

CITY OF VALLEY CENTER, KANSAS

FINANCIAL STATEMENTS

Year Ended December 31, 2023

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CITY OF VALLEY CENTER, KANSAS

FINANCIAL STATEMENTS
Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Valley Center, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Valley Center, Kansas, (the City), as of and for the year ended December 31, 2023 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse and Unmodified Opinions" section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2023, or the changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2023, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statement" section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified opinions.

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

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

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

Other Matter

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Valley Center, Kansas as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated May 8, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipalservices>. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2023 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2022, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 17, 2024

CITY OF VALLEY CENTER, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2023

<u>Funds</u>	Beginning	Prior			Ending	<u>Encumbrances</u>	<u>Add:</u>	<u>Ending</u>
	<u>Unencumbered</u>	<u>Period</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Cash Balance</u>			
	<u>Cash Balance</u>	<u>Adjustment</u>				<u>and Accounts</u>		<u>Cash</u>
General Fund:								
General	\$ 1,381,063	\$ -	\$ 4,044,636	\$ 3,885,082	\$ 1,540,617	\$ 102,958	\$ 1,643,575	
Special Purpose Funds:								
Library	895	-	310,225	310,262	858	-	858	
Employee Benefits	402,553	-	936,034	932,014	406,573	551	407,124	
Emergency Equipment	131,486	-	83,029	92,357	122,158	-	122,158	
Special Highway	609,871	-	1,711,566	1,644,931	676,506	4,600	681,106	
Equipment Reserve	367,887	-	51,044	14,540	404,391	-	404,391	
Alcohol & Drug Safety								
Action Program	1,056	-	15	-	1,071	-	1,071	
Special Alcohol & Drug	4,428	-	6,570	310	10,688	-	10,688	
Special Parks & Recreation	31,913	-	7,560	-	39,473	-	39,473	
TIF	2,842,860	-	99,474	340,505	2,601,829	-	2,601,829	
Drug Tax	2,777	-	714	-	3,491	-	3,491	
Building Equipment Reserve	63,419	-	2,213	-	65,632	-	65,632	
Park Beautification	2,215	-	-	-	2,215	-	2,215	
D.A.R.E.	1,658	-	-	-	1,658	-	1,658	
Land Bank Reserve	78,954	-	2,905	-	81,859	-	81,859	
Public Safety Training	4,003	-	3,040	-	7,043	-	7,043	
Pool/Rec Sales Tax	1,284,906	-	19,399,963	5,641,016	15,043,853	968,678	16,012,531	
Fleet Management	132,985	-	190,092	151,153	171,924	-	171,924	
Gifts & Grants	5,963	-	1,818	1,513	6,268	-	6,268	
State/Federal Grants	708,973	-	25,019	319,739	414,253	-	414,253	
Bond and Interest Fund:								
Bond and Interest	1,099,684	-	2,101,847	2,052,647	1,148,884	-	1,148,884	
Capital Projects Funds:								
Capital Projects	2,358,128	-	9,123,447	9,680,799	1,800,776	16,774	1,817,550	
Business Funds:								
Water	3,202,628	-	2,442,158	2,188,820	3,455,966	6,914	3,462,880	
Sewer	1,524,966	-	1,499,562	1,374,203	1,650,325	5,522	1,655,847	
Stormwater	261,432	-	338,413	282,401	317,444	119	317,563	
Solid Waste	108,412	-	593,028	589,197	112,243	-	112,243	
Total Primary Government	16,615,115	-	42,974,372	29,501,489	30,087,998	1,106,116	31,194,114	
Related Municipal Entities:								
Valley Center Public Library	188,747	-	359,089	319,372	228,464	5,836	234,300	
Total Reporting Entity	\$ 16,803,862	\$ -	\$ 43,333,461	\$ 29,820,861	\$ 30,316,462	\$ 1,111,952	\$ 31,428,414	

Composition of Cash:

Intrust Bank				
Operating				\$ 14,273,109
Certificate of Deposit				16,051,523
Halstead Bank				
Checking				759,220
Emprise Bank				
Certificate of Deposit				110,262
Chisolm Trail State Bank				
Library Checking				4,391
Library Money Market				229,809
Library Petty Cash				100
Total Reporting Entity				\$ 31,428,414

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

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

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

Basis of Accounting

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

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

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2023:

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

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

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

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

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

Budgetary Information

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

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget for the year ended December 31, 2023 was not amended.

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

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

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

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

NOTE 2 - Deposits and Investments

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

Investments. K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. As of December 31, 2023, the City held no such investments.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods." All deposits were legally secured at December 31, 2023.

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 2 - Deposits and Investments (Continued)

At December 31, 2023, the City's and Library's carrying amounts of deposits were \$31,194,114 and \$234,300, respectively, and the bank balances were \$31,319,602 and \$216,448, respectively. The City's bank balances were held by three banks and the Library's bank balances was held by one bank, resulting in a concentration of credit risk. Of the City's bank balance, \$610,262 was covered by federal depository insurance and the remaining balance of \$30,709,340 was collateralized with securities held by the pledging financial institutions' agents in the City's name. Of the Library's bank balance, \$216,448 was covered by federal depository insurance.

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

NOTE 3 - Defined Benefit Pension

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

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate 8.43% for KPERS and 22.86% for KP&F for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were \$148,601 for KPERS and \$240,489 for KP&F for the year ended December 31, 2023.

Net Pension Liability. At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was \$1,697,918 and \$2,956,121 for KP&F. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup of KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

NOTE 4 - Long-Term Debt

Changes in Long-term Debt. During the year ended December 31, 2023, the following changes occurred in long-term liabilities:

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 4 - Long-Term Debt (Continued)

	Balance January 1, 2023	Additions	Reductions	Balance December 31, 2023	Interest Paid
Paid by Taxes:					
General Obligation Bonds	\$ 19,635,000	\$ -	\$ 1,495,000	\$ 18,140,000	\$ 491,548
General Obligation Temporary Notes	10,345,000	27,370,000	-	37,715,000	345,377
Finance Leases	305,797	537,667	176,112	667,352	2,936
	<u>30,285,797</u>	<u>27,907,667</u>	<u>1,671,112</u>	<u>56,522,352</u>	<u>839,861</u>
Paid by Utility Revenues:					
KDHE Revolving Loan	1,155,471	-	180,772	974,699	27,875
Total	<u>\$ 31,441,268</u>	<u>\$ 27,907,667</u>	<u>\$ 1,851,884</u>	<u>\$ 57,497,051</u>	<u>\$ 867,736</u>

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

Description	Interest Rates	Date of Issuance	Final Maturity	Original Amount	Amount Outstanding
Paid by taxes					
G.O. Bonds issued:					
Series 2016-1	2.00% - 3.00%	6/1/2016	12/1/2036	\$ 4,490,000	\$ 3,210,000
Series 2017-1	2.00% - 3.35%	11/1/2017	12/1/2032	3,030,000	1,515,000
Series 2018-1	2.65% - 3.65%	8/23/2018	12/1/2038	1,470,000	1,340,000
Series 2019-1	3.00% - 4.00%	5/23/2019	12/1/2039	3,980,000	3,415,000
Series 2020-1	2.00% - 4.00%	2/6/2020	12/1/2044	4,510,000	4,200,000
Series 2020-2	1.00% - 2.00%	9/24/2020	12/1/2033	6,540,000	4,460,000
					<u>\$ 18,140,000</u>

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

Year Ending December 31,	Principal	Interest	Totals
2024	1,585,000	453,625	2,038,625
2025	1,485,000	412,980	1,897,980
2026	1,475,000	374,335	1,849,335
2027	1,420,000	335,988	1,755,988
2028	1,167,500	298,243	1,465,743
2029 - 2033	5,832,500	1,089,810	6,922,310
2034 - 2038	3,690,000	468,053	4,158,053
2039 - 2043	1,275,000	99,120	1,374,120
2044	210,000	4,830	214,830
Total	<u>\$ 18,140,000</u>	<u>\$ 3,536,984</u>	<u>\$ 21,676,984</u>

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

Description	Interest Rate	Date of Issue	Final Maturity	Original Amount	Amount Outstanding
KDHE Project No. C20 1740 01 WWTP	2.510%	3/7/2007	9/1/2028	\$ 3,299,868	\$ 974,699

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 4 - Long-Term Debt (Continued)

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

Year Ending <u>December 31,</u>	Principal	Interest	Total
2024	185,338	20,988	206,326
2025	190,019	16,773	206,792
2026	194,819	12,451	207,270
2027	199,739	8,021	207,760
2028	204,784	3,478	208,262
Total	<u>\$ 974,699</u>	<u>\$ 61,711</u>	<u>\$ 1,036,410</u>

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

Description	Interest Rate	Date of Issue	Final Maturity	Original Amount	Amount Outstanding
2018 Street Sweeper	3.125%	1/17/2020	1/1/2025	\$ 150,004	\$ 62,741
2022 Enterprise Vehicles	0.000%	1/1/2022	10/1/2027	367,400	117,556
2023 Enterprise Vehicles	0.000%	1/1/2023	12/31/2028	537,667	487,055
				<u>\$ 1,055,071</u>	<u>\$ 667,352</u>

The debt service requirements to maturity are as follows:

Year Ending <u>December 31,</u>	Principal	Interest	Total
2024	238,766	1,988	240,754
2025	149,219	1,012	150,231
2026	116,326	-	116,326
2027	107,656	-	107,656
2028	55,385	-	55,385
Total	<u>\$ 667,352</u>	<u>\$ 3,000</u>	<u>\$ 670,352</u>

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

Description	Interest Rate	Date of Issue	Final Maturity	Original Amount	Amount Outstanding
G.O. Temporary Notes					
Series 2022-1	2.25%	1/17/2020	12/1/2024	\$ 9,490,000	\$ 9,490,000
Series 2022-2	3.10%	12/1/2025	12/1/2025	855,000	855,000
Series 2023-1	4.38%	9/12/2023	12/1/2025	27,370,000	27,370,000
				<u>\$ 37,715,000</u>	<u>\$ 37,715,000</u>

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

Year Ending <u>December 31,</u>	Principal	Interest	Total
2024	9,490,000	1,669,781	11,159,781
2025	28,225,000	1,220,095	29,445,095
Total	<u>\$ 37,715,000</u>	<u>\$ 2,889,876</u>	<u>\$ 40,604,876</u>

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 4 - Long-Term Debt (Continued)

On September 20, 2023, the City issued General Obligation Temporary Notes, Series 2023-1, in the amount of \$27,370,000. Proceeds will be used to provide interim financing for the construction of certain improvements throughout the City.

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

NOTE 5 - Commitments and Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial Statement of the City as of December 31, 2023.

NOTE 6 - Risk Management

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

NOTE 7 - Compensated Absences

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

Years of Continuous Service	Hours Earned per Pay period	Annual Accrued Hours	Annual Accrued Maximum
0 - 1	3.08	80	104
1 - 5	4.62	120	160
5 - 10	5.54	144	184
10 - 15	6.15	160	200
15 - 20	7.07	184	224
20 - 25	7.99	208	248
25 +	8.6	224	264

As of December 31, 2023, the liability for earned vacation pay was \$133,764.

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 7 - Compensated Absences (Continued)

Full-time employees are eligible to receive up to a maximum of \$15,000 of payout for any accrued unused sick leave upon termination of employment after a minimum of ten (10) years of continued service as shown below:

- 10 Years - 25% payout
- 15 Years - 50% payout
- 20+ Years - 75% payout

As of December 31, 2023, the liability for earned sick pay was \$62,656.

NOTE 8 - Medical Self Insurance Plan

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

The below table summarizes activity for the years ended December 31, 2022 and 2023:

	<u>2022</u>	<u>2023</u>
Unpaid claims, January 1	\$ 48,160	\$ 125,608
Incurred claims (including IBNRs)	1,057,078	646,304
Claim payments	<u>[979,630]</u>	<u>[388,501]</u>
Unpaid claims, December 31	<u>\$ 125,608</u>	<u>\$ 383,411</u>

NOTE 9 - Interfund Transfers

A reconciliation of transfers by fund type for 2023 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	Capital Projects	\$ 7,562	K.S.A. 12-1118
General	Fleet Management	66,956	Council Resolution
Special Highway	Fleet Management	20,000	Council Resolution
Emergency Equipment	Fleet Management	30,000	Council Resolution
Water	Bond & Interest	330,000	K.S.A. 12-825d
Water	Equipment Reserve	10,000	K.S.A. 12-825d
Water	Fleet Management	35,000	K.S.A. 12-825d
Stormwater	Bond & Interest	145,000	K.S.A. 12-825d
Stormwater	Equipment Reserve	17,600	K.S.A. 12-825d
Sewer	Bond & Interest	147,000	K.S.A. 12-825d
Sewer	Equipment Reserve	10,000	K.S.A. 12-825d
Sewer	Fleet Management	35,000	K.S.A. 12-825d
		<u>\$ 854,118</u>	

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2023

NOTE 10 - Other Long-Term Obligations from Operations

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

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

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2023.

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CITY OF VALLEY CENTER, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over [Under]</u>
General Funds:					
General	\$ 4,670,934	\$ -	\$ 4,670,934	\$ 3,885,082	\$ [785,852]
Special Purpose Funds:					
Library	315,258	-	315,258	310,262	[4,996]
Employee Benefits	1,433,872	-	1,433,872	932,014	[501,858]
Emergency Equipment	157,071	-	157,071	92,357	[64,714]
Special Highway	1,267,352	537,667	1,805,019	1,644,931	[160,088]
Special Alcohol & Drug	1,000	-	1,000	310	[690]
Special Parks & Recreation	20,000	-	20,000	-	[20,000]
Pool/Rec Sales Tax	20,000,000	-	20,000,000	5,641,016	[14,358,984]
Bond and Interest Funds:					
Bond and Interest	3,206,601	-	3,206,601	2,052,647	[1,153,954]
Business Funds:					
Water	2,079,280	129,722	2,209,002	2,188,820	[20,182]
Sewer	1,409,369	208,647	1,618,016	1,374,203	[243,813]
Stormwater	328,600	-	328,600	282,401	[46,199]
Solid Waste	615,280	-	615,280	589,197	[26,083]

CITY OF VALLEY CENTER, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year			Variance Over [Under]
	Prior Year	Actual	Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 2,010,004	\$ 2,109,904	\$ 2,088,372	\$ 21,532
Intergovernmental	818,704	843,088	702,801	140,287
Licenses and permits	252,679	266,477	186,150	80,327
Fines and fees	151,228	157,515	299,500	[141,985]
Use of money and property	39,006	96,053	10,501	85,552
Charges for services	3,000	6,030	18,500	[12,470]
Reimbursement	106,351	323,002	54,974	268,028
Miscellaneous	<u>158,317</u>	<u>242,567</u>	<u>4,000</u>	<u>238,567</u>
Total Receipts	<u>3,539,289</u>	<u>4,044,636</u>	<u>\$ 3,364,798</u>	<u>\$ 679,838</u>
Expenditures				
General Government:				
Administration	690,917	827,313	\$ 705,479	\$ 121,834
Public Works:				
Community development	233,239	232,189	249,190	[17,001]
Public Safety:				
Police department	1,374,227	1,459,616	1,307,000	152,616
Fire department	418,057	525,300	497,650	27,650
Legal and municipal court	172,409	170,376	175,950	[5,574]
Culture and Recreation:				
Parks	539,401	595,770	556,180	39,590
Transfers out	102,400	74,518	20,000	54,518
Cash reserve	<u>-</u>	<u>-</u>	<u>1,159,485</u>	<u>[1,159,485]</u>
Total Expenditures	<u>3,530,650</u>	<u>3,885,082</u>	<u>\$ 4,670,934</u>	<u>\$ [785,852]</u>
Receipts Over [Under] Expenditures	<u>8,639</u>	<u>159,554</u>		
Unencumbered Cash, Beginning	<u>1,372,424</u>	<u>1,381,063</u>		
Unencumbered Cash, Ending	<u>\$ 1,381,063</u>	<u>\$ 1,540,617</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 LIBRARY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Year Ended December 31, 2023
 (With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year				Variance Over [Under]	
	Prior Year		Current Year			
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>		
Receipts						
Taxes	\$ 301,473	\$ 310,225	\$ 315,257	\$ [5,032]		
Total Receipts	<u>301,473</u>	<u>310,225</u>	<u>315,257</u>	<u>\$ [5,032]</u>		
Expenditures						
Culture and recreation appropriation	301,473	310,262	\$ 315,258	\$ [4,996]		
Total Expenditures	<u>301,473</u>	<u>310,262</u>	<u>\$ 315,258</u>	<u>\$ [4,996]</u>		
Receipts Over [Under] Expenditures	-	[37]				
Unencumbered Cash, Beginning	<u>895</u>	<u>895</u>				
Unencumbered Cash, Ending	<u>\$ 895</u>	<u>\$ 858</u>				

CITY OF VALLEY CENTER, KANSAS
EMPLOYEE BENEFITS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year				Variance Over [Under]	
	Prior Year		Budget			
	<u>Actual</u>	<u>Actual</u>				
Receipts						
Taxes	\$ 883,014	\$ 916,916	\$ 935,099	\$ [18,183]		
Use of money and property	4,358	19,118	95,000	[75,882]		
Reimbursements	<u>70,693</u>	<u>-</u>	<u>48,000</u>	<u>[48,000]</u>		
Total Receipts	<u>958,065</u>	<u>936,034</u>	<u>\$ 1,078,099</u>	<u>\$ [142,065]</u>		
Expenditures						
Personal services	586,582	741,445	\$ 1,155,922	\$ [414,477]		
Insurance claims	371,445	190,569	12,000	178,569		
Cash reserve	<u>-</u>	<u>-</u>	<u>265,950</u>	<u>[265,950]</u>		
Total Expenditures	<u>958,027</u>	<u>932,014</u>	<u>\$ 1,433,872</u>	<u>\$ [501,858]</u>		
Receipts Over [Under] Expenditures	38	4,020				
Unencumbered Cash, Beginning	<u>402,515</u>	<u>402,553</u>				
Unencumbered Cash, Ending	<u>\$ 402,553</u>	<u>\$ 406,573</u>				

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
EMERGENCY EQUIPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year			Variance Over [Under]	
	Prior Year		Budget		
	<u>Actual</u>	<u>Actual</u>			
Receipts					
Taxes	\$ 66,997	\$ 68,954	\$ 69,741	\$ [787]	
Interest income	1,490	4,899	100	4,799	
Fines & fees	<u>6,262</u>	<u>9,176</u>	<u>5,000</u>	<u>4,176</u>	
Total Receipts	<u>74,749</u>	<u>83,029</u>	<u>\$ 74,841</u>	<u>\$ 8,188</u>	
Expenditures					
Capital outlay	32,917	62,357	\$ 73,000	\$ [10,643]	
Transfers out	30,000	30,000	30,000	-	
Cash reserve	<u>-</u>	<u>-</u>	<u>54,071</u>	<u>[54,071]</u>	
Total Expenditures	<u>62,917</u>	<u>92,357</u>	<u>\$ 157,071</u>	<u>\$ [64,714]</u>	
Receipts Over [Under] Expenditures		11,832	[9,328]		
Unencumbered Cash, Beginning		<u>119,654</u>	<u>131,486</u>		
Unencumbered Cash, Ending	<u>\$ 131,486</u>	<u>\$ 122,158</u>			

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year				Variance Over [Under]	
	Prior Year		Actual	Budget		
	Actual	Actual				
Receipts						
Taxes	\$ 88,821	87,950	\$ 88,300	\$ [350]		
Intergovernmental	1,016,433	1,040,247	903,660	136,587		
Licenses and permits	125	250	-	250		
Use of money and property	12,635	26,342	-	26,342		
Reimbursements	3,445	19,110	9,000	10,110		
Miscellaneous	876	-	1,000	[1,000]		
Lease proceeds	-	537,667	-	537,667		
Transfer in	20,000	-	-	-		
Total Receipts	1,142,335	1,711,566	\$ 1,001,960	\$ 709,606		
Expenditures						
Personal services	374,548	396,779	\$ 381,752	\$ 15,027		
Contractual services	72,188	611,672	49,900	561,772		
Commodities	56,344	64,008	52,700	11,308		
Capital outlay	669,120	552,472	763,000	[210,528]		
Transfer out	20,000	20,000	20,000	-		
Adjustment for qualifying budget credits	-	-	537,667	[537,667]		
Total Expenditures	1,192,200	1,644,931	\$ 1,805,019	\$ [160,088]		
Receipts Over [Under] Expenditures	[49,865]	66,635				
Unencumbered Cash, Beginning	659,736	609,871				
Unencumbered Cash, Ending	\$ 609,871	\$ 676,506				

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
EQUIPMENT RESERVE FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfer in	\$ 57,600	\$ 37,600
Use of money and property	<u>2,685</u>	<u>13,444</u>
 Total Receipts	 <u>60,285</u>	 <u>51,044</u>
 Expenditures		
Capital outlay	<u>36,399</u>	<u>14,540</u>
 Total Expenditures	 <u>36,399</u>	 <u>14,540</u>
 Receipts Over [Under] Expenditures	 23,886	 36,504
 Unencumbered Cash, Beginning	 <u>344,001</u>	 <u>367,887</u>
 Unencumbered Cash, Ending	 <u>\$ 367,887</u>	 <u>\$ 404,391</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 ALCOHOL & DRUG SAFETY ACTION PROGRAM FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ _____	\$ 15
Total Receipts	_____ -	15
Expenditures		
Capital outlay	_____ -	_____ -
Total Expenditures	_____ -	_____ -
Receipts Over [Under] Expenditures	-	15
Unencumbered Cash, Beginning	1,056	1,056
Unencumbered Cash, Ending	<u>\$ 1,056</u>	<u>\$ 1,071</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
SPECIAL ALCOHOL & DRUG FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year			Variance Over [Under]
	Prior Year	Actual	Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Interest income	\$ -	\$ 290	\$ -	\$ 290
Intergovernmental	<u>1,340</u>	<u>6,280</u>	<u>1,478</u>	<u>4,802</u>
Total Receipts	<u>1,340</u>	<u>6,570</u>	<u>\$ 1,478</u>	<u>\$ 5,092</u>
Expenditures				
Contractual services	255	260	\$ 1,000	\$ [740]
Commodities	<u>-</u>	<u>50</u>	<u>-</u>	<u>50</u>
Total Expenditures	<u>255</u>	<u>310</u>	<u>\$ 1,000</u>	<u>\$ [690]</u>
Receipts Over [Under] Expenditures	1,085	6,260		
Unencumbered Cash, Beginning	<u>3,343</u>	<u>4,428</u>		
Unencumbered Cash, Ending	<u>\$ 4,428</u>	<u>\$ 10,688</u>		

CITY OF VALLEY CENTER, KANSAS
 SPECIAL PARKS & RECREATION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Year Ended December 31, 2023
 (With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year				Variance Over [Under]	
	Prior Year					
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>			
Receipts						
Intergovernmental	\$ 1,340	\$ 6,280	\$ 1,477	\$ 4,803		
Interest income	<u>193</u>	<u>1,280</u>	<u>-</u>	<u>1,280</u>		
Total Receipts	<u>1,533</u>	<u>7,560</u>	<u>\$ 1,477</u>	<u>\$ 6,083</u>		
Expenditures						
Capital outlay	<u>-</u>	<u>-</u>	<u>\$ 20,000</u>	<u>\$ [20,000]</u>		
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 20,000</u>	<u>\$ [20,000]</u>		
Receipts Over [Under] Expenditures	1,533	7,560				
Unencumbered Cash, Beginning	<u>30,380</u>	<u>31,913</u>				
Unencumbered Cash, Ending	<u>\$ 31,913</u>	<u>\$ 39,473</u>				

CITY OF VALLEY CENTER, KANSAS
TIF FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year			Variance Over [Under]
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ -	4	3	\$ 1
Temporary note proceeds	5,345,103	-	-	-
Miscellaneous	-	5,285	-	5,285
Interest income	<u>27,013</u>	<u>94,185</u>	<u>-</u>	<u>94,185</u>
Total Receipts	<u>5,372,116</u>	<u>99,474</u>	<u>\$ 3</u>	<u>\$ 99,471</u>
Expenditures				
Debt service				
Interest	-	183,501	\$ 183,550	\$ [49]
Contractual services	60,206	-	-	-
Capital outlay	<u>2,469,050</u>	<u>157,004</u>	<u>2,876,100</u>	<u>[2,719,096]</u>
Total Expenditures	<u>2,529,256</u>	<u>340,505</u>	<u>\$ 3,059,650</u>	<u>\$ [2,719,145]</u>
Receipts Over [Under] Expenditures	<u>2,842,860</u>	<u>[241,031]</u>		
Unencumbered Cash, Beginning	<u>-</u>	<u>2,842,860</u>		
Unencumbered Cash, Ending	<u>\$ 2,842,860</u>	<u>\$ 2,601,829</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 DRUG TAX FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	<u>\$ 2,777</u>	<u>\$ 714</u>
Total Receipts	<u>2,777</u>	<u>714</u>
Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	2,777	714
Unencumbered Cash, Beginning	<u>-</u>	<u>2,777</u>
Unencumbered Cash, Ending	<u>\$ 2,777</u>	<u>\$ 3,491</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
BUILDING EQUIPMENT RESERVE FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	<u>\$ 661</u>	<u>\$ 2,213</u>
 Total Receipts	<u>661</u>	<u>2,213</u>
 Expenditures		
Contractual services	<u>42,900</u>	<u>-</u>
Commodities	<u>14,536</u>	<u>-</u>
 Total Expenditures	<u>57,436</u>	<u>-</u>
 Receipts Over [Under] Expenditures	<u>[56,775]</u>	<u>2,213</u>
 Unencumbered Cash, Beginning	<u>120,194</u>	<u>63,419</u>
 Unencumbered Cash, Ending	<u>\$ 63,419</u>	<u>\$ 65,632</u>

* - This is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
PARK BEAUTIFICATION FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2023 and 2022

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

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 D.A.R.E. FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2023 and 2022

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

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 LAND BANK RESERVE FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ 662	\$ 2,905
 Total Receipts	 662	 2,905
Expenditures		
Contractual	-	-
 Total Expenditures	 -	 -
Receipts Over [Under] Expenditures	662	2,905
Unencumbered Cash, Beginning	78,292	78,954
 Unencumbered Cash, Ending	 \$ 78,954	 \$ 81,859

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
PUBLIC SAFETY TRAINING FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Fines and fees	\$ 2,065	\$ 3,040
 Total Receipts	 2,065	 3,040
Expenditures		
Contractual	-	-
 Total Expenditures	 -	 -
Receipts Over [Under] Expenditures	2,065	3,040
Unencumbered Cash, Beginning	1,938	4,003
 Unencumbered Cash, Ending	 \$ 4,003	 \$ 7,043

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
POOL/REC SALES TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Years Ended December 31, 2023 and 2022

	Current Year			
	Prior Year <u>Actual</u>	Actual	Budget	Actual
Receipts				
Taxes	\$ 880,305	\$ 907,383	\$ 600,000	\$ 307,383
Use of money and property	8,588	113,682	-	113,682
Temporary note proceeds	<u>-</u>	<u>18,378,898</u>	<u>20,000,000</u>	<u>[1,621,102]</u>
Total Receipts	<u>888,893</u>	<u>19,399,963</u>	<u>\$ 20,600,000</u>	<u>\$ [1,200,037]</u>
Expenditures				
Cost of issuance	-	174,011	\$ -	\$ 174,011
Contractual	-	29,514	1,000,000	[970,486]
Capital outlay	<u>42,125</u>	<u>5,437,491</u>	<u>19,000,000</u>	<u>[13,562,509]</u>
Total Expenditures	<u>42,125</u>	<u>5,641,016</u>	<u>\$ 20,000,000</u>	<u>\$ [14,358,984]</u>
Receipts Over [Under] Expenditures	846,768	13,758,947		
Unencumbered Cash, Beginning	<u>438,138</u>	<u>1,284,906</u>		
Unencumbered Cash, Ending	<u>\$ 1,284,906</u>	<u>\$ 15,043,853</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
FLEET MANAGEMENT FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ 882	\$ 3,136
Transfer in	<u>140,000</u>	<u>186,956</u>
 Total Receipts	 <u>140,882</u>	 <u>190,092</u>
Expenditures		
Contractual	154,279	146,178
Capital outlay	<u>-</u>	<u>4,975</u>
 Total Expenditures	 <u>154,279</u>	 <u>151,153</u>
Receipts Over [Under] Expenditures	[13,397]	38,939
Unencumbered Cash, Beginning	<u>146,382</u>	<u>132,985</u>
Unencumbered Cash, Ending	<u>\$ 132,985</u>	<u>\$ 171,924</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
GIFTS & GRANTS FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 3,324	\$ 1,818
Total Receipts	3,324	1,818
Expenditures		
Capital outlay	4,342	149
Miscellaneous	1,340	1,364
Total Expenditures	5,682	1,513
Receipts Over [Under] Expenditures	[2,358]	305
Unencumbered Cash, Beginning	8,321	5,963
Unencumbered Cash, Ending	\$ 5,963	\$ 6,268

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
STATE/FEDERAL GRANTS FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 5,995	\$ 25,019
Federal grants	<u>1,850,401</u>	<u>-</u>
Total Receipts	<u>1,856,396</u>	<u>25,019</u>
 Expenditures		
Contractual	-	316,263
Capital outlay	<u>1,706,534</u>	<u>3,476</u>
Total Expenditures	<u>1,706,534</u>	<u>319,739</u>
 Receipts Over [Under] Expenditures	149,862	[294,720]
 Unencumbered Cash, Beginning	<u>559,111</u>	<u>708,973</u>
 Unencumbered Cash, Ending	<u>\$ 708,973</u>	<u>\$ 414,253</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year			Variance Over [Under]	
	Prior Year		Budget		
	<u>Actual</u>	<u>Actual</u>			
Receipts					
Taxes	\$ 970,636	\$ 999,948	\$ 1,011,736	\$ [11,788]	
Special assessment	423,542	418,275	442,000	[23,725]	
Use of money and property	17,856	61,624	100	61,524	
Reimbursement	21,017	-	-	-	
Transfer in	<u>643,000</u>	<u>622,000</u>	<u>652,000</u>	<u>[30,000]</u>	
Total Receipts	<u>2,076,051</u>	<u>2,101,847</u>	<u>\$ 2,105,836</u>	<u>\$ [3,989]</u>	
Expenditures					
Debt service					
Principal	1,525,000	1,495,000	\$ 1,525,000	\$ [30,000]	
Interest	529,133	554,355	662,000	[107,645]	
Miscellaneous	14,801	3,292	-	3,292	
Cash reserve	-	-	1,019,601	[1,019,601]	
Total Expenditures	<u>2,068,934</u>	<u>2,052,647</u>	<u>\$ 3,206,601</u>	<u>\$ [1,153,954]</u>	
Receipts Over [Under] Expenditures	7,117	49,200			
Unencumbered Cash, Beginning	<u>1,092,567</u>	<u>1,099,684</u>			
Unencumbered Cash, Ending	<u>\$ 1,099,684</u>	<u>\$ 1,148,884</u>			

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 CAPITAL PROJECTS FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2023 and 2022

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Temporary note proceeds	\$ 5,053,421	\$ 9,059,528
Miscellaneous	241,545	-
Interest income	36,483	56,357
Transfer in	147,963	7,562
 Total Receipts	 5,479,412	 9,123,447
 Expenditures		
Debt service		
Interest	-	99,068
Contractual services	2,800,719	9,497,486
Capital outlay	842,181	25,511
Cost of issuance	98,911	58,734
 Total Expenditures	 3,741,811	 9,680,799
 Receipts Over [Under] Expenditures	 1,737,601	 [557,352]
 Unencumbered Cash, Beginning	 620,527	 2,358,128
 Unencumbered Cash, Ending	 \$ 2,358,128	 \$ 1,800,776

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
WATER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year			Variance Over [Under]
	Prior Year	Actual	Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 2,257,501	\$ 2,258,595	\$ 2,078,563	\$ 180,032
Use of money and property	37,444	140,987	-	140,987
Reimbursements	5,496	8,673	-	8,673
Miscellaneous	450	33,903	1,000	32,903
Total Receipts	2,300,891	2,442,158	\$ 2,079,563	\$ 362,595
Expenditures				
Personnel services	327,364	398,008	\$ 413,480	\$ [15,472]
Contractual	1,845,249	1,200,463	978,150	222,313
Commodities	35,192	46,017	41,450	4,567
Capital outlay	127,037	117,382	56,200	61,182
Transfer out	371,282	426,950	590,000	[163,050]
Reserve funds not subject to budget	-	-	129,722	[129,722]
Total Expenditures	2,706,124	2,188,820	\$ 2,209,002	\$ [20,182]
Receipts Over [Under] Expenditures	[405,233]	253,338		
Unencumbered Cash, Beginning	3,607,861	3,202,628		
Unencumbered Cash, Ending	\$ 3,202,628	\$ 3,455,966		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
SEWER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year			Variance Over [Under]
	Prior Year	Actual	Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,372,996	\$ 1,421,472	\$ 1,380,584	\$ 40,888
Use of money and property	17,803	75,821	-	75,821
Miscellaneous	<u>46,939</u>	<u>2,269</u>	<u>-</u>	<u>2,269</u>
Total Receipts	<u>1,437,738</u>	<u>1,499,562</u>	<u>\$ 1,380,584</u>	<u>\$ 118,978</u>
Expenditures				
Personnel services	285,029	350,020	\$ 335,869	\$ 14,151
Contractual	512,383	452,686	461,700	[9,014]
Commodities	47,469	25,186	24,800	386
Capital outlay	90,120	59,790	90,000	[30,210]
Debt service	205,427	205,871	-	205,871
Miscellaneous	3,220	2,776	-	2,776
Transfer out	302,282	277,874	497,000	[219,126]
Reserve funds not subject to budget	<u>-</u>	<u>-</u>	<u>208,647</u>	<u>[208,647]</u>
Total Expenditures	<u>1,445,930</u>	<u>1,374,203</u>	<u>\$ 1,618,016</u>	<u>\$ [243,813]</u>
Receipts Over [Under] Expenditures	<u>[8,192]</u>	<u>125,359</u>		
Unencumbered Cash, Beginning	<u>1,533,158</u>	<u>1,524,966</u>		
Unencumbered Cash, Ending	<u>\$ 1,524,966</u>	<u>\$ 1,650,325</u>		

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
STORMWATER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year			Variance Over [Under]	
	Prior Year		Budget		
	<u>Actual</u>	<u>Actual</u>			
Receipts					
Charges to customers	\$ 323,490	\$ 324,595	\$ 324,000	\$ 595	
Interest income	<u>3,935</u>	<u>13,818</u>	<u>-</u>	<u>13,818</u>	
Total Receipts	<u>327,425</u>	<u>338,413</u>	<u>\$ 324,000</u>	<u>\$ 14,413</u>	
Expenditures					
Contractual	34,605	31,686	\$ 31,000	\$ 686	
Commodities	415	2,241	5,000	[2,759]	
Capital outlay	120,000	85,874	100,000	[14,126]	
Transfer out	<u>162,600</u>	<u>162,600</u>	<u>192,600</u>	<u>[30,000]</u>	
Total Expenditures	<u>317,620</u>	<u>282,401</u>	<u>\$ 328,600</u>	<u>\$ [46,199]</u>	
Receipts Over [Under] Expenditures	9,805	56,012			
Unencumbered Cash, Beginning	<u>251,627</u>	<u>261,432</u>			
Unencumbered Cash, Ending	<u>\$ 261,432</u>	<u>\$ 317,444</u>			

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
SOLID WASTE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Current Year				Variance Over [Under]	
	Prior Year		Budget			
	<u>Actual</u>	<u>Actual</u>				
Receipts						
Charges to customers	\$ 568,708	\$ 583,406	\$ 604,791	\$ [21,385]		
Interest income	1,195	5,034	50	4,984		
Miscellaneous	<u>5,005</u>	<u>4,588</u>	<u>4,000</u>	<u>588</u>		
Total Receipts	<u>574,908</u>	<u>593,028</u>	<u>\$ 608,841</u>	<u>\$ [15,813]</u>		
Expenditures						
Contractual	559,768	589,197	\$ 599,280	\$ [10,083]		
Capital outlay	-	-	16,000	[16,000]		
Transfer out	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>		
Total Expenditures	<u>579,768</u>	<u>589,197</u>	<u>\$ 615,280</u>	<u>\$ [26,083]</u>		
Receipts Over [Under] Expenditures	[4,860]	3,831				
Unencumbered Cash, Beginning	<u>113,272</u>	<u>108,412</u>				
Unencumbered Cash, Ending	<u>\$ 108,412</u>	<u>\$ 112,243</u>				

See independent auditor's report on the financial statements.

Schedule 3

CITY OF VALLEY CENTER, KANSAS
 VALLEY CENTER PUBLIC LIBRARY - RELATED MUNICIPAL ENTITY
 GENERAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Year Ended December 31, 2023

Receipts	
State of Kansas	\$ 2,092
NEKL Association	22,330
City appropriation	310,225
Interest	13,465
Donations and sales	1,187
Grants	7,354
Miscellaneous	<u>2,436</u>
 Total Receipts	 <u>359,089</u>
Expenditures	
Salary and payroll taxes	209,444
Books, periodicals and film	29,352
Supplies	28,313
Utilities	17,598
Contractual	20,460
Maintenance	12,262
Miscellaneous	<u>1,943</u>
 Total Expenditures	 <u>319,372</u>
Receipts Over [Under] Expenditures	39,717
Unencumbered Cash, Beginning	<u>188,747</u>
Unencumbered Cash, Ending	 <u>\$ 228,464</u>

See independent auditor's report on the financial statements.