
2025	\$16,555,000	\$412,981	\$1,485,000	\$1,897,981
2026	\$15,070,000	\$374,336	\$1,475,000	\$1,849,336
2027	\$13,595,000	\$335,988	\$1,420,000	\$1,755,988
2028	\$12,175,000	\$298,243	\$1,165,000	\$1,463,243
2029	\$11,010,000	\$269,435	\$1,150,000	\$1,419,435
2030	\$9,860,000	\$244,981	\$1,180,000	\$1,424,981
2031	\$8,680,000	\$219,162	\$1,185,000	\$1,404,162
2032	\$7,495,000	\$192,384	\$1,220,000	\$1,412,384
2033	\$6,275,000	\$163,853	\$1,100,000	\$1,263,853
2034	\$5,175,000	\$138,463	\$810,000	\$948,463
2035	\$4,365,000	\$115,913	\$830,000	\$945,913
2036	\$3,535,000	\$92,713	\$855,000	\$947,713
2037	\$2,680,000	\$68,628	\$590,000	\$658,628
2038	\$2,090,000	\$52,338	\$605,000	\$657,338
2039	\$1,485,000	\$35,526	\$505,000	\$540,526
2040	\$980,000	\$22,255	\$185,000	\$207,255



Debt Schedule to Maturity—Revenue Bonds



Fiscal Year	Bond & Interest Fund Interest Payments	Bond & Interest Fund Principal Payments	Beginning Balance	Total
2021	\$33,020	\$171,976	\$ 1,503,765	\$204,996
2022	\$29,109	\$176,319	\$ 1,331,790	\$205,428
2023	\$25,099	\$180,773	\$ 1,155,471	\$205,872
2024	\$20,988	\$185,338	\$ 974,699	\$206,326
2025	\$16,773	\$190,020	\$ 789,361	\$206,793
2026	\$12,452	\$194,819	\$ 599,342	\$207,271
2027	\$8,021	\$199,740	\$ 404,524	\$207,761
2028	\$3,479	\$204,784	\$ 204,784	\$208,263
2029	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0





Debt Dashboard

[Click here to experience our Interactive Debt Dashboard!](#) >

Start by choosing which type of debt you would like to see.

Select one of the four options on the right to view:

Overall: All City Wide General Obligation Debt

Ad Valorem: All debt supported by property tax revenue

Utility: All debt supported by utility revenue

Special Assessment: All debt supported by special assessment revenue

Overall

Ad Valorem

Utility

Special Assessment

You may choose to see both current and future or only one option.

Current

Future

Overall Outstanding Principal - General Obligation Debt



If you would like to drill down into a specific debt issuance you may click on a specific bond.

2016-1-G.O. Bond Issuance	Goff, Fieldstone, Clover, and Emporia sid...	Ad Valorem Revenue Source
2016-1-G.O. Bond Issuance	Valley Creek Estates 2nd Addition Paving,...	Special Assessments Revenue Source
2017-1-G.O. Bond Issuance	Meridian Storm Sewer Extension; Sanitary...	Ad Valorem Revenue Source
2017-1-G.O. Bond	Prairie Lakes Phase 2 Water, Sanitary Sew...	Special Assessments



Debt Management – Credit Rating

Summary:

Valley Center, Kansas; General Obligation; Note

Credit Profile		
US\$27.37 mil GO temp nts ser 2023-1 due 12/01/2025		
<i>Short Term Rating</i>	SP-1+	New
Valley Center GO		
<i>Long Term Rating</i>	AA-/Stable	Affirmed
Valley Center GO bnds		
<i>Long Term Rating</i>	AA-/Stable	Affirmed
Valley Center GO temp nts		
<i>Short Term Rating</i>	SP-1+	Affirmed

Credit Highlights

- S&P Global Ratings assigned its 'SP-1+' short-term rating to the city of Valley Center, Kan.'s anticipated \$27.37 million general obligation (GO) temporary notes, series 2023-1.
- At the same time, S&P Global Ratings affirmed its 'AA-' long-term rating on the city's GO bonds outstanding and its 'SP-1+' short-term rating on the city's outstanding temporary notes.
- The outlook on the long-term rating is stable.

Security

The 'SP-1+' short-term rating on the notes reflects our view of Valley Center's long-term rating and low market-risk profile, including its authority to issue take-out debt, as well as the availability of pertinent disclosure information. Kansas law requires the authorization of long-term take-out GO debt before the issuance of temporary notes.

Proceeds from the series 2023 temporary notes will fund various public improvements.

The city's full faith and credit pledge, including its ability to levy ad valorem property taxes without limitation as to rate or amount, secures the GO debt outstanding. Several of Valley Center's GO bonds are payable, in part, from special assessments levied on the property benefited by the projects being financed with the bond proceeds, or, if these are not paid, from ad valorem taxes levied, without limitation as to rate or amount, on all taxable property in the city. Despite the dual pledge, we rate to the strength of the GO pledge, which we view as stronger.

Credit overview

Valley Center is located in northeast Kansas, 15 miles north of Wichita. The regional economic base centers on manufacturing, particularly in the aerospace industry; development is ongoing in and around the city, with notable expansion on the north side of Sedgwick County. Commercial development has driven housing development, which will be positive for the city's largest revenue source, property taxes.

We expect that the city's economy will continue to grow, with multiple subdivisions in various phases of construction



Debt Management – Credit Rating

Summary: Valley Center, Kansas; General Obligation; Note

and ample land available for future development. We also note that residential and commercial development is expected in the city's recently established Tax Increment Financing district.

Growing revenues have contributed to recent operating surpluses, bolstering the city's very strong reserves on a cash basis. Recent general fund surpluses have been primarily driven by higher-than-budgeted revenues, especially sales tax receipts, along with permit revenue growth as developments begin.

The city's 2023 fiscal year is expected to close with a planned small deficit, but we expect that general fund reserves will remain very strong. The city may spend some reserves on a new water treatment plant in three to five years but not below its policy for general fund reserves to remain above 25% of the current year's expenditure appropriations.

The city also has a policy to maintain adequate operating reserves in all other funds. We note that the city included salary increases in its budget in 2022 and will include additional increases in 2023 and 2024. We expect that debt will remain at least weak over the next several years, as additional debt may be issued for continued buildout of residential developments. However, we note that the debt would likely be issued in the form of special assessments.

The 'AA-' long-term rating reflects our view of the city's:

- Role as a bedroom community with access to employment in the broad and diverse Wichita metropolitan statistical area (MSA), but with wealth metrics that are not favorable compared to those of peers;
- Good financial policies and practices, including recently adopted formal investment and debt management policies, five-year revenue and expenditure forecasting, ten-year capital plan, and a strong institutional framework;
- Surplus operations and very strong reserves, although we note that its use of cash accounting negatively affects budgetary flexibility as it reduces clarity about the amount of funds that are truly available; and
- Weak debt profile with elevated carrying charges, although the high debt burden is somewhat offset by special assessment revenue and low pension fixed costs, with retiree benefit liabilities we do not view as an immediate source of credit pressure for the city as required contributions currently make up a small portion of total governmental expenditures.

Environmental, social, and governance

The rating incorporates our view of city's environmental, social, and governance risks relative to its economy, management, financial measures, and debt and liability profile, all of which we view as neutral to our credit analysis.

Outlook

The stable outlook reflects our view that the city will maintain very strong reserves above its reserves policy.

Downside scenario

We could lower the rating if the city's already high fixed costs rise or if there are sustained draws on its funds that bring reserves to levels no longer commensurate with those of peers.

Upside scenario

We could raise the rating if the city's economy expands, leading to stronger per capita market values and incomes that



Debt Management – Credit Rating

Summary: Valley Center, Kansas; General Obligation; Note

are more comparable with those of higher-rated peers, its debt profile moderates, and it continues to adhere to its financial policies and practices.

Valley Center, Kansas—Key credit metrics

	Most recent	Historical information		
		2022	2021	2020
Adequate economy				
Projected per capita EBI % of U.S.	92.5			
Market value per capita (\$)	58,951			
Population	7,729	7,504	7,400	
County unemployment rate (%)	3.1			
Market value (\$000)	455,631	430,376	414,681	
Ten largest taxpayers % of taxable value	10.2			
Strong budgetary performance				
Operating fund result % of expenditures	0.2	6.3	10.2	
Total governmental fund result % of expenditures	26.2	34.6	2.3	
Very strong budgetary flexibility				
Available reserves % of operating expenditures	52.8	58.5	53.0	
Total available reserves (\$000)	1,812	1,836	1,621	
Very strong liquidity				
Total government cash % of governmental fund expenditures	199.8	173.4	134.1	
Total government cash % of governmental fund debt service	808.9	562.8	495.2	
Strong management				
Financial Management Assessment	Good			
Very weak debt & long-term liabilities				
Debt service % of governmental fund expenditures	24.7	30.8	27.1	
Net direct debt % of governmental fund revenue	276.0			
Overall net debt % of market value	19.3			
Direct debt 10-year amortization (%)	89.3			
Required pension contribution % of governmental fund expenditures	1.8			
OPEB actual contribution % of governmental fund expenditures	0.0			
Strong institutional framework				
EBI—Effective buying income. OPEB—Other postemployment benefits.				

Data points and ratios may reflect analytical adjustments.

Related Research

Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Ratings Detail (As Of August 24, 2023)



Debt Management – Credit Rating

Summary: Valley Center, Kansas; General Obligation; Note

Ratings Detail (As Of August 24, 2023) (cont.)

Valley Center taxable GO temp nts

Short Term Rating

SP-1+

Affirmed

Valley Center GO

Long Term Rating

AA-/Stable

Affirmed

Valley Center GO

Long Term Rating

AA-/Stable

Affirmed

Valley Center GO temp nts ser 2023-1 due 12/01/2025

Short Term Rating

SP-1+

Affirmed

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

END OF DOCUMENT

The credit rating summary was prepared by S&P Global Ratings - RatingsDirect® on August 24, 2023.



Debt Management – Ratings Outline

WHAT

- A bond rating (also known as a municipalities “credit rating” or simply “rating”) provides investors a quick snapshot of the credit quality of a municipal bond issue.

HOW

- A rating agency conducts a thorough review of the Issuer’s financial condition and ability to repay the bonds. Then the agency assigns a bond rating. The bond rating assignment process includes a review of the financial condition, demographic information, local economy and management practices.
- Upon assignment of a bond rating, a rating report is made available to bond investors.

WHY

- In general, a more favorable bond rating will result in lower interest rates on a bond issue.
- Obtaining a bond rating can help cities and counties create a comfort level with bond investors regarding the credit quality of a bond issue.

Possible Ratings

Investment Grade	Moody's	S&P	Fitch	Meaning
	Aaa	AAA	AAA	Prime
	Aa1	AA+	AA+	High Grade
	Aa2	AA	AA	
	Aa3	AA-	AA-	
	A1	A+	A+	Upper Medium Grade
	A2	A	A	
	A3	A-	A-	
	Baa1	BBB+	BBB+	Lower Medium Grade
	Baa2	BBB	BBB	
	Baa3	BBB-	BBB-	

The City of Valley Center’s current rating is AA– with S&P Global Ratings noting that the City’s long-term outlook is stable.



2023-2032
Capital Improvement Plan
Adopted July 18th, 2023

City of Valley Center, KS



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2023-2032 Valley Center CIP

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Capital Improvement Plan Overview



Capital Improvement Plan

What is considered a Capital Project?

A Capital Improvement project is a project that may include the construction of new facilities as additions to the city's assets, renovation of existing structures to significantly extend useful life, and major repair operations of a comprehensive and non-routine nature. Capital improvements involve the outlay of substantial funds; therefore, numerous resources will be considered which will enable the City to pay for capital improvements over a longer period of time, including: general obligation bonds, revenue bonds, lease purchase, special assessments, state and federal grants and cash for capital projects. Common examples of Capital Improvement Projects include the construction of roads and bridges, facility construction, and land acquisition. However, the funding of certain other large ticket items, such as fire trucks, is considered to be capital projects as well.

Why is Capital Budgeting important?

Capital Budgeting is important for various reasons. The main reason is to determine what kind of impact capital projects will have on the operating budget and how to address them accordingly. For example, if a new street that will attract more businesses is going to be created, the City must take into account what additional costs, besides construction, will be incurred. The costs could include maintenance, replacement, staff time, landscaping, zoning, possible infrastructure needs, etc. All of these additional costs effect the operating budgets of various departments, such as Administration, Community Development, Parks and Public Buildings, Public Works, Police, and Fire. If the project is determined to increase the tax base, thereby increasing revenues for the City, this will be compared to the current start up and future upkeep costs of the project to determine whether the benefit of the project will outweigh the costs.

How does the City budget for Capital Projects?

The City of Valley Center prepares for its Capital Improvement Program by budgeting accordingly. The City creates a base Capital Improvement Program, which spans a ten year period, including several projects. The City then follows a two year cycle when budgeting. Every two years, funds are identified based on a consistent mill levy to allow for the completion of various projects and debt service payments. At the end of each two year cycle, the City staff and the City Council review the Capital Improvement Program for the next two years to see which projects receive priority and are slated to be started/completed. The Bond and Interest Fund, which is responsible for debt service payments, has a dedicated mill levy. This allows the City to know exactly how much the fund will receive in tax dollars. The difference between the tax dollars and the cost of the debt service is made up with special assessment payments and transfers from various funds.



Capital Improvement Plan

Financing projects is an important step in the CIP/Capital budgeting process. The basic rules of when to borrow money for projects are:

- The project expands the tax base of the city thus creating additional revenues for the City.
- When a project is costly enough that the only way of paying for it would be to distort the current tax structure. By borrowing for this project, taxes will stay the same and debt service payments will be calculated into the operational budget.
- Interest costs are reasonably low. This is also affected by the credit rating of the City. When interest rates are low, it is a good time to borrow because of the savings in interest payments that will be generated. By having a great credit rating the City will also receive lower interest rates because of past performance in paying and managing the City's debt.

Valley Center considers several different financing options when deciding how a project will be financed. The various options the City considers are as follows:

Current (Pay-as-you-go) Revenue: Pay-as-you-go financing refers to the method whereby improvements are financed from current revenues, such as taxes, user fees, service charges, and funds that have been set aside from previous years.

General Obligation Bonds: Many Capital Improvement Projects are funded by the issuance of general obligation bonds. General obligation bonds are full faith and credit bonds, pledging the general taxing power of the City to back the bonds. General obligation bonds can be sold to finance permanent types of improvements such as, municipal buildings, street and utility infrastructure, and recreation facilities. The bonding process is time consuming and if funding is needed immediately temporary funding sources are available. In these instances the City will issue Temporary Notes which will finance the first portion of the project(s) until permanent financing is in place.

Lease/Purchase: The City last used this type of financing to purchase a street sweeper. The City set up the lease/purchase agreement to retire within 4 years of purchase. This allowed the payments to be assigned to the operational budget rather than placed as a purchase in the Capital Improvement Program.

Revenue Bonds: Revenue bonds are a mechanism used in cases where the project being funded will generate revenue from user fees, such as water or sewer systems. These fees are used to pay for debt service associated with the improvement project.

Special Assessments: Community Development projects that more directly benefit certain property owners may be financed in the interest of equity by the use of special assessments. A benefit district is created, by which the cost of improvements is split amongst all properties within said district. State statute prohibits municipalities from creating a special assessment benefit district for any improvement without 51% approval of the property owners within the district. For example, if a new sidewalk was put in through a neighborhood, the cost of the portion of the sidewalk directly in front of the property would be paid by that property owner. Local improvements typically financed by this method include street pavement, sanitary sewers, and water mains.

CIP Annual Cycle





CIP 5 Year History

<u>Project</u>	<u>Completion Date</u>
Community Center	2018
City Hall A/V	2018
5th St Floodway to Broadway	2019
Well Rehab	2019
Storm Water—Allen St	2019
WWTP Phase III	2020
Historic Waterline Replacement	2020
Squad Truck—Fire Department	2020
Fire Department Air packs	2021
Police Radios	2022
Fire Department Radios	2022
Fire Department E-41 Tender Replacement (Delivered in 2023)	2022
Water Tower Rehabilitation	2022

*larger projects completed in the last 5 years



2023-2032 CIP Project List

Streets/Storm Water

- ⇒ 1st Street from Meridian to Birch—2nd Street from Meridian to Birch—3rd Street from Sheridan to Railroad Pavement Reconstruction and Storm Water
- ⇒ Emporia St. Extension
- ⇒ Ford St and Dexter—Utility extensions
- ⇒ Seneca: Ford to 5th

Water Utility

- ⇒ Water Treatment Plant

Parks and Public Grounds

- ⇒ Sidewalk Lighting: 5th St. (Bridge to Fiddlers) & 77th St. (Meridian to Seneca)
- ⇒ Playground Equipment Replacement
- ⇒ Wetland Park: ADA Accessibility
- ⇒ City Cemetery: Flag Pole / Reflection Area
- ⇒ Ped/Bike Plan Sidewalk Improvements
- ⇒ City Entryway Signs (2023)

Public Buildings and Facilities

- ⇒ Public Safety Building Remodel
- ⇒ Pool/Rec Center (2023-2024)
- ⇒ Public Works Bldg. Remodel/New

Equipment and Vehicles

- ⇒ Public Building Generators (City Hall, Public Safety, Public Works)

WAMPO Long Range Planning

- ⇒ Meridian: Main to 5th (2023-2024)
- ⇒ Meridian Railroad to 69th - Full Reconstruction (2024-2025)
- ⇒ 77th (Ford) Street: Bridge to Broadway EcoDevo Grant (2022-2023)
- ⇒ Main: Redbud to Meridian
- ⇒ Main: Emporia to Meridian
- ⇒ 69th Street Bridge
- ⇒ Meridian 5th to 93rd



2023-2027 Active CIP Projects

Project	Funding Type/Source	Amount
Meridian: Railroad to 69th full reconstruction	G.O. Bonds/Streets/ Stormwater WAMPO	\$1,947,256 \$3,965,016
Meridian: Main to 5th	G.O. Bonds/Streets/ Stormwater WAMPO	\$2,243,816 \$3,965,016
Ford Street: Bridge to Broadway	G.O. Bonds/Streets/ Stormwater/Water EcoDevo KDOT Grant SedCo Grant	\$2,822,243 \$2,509,974 \$298,810
Ford St and Dexter—Utility Extensions	G.O. Bonds/Water/Sewer/ CIP/Streets	\$730,417
Pool/Rec Center	G.O. Bonds supported via Local Option Sales Tax	\$20,000,000*
Engine 41—Fire Truck (Delivered in 2023)	G.O. Bonds	\$775,212
City Entryway Signs	General Fund Balance	\$61,393

Project	Funding Type/Source	Amount
Seneca: Ford to 5th	TIF Bonds/Streets/ Stormwater / KDOT / Sedg- wick County	\$6,158,614
Water Treatment Plant	G.O. Bonds/Water Utility	\$6,000,000



2023-2027: Active Projects Revenue /Expense Summary

Five Year CIP: Revenue by Source / Expense by Type Summary

	Prior Revenues	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget
Revenues						
General Fund	\$ 33,706	\$ 29,294				
Streets	\$ 583,144	\$ 113,000				
Water	\$ 635,762	\$ 153,518			\$ 1,500,000	
Wastewater		\$ 153,518				
Stormwater	\$ 293,628	\$ 153,518		\$ 3,800,000		
Bonds/Temp						
Notes	\$ 7,361,921	\$ 21,934,025			\$ 5,158,614	
Sedgwick County						
Grant	\$ 298,810					
KDOT Grant		\$ 2,509,974				
KDOT Cost Share				\$ 1,000,000		
WAMPO			\$ 7,930,032			
ARPA			\$ 300,000	\$ 400,000		
1% Local Option						
Sales Tax	\$ 1,318,375	\$ 1,684,501				
Land Sale Proceeds	\$ 222,552	\$ 18,994				
Total Revenues	\$ 10,747,898	\$ 26,750,342	\$ 8,230,032	\$ 5,200,000	\$ 6,658,614	\$ -
Expenditures						
Street-Stormwater Projects	\$ 3,331,415	\$ 7,381,767	\$ 7,930,032	\$ 1,000,000	\$ 5,158,614	\$ -
Water Projects	\$ 66,638	\$ -	\$ 300,000	\$ 1,300,000	\$ 4,400,000	\$ -
Aquatic & Recreation Complex	\$ 42,124	\$ 1,704,276	\$ 19,133,808	\$ -	\$ -	\$ -
TIF - Regional Detention Basin	\$ 2,534,252	\$ 500,000	\$ 1,965,748	\$ -	\$ -	\$ -
Equipment	\$ 808,918	\$ 29,294	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 6,783,347	\$ 9,615,337	\$ 29,329,588	\$ 2,300,000	\$ 9,558,614	\$ -
Revenue Less Expenditures	\$ 3,964,551	\$ 17,135,005	\$ (21,099,556)	\$ 2,900,000	\$ (2,900,000)	\$ -
Beginning Fund Balance						
	\$ 837,282	\$ 4,801,833	\$ 21,936,838	\$ 837,282	\$ 3,737,282	\$ 837,282
Ending Fund Balance						
	\$ 4,801,833	\$ 21,936,838	\$ 837,282	\$ 3,737,282	\$ 837,282	\$ 837,282



2023-2027: Active Projects Expense by Projects

Project Name	Prior Expenses	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Project Total
Meridian: Railroad to 69th	\$379,398	\$1,453,193	\$3,965,016	\$0	\$0	\$0	\$5,797,607
Meridian: Main to 5th	\$270,528	\$1,799,140	\$3,965,016	\$0	\$0	\$0	\$6,034,684
Ford Street: Bridge to Broadway	\$2,681,489	\$3,427,334	\$0	\$0	\$0	\$0	\$6,108,823
Ford St and Dexter—Utility	\$0	\$702,100	\$0	\$0	\$0	\$0	\$702,100
Pool/Rec Center	\$42,124	\$1,704,276	\$19,133,808	\$0	\$0	\$0	\$20,880,208
Engine 41—Fire Truck	\$775,212	\$0	\$0	\$0	\$0	\$0	\$775,212
City Entryway Signs	\$33,706	\$29,294	\$0	\$0	\$0	\$0	\$63,000
Seneca: Ford to 5th	\$0	\$0	\$0	\$1,000,000	\$5,158,614	\$0	\$6,158,614
Water Treatment Plant	\$66,638	\$0	\$300,000	\$1,300,000	\$4,400,000	\$0	\$6,066,638
TIF	\$2,534,252	\$500,000	\$1,965,748	\$0	\$0	\$0	\$5,000,000
Totals	\$6,783,347	\$9,615,337	\$29,329,588	\$2,300,000	\$9,558,614	\$0	\$57,586,885

Project Name	Project Type
Meridian: Railroad to 69th	Streets/Stormwater
Meridian: Main to 5th	Streets/Stormwater
Ford Street: Bridge to Broadway	Streets/Stormwater
Ford St and Dexter—Utility Extensions	Streets/Stormwater
Aquatic & Recreation Complex	Aquatic & Recreation Complex
Engine 41—Fire Truck	Equipment
City Entryway Signs	Equipment
Seneca: Ford to 5th	Streets/Stormwater
Water Treatment Plant	Water
Regional Detention Basin	Tax Increment Financing District



2023-2027: Active Projects Revenue by Source

Revenue		Prior	2023	2024	2025	2026	2027	
Project Name	Source	Revenue	Estimate	Budget	Budget	Budget	Budget	Project Total
Meridian: Railroad to 69th	Streets	\$277,698	\$1,453,193	\$3,965,016				\$277,698
	Stormwater	\$101,700						\$101,700
	2023-1 Temp Note							\$1,567,878
	WAMPO							\$3,965,016
								\$5,797,607
Meridian: Main to 5th	Streets	\$171,508	\$1,799,140	\$3,965,016				\$171,508
	Stormwater	\$99,020						\$99,020
	2023-1 Temp Note							\$1,973,288
	WAMPO							\$3,965,016
								\$6,034,684
Ford Street: Bridge to Broadway	Streets	\$133,938	\$917,360	\$2,509,974				\$133,938
	Stormwater	\$92,908						\$92,908
	Water	\$70,995						\$70,995
	Water Reserve	\$498,129						\$498,129
	2019-1 G.O. Bond	\$455,025						\$455,025
	2022-1 Temp Note	\$1,131,684						\$1,131,684
	Sedgwick County - Grant	\$298,810						\$298,810
	2023-1 Temp Note							\$917,360
	KDOT - Grant							\$2,509,974
								\$6,108,823
Ford St and Dexter—Utility Extension	Wastewater	\$153,518	\$18,994					\$153,518
	Stormwater	\$153,518						\$153,518
	Water	\$153,518						\$153,518
	Land Proceeds	\$222,552						\$241,545
								\$702,100



2023-2027: Active Projects Revenue by Source

Revenue		Prior	2023	2024	2025	2026	2027	
Project Name	Source	Revenue	Estimate	Budget	Budget	Budget	Budget	Project Total
Aquatic and Recreation Center	Sales Tax	\$1,318,375	\$1,684,501					\$3,002,876
	Streets		\$113,000					\$113,000
	2023-2 Temp Note		\$17,764,332					\$17,764,332
								\$20,880,208
Engine 41—Fire Truck	2021-1 Temp Note	\$775,212						\$775,212
								\$775,212
City Entryway Signs General Fund		\$33,706	\$29,294					\$63,000
								\$63,000
Seneca: Ford to 5th KDOT Cost Share	2026-1 Temp Note				\$1,000,000			\$1,000,000
					\$5,158,614			\$5,158,614
								\$6,158,614
Water Treatment Plant	Water ARPA	\$66,638		\$300,000	\$400,000	\$1,500,000		\$1,566,638
	2025-1 Temp Note					\$3,800,000		\$700,000
								\$3,800,000
								\$6,066,638
TIF - Regional Detention Basin	2021-1 Temp Note	\$4,250,000						\$4,250,000
	2021-2 Temp Note	\$750,000						\$750,000
								\$5,000,000
							Total Revenues:	\$57,586,885

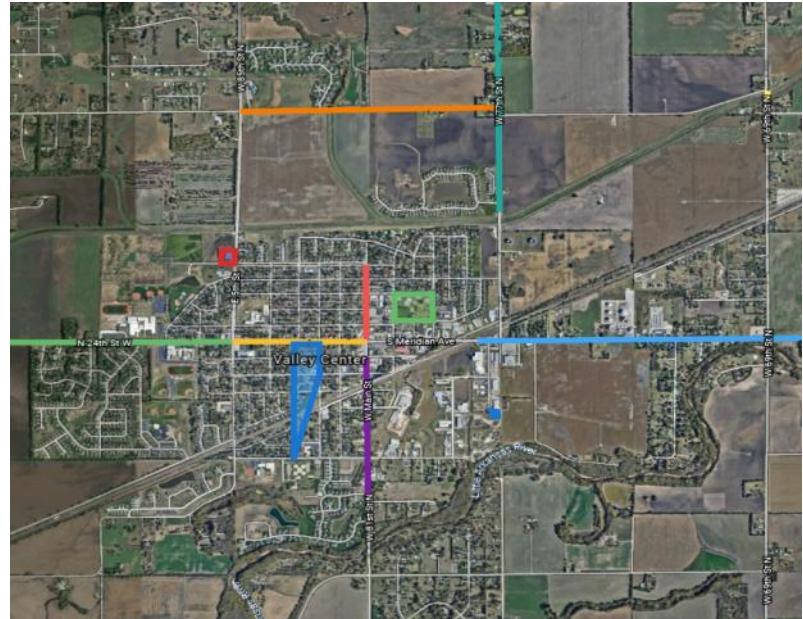


CIP Virtual Tour—Major Projects

Valley Center CIP Virtual Tour

The tour does not include equipment, ped/bike plan, or some park and public grounds projects

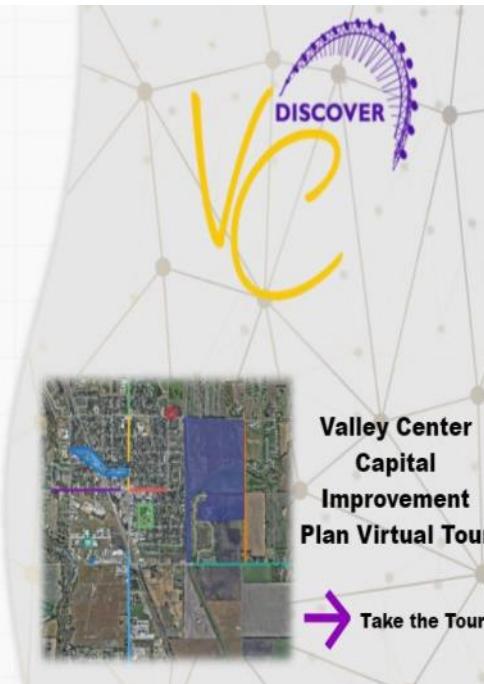
(Requires GOOGLE EARTH)



Valley Center CIP Dashboard

Valley Center CIP Dashboard

- [Ford: Floodway to Broadway](#)
- [Ford St. Waterline](#)
- [Meridian: RR to 69th](#)
- [Meridian: Main to 5th](#)
(Current Projects)
- [Historic Waterline Replacement](#)
- [Wastewater Treatment Plant Phase III](#)
(Completed Projects)



The City is focusing on community engagement, especially when it comes to involvement with major projects and the CIP plan. The CIP dashboard allow citizens more insight into timelines, costs, funding sources, and additional performance measures that track overall progress. Give it a try by clicking on the image or the link!



**Active CIP Projects:
Information and Justification
2023-2027**

Meridian: Railroad to 69th

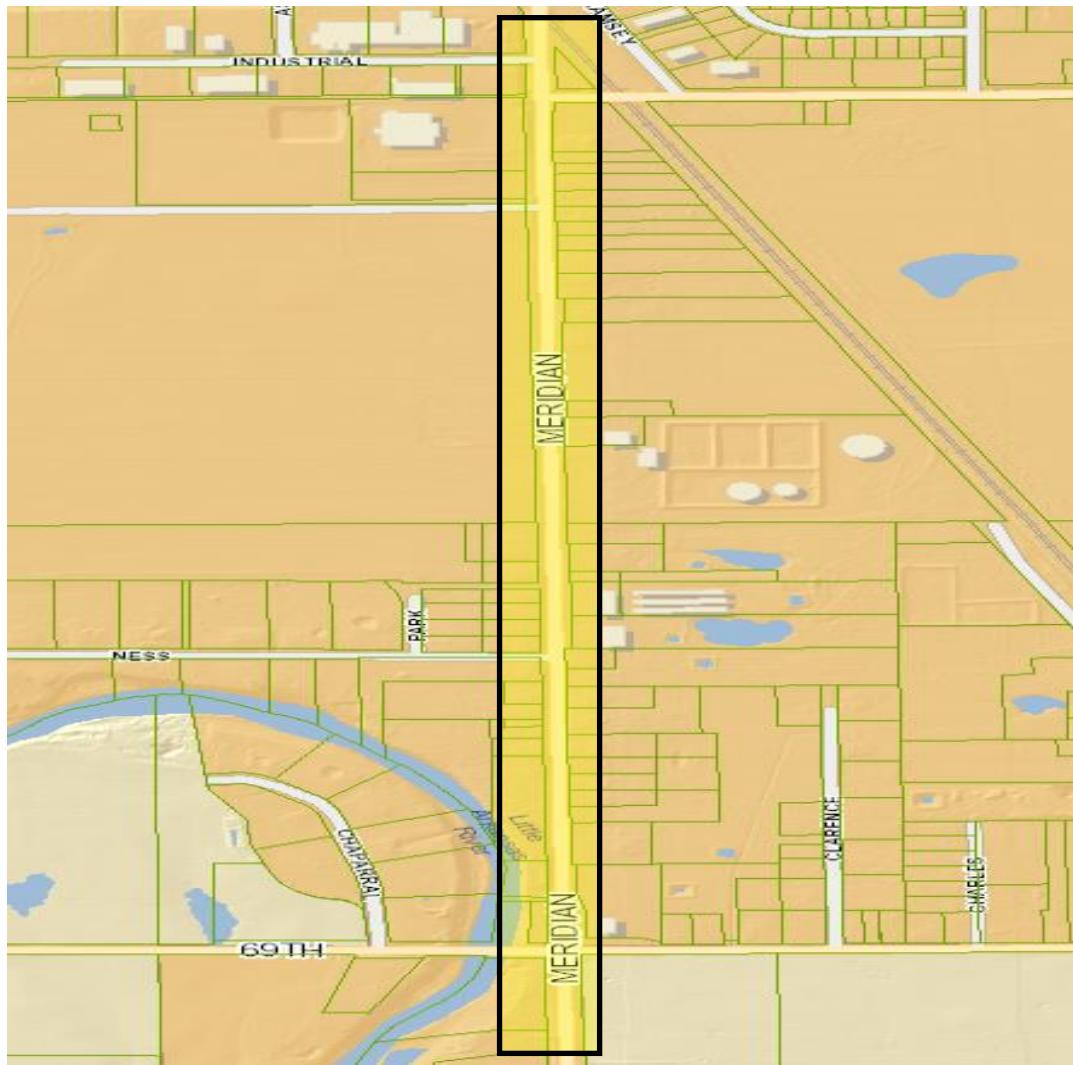
Project Scope:

Reconstruct and pave Meridian from 0.25MI south of 69th Street to RR Tracks, just North of Ford Street. Project has a 10' sidewalk, which connects as part of City's bike / ped plan. Storm sewer inlet adjustment as necessary with spot curb and gutter replacement in areas that have settled. Existing lane configuration will be maintained.

Project Background:

Meridian Avenue is the primary north/south route through Valley Center and connecting Valley Center to the Region. The reconstruction of Meridian Avenue addresses deteriorating pavement conditions, traffic safety, pedestrian connectivity and safety, in addition to storm water management in connection to the broader City of Valley Center Pedestrian and Bicycle Facilities Master Plan and the City of Valley Center Master Drainage Plan, both creating a higher quality of living for those in Valley Center and the adjacent WAMPO cities.

Project Location:



Meridian: Railroad to 69th

Funding Sources/Cost:

The Meridian: Railroad to 69th project will be funded through storm water fees, special streets and highway funding and general obligation bonds. This project has been allocated for the 2024 Federal Fiscal Year. Estimates are inflated 4.5% per year from today's dollars. 2024 estimate includes a local share of \$1,466,889 and matching portion of \$3,687,500

Justification:

Improves pavement conditions for the project corridor. Creates a more useful bicycle/ pedestrian path for the public.

Operating Impacts:

Operating impacts will be minimal as new construction will reduce the need for continuous maintenance. Maintenance will slowly increase over the following 15-20 years.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

This project will enhance commuter safety and allow for an increase in useful life due to sections of the project using concrete other than asphalt. The concrete sections will allow heavy traffic from semi trucks and large vehicles to cause less damage over time because of the strength of concrete as a hard surface pavement.





Meridian: Main to 5th

Project Scope:

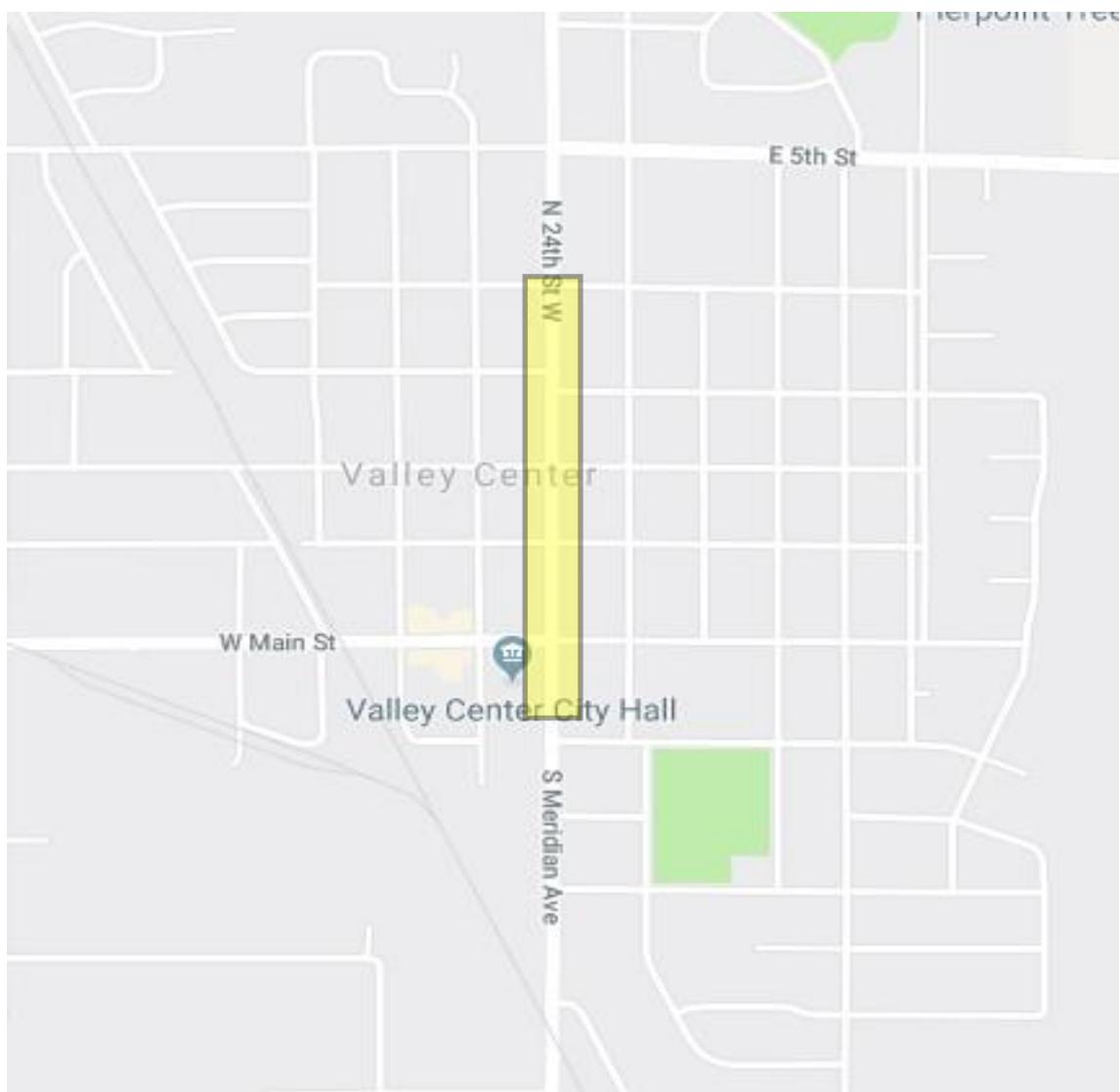
Reconstruct Meridian Avenue from Main Street to 5th Street North to address deteriorating pavement conditions, traffic safety, pedestrian connectivity and safety, as well as storm water management

Project Background:

Reconstruct Meridian Avenue from Main Street to 5th Street North to 3-lane section, curb and gutter section with sidewalk on both sides of the street in addition to storm water sewer construction. The pavement and curb and gutter are in poor condition with frequent areas of failure and standing water. Existing sidewalk in the area is not continuous and has failed in multiple areas. The project area is identified in the City of Valley Center Pedestrian and Bicycle Facilities Master Plan (April 2013) as Priority 1. In addition to paving and sidewalk, storm water sewer will be extended to address drainage issues noted as High Priority in the City of Valley Center Master Drainage Plan (April 2017).

Project Location:

Meridian St from Main to 5th street





Meridian: Main to 5th

Funding Sources/Cost:

Primarily, funding for projects submitted to WAMPO are financed through General Obligation Bonds due to the nature of these projects being submitted for the next 20 year Transportation Improvement Plan and receiving notification of award fairly close to the project start date. The overall costs for the project are as follows:

The total project cost is listed as \$4,904,100 with \$3,687,500 being funded by WAMPO leaving a 1,322,249 local share. This project has been allocated for the 2024 Federal Fiscal Year. Estimates are inflated 4.5% per year from today's dollars.

Justification:

Meridian Avenue is the primary north/south route through Valley Center and connecting Valley Center to the Region. The reconstruction of Meridian Avenue addresses deteriorating pavement conditions, traffic safety, pedestrian connectivity and safety, in addition to storm water management in connection to the broader City of Valley Center Pedestrian and Bicycle Facilities Master Plan and the City of Valley Center Master Drainage Plan, both creating a higher quality of living for those in Valley Center and the adjacent WAMPO cities.

Operating Impacts:

By completing this project the City will benefit from a reduction in maintenance and repair costs. These savings will be realized by reducing services such as periodic crack sealing, patching of pavement due to failing pavement conditions, slurry sealing, and periodic mill and overlays.

Community Impact:

The Meridian Avenue reconstruction project increases the health and safety of Valley Center as a result of the proposed sidewalks along the 3-lane section of road. By separating the pedestrians from the road, the project prevents and decreases fatalities and serious injuries, reduces the need for individual vehicle use, in addition to creating an overall walkable space. Enhanced connections through the proposed sidewalks strengthens the connections throughout Valley Center's main north/south street, boosting the economy of main street by easing access for pedestrians. This project boosts the walkability of Valley Center, increasing access to local arts, cultural and recreational centers, and community events along Main street.

Ford St: Bridge to Broadway

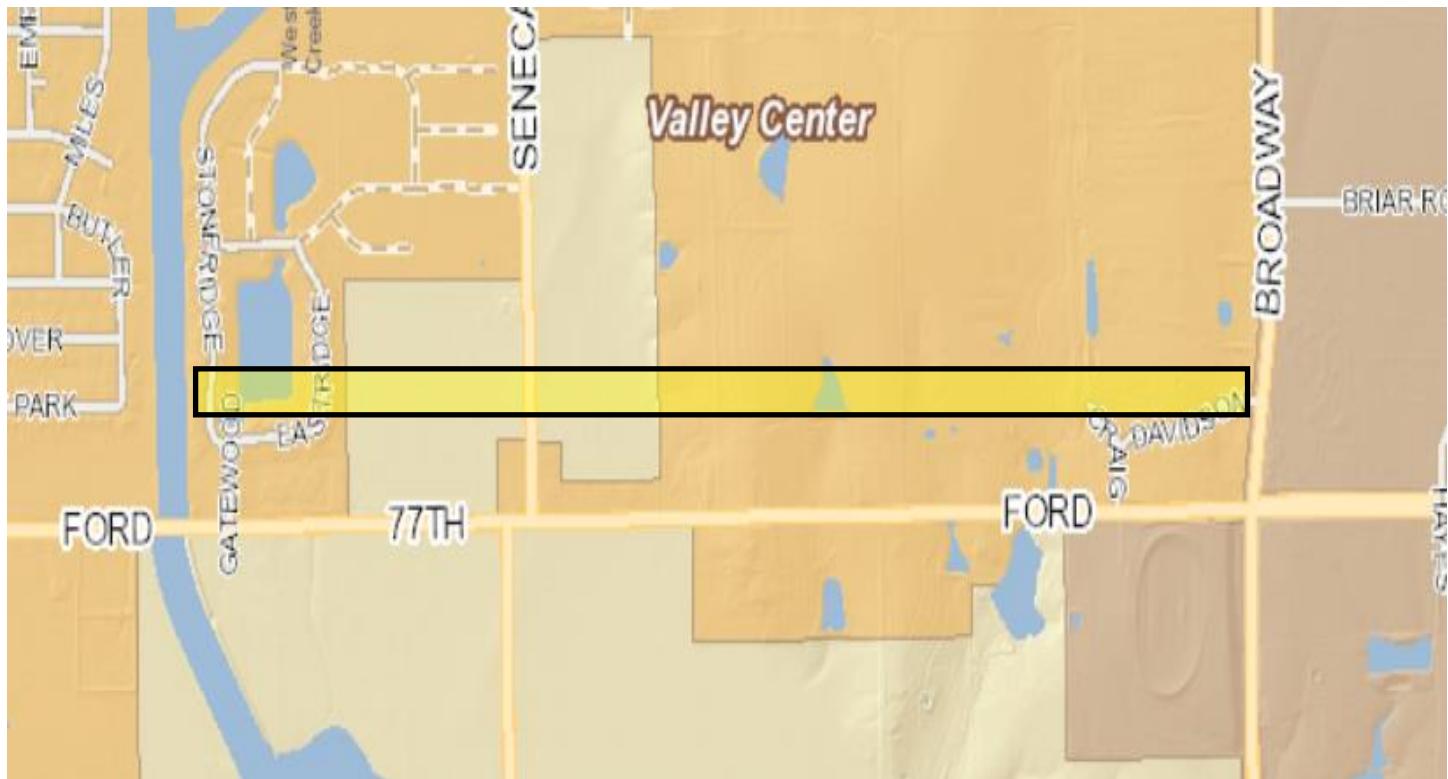
Project Scope:

Reconstruct Ford Street North from the bridge over the Wichita-Valley Center Floodway to Broadway to address deteriorating pavement conditions, traffic safety including an offset intersection at Seneca, pedestrian connectivity, and safety.

Project Background:

Reconstruct Ford Street North from the bridge over the Wichita-Valley Center Floodway to Broadway to a 3-lane section from the bridge to Seneca and 2-lane section east of Seneca to Broadway, turn lanes and geometric improvements to the offset intersection at Seneca, with bicycle and pedestrian path. The pavement is in poor condition with frequent areas of failure and standing water. There is no existing sidewalk in the area. The project area has been identified in the City of Valley Center Pedestrian and Bicycle Facilities Master Plan currently under development. In addition to paving and sidewalk, the intersection of Ford Street and Seneca is currently offset and an area of frequent accidents/safety concerns. Property shall be acquired with the project in order to reconstruct Seneca as an aligned intersection.

Project Location:



Ford St: Bridge to Broadway

Funding Sources/Cost:

Total project cost is budgeted at \$5,632,431. The City of Valley Center was awarded \$2,509,974 in economic development grant funds from the State of Kansas to assist with this project. Sedgwick County (Valley Center's home county) is also contributing \$298,810 towards this project along with in-kind donations of construction inspection services valued at approx. \$400,000. The remaining \$2,823,647 will be financed utilizing Streets funds, Stormwater funds, and General Obligation Bond financing.

Concept:



Justification:

Ford Street is the primary east/west connection to Valley Center from I-135 and the rest of the WAMPO region. Traffic to and from businesses, schools, and visitors use this route. The reconstruction of Ford Street North is a part of the larger City of Valley Center Pedestrian and Bicycle Facilities Master Plan connecting Valley Center to the surrounding WAMPO region.

Ford St: Bridge to Broadway

Operating Impacts:

By completing this project the City will benefit from a reduction in maintenance and repair costs. These savings will be realized by reducing services such as periodic crack sealing, patching of pavement due to failing pavement conditions, slurry sealing, and periodic mill and overlays. The City's prioritized annual maintenance budget will be allowed greater flexibility not needing its main focus on this area of the City.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

The Ford Street North reconstruction strengthens the safety of the proposed area as a result of the proposed turn-lanes and geometric improvements to the offset intersection, in addition to a bicycle and pedestrian path. It continues improvements west of the floodway to Broadway; a primary route into and out of Valley Center with access to I-135. Due to the safer pedestrian, cyclist, and vehicular connection created through this proposal, the economy of the area will be enhanced as users can easily navigate the space and reach the adjacent facilities.



Ford St and Dexter—Utility Extensions

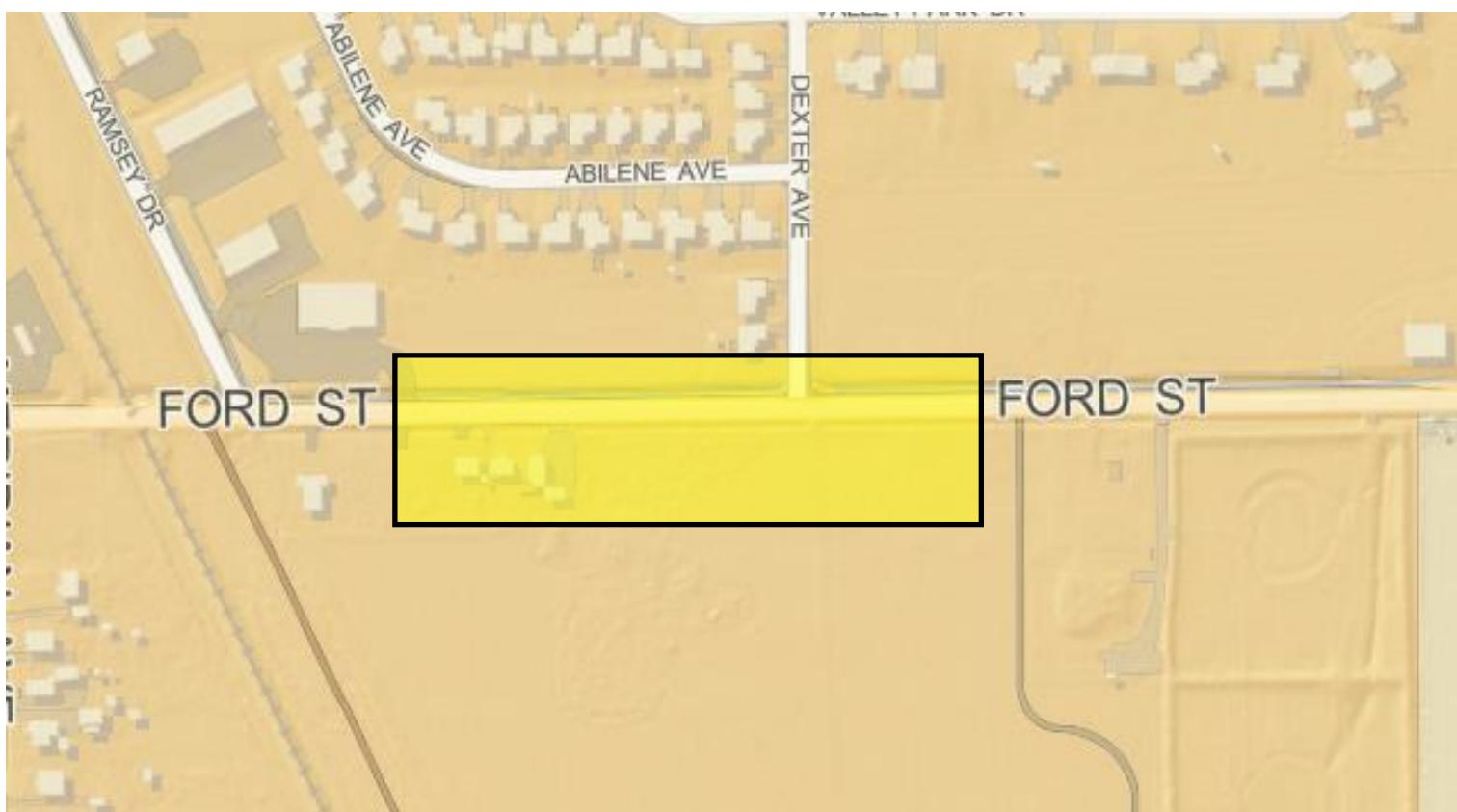
Project Scope:

Extend utilities across Ford St. (77th) from Dexter Ave. to the recently rezoned property directly to the South to supply the necessary utilities for the upcoming commercial and residential development in the area.

Project Background:

In December of 2022, City Council heard and approved a proposal for the purchase of the City owned land at the intersection of Ford St. and Dexter. The proposed development includes commercial frontage and multi-family duplexes. In order to ease the burden on potential residents and tenants of the commercial and residential locations, the City will bring utilities to the property line and then utilize special assessment financing to extend the necessary utility and street infrastructure throughout the developments.

Project Location:





Ford St and Dexter—Utility Extensions

Funding Sources/Cost:

The total cost of the project is approximately \$705,000. Funding sources include proceeds from the sale of the land and reserve funds from Water, Wastewater, and Stormwater. As of now, this project is only for the utility extensions to the property line on the new development and a rehab of the Dexter St./Ford St. intersection to reduce the current slope from Dexter St. to Ford St.

Operating Impacts:

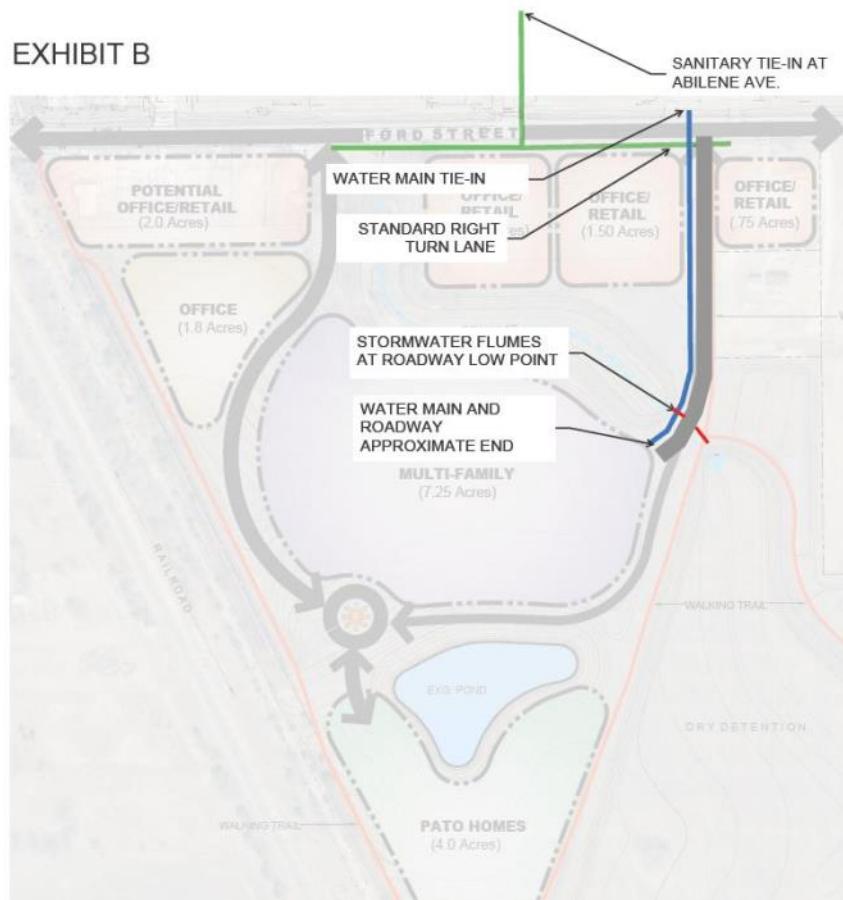
Operating impacts are forecasted to be minimal over the next 5 years due to the long useful life of water, sewer, and stormwater infrastructure. \$500 per year has been allotted for maintenance of infrastructure and additional staff time for data entry into GIS, call out for locates, and minor repairs if needed.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000

Community Impact:

Extending the utilities across Ford St. allows the property to the south to be developed at a much more affordable level than if the cost of the utility extensions were incorporated into special assessments. The development will also result in the creation of approx. 90 additional rental units within the City at an affordable rate. The development will also include new commercial development to further the access to additional services for the community.

EXHIBIT B



Aquatic & Recreation Complex

Project Scope:

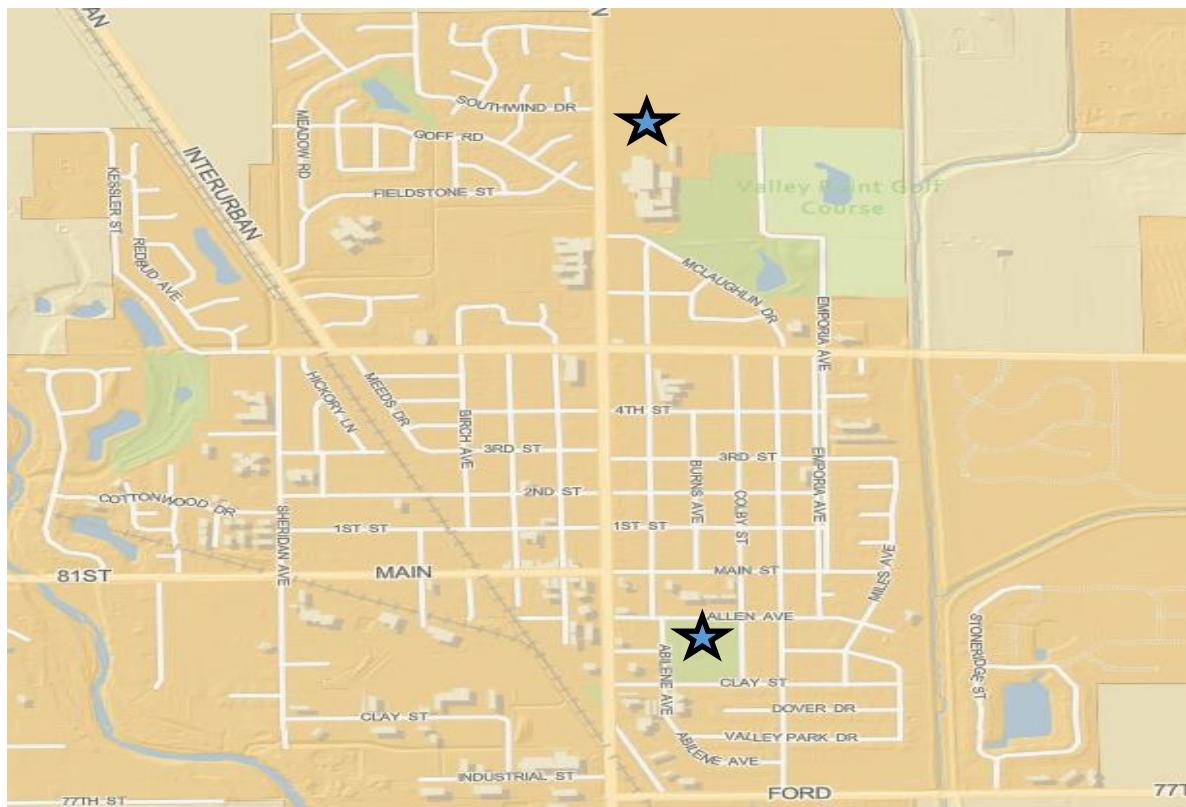
Construct Aquatic & Recreation Center/Pavilion/Play Equipment

Project Background:

The current swimming pool is 50 years old and is showing signs of being at the end of its useful life. While still operational, there are several areas of concern that range from increasing maintenance costs and the potential for major infrastructure failures, outdated mechanical and disinfection/filtration equipment to lack of ADA access and modern aquatic park features that attract visitors. Despite maintenance efforts and facility improvements over the years, the facility is at a cross road for needing to be replaced in the near future due to age of infrastructure, other major components outside of the vessel, and the need to modernize the facility. In 2020, due to Covid19, the pool was closed for the season. This event triggered a lot of discussion and energy within the community regarding the future of the swimming pool. To address these concerns the city formed a 15 person steering committee that has been exploring the possibility of constructing a new Recreation/Swimming Pool Facility and is currently working with consultants to come up with a new design concept.

Project Location:

South Star: Lions Park Pool Rehab North Star: Aquatic and Recreation Center





Aquatic & Recreation Complex

Funding Sources/Cost:

A local option sales tax was approved by the voters of Valley Center along with an additional 2 mills levied by the Rec Commission. Estimated cost is \$21,000,000.

Justification:

A new facility will resolve the quandary of funding future infrastructure needs on a 50 year old facility and address the needs of an accessible & modern aquatic & recreational facility for the community.

Operating Impacts:

Operations of a new aquatic & recreation facility will be the responsibility of the Recreation Commission but the City would be responsible for maintaining the building and grounds. Annual operating impacts are minimal for the first five years due to the new construction of the Recreation Center. The main increase in operating costs is due to the price of chemicals increasing consistently along with the need for more due to the upgrades of the pump and filtration system within the Lions Park Pool Rehab project.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$8,000	\$8,000	\$9,000	\$9,000	\$10,000

Community Impact:

Along with the new Community Center/Library and new Dog Park, construction of a new Aquatic & Recreation Center Project, would solidify meeting the demand for quality of life and quality of place amenities for the future of the Valley Center community.



Engine 41—Fire Department

Project Scope:

The replacement of Engine 41.

Project Background:

Engine 41 is the oldest truck in our fleet now. It was purchased new by the city in 1995 and is built on a Freightliner FL-70 commercial chassis. It has a Ferrara fire body with a 1,250 gallon per minute (GPM) pump. The engine is typically the first truck out of the station on any structure fire within the city limits of Valley Center. It has the pumps that hook to the fire hydrant and then hoses are ran from the truck to fight the fires. This is a very important piece to have during structure fire.

Project Location:

616 E 5th St Valley Center KS





Engine 41—Fire Department

Funding Sources/Cost:

This project will be funded by either General Obligation Bonds, lease-purchase, or grant funding if available. Estimated cost is \$850,000.

Justification:

Engine 41 again is a 1995 truck and was a great truck for its time. Things have changed and technology like any other vehicle has progressed drastically. The current truck is lacking in numerous safety features that come standard in modern fire trucks. Engine 41 lacks any of the following safety features: air bags, anti-lock braking system with stability control, auxiliary braking system such as engine braking or transmission retarder and finally anti-roll protection. As the truck ages there are other failures and issues starting to appear. The HVAC system is not adequate for the four door cab. The pump transfer valve actuator is not working. The deck nozzle recently quit working and parts are no longer available. There are some issues with the electrical wiring starting to occur. It will need tires and brake drums in the near future. Finally with the water and equipment on board it is at capacity for the GVW. At twenty-five years old, the trade-in value has likely already diminished greatly.

Operating Impacts:

Continuing to keep this truck online will start costing more money as we have to fix or replace items mentioned above. We can purchase many replacement parts on the truck but those are not cheap and the costs will accumulate quickly. In some cases with broken equipment on the truck, parts are no longer available so we would have to totally replace some items rather than fix them. The deck nozzle for example would need a total replacement. Some things are not so simple to replace because of the age of the truck so we would likely be looking at higher prices for those items that are not common to the newer more modern trucks. We could look at refurbishing the current truck but with the number of times we use this truck and the typed of fires we respond to in it makes us question the safety and operational capabilities. The NFPA suggests careful consideration of the value (or risk) to firefighters when keeping fire apparatus in first-line service when it's more than fifteen years old.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$1,000	\$1,000

Community Impact:

There is no real way to know when equipment may fail. After twenty-five years of service we can expect things to start failing and we can expect to spend more time and money maintaining that piece of equipment. Whether the truck has some failure on the way to a scene, on scene or even times when it has to be put out of service for maintenance this has the potential to impede our ability to fight structure fires within Valley Center.



City Entryway Signs

Project Scope:

Construction of new City entryway signs at two entrances to our community.

Project Background:

Entryway signage was identified in the City's latest strategic plan within the Community Spaces goal. Two entry way signs have been ordered and one has been installed. The remaining sign will be installed in the fall of 2023

Project Location:

Southwest corner of 85th St and Broadway Valley Center KS





City Entryway Signs

Funding Sources/Cost:

This project will be funded by unencumbered fund balance from the General Fund , lease-purchase, or grant funding if available. Estimated cost is 63,000.

Justification:

Entryway signage was specifically identified in the City's strategic plan within the Community Spaces goal. Positive feedback from the community on moving forward with this project was also taken into consideration.

Operating Impacts:

Minimal operating impacts are expected with this project since the City already maintains these areas. Additional annual costs will be incurred through utilizing rural water district #2 for water services due to the City's water line infrastructure not reaching to the edge of the City limits. This annual cost is expected to be around \$300 for irrigation and an additional \$200 is anticipated for replacing small shrubs and mulch each spring.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$1,000	\$1,000

Community Impact:

A sense of pride and community was identified in the stakeholder engagement sessions of the City's most recent strategic plan creation. The feedback from the community has been outstanding with the completion of the first entry way sign.



Seneca: Ford to 5th

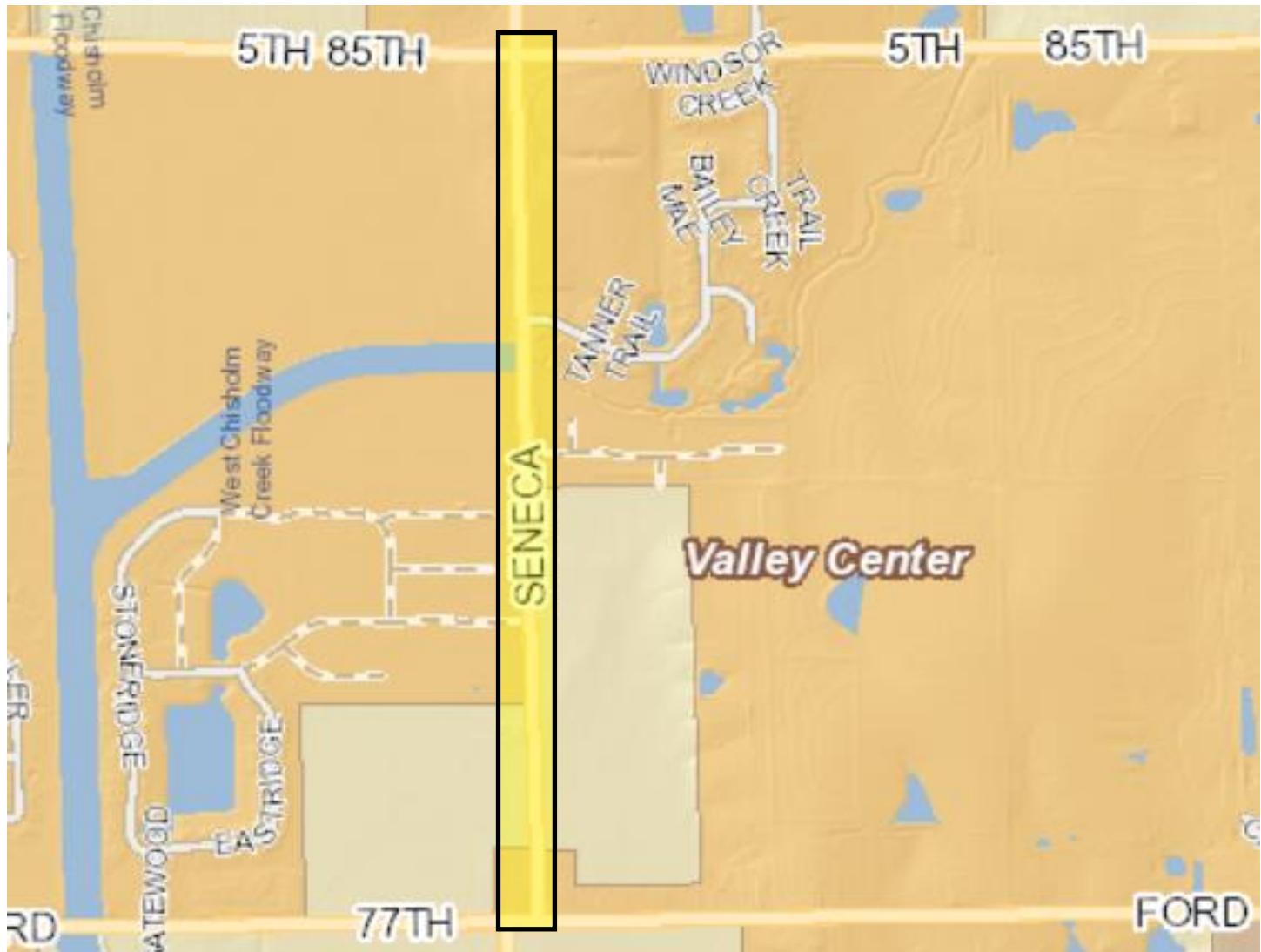
Project Scope:

Reconstruct Seneca from Ford Street to 5th Street North to address deteriorating pavement conditions, traffic safety, pedestrian connectivity, and safety.

Project Background:

Reconstruct Seneca from Ford Street to 5th Street North to a 2-lane section, with bicycle and pedestrian path. The pavement is in poor condition with frequent areas of failure and standing water. There is no existing sidewalk in the area. The project area has been identified in the City of Valley Center Pedestrian and Bicycle Facilities Master Plan currently under development.

Project Location:



Seneca: Ford to 5th

Funding Sources/Cost:

The Seneca: Ford to 5th project will be funded utilizing Streets Funding, Stormwater Funding, Special Obligation Tax Increment Financing Bonds and grant funds. The City of Valley Center submitted an application to the Kansas Department of Transportation cost share program and subsequently was awarded \$1,000,000 towards the project! Valley Center will have 2 years to complete the project in order to receive the entire grant amount allocated. The total project is estimated at \$6,158,154.

Concept:



Justification:

Seneca is experiencing development, especially on the southwest side and the northeast side. Seneca reconstruction is part of the larger City of Valley Center Pedestrian and Bicycle Facilities Master Plan that addresses safety concerns and strengthens pedestrian connectedness throughout Valley Center and the surrounding region.

Seneca: Ford to 5th

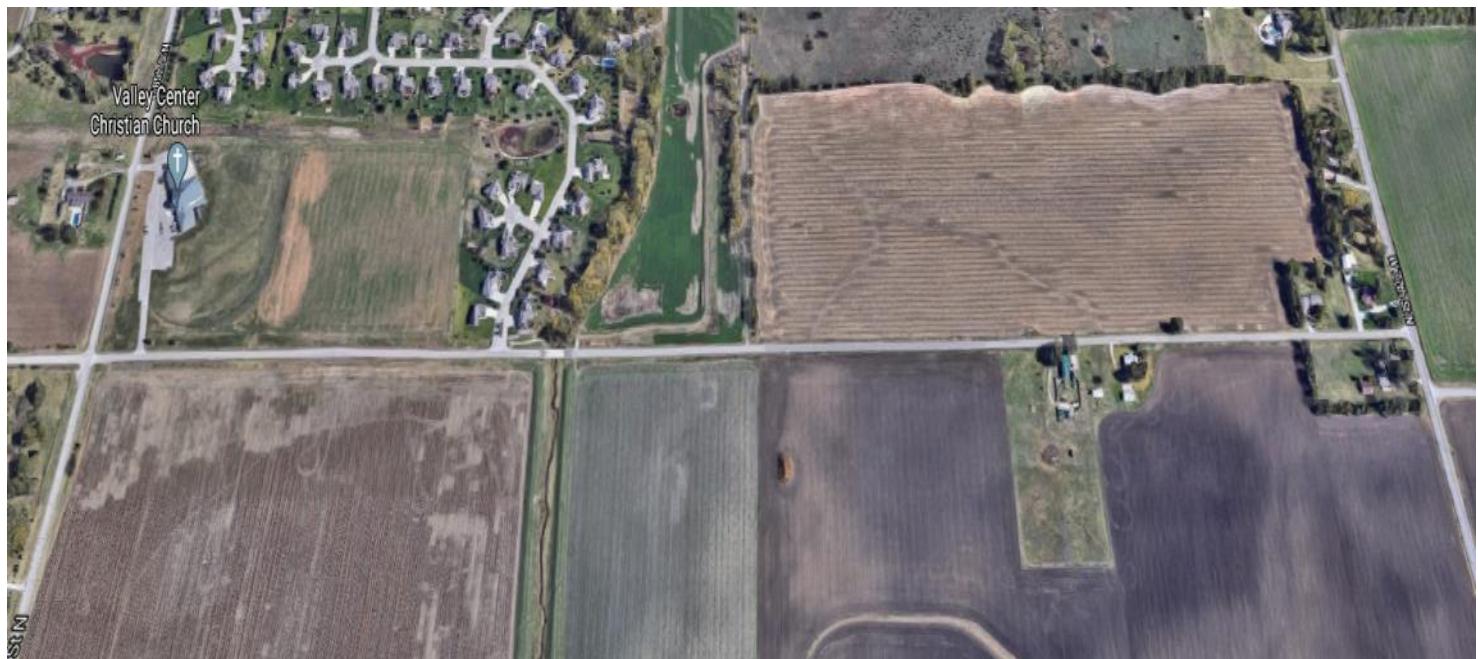
Operating Impacts:

By completing this project the City will benefit from a reduction in maintenance and repair costs. These savings will be realized by reducing services such as periodic crack sealing, patching of pavement due to failing pavement conditions, slurry sealing, and periodic mill and overlays. The City's prioritized annual maintenance budget will be allowed greater flexibility not needing its main focus on this area of the City.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

The Seneca reconstruction project increases the health and safety of Valley Center as a result of the proposed bicycle and pedestrian path flanking the 2-lane section of road. By separating the pedestrians from the road, the project prevents and decreases fatalities and serious injuries, reduces the need for individual vehicle use, in addition to creating an overall walkable space. The pedestrian network will connect new developments east of Seneca Street to the existing pedestrian network west of Seneca. Enhanced connections through the proposed sidewalks strengthens the connections throughout Valley Center and its amenities. This project boosts the walkability and pedestrian circulation throughout Valley Center as a result of its part in the City of Valley Center Pedestrian and Bicycle Facilities Master Plan.



Water Treatment Plant

Project Scope:

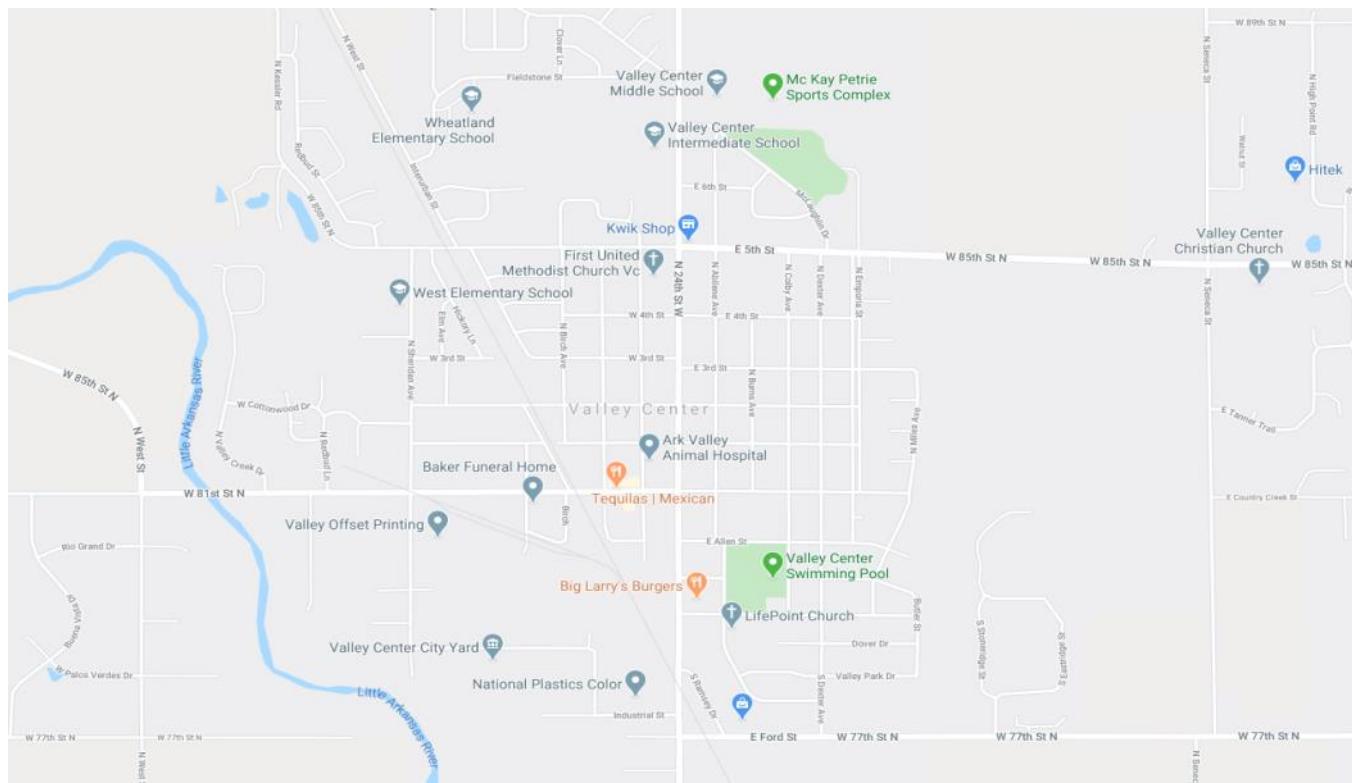
Construct a .84 million gallon per day water treatment plant

Project Background:

The City of Valley Center currently purchases treated water from the City of Wichita at a contractual wholesale rate that increases by a set amount every year. This price structure is also based on a tiered system based on consumption. The City of Valley Center owns and operates 3 raw water wells and currently sells raw water to Wichita at an agreed upon rate. Although this arrangement has been a viable working solution, our dependency upon Wichita remains and does not offer much opportunity for the City of Valley Center much control over cost or future rates for our customers.

Project Location:

The location for the treatment plant will be decided in future years after a study is completed regarding the exact size, type, and demand expected from the total number of residents at that point in time.



Funding Sources/Cost:

The funding source will depend on the current interest rates at the time of project initiation. Long term financing will most likely be needed along with some of the revenue being created with the user charge fee structure that would be enacted. Estimated cost is \$5,000,000 to \$8,000,000

Water Treatment Plant

Justification:

It is the desire of the Valley Center Governing Body to pursue the construction of a .84 MGD (million gallon per day) water treatment plant to treat raw water from the city's 3 wells. These wells have the ability to produce between 1.4 and 2 times the average usage and water rights equal between 2 to 3 times current usage. This strategy comes with several potential benefits to include redundancy and independence in the supply of treated water to Valley Center customers. This also avails the city the ability to evaluate and set their own rate structure based on cost, availability, etc. This project would also have real potential of increasing the evaluation rate of the city dramatically.

Operating Impacts:

This process would require an engineering study to include evaluation of 2 optional treatment processes, at least 2 possible locations based on proximity to raw water distribution lines and treated water transmission system, available space for the actual footprint of the facility. Required staffing for operation will need to come into consideration. State regulations will need to be determined and evaluated. The current contract with Wichita will need to be evaluated and discussed.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
2 FTE and Maintenance	\$103,216	\$106,312	\$109,501	\$112,786	\$116,170
Savings from Water Purchases	(\$110,000)	(\$114,400)	(\$118,976)	(\$123,725)	(\$128,684)

Community Impact:

With the construction of the City's own water treatment plant, the current water rates charged to residents could potentially be lowered or restructured to be more in line with surrounding communities.



Regional Detention Basin

Project Scope:

Construct a regional detention basin between 77th St. and 85th St. within Valley Center to spur residential and commercial development. This area is currently within the 100 year floodplain, making any proposed project not feasible due to the financial commitment needed to raise the base flood elevation of the 136 acre area

Project Background:

The purpose of the proposed project is to address significant drainage issues in the easterly part of the community that lie adjacent to and within the drainage basin of the west branch of the West Chisholm Creek. These drainage issues have created an economic impairment in the community, in part, because of increased flood risk and the need for flood insurance for properties that previously did not require insurance.

Project Location:

The district is located adjacent to the West Chisholm Creek Floodway and contains approximately 226 acres. Under to the Act, a “blighted area” includes areas in which a majority of the property is a 100-year floodplain area. The 2016 FEMA flood plain map places approximately 136 acres, constituting approximately 60%, of the proposed District property in the 100-year floodplain. Accordingly, such property constitutes a “blighted area” and is therefore an “eligible area” (as said terms are defined in the Act), and is legally eligible for establishment of a redevelopment district.

Funding Sources/Cost:

Tax increment financing (TIF) may be used to pay for eligible costs, including site preparation, demolition, public infrastructure improvements, such as streetscape, public parking, utility extensions, landscaping, pedestrian and bike paths and public plazas. Except as specifically provided by the Act, tax increment financing may not be used for construction of any buildings owned or leased to a private, nongovernmental entity. Cost for this project is estimated at \$5,000,000





Regional Detention Basin

Justification:

The TIF District will mitigate the financial burden created on homeowners within the TIF district due to not utilizing special assessments for the stormwater drainage improvements. But for the TIF, monthly specials per lot per month would be \$266.07 to \$364.13 rather than \$135.26 to \$188.70 thus pricing all planned homes out of the metro area average specials per month of \$137.00, which would make this project infeasible as a development project.

Operating Impacts:

Operating impacts for the City are anticipated at an additional \$5,000 per year for mowing and upkeep of the regional detention basin by City staff.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000

Community Impact:

The current TIF district boundaries include the current West Chisholm Creek Floodway that is owned and maintained by Sedgwick County. The City of Valley Center will request Sedgwick County to transfer ownership of this area to the City. The City will then maintain that area in perpetuity. The TIF boundaries also includes a portion of the Wichita/Valley Center floodway. Connectivity and walkability are major components of quality of life and this area was included for the potential addition of a trail or path along the floodway to connect Ford Street and 85th street. Bridge improvements included in the Seneca St. project will enlarge the current box culvert and aid in managing storm water runoff from areas northeast of the Seneca bridge. Fiddler's Creek and the newly proposed Satera development east of Seneca will also benefit from this project. But for the TIF, the planning, programming, and funding of the necessary regional detention basin would not be realized in the near time horizon.



**Submitted Projects
Awaiting Funding
2023-2032**

Master Drainage Study—Meridian/1st/2nd/3rd

Project Scope:

Phase 1A* - Meridian from Main to 1st Pavement Reconstruction and Storm Sewer*

Phase 1B* - Meridian from 1st to 2nd Pavement Reconstruction and Storm Sewer*

Phase 2 - 1st Street from Meridian to Birch Pavement Reconstruction and Storm Sewer

Phase 3 - 2nd Street from Meridian to Birch Pavement Reconstruction and Storm Sewer

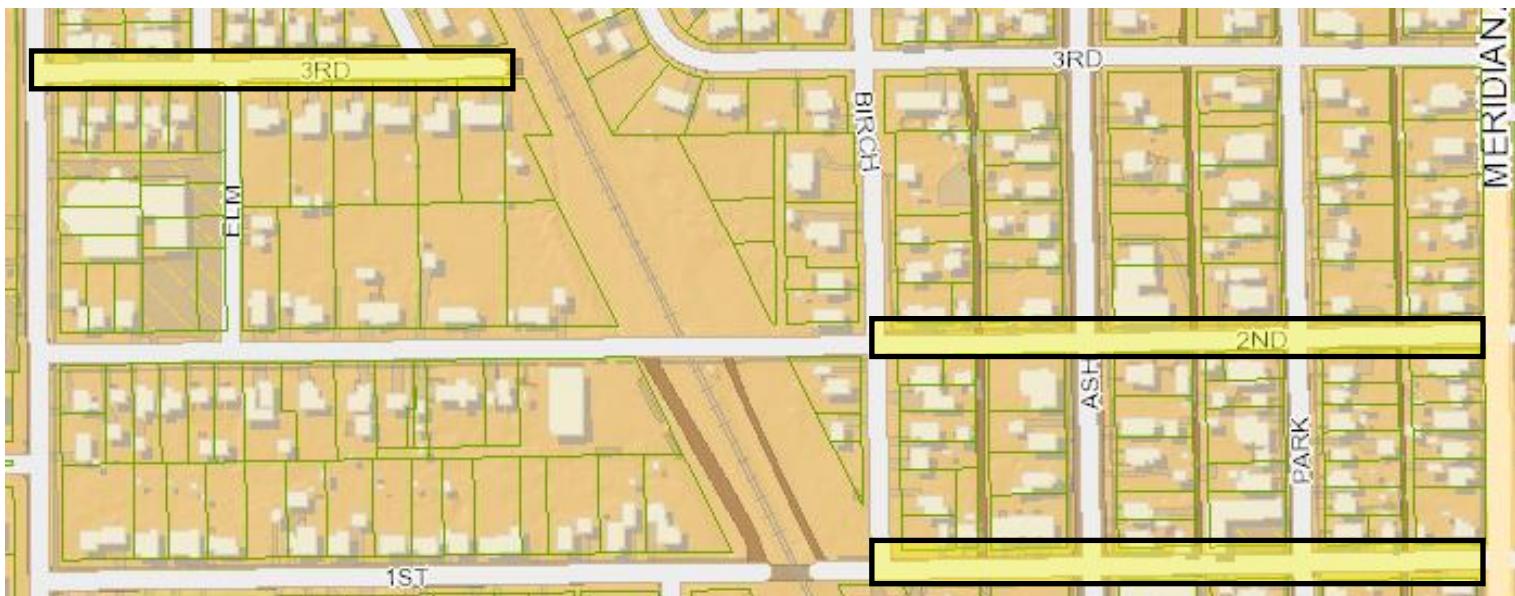
Phase 3a - 3rd Street from Sheridan to Railroad Pavement Reconstruction and Storm Sewer

- Phase 1A and 1B will be incorporated into the recent WAMPO approved project: Meridian—Main to 5th

Project Background:

With the recent completion of the Meridian Avenue paving and drainage improvements from Main Street to the south, a large drainage area is received by two curb inlets on the north side of the Main Street and Meridian Avenue intersection. This street collects runoff from the area generally bounded by 5th Street, Meridian Avenue, and the B.N.S.F. railroad and routes it east to Meridian Avenue and then south along Meridian Avenue to storm sewer, approximately 100 acres. Due to the combination of high runoff volume, high pavement crown, and flat street grade, the north half of the Main Street and Meridian Avenue intersection, 1st Street, and 2nd Street can become flooded and impassable during intense storm events. The valley gutter intersections along 1st Street and 2nd Street are especially problematic for motorists because of the severe pavement crown.

Project Location:



Master Drainage Study—Meridian/1st/2nd/3rd

Funding Sources/Cost:

Funding sources for these three projects will include funding from the city's Stormwater utility, the city streets program, and public financing including general obligation bonds.

The estimated costs for these projects were presented in 2017. The total cost of these projects will be reduced due to Meridian from Main to 1st and from 1st to 2nd will be completed within the WAMPO selected project - Meridian: Main to 5th. A revised cost estimate will be provided when this project is selected for a particular CIP cycle. Current estimated cost is \$2,400,000

Justification:

These projects fall under the high priority ranking in the master drainage plan. High priority is defined as: High Priority - Areas that have repeatedly experienced drainage or flooding problems in the past that adversely affect a large number of people or presents a clear safety issue to the public.

Operating Impacts:

Operating impacts of these projects will assist the city in the reduction of maintenance costs related to the upkeep of this area. With the poor drainage of this area, current conditions allow for the pooling of water after a rain or storm event which accelerates the deterioration of the roads in this area. The completion of this project will allow for efficient drainage of water in the area thus preserving the useful life of the infrastructure.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000

Community Impact:

The community impact of this project will be much needed alleviation of the standing water after a rain or storm event due to the absence of proper drainage infrastructure. This project will allow for the lengthening of useful life for the road infrastructure in the area and allow for safer travel on Meridian—a main thoroughfare that leads to most schools within the city.





Public Building Generators

Project Scope:

Install Generators at City Hall, Public Safety, and Public Works buildings.

Project Background:

Currently, City Hall does not have a back-up generator, Public Works has only small portable generator that only operates a portion of the building and Public Safety has a stand-by generator that is approaching 30 years old, is undersized and is at the end of its useful life and needs of replaced. The addition/replacement of adding new stand-by generators at these facilities would help ensure a sense of safety and security prior to, during, and after natural disasters and storms allowing for these three main city facilities to continue to function normally.

Project Location:

City Hall, Public Safety, and Public Works buildings

Funding Sources/Cost:

Funding sources will include transfers from the General Fund to CIP and possible funding from operating budgets once a replacement schedule has been put in place. Total costs of all units to be installed is estimated at \$100,000.

Justification:

The three buildings receiving the generators do not currently have a back up power supply other than the Public Safety building. Providing back up power supply availability will increase response and efficiencies in times of natural disasters when power has been lost.

Operating Impacts:

Operating impacts will be minimal due to the low usage the generators will incur. Regular maintenance will be all that's required along with the purchases of a fuel source. Estimated yearly impact is \$500.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

In times of natural disaster's which result in a loss of power, the City will still be able to respond and assist residents in need by being able to keep an open line of communications between building and critical public safety and public works personnel.



HVAC Replacements

Project Scope:

Replace aging HVAC infrastructure in various locations throughout the city.

Project Background:

There are nearly 70 various heating, air conditioning and ventilation units spread across all of the buildings and facilities that the city owns. In order to systematically operate in a predictive and preventative manner the city contracts routine maintenance of these systems and also plans for routine change outs to avoid service interruption and to be able to anticipate a pay for these large expenses.

Project Location:

Various city owned buildings throughout the city

Funding Sources/Cost:

Funding sources will include transfers from the General Fund to CIP and possible long term financing once a replacement schedule has been put in place. Total costs of all units to be replaced is estimated at \$200,000.

Justification:

Planned, systematic replacement of HVAC will ensure fewer breakdowns and interruptions of building service and optimal budgeting and replacement schedule.

Operating Impacts:

Annual maintenance costs expected to be \$500 per year.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

Reduced service interruptions due to unanticipated breakdowns at City common areas such as the Community Center; promotes a level funding model that anticipates routine costs and avoids unexpected and costly replacement costs.





Public Safety Bldg. Remodel

Project Scope:

A major renovation and addition to the Public Safety Building

Project Background:

The Public Safety Building (PSB) is nearing thirty years of use by the police and fire departments. It was built around 1991/1992. When looking at the PSB you can see there are two distinct portions to the building. There is the vehicle bay and the office building. Both structures are made of pre-cast concrete double tee roof, precast concrete walls which were set on a cast in place concrete basement and slab. When built we had six or seven full-time police officers, four full-time dispatchers, a handful of part-time employees and a completely volunteer fire department. We have grown significantly since that time. We now have seventeen full-time commissioned officers, two full-time non-commissioned employees under the police department and four full-time firefighters as well as the part-time paid firefighters. The number of full-time employees has more than doubled since the building was built. Additionally the police fleet has doubled while the fire department has added several vehicles to their fleet. Initially the building housed court as well. The court clerk worked out of the building until about six years ago and then that position was moved to city hall. We continued holding court in this building until recently due to COVID related restrictions.

Project Location:

616 E 5th St. Valley Center, KS





Public Safety Building Remodel

Funding Sources/Cost:

Funding sources most likely will consist of long term financing such as General Obligation Bonds. Estimated cost is \$2,000,000

Justification:

Numerous maintenance topics such as roof issues and leaks in several areas of the office building. These leaks have developed on the west end of the vehicle bay as well. We have also had leaks in the basement during heavy periods of rain. This has caused some issues in our evidence room and gym area.

The main floor in the office area needs to be redesigned. Modern day flow and safety is a challenge. Secure areas for public safety employees need to be added. When thinking safety/security, we should not have citizens, victims and suspects all coming together in/near officer work spaces (spaces that often has sensitive information or evidence). Lack of space is a major problem. Most offices are shared by at least two people, storage is located in nearly every room in the building and in most cases rooms are at capacity. The squad room for example has three work stations for eleven officers, it also is used as a locker room and storage area. The court room/training room has clearly been outgrown by the court. Currently during the COVID crisis it is not big enough for either department to use during training if we want to safely social distance.

Operating Impacts:

Safety for our employees is key and we simply do not have the space or layout to provide a place that is totally restricted to employees. With increased building capacity brings in-

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000

creased costs in janitorial services and maintenance. Operating impacts for a 5 year period are listed in the table below.

Community Impact:

This has been an exciting time for the city, it is clearly growing and employees are making a concerted effort to grow with the community. Growth is evidenced with committees looking at grocery stores, a new aquatic and recreation complex to developers adding additional homes and developments to this area. Our community has grown tremendously since the PSB was constructed that is why the Public Safety Departments have grown over the years to support the needs of the community. The current governing body and administration want to continue to grow the community. It is also clear the Public Safety Department can no longer grow with the community as the current PSB stands today.

Public Safety Building Remodel

Project Scope:

Remodel the Public Works building to create space and efficiencies for all employees housed at this location

Project Background:

In an effort to streamline the permitting process and add efficiency, the decision was made to move Community Development from City Hall to Public Works. This brings the 2 departments primarily in control of the entire building permit process together. Even though this added efficiency to the permitting process, some overcrowding of the facility was an unfortunate result. Remodeling the mezzanine had been explored and a budget was created. This will, however, provide little space for a rather significant amount of money.

Project Location:





Public Safety Building Remodel

Funding Sources/Cost:

The funding sources for this project would come from a combination of water, sewer, Stormwater, and general fund revenues.

Justification:

Space for staff work stations is at a crucial point in being able to effectively and efficiently work within the building. Since space for equipment is becoming scarce as well as office space, the best option would be to erect an 80' X 100' building to house large equipment. This building could be built on existing land just on the south side of the drainage ditch behind Public Works. This would allow the expansion of office space to the west and remain on ground level. This option solves 2 issues, space for needed equipment and the ability to add more office space with much less risk to the organization.

Operating Impacts:

Operating impacts would be minimal. Additional maintenance costs will occur over time as well as additional costs for janitorial services with a larger building. Estimated operating impacts would be \$500 to \$1,000 per year.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$1,000	\$1,000

Community Impact:

Allowing space to grow at public works would create efficiencies in response times to water leaks or other emergencies by allowing adequate space for equipment storage for easier access. Additional space would also allow for citizens to come meet with individual personnel without having to meet in common areas or break rooms where current meetings occur.





Sidewalk Lighting

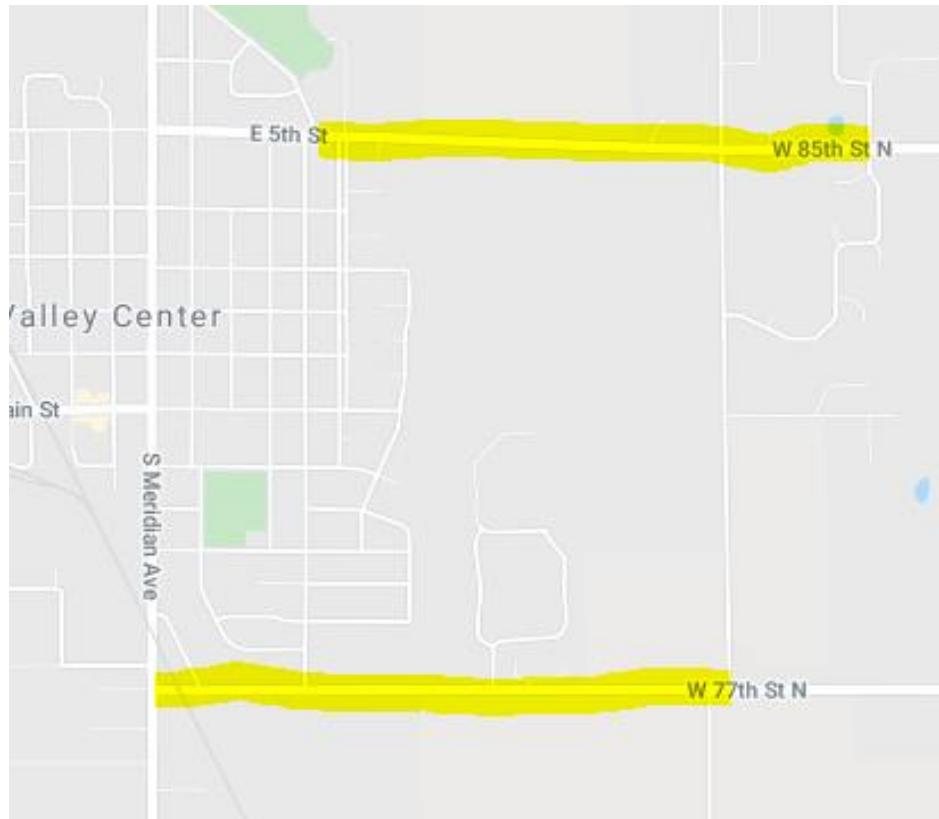
Project Scope:

Install Sidewalk & Pathway Lighting: East 5th St. — Bridge by Public Safety to Fiddlers Creek; 77th St. — Meridian to Seneca

Project Background:

The Outdoor Spaces Board made recommendation in April 2019 to City Council to have lighting be installed on new pathways along the 5th Street and Ford Street corridors to improve safety along the roadway to pedestrians and bicyclists. Research to have Evergy light this area was done and the cost was quite high..... Up to \$2500/month for street lighting. As an alternative to traditional electric street lighting options, we have been researching Solar Powered Light Options.....And we would like to explore use of Solar Powered lighting technology as a pilot project for lighting up sidewalks & trails and park areas, etc. This pilot project would include purchase of a single solar powered fixture & pole that we would install in-house.....possibly at Wetland Park parking lot. Funding was approved for this in 2021 operating budget. The technology is somewhat new and seems like a viable option but before we would commit to a large scale project we would like to do this to determine the effectiveness of this product. If the light proves to provide sufficient, reliable lighting, then it would be a cost effective way to put lights along our ped/bike sidewalks and trails and in parks and at buildings

Project Location:



Sidewalk Lighting

Funding Sources/Cost:

Transfers to CIP from the General Fund and possibly long term financing. Estimated cost is \$250,000.

Justification:

The addition of lighting to specified areas will increase pedestrian & bicycle traffic safety along busy roadways and safety in parks areas.

Operating Impacts:

Low installation cost and minimal site impact with no trenching or cabling. Lights can be installed by city staff to keep project costs to a minimum. Cost-effective design ships fully assembled and installs in minutes. A sustainable choice without recurring carbon emission and operates entirely independent from the grid and is immune to power outages. Minimal ongoing costs with no electrical bills and outside of the initial cost of the fixture, there is very little maintenance expected. The life expectancy of a LED fixture is 18-20 years, batteries 8-10 years and carry a 5 year warranty, poles have a 130 mph wind rating.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$0	\$0	\$0	\$0	\$0

Community Impact:

Improved quality of life in the community; improved interconnectivity of Pedestrian & Bicycle network; encourages recreation and healthy lifestyle activities; encourages alternative travel methods; improves safety by reducing vehicle/pedestrian crashes.



Park Playground Equipment Replacement

Project Scope:

Replace aging playground equipment at Lion's, McLaughlin, and Arrowhead Parks

Project Background:

The City currently has 3 parks with playground equipment, each offer a variety of different play structure styles that serve a variety of age ranges. The average life expectancy of playground equipment is around 20 years, however we believe that 20 – 30 years is a reasonable timeframe for our community to use. Replacement depends on a variety of factors such as deficient/unsafe equipment, lack of available replacement parts, how much use the equipment gets and vandalism.

The main play structure at Lion's Park is 17 years old but has a variety of individual play equipment that range from a couple years old up to 40+ years old.

The majority of play equipment at McLaughlin Park is 20 years old and has a few pieces of individual play equipment that have been installed in the last five years.

The main play structure at Arrowhead Park is the newest at 12 years old with a few pieces of individual play equipment that have been installed in the last five years.

Project Location: Arrowhead, McLaughlin, and Lion's Parks





Park Playground Equipment Replacement

Funding Sources/Cost:

Funding sources will include transfers from the General Fund to the CIP and possible long term financing depending on the total final cost. Cost is estimated between \$200,000 and \$300,000 dollars.

Justification:

Playground equipment is an important but expensive purchase and funds should be accounted for so that planned, systematic replacement of equipment occurs in a 20 to 30 year timeframe to adequately maintain a safe and quality park system.

Operating Impacts:

Playground equipment is an area that we keep in the forefront of our routine operations. Playgrounds usually require a high level of maintenance. We regularly check the equipment during weekly rounds for vandalism and breakage, clean off the gravel and debris from the sidewalks and solid play surfaces, periodically top of fall surfacing and perform annual inspections. Newer equipment means less overall maintenance costs on replacement parts etc.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$750	\$750

Community Impact:

Playgrounds serve a vital role in the community with positive impacts to quality of life/ quality of place, child development (social, physical, emotional & obesity) create a strong sense of community and promote community interaction, add economic vitality, help reduce crime locally, promote public health and add environmental value.



Wetlands Park: ADA Access

Project Scope:

Wetlands Park ADA Trail Accessibility - Sidewalk from 5th Street at Ridgefield, west to Wetland Park trailhead access point.

Project Background:

Wetland Park is a 15.18-acre wooded parcel of city property acquired to mitigate drainage that flows in from areas north of town. Most of the Valley Meadows and Wind Mill Valley developments, as well as a large area along north Interurban drain through the property. The property is designed to detain the runoff by holding the water in the wetland area and eventually, as the water rises, drains the excess into an overflow pipe that discharges to the river.

The Valley Center City Council officially recognized and named Wetland Park at the September 21, 2004 council meeting. In addition, the Valley Center Park and Tree Board (now Outdoor Spaces & Public Properties Board) has identified its use as a nature & educational park and is now in the process of being developed. Much of the development to date has been done in-house by city staff and volunteers. Projects include, trail construction, an observation deck/outdoor classroom, parking lot, signage, wildlife art and habitat improvements that include nesting boxes for birds, bats and ducks.

One of the key future developments of the park identified includes building a connecting link from existing sidewalk adjacent to Ridgefield to the trailhead access point at Wetland Park which will provide an accessible route to the trail head.

Project

Location:



Wetlands Park: ADA Access

Funding Sources/Cost:

Funding sources may include funding from the streets program for sidewalks and transfers to CIP from the General Fund. Estimated cost is \$100,000.

Justification:

This project is significant in connecting the sidewalk network to a specific destination (a park), provides ADA access to the trail and is included in the adopted 2019 Ped/Bike Master plan.

Operating Impacts:

Outside of initial installation, there will be very little maintenance needed. Sidewalks have an average life expectancy of 25 years.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$0	\$0	\$0	\$0	\$0

Community Impact:

This project will improve quality of life/quality of place by further expanding the Ped/Bike sidewalk network and will also improve safety by reducing vehicle/pedestrian crashes, as well as address the need for ADA access to Wetland Park.



Cemetery: Common Area Updates

Project Scope:

Design and construction of a Memorial/Reflection Area/Flag Pole

Project Background:

The city cemetery has been in operation since 2004 and is located on North Meridian approximately 1/4 mile north of 93rd Street. The property is approximately 15 acres with only the first 5 acres developed. Amenities include, trees, a parking lot that was added in 2014 and maintenance shed in 2018. It does not currently have any utility services on site. The 2019 representation from the American Legion discussed the possibility of installing a flag pole with the Outdoor Spaces Board and while the Board was interested, it led into a much larger discussion of what to do with the landscape/memorial reserve area shown as "E" on the Cemetery map. Although there have been some ideas discussed as to what to develop in this area, such as a Veteran's Burial area, installation of a flag pole and a reflection area with a water feature, there is not a clear direction of what is needed/wanted and need to be studied further in order to develop a concept design.

Project Location:



Cemetery: Common Area Updates

Funding Sources/Cost:

Funding will be determined at a later date. Most likely will include transfers from the General Fund to the CIP and possible long term financing. Estimated cost is \$500,000.

Justification:

When the cemetery was originally started it was expected that it would be developed in phases. This project, in addition to the aesthetic improvement of the property, developing a memorial/reflection area within the cemetery is one of the next logical improvements and would greatly enhance the amenities within the community.

Operating Impacts:

The level of operating impact would depend largely on the scope of this project. A Memorial/Reflection Area would likely require increased staff time at higher level of maintenance.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500

Community Impact:

People also see the cemetery as a place of historical significance and connection point, place of solitude and remembrance, as well as physical memorial location for ritual and post-funeral events. This project will great have great significance to the community and improve quality of life/quality of place by enhancing the features and amenities offered at our cemetery and bring families together during difficult, emotional times and patriotic events.

—Various Ideas presented to the Outdoor Spaces Board



Ped/Bike Plan Updates

Project Scope:

Systematically construct high priority ped/bike paths as funding allows

Project Background:

In 2019 the City worked with consultants SWT Designs to update and adopt a new Pedestrian and Bicycle plan that replaces the original plan from 2013. This plan takes a comprehensive approach to addressing existing conditions, community engagement process, needs analysis of the sidewalks & pathways, plan implementation & prioritization and funding. The Ped/Bike plan in its entirety can be found [HERE](#).

Project Location:

Various locations throughout Valley Center

Funding Sources/Cost:

Funding sources include Special Streets and Highway funding for sidewalks and potentially long term financing depending on how many sections of sidewalk are selected per year.

Justification:

The Ped/Bike Master Plan focuses on providing safe and efficient connections throughout Valley Center. The Plan identifies priority corridors for pedestrian and bicycle facilities.

Operating Impacts:

Reduce initial operating costs due to the sidewalks being placed in City right of way which is already maintained by the Parks and Public Bldgs. Department. Operating budget impacts will be determined when the scope of project is selected due to number of areas to choose from.

Community Impact:

Valley Center residents and business realize the benefits of providing safe and convenient walking and biking facilities. The benefits are not just limited to those that walk or bike. The benefits include: alternative modes of transportation, improved health and well-being, reduced costs for transportation, reduced crashes, increased convenience, improved vehicular travel & reduced congestion, reduced energy consumption, improved local economy, improved access to education & employment and increased home values.



Main: Redbud to Meridian

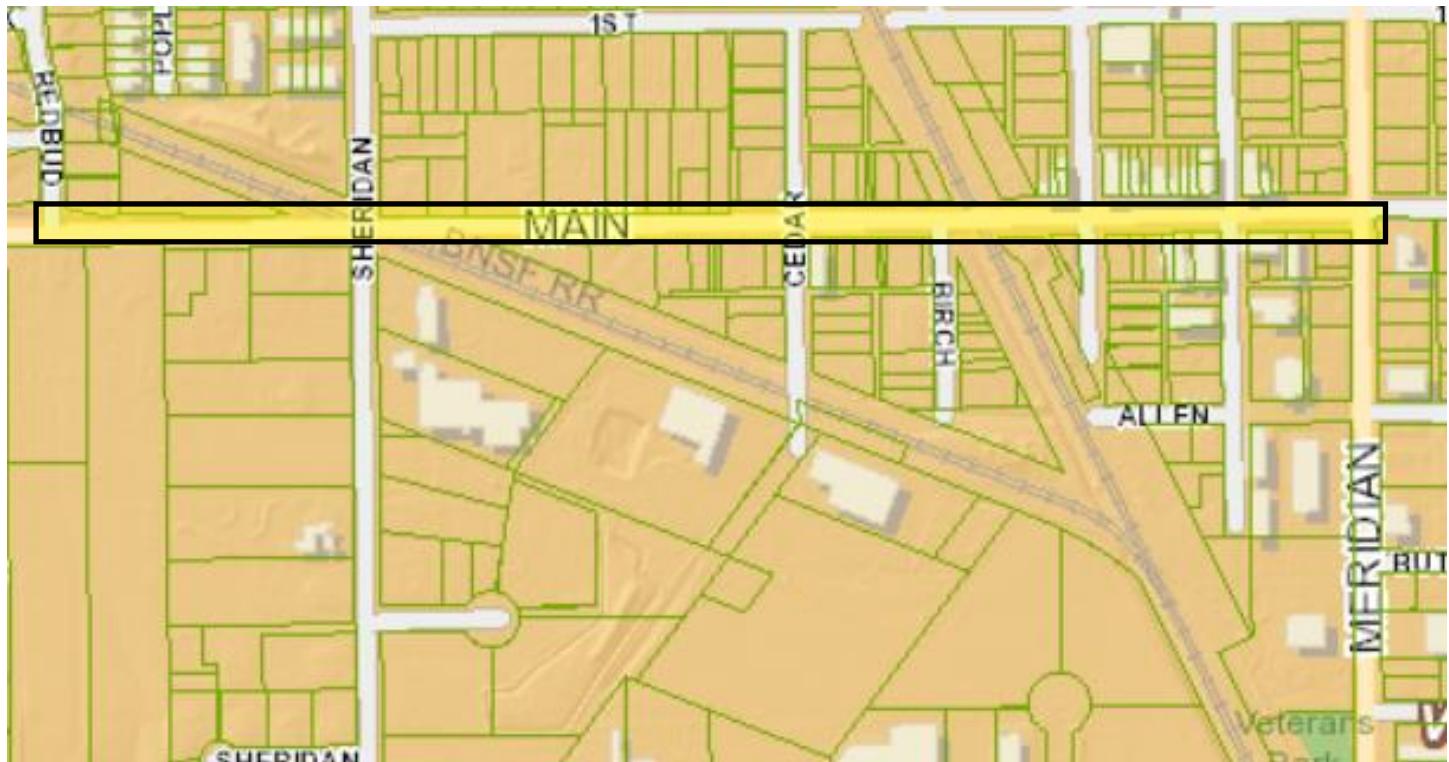
Project Scope:

Reconstruct Main Street from Redbud to Meridian Avenue to address deteriorating pavement conditions, traffic safety, pedestrian connectivity and safety, as well as storm water management.

Project Background:

Reconstruct Main Street from Redbud to Meridian Avenue to a 3-lane section with on street parking, curb and gutter, with sidewalk in addition to storm water sewer construction. The pavement and curb and gutter are in poor condition with frequent areas of failure and standing water. Existing sidewalk in the area is not continuous and has failed in multiple areas. The project area includes the City's Main Street redevelopment corridor and is identified in the City of Valley Center Pedestrian and Bicycle Facilities Master Plan (April 2013) as Priority 1 as well as serving as the primary gathering place for City events such as Fall Festival, Food Trucks on Main Street, and Movie on Main Street. In addition to paving and sidewalk, storm water sewer will be extended to address drainage issues noted as High Priority in the City of Valley Center Master Drainage Plan (April 2017).

Project Location:





Main: Redbud to Meridian

Funding Sources/Cost:

Primarily, funding for projects submitted to WAMPO are financed through General Obligation Bonds due to the nature of these projects being submitted for the next 20 year Transportation Improvement Plan and receiving notification of award fairly close to the project start date. The overall costs for the project are as follows:

PROJECT COST

Please list the estimated cost in today's dollars.

Pre-Construction/Implementation Costs <i>Includes: refinement studies, preliminary engineering, right of way acquisition, utility relocation</i>	\$337,900
Construction/Implementation Costs <i>Includes: construction, construction engineering</i>	+ \$2,675,885
Total Project Costs <i>Sum of Pre-Construction Costs and Construction/Implementation Costs</i>	= \$3,013,785
WAMPO Funding Request <i>No more than 80% of the cost of construction/implementation</i>	\$2,140,708

PROJECT PROPOSAL

The total project cost is listed as \$3,013,785 with \$2,140,708 being funded by WAMPO leaves a \$873,077 local share.

Justification:

The Main Street reconstruction project increases the health and safety of Valley Center as a result of the proposed sidewalks flanking the 3-lane section of road. By separating the pedestrians from the road, the project decreases fatalities and serious injuries, reduces the need for individual vehicle use, in addition to creating an overall walkable space. Enhanced connections through the proposed sidewalks strengthens the connections throughout Valley Center's historic downtown, boosting the economy of Valley Center through the easier access for pedestrians. This project boosts the walkability of Valley Center, increasing access to local arts, cultural and recreational centers, and community events in downtown.

Main: Redbud to Meridian

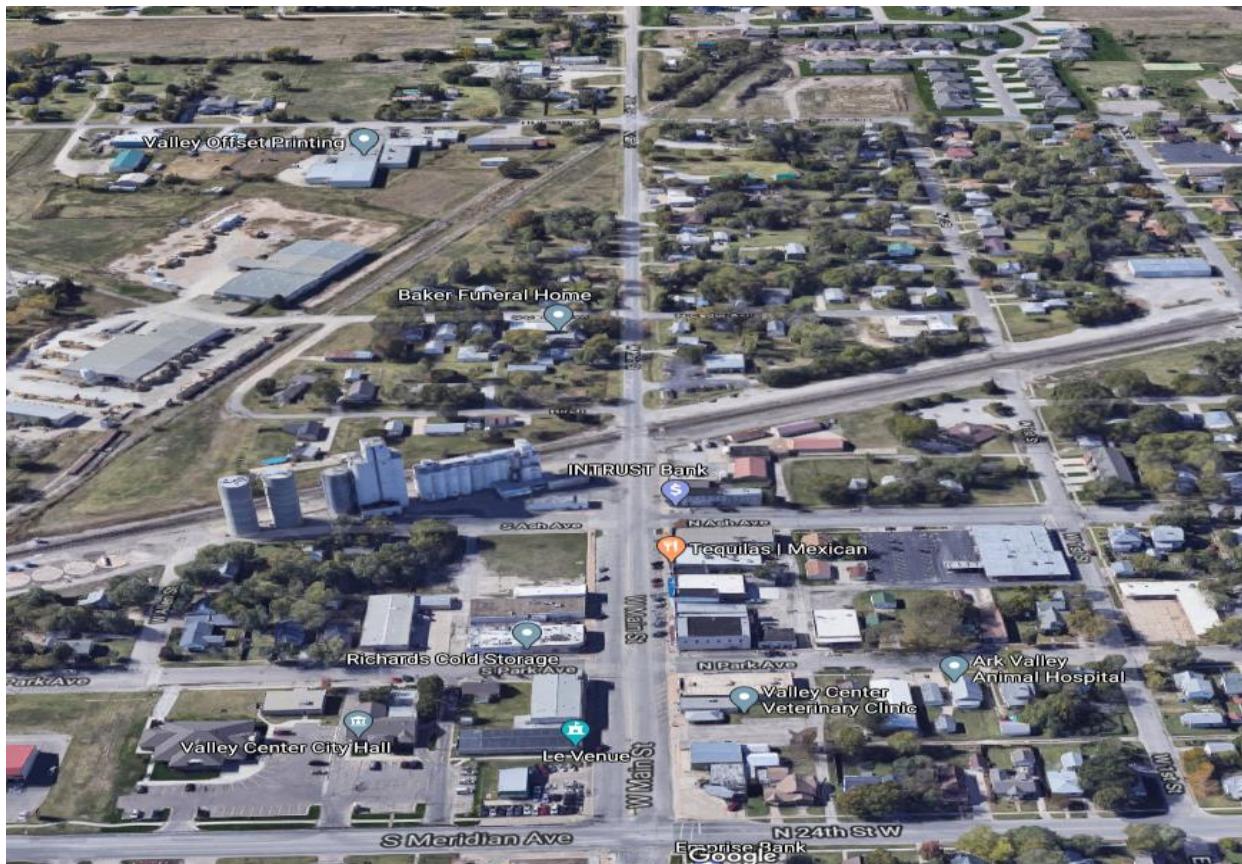
Operating Impacts:

By completing this project the City will benefit from a reduction in maintenance and repair costs. These savings will be realized by reducing services such as periodic crack sealing, patching of pavement due to failing pavement conditions, slurry sealing, and periodic mill and overlays. The City's prioritized annual maintenance budget will be allowed greater flexibility not needing its main focus on this area of the City.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

Main Street along the project corridor is Valley Center's historic downtown. This corridor hosts many community events, includes many historic buildings and resources, is the traditional shopping district, and is the identity of the Valley Center community. The reconstruction of Main Street addresses deteriorating pavement conditions, traffic safety, pedestrian connectivity and safety, in addition to storm water management in connection to the broader City of Valley Center Pedestrian and Bicycle Facilities Master Plan and the City of Valley Center Master Drainage Plan, both creating a higher quality of living for those in Valley Center and the adjacent WAMPO cities.



Main: Emporia to Meridian

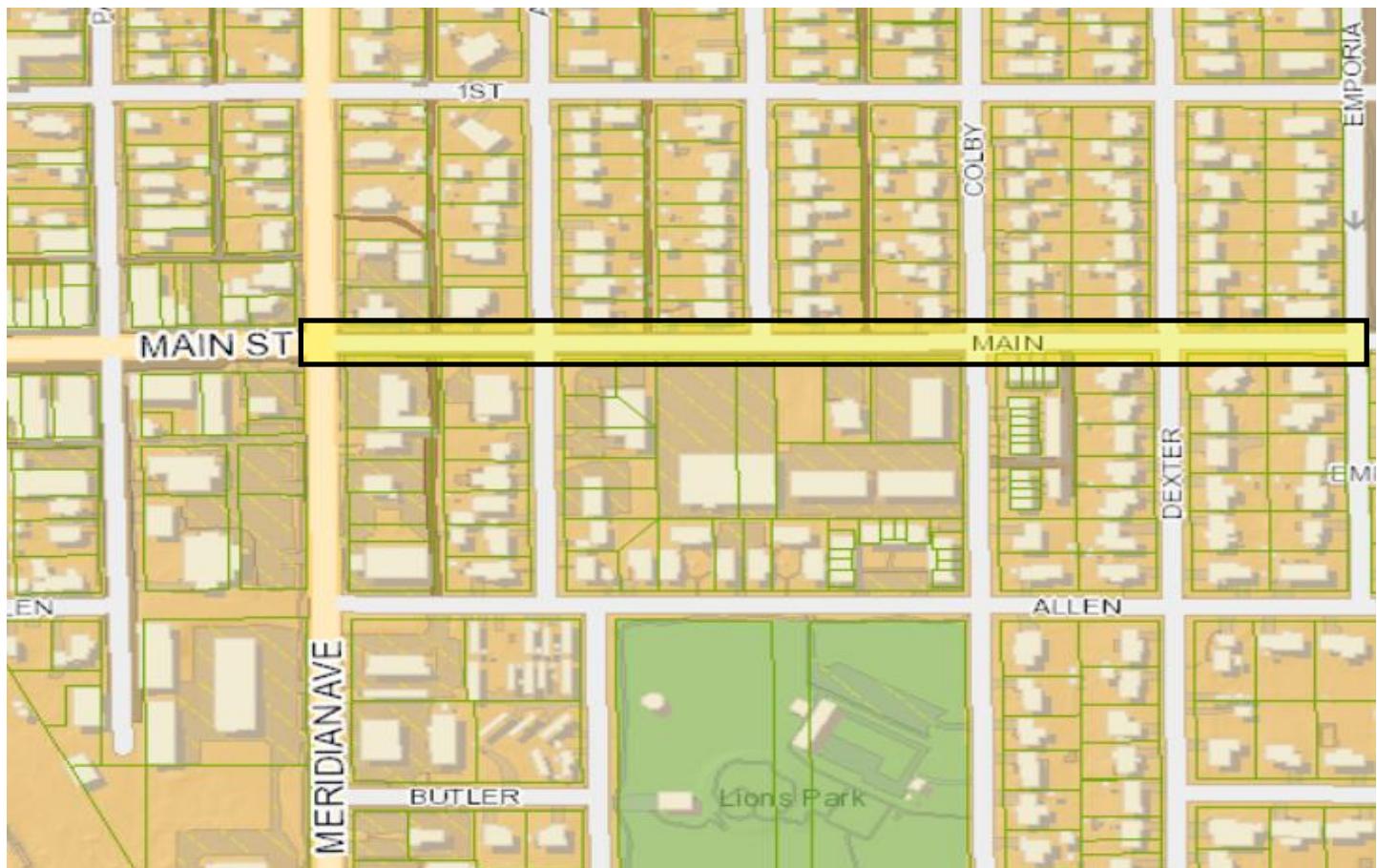
Project Scope:

Reconstruct Main Street from Meridian Avenue to Emporia Avenue to address deteriorating pavement conditions, traffic safety, pedestrian connectivity and safety, as well as storm water management.

Project Background:

Reconstruct Main Street from Meridian Avenue to Emporia Avenue to a 3-lane section with on street parking, curb and gutter, with sidewalk in addition to storm water sewer construction. The pavement and curb and gutter are in poor condition with frequent areas of failure and standing water. Existing sidewalk in the area is not continuous and has failed in multiple areas. The project area includes the City's Main Street redevelopment corridor as well as the post office and is identified in the City of Valley Center Pedestrian and Bicycle Facilities Master Plan (April 2013) as Priority 1. In addition to paving and sidewalk, storm water sewer will be extended to address drainage issues noted as Moderate Priority in the City of Valley Center Master Drainage Plan (April 2017).

Project Location:





Main: Emporia to Meridian

Funding Sources/Cost:

Primarily, funding for projects submitted to WAMPO are financed through General Obligation Bonds due to the nature of these projects being submitted for the next 20 year Transportation Improvement Plan and receiving notification of award fairly close to the project start date. The overall costs for the project are as follows:

PROJECT COST

Please list the estimated cost in today's dollars.

Pre-Construction/Implementation Costs <i>Includes: refinement studies, preliminary engineering, right of way acquisition, utility relocation</i>	\$261,300
Construction/Implementation Costs <i>Includes: construction, construction engineering</i>	+ \$1,814,750
Total Project Costs <i>Sum of Pre-Construction Costs and Construction/Implementation Costs</i>	= \$2,076,050
WAMPO Funding Request <i>No more than 80% of the cost of construction/implementation</i>	\$1,451,800

PROJECT PROPOSAL

The total project cost is listed as \$2,076,050 with \$1,451,800 being funded by WAMPO leaves a \$624,250 local share.

Justification:

This portion of Main Street includes many Valley Center businesses including the post office. It is a main artery from many of the older neighborhoods in Valley Center to downtown and the many community destinations along Meridian Avenue. The reconstruction of Main Street addresses deteriorating pavement conditions, traffic safety, pedestrian connectivity and safety, in addition to storm water management in connection to the broader City of Valley Center Pedestrian and Bicycle Facilities Master Plan and the City of Valley Center Master Drainage Plan, both creating a higher quality of living for those in Valley Center and the adjacent WAMPO cities.

Main: Emporia to Meridian

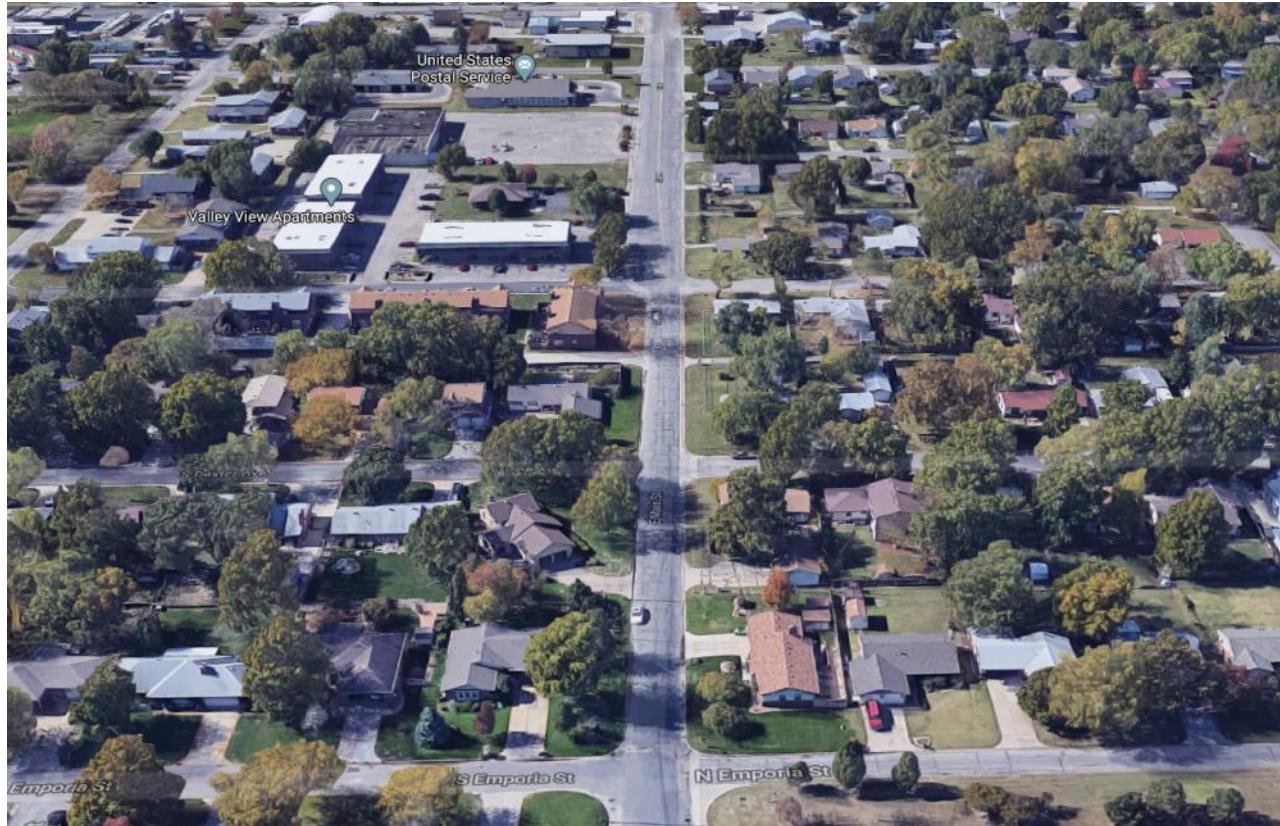
Operating Impacts:

By completing this project the City will benefit from a reduction in maintenance and repair costs. These savings will be realized by reducing services such as periodic crack sealing, patching of pavement due to failing pavement conditions, slurry sealing, and periodic mill and overlays. The City's prioritized annual maintenance budget will be allowed greater flexibility not needing its main focus on this area of the City.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

The Main Street reconstruction project increases the health and safety of Valley Center as a result of the proposed sidewalks along the 3-lane section of road. By separating the pedestrians from the road, the project decreases fatalities and serious injuries, reduces the need for individual vehicle use, in addition to creating an overall walkable space. Enhanced connections through the proposed sidewalks strengthens the connections to Valley Center's downtown, boosting the economy through the easier access for pedestrians. This project boosts the walkability of Valley Center, increasing access to local arts, cultural and recreational centers, and community events in downtown.





69th Street Bridge

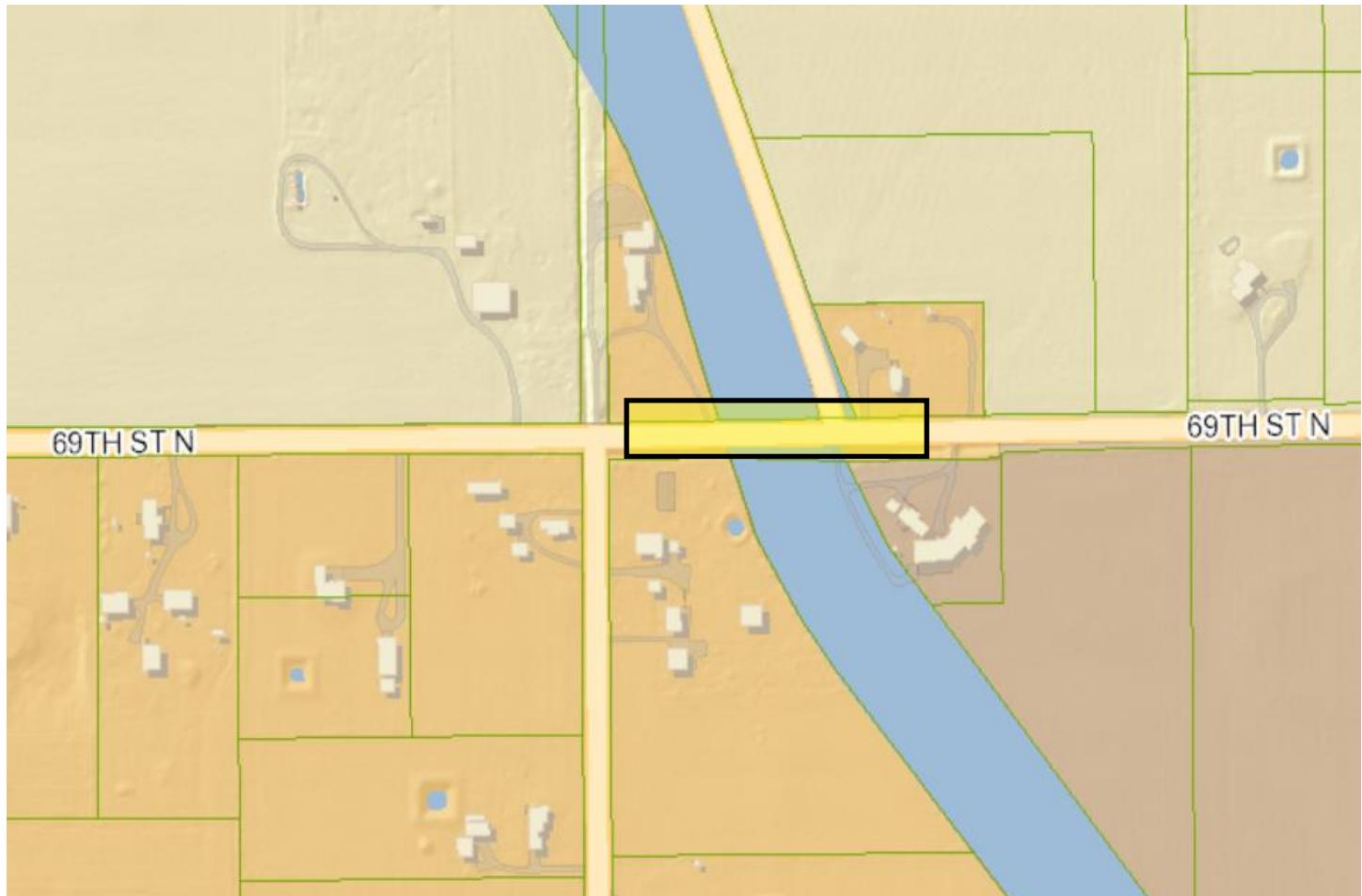
Project Scope:

Reconstruct the 69th Street North bridge deck over the Wichita-Valley Center Floodway to address deteriorating pavement conditions and traffic safety.

Project Background:

Reconstruct the 69th Street North bridge deck over the Wichita-Valley Center Floodway. The bridge deck is in poor condition with frequent areas of failure. In addition, there are several areas washed out beneath the bridge including around the abutments.

Project Location:





69th Street Bridge

Funding Sources/Cost:

Primarily, funding for projects submitted to WAMPO are financed through General Obligation Bonds due to the nature of these projects being submitted for the next 20 year Transportation Improvement Plan and receiving notification of award fairly close to the project start date. The overall costs for the project are as follows:

PROJECT COST

Please list the estimated cost in today's dollars.

Pre-Construction/Implementation Costs <i>Includes: refinement studies, preliminary engineering, right of way acquisition, utility relocation</i>	\$61,600
Construction/Implementation Costs <i>Includes: construction, construction engineering</i>	+ \$693,000
Total Project Costs <i>Sum of Pre-Construction Costs and Construction/Implementation Costs</i>	= \$754,600
WAMPO Funding Request <i>No more than 80% of the cost of construction/implementation</i>	\$554,400

PROJECT PROPOSAL

The total project cost is listed as \$754,600 with \$554,400 being funded by WAMPO leaves a \$200,200 local share.

Justification:

The 69th Street North Bridge deck reconstruction aims to address the safety concerns of the existing infrastructure. The project will prevent failure of the bridge structure, which would pose safety and access issues.

69th Street Bridge

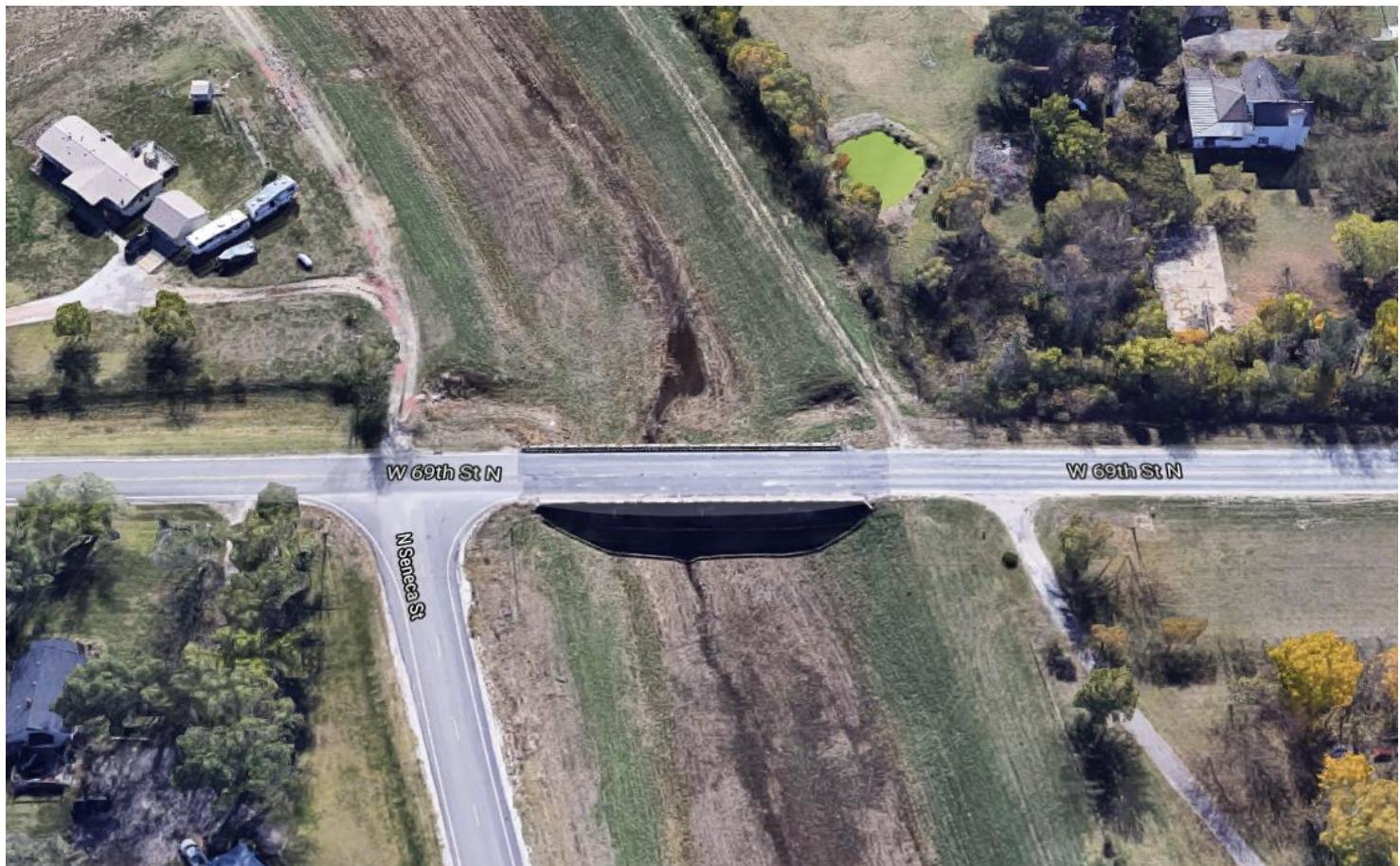
Operating Impacts:

By completing this project the City will benefit from a reduction in maintenance and repair costs. These savings will be realized by reducing services such as periodic crack sealing, patching of pavement due to failing pavement conditions, slurry sealing, and periodic mill and overlays. The City's prioritized annual maintenance budget will be allowed greater flexibility not needing its main focus on this area of the City.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

The bridge reconstruction on 69th Street North benefits the areas within the WAMPO region, as it is heavily used by not only those in Valley Center but also those in neighboring communities. Crossings of the floodway are sparse; with the next closest crossings being over a mile in each direction.



Meridian: 5th to 93rd

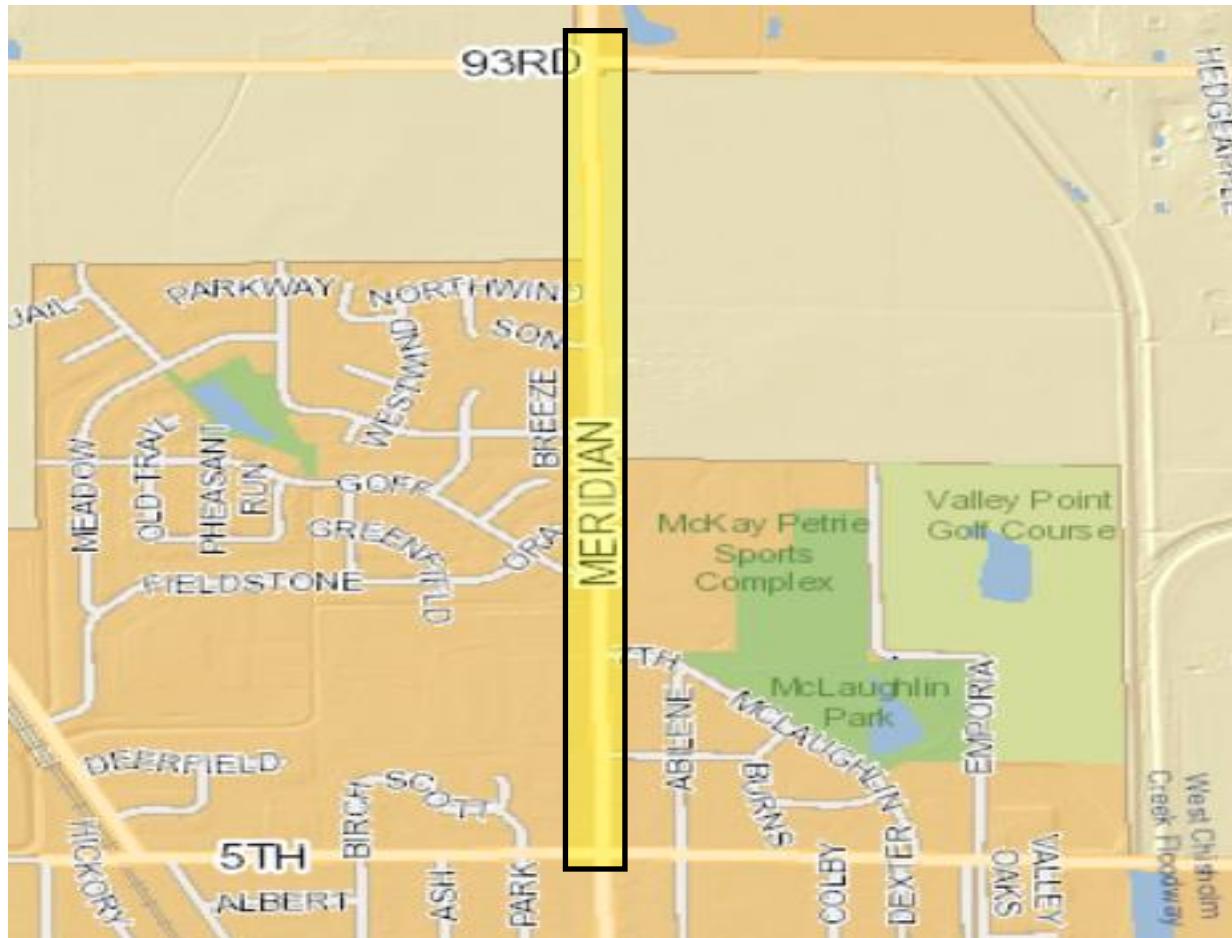
Project Scope:

Reconstruct Meridian Avenue from 5th Street North to the North City Limits to address deteriorating pavement conditions, traffic safety, pedestrian connectivity and safety, as well as storm water management

Project Background:

Reconstruct Meridian Avenue from Main Street to 5th Street North to 3-lane section, curb and gutter section with sidewalk on both sides of the street in addition to storm water sewer construction. The pavement and curb and gutter are in poor condition with frequent areas of failure and standing water. Existing sidewalk in the area is not continuous and has failed in multiple areas. The project area is identified in the City of Valley Center Pedestrian and Bicycle Facilities Master Plan (April 2013) as Priority 1. In addition to paving and sidewalk, storm water sewer will be extended to address drainage issues noted as High Priority in the City of Valley Center Master Drainage Plan (April 2017).

Project Location:





Meridian: 5th to 93rd

Funding Sources/Cost:

Primarily, funding for projects submitted to WAMPO are financed through General Obligation Bonds due to the nature of these projects being submitted for the next 20 year Transportation Improvement Plan and receiving notification of award fairly close to the project start date. The overall costs for the project are as follows:

PROJECT COST

Please list the estimated cost in today's dollars.

Pre-Construction/Implementation Costs	\$456,300
<i>Includes: refinement studies, preliminary engineering, right of way acquisition, utility relocation</i>	
Construction/Implementation Costs	+ \$4,289,200
<i>Includes: construction, construction engineering</i>	
Total Project Costs	= \$4,745,500
<i>Sum of Pre-Construction Costs and Construction/Implementation Costs</i>	
WAMPO Funding Request	\$3,431,360
<i>No more than 80% of the cost of construction/implementation</i>	

PROJECT PROPOSAL

The total project cost is listed as \$4,745,500 with \$3,431,360 being funded by WAMPO leaves a \$1,314,140 local share.

Justification:

Meridian is the primary north/south street through Valley Center and connecting to the region. This route provides access to the majority of Valley Center schools. The Meridian reconstruction is part of the larger City of Valley Center Pedestrian and Bicycle Facilities Master Plan that addresses safety concerns and strengthens pedestrian connectedness throughout Valley Center and the surrounding WAMPO region.

Meridian: 5th to 93rd

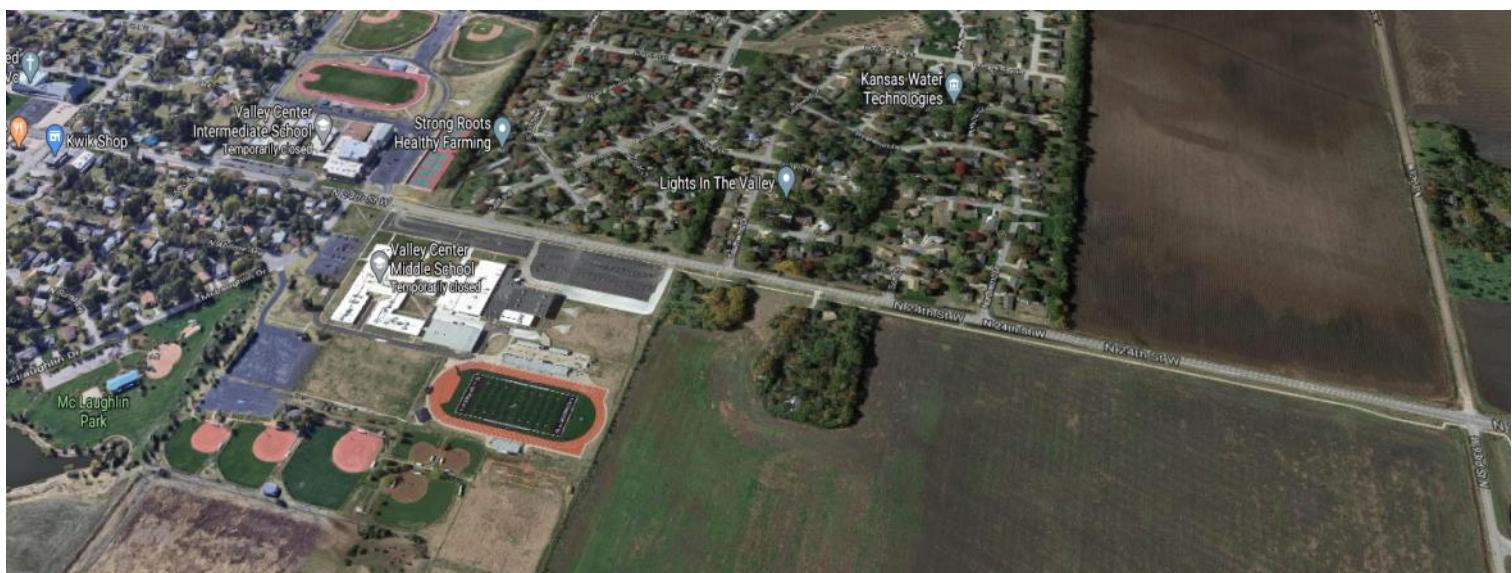
Operating Impacts:

By completing this project the City will benefit from a reduction in maintenance and repair costs. These savings will be realized by reducing services such as periodic crack sealing, patching of pavement due to failing pavement conditions, slurry sealing, and periodic mill and overlays. The City's prioritized annual maintenance budget will be allowed greater flexibility not needing its main focus on this area of the City.

Impact on Operating Budget	Year 1	Year 2	Year 3	Year 4	Year 5
Maintenance	\$500	\$500	\$500	\$500	\$500

Community Impact:

The Meridian reconstruction project increases the health and safety of Valley Center as a result of the proposed sidewalks along the 3-lane section of road. By separating the pedestrians from the road, the project decreases fatalities and serious injuries, adds needed turning lanes, reduces the need for individual vehicle use, in addition to creating an overall walkable space. With the multitude of schools along this corridor, roadway and pedestrian improvements will improve the safety of the corridor. Enhanced connections through the proposed sidewalks strengthens the connections throughout Valley Center and its amenities and schools. This project boosts the walkability and pedestrian circulation along Valley Center's main north/south corridor. Sidewalk improvements, especially the addition of sidewalk along the west side of the road, are needed and identified in the City of Valley Center Pedestrian and Bicycle Facilities Master Plan.





Glossary





Glossary

Accrual Accounting— A method of accounting that recognizes the financial effect of transactions, events, and Interfund activities when they occur, regardless of the timing of related cash flows.

ADSAP— Alcohol and Drug Safety Program.

Ad Valorem Taxes - Commonly referred to as property taxes, levied on both real and personal property, according to the property's valuation and tax rate.

Amortization— to pay off (an obligation, such as a mortgage) gradually usually by periodic payments of principal and interest

Amended Budget - The current budget, resulting from changes to the Adopted Budget. An example of a common change would be a line item transfer of funds.

Appraised Valuation— The value set upon real estate and other property as deemed by the county appraiser.

Appropriation— A legal authorization to incur obligations and make expenditures for specific purposes.

Assessed Valuation— a fixed percentage, by law, of the overall market evaluation provided by the county appraiser's office.

Audit— a formal examination of an organization's or individual's accounts or financial situation

Balanced Budget— expenditures shall not exceed the available cash balance, less reserves, plus revenues.

Benchmark - A point of reference from which measurements may be made. A benchmark is something that serves as a standard by which other performance indicators may be evaluated or compared

Bond— debt security issued by a government to support government spending

Bond & Interest Fund— Designated fund for the paying of principal and interest on borrowed money.

Budget— A detailed financial plan which lays out all planned revenue and expenses for the city and matches them with services that are provided.

Capital Expenditures— An expenditure related to capital improvements which cover the acquisition of or rehabilitation of fixed assets.

Capital Improvements— Improvements to city infrastructure or physical plant such as streets, sidewalks, building improvements, and major construction initiatives.

Capital Outlay— Assets with a useful lifespan of more than 1 year. Also includes large capital items that need to be accounted for such as vehicles, buildings, and other large equipment.

Cash Basis Accounting— Revenues and Expenditures are accounted for when resources change hands.

Commodities— Consumable items with a minor life span such as office supplies and gasoline.

Contractual Services— Provided services by private firms, individuals, or other government agencies for various tasks and projects.

Contingency – An amount set aside for emergencies or unforeseen expenditures not otherwise budgeted

Debt Service— Principal and Interest due on borrowed money for various projects throughout the city.

Department— A specific organization of the city government dedicated to certain tasks and obligations. Example—Finance and Administration Department.

Depreciation— to deduct from taxable income a portion of the original cost of (a business asset) over several years as the value of the asset decreases.



Glossary

Employee Benefits— Benefits the city offers to its employees such as vacation, sick pay, different types of leave, and holidays.

Employee Benefit Fund— Designated fund for paying the additional costs associated with employees such as unemployment, KPERS, Social Security, Medicare, and flexible spending accounts.

Encumbrance— To set aside or assign funds for a future expenditure to a specific vendor or recipient.

Enterprise Fund— A fund that is primarily supported by user charges for services provided by the City such as sewer, water, stormwater, and solid waste.

Expenditure - The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges.

Fiduciary Funds - A type of funds which consists of agency and trust funds.

Fiscal Year— A 12 month financing period of the City. Valley Center has a fiscal year from Jan.1 to Dec. 31. During this time the annual budget for the current year is followed.

FTE— Full Time Employee

Fund— a sum of money or other resources whose principal or interest is set apart for a specific objective

Fund Balance— The remainder of current assets minus the current liabilities.

General Fund— The operating fund of the city. This fund finances all basic services for the city. This fund includes Fire, Police, Community Development, Finance and Administration, and Public Works.

General Obligation Bonds— Bonds which finance projects and are backed by the full faith and credit of the City.

GFOA— Government Finance Officers Association. An association of public finance professionals

Governmental Fund— A Fund that received City levied tax dollars

Infrastructure - The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Interfund Transfers— A transfer of resources from a designated fund to another designated fund.

Intergovernmental Revenues— Funds received from Federal, State, and other government sources in the form of grants, shared revenues, and payments in lieu of taxes.

KORA— Kansas Open Records Act

KOMA— Kansas Open Meetings Act

Legal Debt Margin— The current statutory debt limit for all Kansas cities pursuant to K.S.A. 79-5037 is 30% of assessed valuation including the motor vehicle valuation.

Levy— taxes imposed for the operations of the governmental unit.

Line Item— A single expenditure section listing

Major Fund— Funds that have the greatest impact on Valley Center

Mill— A monetary unit used only in calculations dealing with assessed valuation, worth one thousandth of a dollar. Every one thousand dollars in assessed valuation produces one dollar of taxes.



Glossary

Modified Accrual Accounting— A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

Objective - Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Obligations - Amounts that a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget—A budget that applies to all outlays other than capital improvements. Day to day operations of the City.

Pay-as-you-go Basis - A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Performance Measure - A measure of outcomes or results used to gauge the success of a program in meeting its Intended goals and objectives.

Reserve— A fund used to accumulate resources for designated projects, purchases, or emergency situations.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources— Total amount of money available for distribution and spending. This includes fund balances, estimated revenues, and fund transfers.

Revenues— Monies that the governing entity receives as income. This includes taxes, specials, fees, charges for service, intergovernmental receipts, fines and forfeitures, grants and interest income.

Revenue Bond - A bond backed only by revenues, which come from a specific enterprise or project, such as a utility rate or gas tax.

Special Assessments (Specials)— a unique charge designated to new or existing real estate parcels to assist in financing new infrastructure or repair of older infrastructure .

Special Revenue Funds—Funds used to account for revenues received from specific taxes, governmental grants, or other revenue sources which have been designated to finance certain functions of the City.

Variable Cost - A cost that increases/decreases with increases/decreases in the amount of service provided such as the electric bill.

Volatility - Unpredictable change over time of a certain variable

Tax Levy—Amount of property taxes to be collected and distributed to each governmental fund based on each fund's mill total.

Tax Rate—Amount of tax that is levied for every one thousand dollars of assessed valuation.

Transfers In/Out— Monies transferred from one fund to another to help finance the services provided by the receiving fund.

WAMPO—Wichita Metropolitan Planning Organization



Glossary

End of Glossary



Appendix A: Personnel Summary

GENERAL FUND - FUND 010	APPROVED 2022	APPROVED 2023	APPROVED 2024
ADMINISTRATION AND FINANCE			
REGULAR FULL TIME			
CITY ADMINISTRATOR	1	1	1
ASST. CITY ADMINISTRATOR/FINANCE DIRECTOR	1	1	1
CITY TREASURER	1	1	1
CITY CLERK	1	1	1
ACCOUNTING CLERK II	1	1	1
ACCOUNTING CLERK I	1	1	1
<u>SENIOR COORDINATOR</u>	1	1	1
TOTAL	7	7	7
LEGAL AND MUNICIPAL COURT			
REGULAR FULL TIME			
<u>MUNICIPAL COURT CLERK</u>	1	1	1
TOTAL	1	1	1
COMMUNITY DEVELOPMENT			
REGULAR FULL TIME			
COM. DEVELOPMENT DIRECTOR	1	1	1
COM. DEVELOPMENT ASSISTANT	1	1	1
<u>CODE ENFORCEMENT OFFICER/INSPECTOR*</u>	1	2	1.33
TOTAL	3	4	3.33
*One position is now split between Community Development, Water Dept. and the Streets Dept.			
FIRE DEPARTMENT			
REGULAR FULL TIME			
FIRE CHIEF	1	1	1
FIRE CAPTAIN	1	1	1
FIRE FIGHTER	2	4	4
TOTAL	4	6	6
REGULAR PART TIME			
<u>FIRE FIGHTER</u>	12	13	13
TOTAL	16	19	19



Appendix A: Personnel Summary

GENERAL FUND - FUND 010	APPROVED 2022	APPROVED 2023	APPROVED 2024
PARKS AND PUBLIC BUILDINGS			
REGULAR FULL TIME			
PARKS & PUB. BLDG DIRECTOR	1	1	1
PARKS & PUB BLDG SUPERVISOR	1	1	1
GROUNDSKEEPERS	3	4	4
TOTAL	5	6	6
REGULAR PART TIME			
PT GROUNDSKEEPERS	3	0	0
TOTAL	8	6	6
POLICE DEPARTMENT			
REGULAR FULL TIME			
PUBLIC SAFETY DIRECTOR	1	1	1
POLICE CAPTAIN	1	1	1
DETECTIVE	1	1	1
POLICE SERGEANT	3	3	3
PATROL OFFICER I	3	5	5
PATROL OFFICER II	4	4	4
SCHOOL RESOURCE OFFICER	2	3	3
ANIMAL CONTROL OFFICER	1	1	1
POLICE SECRETARY	1	1	1
VICTIM ADVOCATE	.5	0	0
TOTAL	17.5	20	20
SPECIAL STREETS AND HIGHWAY - FUND 150	APPROVED 2022	APPROVED 2023	APPROVED 2024
SPECIAL STREETS DEPARTMENT			
REGULAR FULL TIME			
INFRASTRUCTURE MANAGER	1	1	1
EQUIPMENT OPERATOR I	4	4	4.33
EQUIPMENT OPERATOR II	1	1	1
MECHANIC	0	0	0
TOTAL	6	6	6.33



Appendix A: Personnel Summary

SEWER UTILITY - FUND 620	APPROVED	APPROVED	APPROVED
	2022	2023	2024
PUBLIC WORKS ADMINISTRATION			
REGULAR FULL TIME			
PUBLIC WORKS DIRECTOR	0.5	0.5	0.5
UTILITIES MANAGER	0.5	0.5	0.5
ADMIN ASSISTANT	0.5	0.5	0.5
TOTAL	1.5	1.5	1.5
SEWER DEPARTMENT			
REGULAR FULL TIME			
WASTEWATER OPERATOR	3	3	3
TOTAL	3	3	3
WATER UTILITY - FUND 610	APPROVED	APPROVED	APPROVED
	2022	2023	2024
PUBLIC WORKS ADMINISTRATION			
REGULAR FULL TIME			
PUBLIC WORKS DIRECTOR	0.5	0.5	0.5
UTILITIES MANAGER	0.5	0.5	0.5
ADMIN ASSISTANT	0.5	0.5	0.5
TOTAL	1.5	1.5	1.5
WATER DEPARTMENT			
REGULAR FULL TIME			
WATER OPERATOR	3	2	2.33
TOTAL	3	3	2.33
GRAND TOTAL—FULL TIME		APPROVED	APPROVED
		2022	2024
REGULAR FULL TIME EMPLOYEE TOTAL		52.5	58
GRAND TOTAL—PART TIME		APPROVED	APPROVED
		2022	2024
PART TIME EMPLOYEE TOTAL		20	13