

CITY OF VALLEY CENTER, KANSAS

FINANCIAL STATEMENTS

Year Ended December 31, 2021

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CITY OF VALLEY CENTER, KANSAS

FINANCIAL STATEMENTS
Year Ended December 31, 2021

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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, 2021 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, 2021, 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, 2021, 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, 2020 (not presented herein), and have issued our report thereon dated April 21, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 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 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2021 (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 2020 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 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 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 2020 basic financial statement or to the 2020 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 2020 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, 2020, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

April 19, 2022

CITY OF VALLEY CENTER, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2021

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Period Adjustment</u>			<u>Ending Unencumbered Cash Balance</u>	<u>Encumbrances and Accounts Payable</u>	<u>Add: Ending Cash Balance</u>
			<u>Receipts</u>	<u>Expenditures</u>			
General Fund:							
General	\$ 1,173,633	\$ -	\$ 3,378,530	\$ 3,179,739	\$ 1,372,424	\$ 81,306	\$ 1,453,730
Special Purpose Funds:							
Library	335	-	290,114	289,554	895	-	895
Employee Benefits	354,246	-	860,014	811,745	402,515	551	403,066
Emergency Equipment	135,658	-	70,233	86,237	119,654	-	119,654
Special Highway	438,727	-	1,085,746	864,737	659,736	1,283	661,019
Equipment Reserve	326,979	-	40,425	23,403	344,001	-	344,001
Alcohol and Drug Safety Action Program	1,052	-	4	-	1,056	-	1,056
Active Aging	-	-	-	-	-	-	-
Special Alcohol & Drug	5,099	-	3,180	4,936	3,343	-	3,343
Special Parks and Recreation	27,188	-	3,192	-	30,380	-	30,380
Drug Tax	5,361	-	-	5,361	-	-	-
Building Equipment Reserve	120,131	-	63	-	120,194	-	120,194
Park Beautification	2,208	-	7	-	2,215	-	2,215
D.A.R.E.	1,547	-	101	-	1,648	-	1,648
Law Enforcement	2,507	-	-	2,507	-	-	-
Land Bank Reserve	78,271	-	21	-	78,292	-	78,292
Public Safety Training	525	-	1,670	257	1,938	-	1,938
Pool/Rec Sales Tax	-	-	438,138	-	438,138	-	438,138
Fleet Management	-	-	173,310	26,928	146,382	-	146,382
Gifts & Grants	4,935	-	45,586	42,200	8,321	-	8,321
State/Federal Grants	-	-	559,111	-	559,111	-	559,111
Bond and Interest Fund:							
Bond and Interest	1,123,450	-	2,026,207	2,057,090	1,092,567	-	1,092,567
Capital Projects Funds:							
Capital Projects	837,233	-	252	216,958	620,527	225	620,752
Business Funds:							
Water	3,736,355	-	2,262,920	2,391,416	3,607,859	22,426	3,630,285
Sewer	1,374,978	-	1,351,277	1,193,097	1,533,158	2,092	1,535,250
Stormwater	246,226	-	324,529	319,128	251,627	6,567	258,194
Solid Waste	159,485	-	546,169	592,382	113,272	-	113,272
Total Primary Government	10,156,129	-	13,460,799	12,107,675	11,509,253	114,450	11,623,703
Related Municipal Entities:							
Valley Center Public Library	91,770	-	331,085	265,253	157,602	4,994	162,596
Total Reporting Entity	\$ 10,247,899	\$ -	\$ 13,791,884	\$ 12,372,928	\$ 11,666,855	\$ 119,444	\$ 11,786,299

Composition of Cash:

Intrust Bank							
Operating							\$ 10,739,047
Money Market							70,802
Halstead Bank							
Checking							707,491
Emprise Bank							
Certificate of Deposit							106,362
Chisolm Trail State Bank							
Library Checking							7,509
Library Money Market							154,988
Library Petty Cash							100
Total Reporting Entity							\$ 11,786,299

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2021

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, 2021:

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).

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2021

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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:

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 not 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, 2021 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, Active Aging, Drug Tax, Building Equipment Reserve, Park Beautification, D.A.R.E., Law Enforcement, Land Bank Reserve, Public Safety Training, Pool/Rec Sales Tax, Fleet Management, Gifts & Grants and State/Federal Grants funds.

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

NOTE 2 - Deposits and Investments

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

Investments. K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. As of December 31, 2021, the City held no such investments.

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2021

NOTE 2 - Deposits and Investments (Continued)

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, 2021.

At December 31, 2021, the City's and Library's carrying amounts of deposits were \$11,623,703 and \$162,596, respectively, and the bank balances were \$11,736,848 and \$163,272, 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, \$606,362 was covered by federal depository insurance and the remaining balance of \$11,130,486 was collateralized with securities held by the pledging financial institutions' agents in the City's name. Of the Library's bank balance, \$163,272 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. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. 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 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were \$237,035 for the year ended December 31, 2021.

Net Pension Liability. At December 31, 2021, the City's proportionate share of the collective net pension liability reported by KPERS was \$1,566,687. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. 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.

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2021

NOTE 3 - Defined Benefit Pension (Continued)

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, 2021, the following changes occurred in long-term liabilities:

	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021	Interest Paid
Paid by Taxes:					
General Obligation Bonds	\$ 22,620,000	\$ -	\$ 1,460,000	\$ 21,160,000	\$ 584,989
Capital Leases	150,004	-	28,313	121,691	4,557
	<u>22,770,004</u>	<u>-</u>	<u>1,488,313</u>	<u>21,281,691</u>	<u>589,546</u>
Paid by Utility Revenues:					
KDHE Revolving Loan	1,503,765	-	171,975	1,331,790	36,672
Total	<u>\$ 24,273,769</u>	<u>\$ -</u>	<u>\$ 1,660,288</u>	<u>\$ 22,613,481</u>	<u>\$ 626,218</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	\$ 3,630,000
Series 2017-1	2.00% - 3.35%	11/1/2017	12/1/2032	3,030,000	2,090,000
Series 2018-1	2.65% - 3.65%	8/23/2018	12/1/2038	1,470,000	1,470,000
Series 2019-1	3.00% - 4.00%	5/23/2019	12/1/2039	3,980,000	3,740,000
Series 2020-1	2.00% - 4.00%	2/6/2020	12/1/2044	4,510,000	4,415,000
Series 2020-2	1.00% - 2.00%	9/24/2020	12/1/2033	6,540,000	5,815,000
					<u>\$ 21,160,000</u>

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

Year Ending December 31,	Principal	Interest	Totals
2022	\$ 1,525,000	\$ 529,133	\$ 2,054,133
2023	1,495,000	491,548	1,986,548
2024	1,585,000	453,625	2,038,625
2025	1,485,000	412,980	1,897,980
2026	1,475,000	374,335	1,849,335
2027 - 2031	6,100,000	1,367,805	7,467,805
2032 - 2036	4,815,000	703,323	5,518,323
2037 - 2041	2,075,000	196,838	2,271,838
2042 - 2044	605,000	28,078	633,078
Total	<u>\$ 21,160,000</u>	<u>\$ 4,557,665</u>	<u>\$ 25,717,665</u>

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2021

NOTE 4 - Long-Term Debt (Continued)

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	\$ 1,331,790

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

Year Ending <u>December 31.</u>	Principal	Interest	Total
2022	\$ 176,319	\$ 29,108	\$ 205,427
2023	180,772	25,099	205,871
2024	185,338	20,988	206,326
2025	190,019	16,773	206,792
2026	194,819	12,451	207,270
2027-2028	404,523	11,499	416,022
Total	<u>\$ 1,331,790</u>	<u>\$ 115,918</u>	<u>\$ 1,447,708</u>

Capital 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 Sweper	3.125%	1/17/2020	1/1/2025	\$ 150,004	\$ 121,691

The debt service requirements to maturity are as follows:

Year Ending <u>December 31.</u>	Principal	Interest	Total
2022	\$ 29,015	\$ 3,856	\$ 32,871
2023	29,934	2,936	32,870
2024	30,883	1,988	32,871
2025	31,859	1,012	32,871
Total	<u>\$ 121,691</u>	<u>\$ 9,792</u>	<u>\$ 131,483</u>

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.

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2021

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, 2021.

NOTE 6 - Risk Management

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

NOTE 7 - Compensated Absences

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

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

As of December 31, 2021, the liability for earned vacation pay was \$106,190.

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, 2020, restated and December 31, 2021:

	<u>2020, Restated</u>	<u>2021</u>
Unpaid claims, January 1	\$ 57,716	\$ 41,142
Incurred claims (including IBNRs)	306,718	520,998
Claim payments	<u>[323,292]</u>	<u>[513,980]</u>
Unpaid claims, December 31	<u>\$ 41,142</u>	<u>\$ 48,160</u>

CITY OF VALLEY CENTER, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2021

NOTE 9 - Interfund Transfers

A reconciliation of transfers by fund type for 2021 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	Special Highway	\$ 40,000	K.S.A. 68-590
Water	Equipment Reserve	10,000	K.S.A. 12-1,117
Solid Waste	Equipment Reserve	20,000	K.S.A. 12-1,117
Sewer	Equipment Reserve	10,000	K.S.A. 12-1,117
Sewer	Bond & Interest	147,000	K.S.A. 12-825d
Water	Bond & Interest	410,000	K.S.A. 12-825d
Stormwater	Bond & Interest	120,000	K.S.A. 12-825d
		<u>\$ 757,000</u>	

NOTE 10 - Other Long-Term Obligations from Operations

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

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

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2021.

NOTE 11 - Contingencies

The City is a party to various claims, none of which is expected to have material financial impact on the City.

NOTE 12 - Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statement to maintain consistency between periods presented. The reclassifications had no impact on previously reported unencumbered cash balances.

CITY OF VALLEY CENTER, KANSAS
 SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Year Ended December 31, 2021

<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	\$ 3,956,154	\$ -	\$ 3,956,154	\$ 3,179,739	\$ [776,415]
Special Purpose Funds:					
Library	303,800	-	303,800	289,554	[14,246]
Employee Benefits	1,241,743	-	1,241,743	811,745	[429,998]
Emergency Equipment	104,263	-	104,263	86,237	[18,026]
Special Highway	867,568	-	867,568	864,737	[2,831]
Special Alcohol & Drug	5,000	-	5,000	4,936	[64]
Special Parks and Recreation	31,000	-	31,000	-	[31,000]
Bond and Interest Funds:					
Bond and Interest	3,340,355	-	3,340,355	2,057,090	[1,283,265]
Business Funds:					
Water	2,230,450	370,935	2,601,385	2,391,416	[209,969]
Sewer	1,307,689	212,425	1,520,114	1,193,097	[327,017]
Stormwater	321,000	-	321,000	319,128	[1,872]
Solid Waste	684,500	-	684,500	592,382	[92,118]

CITY OF VALLEY CENTER, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year			Variance Over [Under]	
	Prior Year				
	Actual	Actual	Budget		
Receipts					
Taxes	\$ 1,885,388	\$ 1,951,208	\$ 2,524,580	\$ [573,372]	
Intergovernmental	658,924	740,511	-	740,511	
Licenses and permits	226,693	197,326	158,150	39,176	
Fines and fees	139,751	157,603	134,500	23,103	
Use of money and property	9,189	14,769	10,500	4,269	
Charges for services	2,000	3,030	18,500	[15,470]	
Reimbursement	279,652	144,295	54,974	89,321	
Miscellaneous	6,358	7,288	169,000	[161,712]	
Transfers in	<u>165,000</u>	<u>162,500</u>	-	162,500	
 Total Receipts	 <u>3,372,955</u>	<u>3,378,530</u>	<u>\$ 3,070,204</u>	<u>\$ 308,326</u>	
 Expenditures					
General Government:					
Administration	601,648	647,412	\$ 631,300	\$ 16,112	
Public Works:					
Community development	190,677	220,388	201,250	19,138	
Public Safety:					
Police department	1,240,981	1,222,690	1,164,800	57,890	
Fire department	374,969	409,556	388,421	21,135	
Legal and municipal court	156,829	167,268	161,530	5,738	
Culture and Recreation:					
Parks	494,997	472,425	543,150	[70,725]	
Transfers Out	-	40,000	-	40,000	
Cash reserve	<u>-</u>	<u>-</u>	<u>865,703</u>	<u>[865,703]</u>	
 Total Expenditures	 <u>3,060,101</u>	<u>3,179,739</u>	<u>\$ 3,956,154</u>	<u>\$ [776,415]</u>	
 Receipts Over [Under] Expenditures	 312,854	 198,791			
 Unencumbered Cash, Beginning	 <u>860,779</u>	 <u>1,173,633</u>			
 Unencumbered Cash, Ending	 <u>\$ 1,173,633</u>	 <u>\$ 1,372,424</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, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year				Variance Over [Under]	
	Prior Year					
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>		
Receipts						
Taxes	\$ 275,037	\$ 290,114	\$ 303,800	\$ [13,686]		
Total Receipts	<u>275,037</u>	<u>290,114</u>	<u>\$ 303,800</u>	<u>\$ [13,686]</u>		
Expenditures						
Culture and recreation appropriation	274,702	289,554	\$ 303,800	\$ [14,246]		
Total Expenditures	<u>274,702</u>	<u>289,554</u>	<u>\$ 303,800</u>	<u>\$ [14,246]</u>		
Receipts Over [Under] Expenditures	335	560				
Unencumbered Cash, Beginning	-	335				
Unencumbered Cash, Ending	<u>\$ 335</u>	<u>\$ 895</u>				

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
EMPLOYEE BENEFITS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year			Variance Over [Under]	
	Prior Year		Actual		
	Actual	Budget			
Receipts					
Taxes	\$ 864,730	\$ 818,716	\$ 810,982	\$ [7,734]	
Use of money and property	482	98,000	241	[97,759]	
Reimbursements	11,618	14,000	48,791	34,791	
Total Receipts	876,830	\$ 930,716	860,014	\$ [70,702]	
Expenditures					
Personal services	608,253	905,000	514,189	\$ [390,811]	
Rebate	-	10,500	-	[10,500]	
Cash reserve	-	314,243	-	[314,243]	
Insurance claims	91,793	12,000	297,556	285,556	
Total Expenditures	700,046	\$ 1,241,743	811,745	\$ [429,998]	
Receipts Over [Under] Expenditures	176,784		48,269		
Unencumbered Cash, Beginning	177,462		354,246		
Unencumbered Cash, Ending	\$ 354,246		\$ 402,515		

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, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year				Variance Over [Under]	
	Prior Year		Budget			
	<u>Actual</u>	<u>Actual</u>				
Receipts						
Taxes	\$ 61,912	\$ 62,575	\$ 65,246	\$ [2,671]		
Interest income	286	89	-	89		
Fines & fees	1,575	5,017	-	5,017		
Grants	3,767	-	-	-		
Reimbursements	-	2,552	-	2,552		
Total Receipts	<u>67,540</u>	<u>70,233</u>	<u>\$ 65,246</u>	<u>\$ 4,987</u>		
Expenditures						
Capital outlay	37,319	86,237	\$ 63,850	\$ 22,387		
Cash reserve	-	-	40,413	[40,413]		
Total Expenditures	<u>37,319</u>	<u>86,237</u>	<u>\$ 104,263</u>	<u>\$ [18,026]</u>		
Receipts Over [Under] Expenditures	30,221	[16,004]				
Unencumbered Cash, Beginning	<u>105,437</u>	<u>135,658</u>				
Unencumbered Cash, Ending	<u>\$ 135,658</u>	<u>\$ 119,654</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, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year				Variance Over [Under]	
	Prior Year		Budget			
	<u>Actual</u>	<u>Actual</u>				
Receipts						
Taxes	\$ 84,344	92,603	\$ 72,230	\$ 20,373		
Intergovernmental	842,646	949,743	740,000	209,743		
Transfer in	-	40,000	40,000	-		
Lease proceeds	150,004	-	-	-		
Licenses and permits	1,200	925	-	925		
Use of money and property	1,333	302	-	302		
Reimbursements	9,367	2,173	9,000	[6,827]		
Miscellaneous	-	-	1,000	[1,000]		
Total Receipts	1,088,894	1,085,746	\$ 862,230	\$ 223,516		
Expenditures						
Personal services	314,060	288,845	\$ 314,818	\$ [25,973]		
Contractual services	49,378	66,031	49,450	16,581		
Commodities	51,377	50,508	62,300	[11,792]		
Capital outlay	656,467	459,353	341,000	118,353		
Cash reserve	-	-	100,000	[100,000]		
Total Expenditures	1,071,282	864,737	\$ 867,568	\$ [2,831]		
Receipts Over [Under] Expenditures	17,612	221,009				
Unencumbered Cash, Beginning	421,115	438,727				
Unencumbered Cash, Ending	\$ 438,727	\$ 659,736				

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, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfer in	\$ -	\$ 40,000
Use of money and property	975	113
Reimbursements	-	312
Miscellaneous	<u>78,803</u>	<u>-</u>
 Total Receipts	 <u>79,778</u>	 <u>40,425</u>
 Expenditures		
Capital outlay	<u>111,538</u>	<u>23,403</u>
 Total Expenditures	 <u>111,538</u>	 <u>23,403</u>
 Receipts Over [Under] Expenditures	 [31,760]	 17,022
 Unencumbered Cash, Beginning	 <u>358,739</u>	 <u>326,979</u>
 Unencumbered Cash, Ending	 <u>\$ 326,979</u>	 <u>\$ 344,001</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 ALCOHOL AND DRUG SAFETY ACTION PROGRAM FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	<u>\$ 3</u>	<u>4</u>
Total Receipts	<u>3</u>	<u>4</u>
Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	3	4
Unencumbered Cash, Beginning	<u>1,049</u>	<u>1,052</u>
Unencumbered Cash, Ending	<u>\$ 1,052</u>	<u>\$ 1,056</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 ACTIVE AGING FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Intergovernmental	\$ _____ -	\$ _____ -
 Total Receipts	 _____ -	 _____ -
 Expenditures		
Personal services	_____ 1	_____ -
 Total Expenditures	 _____ 1	 _____ -
 Receipts Over [Under] Expenditures	 [1]	 -
 Unencumbered Cash, Beginning	 _____ 1	 _____ -
 Unencumbered Cash, Ending	 \$ _____ -	 \$ _____ -

* - 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, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year			Variance Over [Under]
	Prior Year	Actual	Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Interest income	\$ 115	\$ 4	\$ -	\$ 4
Intergovernmental	<u>6,681</u>	<u>3,176</u>	<u>5,141</u>	<u>[1,965]</u>
Total Receipts	<u>6,796</u>	<u>3,180</u>	<u>\$ 5,141</u>	<u>\$ [1,961]</u>
Expenditures				
Capital outlay	42,807	-	\$ -	\$ -
Contractual services	<u>194</u>	<u>4,936</u>	<u>5,000</u>	<u>[64]</u>
Total Expenditures	<u>43,001</u>	<u>4,936</u>	<u>\$ 5,000</u>	<u>\$ [64]</u>
Receipts Over [Under] Expenditures	<u>[36,205]</u>	<u>[1,756]</u>		
Unencumbered Cash, Beginning	<u>41,304</u>	<u>5,099</u>		
Unencumbered Cash, Ending	<u><u>\$ 5,099</u></u>	<u><u>\$ 3,343</u></u>		

CITY OF VALLEY CENTER, KANSAS
 SPECIAL PARKS AND RECREATION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Year Ended December 31, 2021
 (With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year			Variance Over [Under]
	Prior Year	Actual	Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 6,681	\$ 3,176	\$ 5,141	\$ [1,965]
Interest income	<u>55</u>	<u>16</u>	<u>-</u>	<u>16</u>
Total Receipts	<u>6,736</u>	<u>3,192</u>	<u>\$ 5,141</u>	<u>\$ [1,949]</u>
Expenditures				
Capital outlay	<u>-</u>	<u>-</u>	<u>\$ 31,000</u>	<u>\$ [31,000]</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 31,000</u>	<u>\$ [31,000]</u>
Receipts Over [Under] Expenditures	6,736	3,192		
Unencumbered Cash, Beginning	<u>20,452</u>	<u>27,188</u>		
Unencumbered Cash, Ending	<u>\$ 27,188</u>	<u>\$ 30,380</u>		

CITY OF VALLEY CENTER, KANSAS
DRUG TAX FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Years Ended December 31, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ 14	\$ -
Total Receipts	<u>14</u>	<u>-</u>
Expenditures		
Capital outlay	-	5,361
Total Expenditures	<u>-</u>	<u>5,361</u>
Receipts Over [Under] Expenditures	14	[5,361]
Unencumbered Cash, Beginning	5,347	5,361
Unencumbered Cash, Ending	<u>5,361</u>	<u>-</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 BUILDING EQUIPMENT RESERVE FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ 326	\$ 63
 Total Receipts	 326	 63
Expenditures		
Capital outlay	- -	- -
 Total Expenditures	 - -	 - -
Receipts Over [Under] Expenditures	326	63
Unencumbered Cash, Beginning	119,805	120,131
 Unencumbered Cash, Ending	 \$ 120,131	 \$ 120,194

* - 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, 2021 and 2020

	<u>Prior Year</u>	<u>Current Year</u>
	<u>Actual</u>	<u>Actual</u>
Receipts		
Interest income	\$ <u>6</u>	\$ <u>7</u>
Total Receipts	<u>6</u>	<u>7</u>
Expenditures		
Capital outlay	- <u>-</u>	- <u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	<u>6</u>	<u>7</u>
Unencumbered Cash, Beginning	<u>2,202</u>	<u>2,208</u>
Unencumbered Cash, Ending	<u>\$ 2,208</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, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Reimbursements	\$ 500	\$ -
Miscellaneous	- 101	
Interest income	3 -	
Total Receipts	<u>503</u>	<u>101</u>
Expenditures		
Miscellaneous commodities	<u>303</u>	<u>-</u>
Total Expenditures	<u>303</u>	<u>-</u>
Receipts Over [Under] Expenditures	200	101
Unencumbered Cash, Beginning	<u>1,347</u>	<u>1,547</u>
Unencumbered Cash, Ending	<u>\$ 1,547</u>	<u>\$ 1,648</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 LAW ENFORCEMENT FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Interest income	\$ <u>7</u>	\$ <u>-</u>
Total Receipts	<u>7</u>	<u>-</u>
Expenditures		
Capital outlay	<u>-</u>	2,507
Total Expenditures	<u>-</u>	2,507
Receipts Over [Under] Expenditures	7	[2,507]
Unencumbered Cash, Beginning	<u>2,500</u>	<u>2,507</u>
Unencumbered Cash, Ending	<u>\$ 2,507</u>	<u>\$ -</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 LAND BANK RESERVE FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 44,963	\$ -
Interest income	97	21
 Total Receipts	 45,060	 21
Expenditures		
Contractual	2,360	-
 Total Expenditures	 2,360	 -
Receipts Over [Under] Expenditures	42,700	21
Unencumbered Cash, Beginning	35,571	78,271
 Unencumbered Cash, Ending	 \$ 78,271	 \$ 78,292

* - 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, 2021 and 2020

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

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
 POOL/REC SALES TAX FUND*
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Taxes	\$ -	\$ 438,070
Use of money and property	<u>-</u>	<u>68</u>
 Total Receipts	 <u>-</u>	 <u>438,138</u>
Expenditures		
Contractual	<u>-</u>	<u>-</u>
 Total Expenditures	 <u>-</u>	 <u>-</u>
Receipts Over [Under] Expenditures	<u>-</u>	<u>438,138</u>
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
 Unencumbered Cash, Ending	 <u>\$ -</u>	 <u>\$ 438,138</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
FLEET MANAGEMENT FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Years Ended December 31, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Reimbursements	\$ -	\$ 5,850
Miscellaneous	<u>-</u>	<u>167,460</u>
 Total Receipts	 <u>-</u>	 <u>173,310</u>
Expenditures		
Contractual	<u>-</u>	<u>26,928</u>
 Total Expenditures	 <u>-</u>	 <u>26,928</u>
Receipts Over [Under] Expenditures		- 146,382
Unencumbered Cash, Beginning		<u>-</u>
 Unencumbered Cash, Ending	 <u>\$ -</u>	 <u>\$ 146,382</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, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 9,621	\$ 28,117
Federal grants	166,908	17,469
Donations	1,153	-
 Total Receipts	 177,682	 45,586
Expenditures		
Capital outlay	172,747	40,118
Miscellaneous	-	2,082
 Total Expenditures	 172,747	 42,200
Receipts Over [Under] Expenditures	4,935	3,386
Unencumbered Cash, Beginning	-	4,935
 Unencumbered Cash, Ending	 \$ 4,935	 \$ 8,321

* - 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, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ -	\$ 180
Federal grants	<u>-</u>	<u>558,931</u>
 Total Receipts	 <u>-</u>	 <u>559,111</u>
Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
 Total Expenditures	 <u>-</u>	 <u>-</u>
Receipts Over [Under] Expenditures		- 559,111
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
 Unencumbered Cash, Ending	 <u>\$ -</u>	 <u>\$ 559,111</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, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year			Variance Over [Under]
	Prior Year	Actual	Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 736,149	\$ 920,426	\$ 936,077	\$ [15,651]
Special assessment	450,635	422,815	382,122	40,693
Use of money and property	3,118	966	100	866
Bond proceeds	6,542,951	-	-	-
Bond premium	304,039	-	-	-
Reimbursement	25,000	5,000	5,000	-
Transfer in	<u>736,500</u>	<u>677,000</u>	<u>727,000</u>	<u>[50,000]</u>
Total Receipts	<u>8,798,392</u>	<u>2,026,207</u>	<u>\$ 2,050,299</u>	<u>\$ [24,092]</u>
Expenditures				
Debt service				
Principal	8,054,529	1,460,000	\$ 1,470,000	\$ [10,000]
Interest	736,613	584,989	656,387	[71,398]
Cost of issuance	25,854	-	-	-
Miscellaneous	5,526	12,101	17,250	[5,149]
Cash reserve	<u>-</u>	<u>-</u>	<u>1,196,718</u>	<u>[1,196,718]</u>
Total Expenditures	<u>8,822,522</u>	<u>2,057,090</u>	<u>\$ 3,340,355</u>	<u>\$ [1,283,265]</u>
Receipts Over [Under] Expenditures	<u>[24,130]</u>	<u>[30,883]</u>		
Unencumbered Cash, Beginning	<u>1,147,580</u>	<u>1,123,450</u>		
Unencumbered Cash, Ending	<u>\$ 1,123,450</u>	<u>\$ 1,092,567</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, 2021 and 2020

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Bond proceeds	\$ 4,507,049	\$ -
Bond premium	192,447	-
Interest income	<u>17,562</u>	<u>252</u>
 Total Receipts	 <u>4,717,058</u>	 <u>252</u>
 Expenditures		
Contractual services	5,185,545	216,958
Principal	4,825,471	-
Interest	53,525	-
Cost of issuance	<u>211,581</u>	<u>-</u>
 Total Expenditures	 <u>10,276,122</u>	 <u>216,958</u>
 Receipts Over [Under] Expenditures	 [5,559,064]	 [216,706]
 Unencumbered Cash, Beginning	 <u>6,396,297</u>	 <u>837,233</u>
 Unencumbered Cash, Ending	 <u>\$ 837,233</u>	 <u>\$ 620,527</u>

* - This fund is not required to be budgeted.

CITY OF VALLEY CENTER, KANSAS
WATER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year				Variance Over [Under]	
	Prior Year					
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>			
Receipts						
Charges to customers	\$ 2,442,940	\$ 2,259,111	\$ 2,040,100	\$ 219,011		
Use of money and property	9,132	2,207	-	2,207		
Reimbursements	1,174	1,476	-	1,476		
Miscellaneous	140	126	2,100	[1,974]		
Total Receipts	2,453,386	2,262,920	\$ 2,042,200	\$ 220,720		
Expenditures						
Personnel services	371,043	366,162	\$ 401,000	\$ [34,838]		
Contractual	1,149,445	1,430,444	887,950	542,494		
Commodities	21,550	41,147	47,000	[5,853]		
Capital outlay	151,712	133,663	90,000	43,663		
Transfer out	354,500	420,000	804,500	[384,500]		
Reserve funds not subject to budget	-	-	370,935	[370,935]		
Total Expenditures	2,048,250	2,391,416	\$ 2,601,385	\$ [209,969]		
Receipts Over [Under] Expenditures	405,136	[128,496]				
Unencumbered Cash, Beginning	3,331,219	3,736,355				
Unencumbered Cash, Ending	\$ 3,736,355	\$ 3,607,859				

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, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year			Variance Over [Under]
	Prior Year	Actual	Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,310,746	\$ 1,340,214	\$ 1,279,344	\$ 60,870
Use of money and property	3,713	793	-	793
Miscellaneous	<u>6,875</u>	<u>10,270</u>	<u>3,000</u>	<u>7,270</u>
Total Receipts	<u>1,321,334</u>	<u>1,351,277</u>	<u>\$ 1,282,344</u>	<u>\$ 68,933</u>
Expenditures				
Personnel services	327,438	304,977	\$ 309,689	\$ [4,712]
Contractual	383,120	382,981	424,000	[41,019]
Commodities	22,983	20,941	22,000	[1,059]
Capital outlay	138,783	118,550	120,000	[1,450]
Debt service	204,573	204,995	-	204,995
Miscellaneous	4,075	3,653	-	3,653
Transfer out	207,000	157,000	432,000	[275,000]
Reserve funds not subject to budget	<u>-</u>	<u>-</u>	<u>212,425</u>	<u>[212,425]</u>
Total Expenditures	<u>1,287,972</u>	<u>1,193,097</u>	<u>\$ 1,520,114</u>	<u>\$ [327,017]</u>
Receipts Over [Under] Expenditures	<u>33,362</u>	<u>158,180</u>		
Unencumbered Cash, Beginning	<u>1,341,616</u>	<u>1,374,978</u>		
Unencumbered Cash, Ending	<u>\$ 1,374,978</u>	<u>\$ 1,533,158</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, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year				Variance Over [Under]	
	Prior Year		Budget			
	<u>Actual</u>	<u>Actual</u>				
Receipts						
Charges to customers	\$ 319,557	\$ 324,329	\$ 321,000	\$ 3,329		
Interest income	606	200	-	200		
Total Receipts	<u>320,163</u>	<u>324,529</u>	<u>\$ 321,000</u>	<u>\$ 3,529</u>		
Expenditures						
Contractual	43,047	30,410	\$ 26,900	\$ 3,510		
Commodities	3,000	662	1,500	[838]		
Capital outlay	66,698	168,056	112,600	55,456		
Transfer out	175,000	120,000	180,000	[60,000]		
Total Expenditures	<u>287,745</u>	<u>319,128</u>	<u>\$ 321,000</u>	<u>\$ [1,872]</u>		
Receipts Over [Under] Expenditures	<u>32,418</u>	<u>5,401</u>				
Unencumbered Cash, Beginning	<u>213,808</u>	<u>246,226</u>				
Unencumbered Cash, Ending	<u>\$ 246,226</u>	<u>\$ 251,627</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, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	Current Year			Variance Over [Under]	
	Prior Year		Budget		
	<u>Actual</u>	<u>Actual</u>			
Receipts					
Charges to customers	\$ 495,365	\$ 541,810	\$ 660,000	\$ [118,190]	
Interest income	458	85	-	85	
Miscellaneous	-	4,274	8,300	[4,026]	
Total Receipts	495,823	546,169	\$ 668,300	\$ [122,131]	
Expenditures					
Contractual	494,976	564,597	\$ 653,500	\$ [88,903]	
Capital outlay	-	7,785	11,000	[3,215]	
Transfer out	-	20,000	20,000	-	
Total Expenditures	494,976	592,382	\$ 684,500	\$ [92,118]	
Receipts Over [Under] Expenditures	847	[46,213]			
Unencumbered Cash, Beginning	158,638	159,485			
Unencumbered Cash, Ending	\$ 159,485	\$ 113,272			

See independent auditor's report on the financial statements.

CITY OF VALLEY CENTER, KANSAS
 VALLEY CENTER PUBLIC LIBRARY - RELATED MUNICIPAL ENTITY
 GENERAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Year Ended December 31, 2021

Receipts	
State of Kansas	\$ 2,082
NEKL Association	27,431
City appropriation	284,814
Interest	82
Donations and sales	569
Grants	14,419
Miscellaneous	<u>1,688</u>
 Total Receipts	 <u>331,085</u>
Expenditures	
Salary and payroll taxes	176,462
Books, periodicals and film	28,941
Supplies	14,074
Utilities	14,748
Contractual	12,889
Maintenance	11,811
Miscellaneous	<u>6,328</u>
 Total Expenditures	 <u>265,253</u>
Receipts Over [Under] Expenditures	65,832
Unencumbered Cash, Beginning	<u>91,770</u>
 Unencumbered Cash, Ending	 <u>\$ 157,602</u>