

CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

2017 Annual Budget



DISCOVER
Valley Center 

Acknowledgments

The FY2017 budget document was prepared by City staff members who worked enthusiastically, with dedication and pride, to provide an overall budget, policy, and communication tool for the citizens, the business community, and the City of Valley Center organization.

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

George Kolb, Interim City Administrator

Kristine Polian, Finance and Administration Director,

Ryan Shrack, Community Development Director

Neal Owings, Parks and Public Buildings Director,

Brent Holper, City Superintendent

Mark Hephner, Chief of Police

Lonnie Tormey, Fire Chief

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

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Kristine Polian, Finance and Administration Director

Valley Center

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Budget Guide

- **City of Valley Center Overview**

This section of the budget document contains the budget message from the Finance and Administration Director, budget highlights and the budget process.

- **City Profile**

This section of the budget document contains information on the City such as the City organization chart, property tax explanation, geographic information, detailed information regarding the make up of the citizens, and information on the governing body.

- **Financial Summary**

This section of the budget contains an explanation of accounts and funds, the financial policies of the City, mill and levy history, and a description and explanation of fund balance.

- **Financial Forecasting**

This section contains the forecasted major revenues of the 2017 budget for the next several years.

- **Governmental Funds**

This section of the budget contains detailed information and line item budgets for each of the City's governmental funds. Governmental funds are considered funds which include ad valorem taxes as a part of their revenues. The City has five governmental funds: General Fund, Library Fund, Emergency Equipment Fund, Bond & Interest Fund, and Employee Benefit fund. Each fund displays a table giving an overall summary of the fund. The table includes revenues by fund and expenditures by category along with the current and previous fund balances for the fund.

- **Enterprise Funds**

This section of the budget contains detailed information and line item budgets for each of the City's enterprise funds. Enterprise funds are considered funds with user charges as their main source of revenue. The City has four enterprise funds: Water Utility, Sewer Utility, Storm Water, and Solid Waste.

- **Special Revenue Funds**

This section of the budget contains detailed information and line item budgets for each of the City's special revenue funds. Special revenue funds are funds that contain revenues that are dispersed by the state government for specific purposes. Drug/Alcohol education and street repair/maintenance are the main priorities of this money. The City has three special revenue funds: Special Streets and Highway, Special Parks & Rec, and Special Drug and Alcohol.

- **Non Budgeted Funds**

This section of the budget contains the fund balances of all non-budgeted funds operated by the City.

- **Glossary**

CITY OF VALLEY CENTER

2017

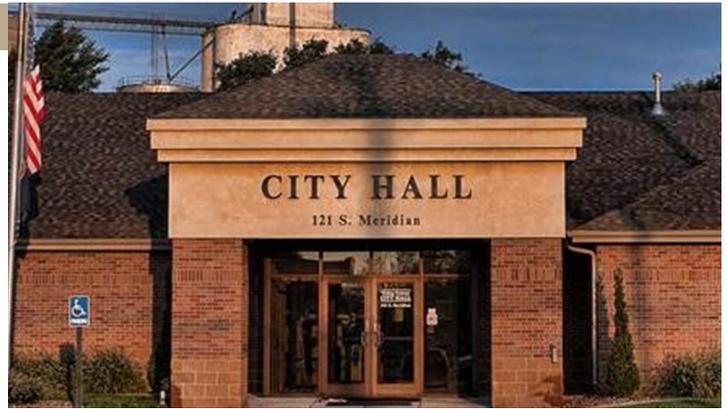
Jan 1-Dec 31

Valley Center Overview



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Valley Center 

2017 Budget Letter



We are pleased to present the 2017 Proposed Budget for the City of Valley Center. This proposed budget represents a fiscally prudent plan that maintains and enhances existing city services. This budget focuses more on outcomes instead of individual departmental expenditures,

and paves the way for a stronger community in the future. This year, the City received an estimated 1.3% increase in assessed valuation, bringing the value of each mill from \$45,730 to \$46,312; if mills remain consistent with the 2016 Adopted Budget, the overall increase to the taxing funds results in \$32,257 in added tax dollars. To address organizational issues and provide necessary support to enhance certain services within the General Fund, an increase in expenditures above the level of increased assessed valuation and above the mill transfer has been recommended. The increase in expenditures

in the General Fund are intended to achieve specific outcomes. The Public Works function plays an integral role in the City, providing essential services for streets, utilities and drainage. As such, the Utility and Special Highway Funds include necessary equipment replacement, street and drainage improvements, and certain facility upgrades.

The 2017 Proposed Budget addresses many issues within the City while providing consistent service to the residents of Valley Center.

Points of Interest in Valley Center

- Lions Park
- Veterans Park
- Main Street
- Valley Center Public Library
- Splash Park
- Valley Center Pool
- Valley Point Golf Course



McLaughlin Park is pictured above. McLaughlin Park is home to this beautiful water feature and pond with a 1/4 mile walking path around it. Families can fish, play disk golf or play on the

full playground. During the summer, families can relax and enjoy cooling off in the splash pad located in the park. If families need to plan an event, they can book the shelter located in

the park. The shelter is large enough for big birthday parties, special events and even a small concert. Learn more about McLaughlin Park on

[Facebook.com/cityofvalleycenter](https://www.facebook.com/cityofvalleycenter) or www.valleycenterks.org

Inside this Letter

- Mill Transfer
- Challenges
- Opportunities
- Outcomes
- Initiatives
- Conclusion



Budget Message

The 2017 Budget includes mill transfers from both the Employee Benefit Fund and the Bond and Interest Fund. These transfers will allow for greater flexibility overall, while maintaining the integrity of both funds.

⇒ **Employee Benefit Fund:** The Employee Benefit Fund is responsible for all expenditures related to employee income taxes and benefits for those employees funded in the General Fund. Budgeting for these expenditures has been difficult over the years, predominantly due to the increase and volatility of health care costs. Given these issues, along with lack of premium information prior to certifying the budget, costs are very difficult to project. Based on these factors, the Fund has consistently and intentionally

Mill Transfer

been over budgeted. As such, a healthy fund balance exists and can be transferred to the General Fund for one-time expenditures. This was the case in 2016, and again in this budget, and 5 mills or \$231,560, have been transferred.

⇒ **Bond and Interest Fund:** To address the Meridian Street/ Ford Street Drainage project overage of \$1.3M, Council approved a 3-year mill transfer from the Bond and Interest Fund to the General Fund to pay cash for said overag-

es (Memo from Dec. 2015 attached). The transfers would move \$500,000 from fund balance in the B&I Fund in both 2016 and 2017, and \$300,000 in 2018. In the interim, an internal loan was given by the Water Fund in 2016 to pay current obligations. With the 2016-1 GO Bond, \$400,000 of the \$1.3M was reimbursed, and will remain in the Capital Projects Fund for future projects; however, the approved transfers still need to occur in order to get the fund balance out of the B&I Fund. A total of 10.800 mills, or \$500,000, will be transferred to the General Fund in the 2017 Budget.

Several challenges exist within the City, making it necessary to align resources appropriately to overcome these challenges and continue to have satisfactory outcomes, today and in the future.

⇒ **Tax Lid:** On January 1, 2018, the recently state adopted tax lid will go into effect. Overall, the general consensus amongst elected and public officials is the tax lid strips local government of its power to tax its citizens adequately to provide necessary services. It should be noted the tax lid requires a vote if taxes are to be increased above the aggregate 5-year CPI, which this year would be 1.25%. If the law were in affect for this budget, the City's increase in valuation (1.3%) would have exceeded the tax lid.

⇒ **VCFD:** The Valley Center Fire Department is a unique make-up of part-time/ full-time employees combined with volunteer firefighters. Currently, the department consists of a PT Fire Chief, a FT Fire Captain, and a FT Firefighter. Two prominent challenges exist with the Fire Department, one that requires immediate attention,

Challenges

and one that requires extensive scrutiny and evaluation before a solution can be found. The immediate need with the department comes from difficulty of recruiting and retaining volunteers that are responsive to emergency calls. Due to increased medical calls and a lack of volunteers able to respond to calls, the FT employees are working significant hours of overtime and have difficulty using their paid leave. The challenge that will require a more thorough evaluation and more time is the Fire Chief plans to retire in approximately 3 years, and a succession plan needs to be in place prior to his retirement. Though one challenge can be addressed immediately and one in the near future, the two challenges should be taken into consideration for an overall solution in the near future.

⇒ **Poor Drainage:** With the comple-

tion of the Meridian Street/ Ford Street drainage project, 60% of the drainage issues were addressed; however, 40% of those issues still impacts the community during significant rainfall.

⇒ **Antiquated Infrastructure:** As with most cities in the country, Valley Center is constantly battling aging water and sewer lines, degraded streets, and outdated equipment.

⇒ **Economic Development:** it is likely additional support will be necessary for the Community Development Department.

⇒ **High Special Assessment Delinquency Rate:** As of July 1, 2016, according to Sedgwick County records, there is a 10% special assessment delinquency rate (see Appendix). Of that 10% delinquency rate, 42% comes from developer-owned properties. This delinquency ultimately puts the burden of special assessments onto the entire taxpayer base.

V Budget Message

Opportunities

⇒ **City-owned prime undeveloped property:** With the completion of the Meridian Street/ Ford Street drainage improvements, there are 15 acres viable for development. This provides the City opportunity for deliberate growth that could provide additional amenities for residents as well as increase the City tax base.

⇒ **Vacant lots in Ridgefield Development:** Mennonite Housing is the current owner of approximately 29 vacant lots within their Ridgefield Development. Though City Council has expressed opposition to purchasing these lots, other opportunities may exist, strengthening the relationship with Mennonite Housing while providing the City relative control of future development in the ar-

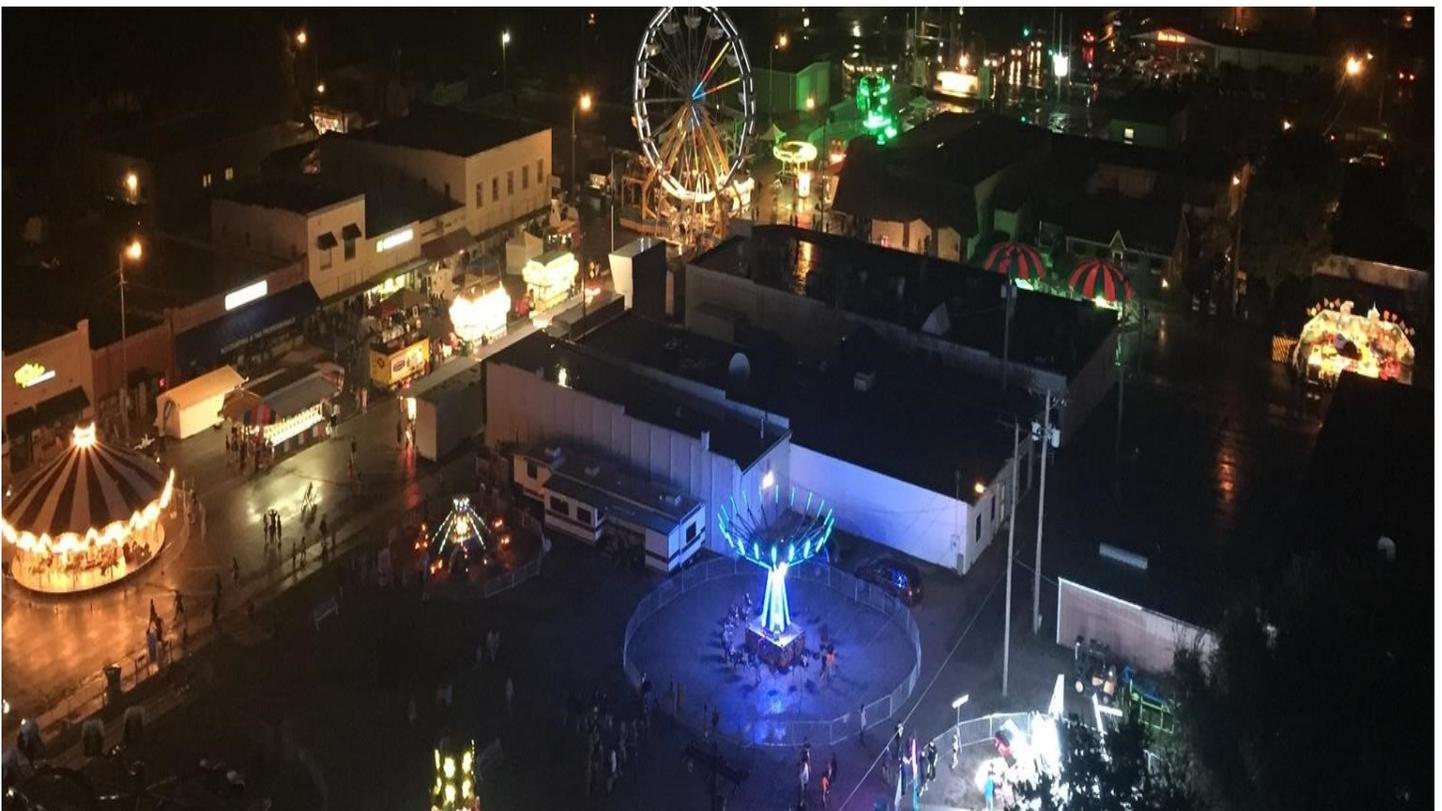
ea. Staff is currently researching other non-monetary possibilities, which may include a land bank.

⇒ **Strong collaborative relationships:** Through extensive work and time, the Governing Body has strengthened the relationships with USD 262, the Valley Center Chamber of Commerce, the Recreation Commission, and the Library. Over the past few years, collaboration with these agencies has been a top priority, and the benefits are already tangible, including joint efforts at marketing Valley Center, increased police presence within USD 262 schools, and a proposed Community Center/ Library that is coming close to fruition.

⇒ **Redesigned Website:** The City website has been redesigned, providing opportunity to communicate more effectively with residents and the general public.

⇒ **Community Center/Library:** Per the approval of the Valley Center 10-year Capital Improvement Program, a Community Center/ Library/ Senior Center is coming closer to becoming a reality.

⇒ **Main Street Program:** With intent of beautifying the downtown area, several business owners and community members have joined together and already made a difference in the appearance of downtown. Ultimately, there could be the opportunity for a downtown revitalization project, which would benefit the entire community.





Budget Message

Budgeting for Outcomes: Budgeting for outcomes is a process where setting and accomplishing broader goals for the City are the focal point of the budget instead of individual line items within departments. This process allows policy makers the opportunity to take a wide-ranging look at the overall direction they and their constituents see their community going. Throughout the budget process this year, constant focus remained on general outcomes that have been prioritized by the Governing Body, the Community, and City staff over the past few years, which were identified predominantly through regular City Council meetings and the recent Strategic Planning process. These outcomes are specific in nature, and are intended to address existing issues. Over time, many factors could change these outcomes in the future .

CITY OF VALLEY CENTER OUTCOMES

1. *ALIGN THE ORGANIZATION TO ALLOW FOR FUTURE GROWTH THROUGH BEST MANAGEMENT PRACTICES AND COMMUNITY-DRIVEN INITIATIVES.*
2. *REMAIN DILIGENT IN RECRUITING AND RETAINING QUALITY PERSONNEL THROUGH EXCELLENT WORK ENVIRONMENT AND COMPETITIVE WAGE AND BENEFITS.*
3. *MAINTAIN STRONG RESOURCES TO PROVIDE CONTINUAL INFRASTRUCTURE AND EQUIPMENT MAINTENANCE AND ENHANCEMENT.*
4. *CONTINUE A CONSERVATIVE FISCAL APPROACH BY MAINTAINING STRONG RESERVES AND FUND BALANCES THROUGH SOUND BUDGETING PRACTICES.*
5. *PROMOTE CITIZEN ENGAGEMENT THROUGH EXCELLENT CUSTOMER SERVICE AND COMMUNICATION.*

By recognizing the issues that are facing the City, The Governing Body and City staff have identified numerous budget initiatives. These initiatives are items within the budget that will further the advancement of the city by adhering to the outcomes listed above.

The list of budgeted initiatives are outlined on the following pages. They are broken down by fund, type of fund, amount, and outcome which they accompany.



Budget Message

Budgeted Initiative	Fund	Type	Amount	Outcome
Full-time Temporary Intern for Community Development and Administration	General	Taxing	36,000	1,5
Public Safety Consultant	General	Taxing	35,000	1
Transfer to Equipment Reserve	General	Taxing	100,000	4
Transfer to Special Streets for System Improvement	General	Taxing	100,000	3
Pay-for-Performance allotment for wage adjustments- 3%	General	Taxing	49,350	1,2
Main Street Revitalization	General	Taxing	10,000	1
Economic Development Initiatives	General	Taxing	30,000	1
One FTE- Fire Department	General	Taxing	36,000	1,2
Replacement gear for firefighters	General	Taxing	18,000	3
Pool Maintenance Storage Facility	General	Taxing	10,000	3
Cemetery Maintenance Storage Facility	General	Taxing	30,000	3
Playground Equipment	General	Taxing	15,000	3
1-Ton Dump Truck Replacement- Parks and Public Grounds	General	Taxing	40,000	3
Total	General	Taxing	508,000	

Budgeted Initiative	Fund	Type	Amount	Outcome
Patrol Car Replacement	Emergency Equipment	Taxing	38,000	3
Total	Emergency Equipment	Taxing	38,000	

Budgeted Initiative	Fund	Type	Amount	Outcome
Pay-for-Performance allotment for wage adjustments- 3%	Special Streets	Taxing	6,700	1,2
2017 Streets Program	Special Streets	Taxing	480,000	3
Public Works Building Remodel	Special Streets	Taxing	20,000	1,3
Total	Special Streets	Taxing	506,700	



Budget Message

Budgeted Initiative	Fund	Type	Amount	Outcome
Pay-for-Performance allotment for wage adjustments- 3%	Water	Utility	6,000	1,2
Public Works Building Remodel	Water	Utility	45,000	1,3
Water Meter Replacement	Water	Utility	40,000	3
Transfer to Water Reserve Fund- Well Rehab project	Water	Utility	275,000	3
Total	Water	Utility	366,000	

Budgeted Initiative	Fund	Type	Amount	Outcome
Drainage Improvements	Stm Wtr	Utility	75,000	3
Transfer to Bond and Interest Fund to meet current debt obligation	Stm Wtr	Utility	175,000	3, 4
Transfer to Bond and Interest Fund for repayment of portion of outstanding debt obligation	Stm Wtr	Utility	25,000	3, 4
Total	Stm Water	Utility	275,000	

Budgeted Initiative	Fund	Type	Amount	Outcome
Pay-for-Performance allotment for wage adjustments- 3%	Sewer	Utility	7,000	1,2
Public Works Building Remodel	Sewer	Utility	35,000	1,3
1/2 Ton Truck Replacement	Sewer	Utility	22,000	3
Mower Replacement	Sewer	Utility	10,000	3
Transfer to Sewer Reserve	Sewer	Utility	300,000	4
Total	Sewer	Utility	374,000	

Budget Message

Conclusion

In summary, the 2017 Proposed Budget details many opportunities and challenges, and provides a tool to achieve many of the identified outcomes for the City. Several initiatives are being recommended that will result in continued progress in infrastructure improvements and solid organizational structure. In many of the major funds, expenditures exceed revenues, which will result in a decreased fund balance. These decreases are intentional and well thought out, still leaving fund balances well within the City's fiscal policy. In the General Fund, expenditures exceed revenues by approximately \$46,000, or one-mill. Council can decide on one of three options: 1) decrease spending to balance the fund; 2) decrease fund balance by \$46,000; or 3) increase taxes. Each of these options, regardless of Council's decision, will still keep the City in an excellent position. In addition to the General Fund, Council should consider the effect of the upcoming tax lid. Given this year's CPI rate, the tax lid could prove to be very restrictive on the progress and growth of the City.

In conclusion, 2017 could be the City's most successful and progressive year to date. The City is poised for deliberate, sustainable growth while maintaining an excellent quality of life for residents.

Thank you for your consideration,

Kristine Polian

Finance and Administration Director



V Budget Highlights

The budget message was presented to the Council at the start of the budget process. The budget highlights include what budget initiatives were deemed necessary by the council. The following tables includes the budget initiatives that were approved during the final adoption of the 2017 budget. Details on specific initiatives are on the following page.

Budgeted Initiative	Fund	Type	Amount	Outcome
Playground Equipment	General	Taxing	15,000	3
Public Safety Consultant	General	Taxing	35,000	1
Transfer s	General, Wa- ter, Stm Water, and Sewer	Taxing	975,000	4
Transfer to Special Streets for System Improvement	General	Taxing	100,000	3
Pay-for-Performance allotment for wage adjustments- 3%	General	Taxing	49,350	1,2
Main Street Revitalization	General	Taxing	10,000	1
Economic Development Initiatives	General	Taxing	30,000	1
Two FTE- Fire Department	General	Taxing	36,000	1,2
Replacement gear for firefighters	General	Taxing	18,000	3
Pool Maintenance Storage Facility	General	Taxing	10,000	3
1-Ton Dump Truck Replacement- Parks and Public Grounds	General	Taxing	40,000	3
Budgeted Initiative	Fund	Type	Amount	Outcome
Pay-for-Performance allotment for wage adjustments- 3%	Sewer, General, Special Streets, and Water	Utility	69,050	1,2
1/2 Ton Truck Replacement	Sewer	Utility	22,000	3
Mower Replacement	Sewer	Utility	10,000	3
Transfer to Sewer Reserve	Sewer	Utility	300,000	4
Drainage Improvements	Stm Wtr	Utility	75,000	3
Water Meter Replacement	Water	Utility	40,000	3
2017 Streets Program	Special Streets	Taxing	480,000	3
Patrol Car Replacement	Emergency Equipment	Taxing	38,000	3



Budget Highlights

Initiative Details

Public Safety Consultant: The Valley Center Fire Department is a unique make-up of part-time (PTE) and full-time employees (FTE) combined with volunteer firefighters. Currently, the department consists of a PT Fire Chief, a FT Fire Captain, and a FT Firefighter. Two prominent challenges exist with the Fire Department, one that requires immediate attention, and one that requires extensive scrutiny and evaluation before a solution can be found. The immediate need with the department comes from difficulty of recruiting and retaining volunteers that are responsive to emergency calls. Due to increased medical calls and a lack of volunteers able to respond to calls, the FT employees are working significant hours of overtime and have difficulty using their paid leave. The City Council approved the hiring of a public safety consultant to assist the City in determining what service levels are needed for the City and create a succession plan. The consultant will focus mainly on the Fire Department but will be able to assess the police department as well if deemed necessary. This will provide the City with the information needed to recruit, retain, manage, and plan for the future.

Main Street Revitalization: Historic Main street in Valley Center is in the core of the City and provides numerous shopping and dining opportunities. The Main Street Revitalization Initiative has been created to help the Main street businesses and residents spruce up the area to attract more local and non-local residents to the area. In 2016 the Main Street Revitalization Initiative added planters throughout Main Street to increase the attractiveness of the area. The initiative also hosted a food truck rally event to promote Main Street. The event was a huge success and attracted a crowd of over 4,000 people to the area. This event is planned for 2017 as well.

Two FTE for Fire Department: To combat the issues the City is currently facing with the Fire Department, the City Council approved two full time firefighters to be hired in 2017. The hiring of the firefighters will be contingent upon the results of the public safety consultant's recommendations.

2017 Streets Program: The 2017 Streets Program offers many upgrades to City streets. Along with upgrades the program will also help to maintain our current streets to an acceptable level.

1-ton Dump Truck Replacement: A 1-ton dump truck is slated to be purchased in 2017. This new purchase will replace the existing dump truck that is currently out of date and in need of many repairs.

Pay for Performance Increases: In 2017 the City is moving to pay for performance merit increases, replacing the step increases that have been used for the past several years. This will allow the City to critique and enhance performance of employees through a percentage increase in pay as a reward for excellent work and service to the community. This will also assist with the creation of performance measures for all positions and departments within the City.



Budget Process

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

Basis of Accounting: The City of Valley Center uses KMAAG (Kansas Municipal Audit and Accounting Guide) as our regulatory basis of accounting. Regulatory basis of accounting means the City demonstrates its compliance with the Kansas Cash Basis Law through appropriate accounting and financial reporting practices. Under this basis of accounting, revenues are recognized when they are received and expenditures are recognized when they are paid.

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

Budget Review and Adoption: Official first draft of the budget is presented to the council approximately two months prior when adoption is required. Council will then have the opportunity to critique and review the presented budget. Council discusses priorities for the community and receives feedback from the citizens. All desired changes to the budget are added and ultimately a final budget is adopted by August 25th.

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

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

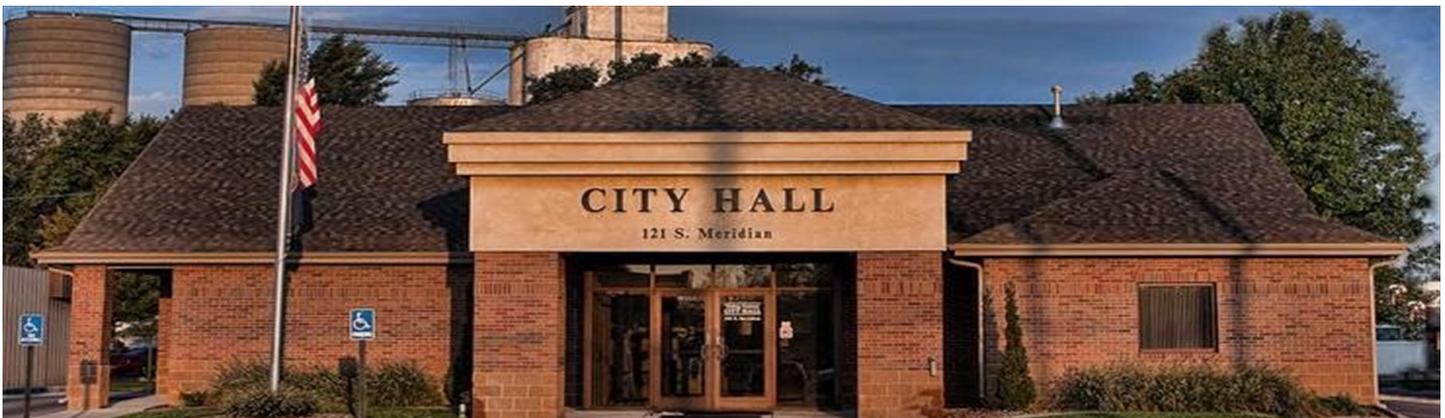
Monitoring and Reporting Process: Each department is charged with the responsibility of staying within their budget authority. In addition, the Finance and Administration department monitors spending and budget status for each department on a continuous basis throughout the year. Controls are set in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

V Budget Calendar

2017

Budget Calendar

Date	Action
2016 Key Dates	
⇒ March 16th—	Council goal setting & Current Issue Discussion—Department Heads / City Council / Mayor
⇒ March 29th—	Department Budget Requests & Outcomes Due to City Administrator
⇒ March 30th-April 6th—	Individual Meetings with Departments / City Administrator
⇒ April 6th—	Budget Meeting (Review Draft Budget) - Department Heads
⇒ April 19th—	Special Budget Meeting at City Hall to discuss Council priorities and concerns
⇒ May 17th—	Department head budget presentations
⇒ June 7th—	Department head budget presentations continued
⇒ June 30th—	Statement of Bonded Indebtedness Due to County Clerk
⇒ July 5th, 19th, —	Presentation and review of 2017 budget draft
⇒ August 2nd—	Public hearing for 2017 budget and final approval
⇒ August 16th—	Approval of property taxation resolution and final budget certificate
⇒ August 25th—	2017 Budget filed with Sedgwick County for certification
⇒ November 18th—	Budget Submitted to GFOA for review



City Council Meetings are held on the 1st and 3rd Tuesday of every month at 7:00 p.m. at City Hall located at 121 S. Meridian.

CITY OF VALLEY CENTER

2017

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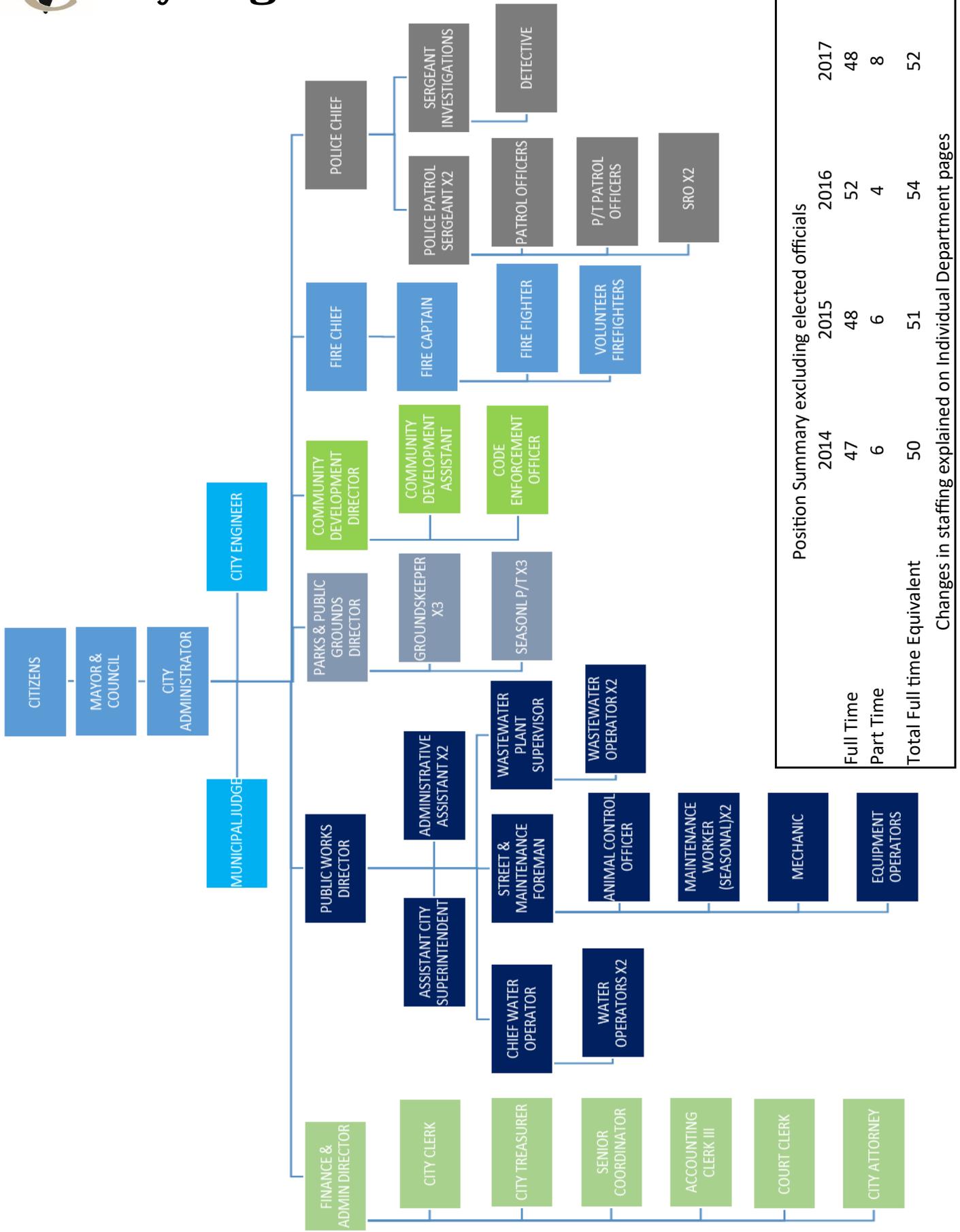
City Profile



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City Organizational Structure



Position Summary excluding elected officials

	2014	2015	2016	2017
Full Time	47	48	52	48
Part Time	6	6	4	8
Total Full time Equivalent	50	51	54	52

Changes in staffing explained on Individual Department pages



Property Tax Example



Market Value of \$150,000

Determining Property Tax

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

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

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

$$\$17,250 \times .055651 = \$959.98$$

$$\text{City tax liability} = \$959.98$$

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

$$\$959.98 / 12 = \$79.99$$

$$\text{monthly expenses for city services} = \$79.99$$

What does your Valley Center tax dollars get you?

The \$79.99 that taxpayers provide per month goes a long way. The following list is an example of what some of the services the citizens receive for their tax dollars.

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

V City Profile

The city of Valley Center is a middle class suburb located 10.5 miles North of Wichita, KS. The City totals 6.95 square miles and continues to grow.

According to the Census Bureau:

Population (2010): 7,222

Population per square mile (2010): 981.2

Total Land area (2010): 6.95 sq. miles

Median Household Income(2014): \$53,552

Educational Attainment (Age 25+):

- 3.5% Less than High School
- 96.4% High school graduate or higher
- 27.6% Some College
- 5.7% Associate's Degree
- 22.6% Bachelors Degree
- 6.5% Master's/PhD and/or Professional Degree.

Median Housing Value(2014): \$133,000

Total Housing Units (2015): 2,552

Number of Companies(2012): 498

Year of Incorporation: 1855

Form of Government: Mayor/Council

County: Sedgwick

Bond Rating: Standard and Poor's AA-

Climate: Rainfall (in.) - 31.4

Snowfall (in.) - 13.8

Avg. July High - 93

Avg. Jan. Low - 20.2

Sunny Days/Year - 226

Police:

- Police Stations—1
- Police officers/support staff—16

Fire:

- Number of Stations—1
- Career/Volunteer Fire Fighters—2/20
- Number of Vehicles— 6

Education

-Schools Located in Valley Center-

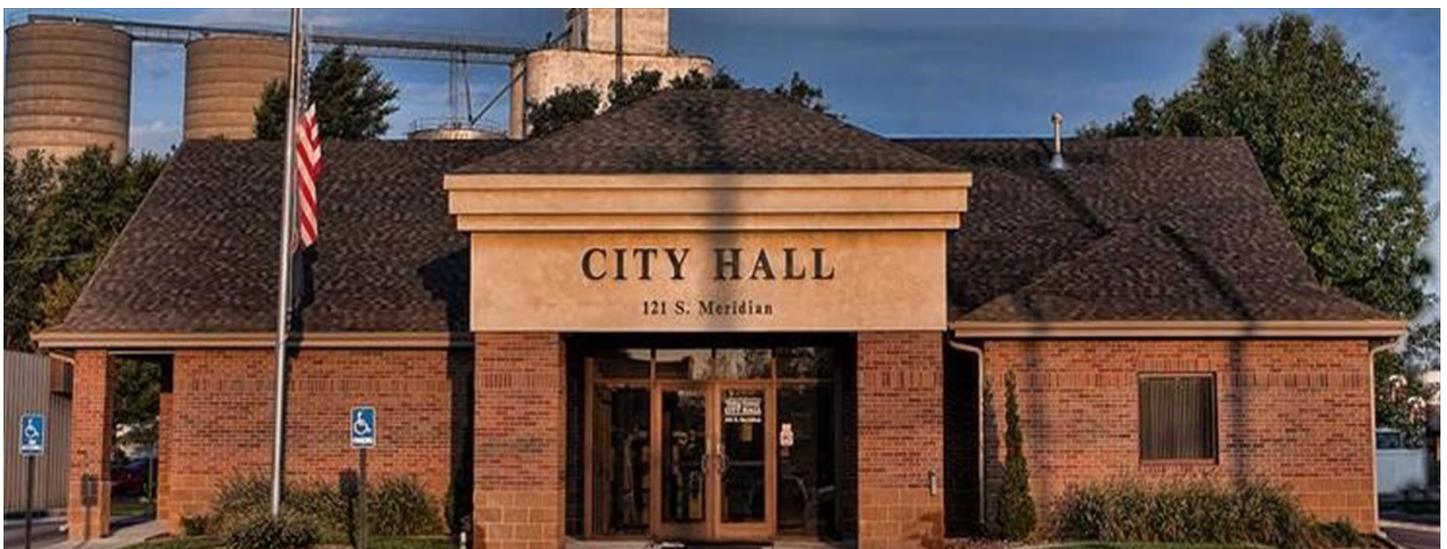
- Elementary schools(K-4)— 3
- Intermediate School(5-6)—1
- Middle Schools(7-8)— 1
- High Schools(9-12)— 1

-Served by Universities-

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

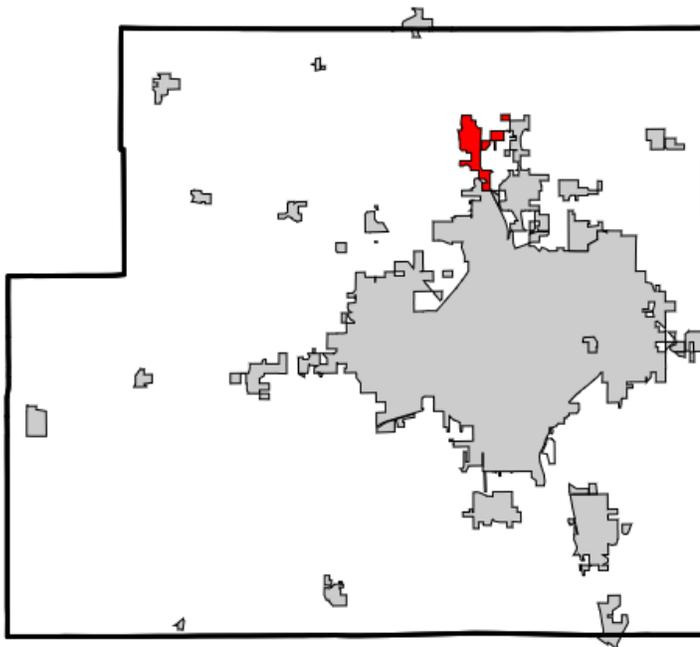
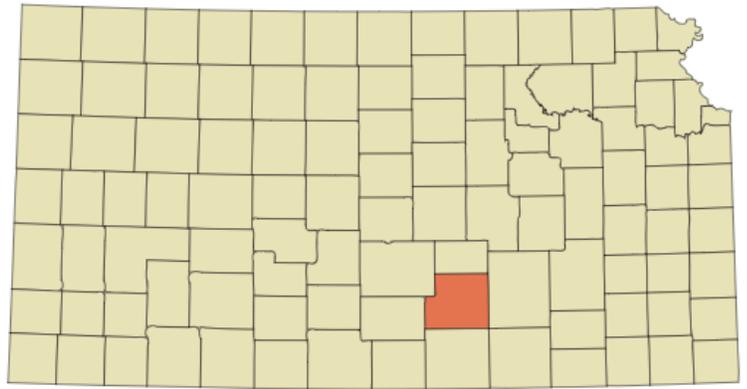
Parks and Rec:

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



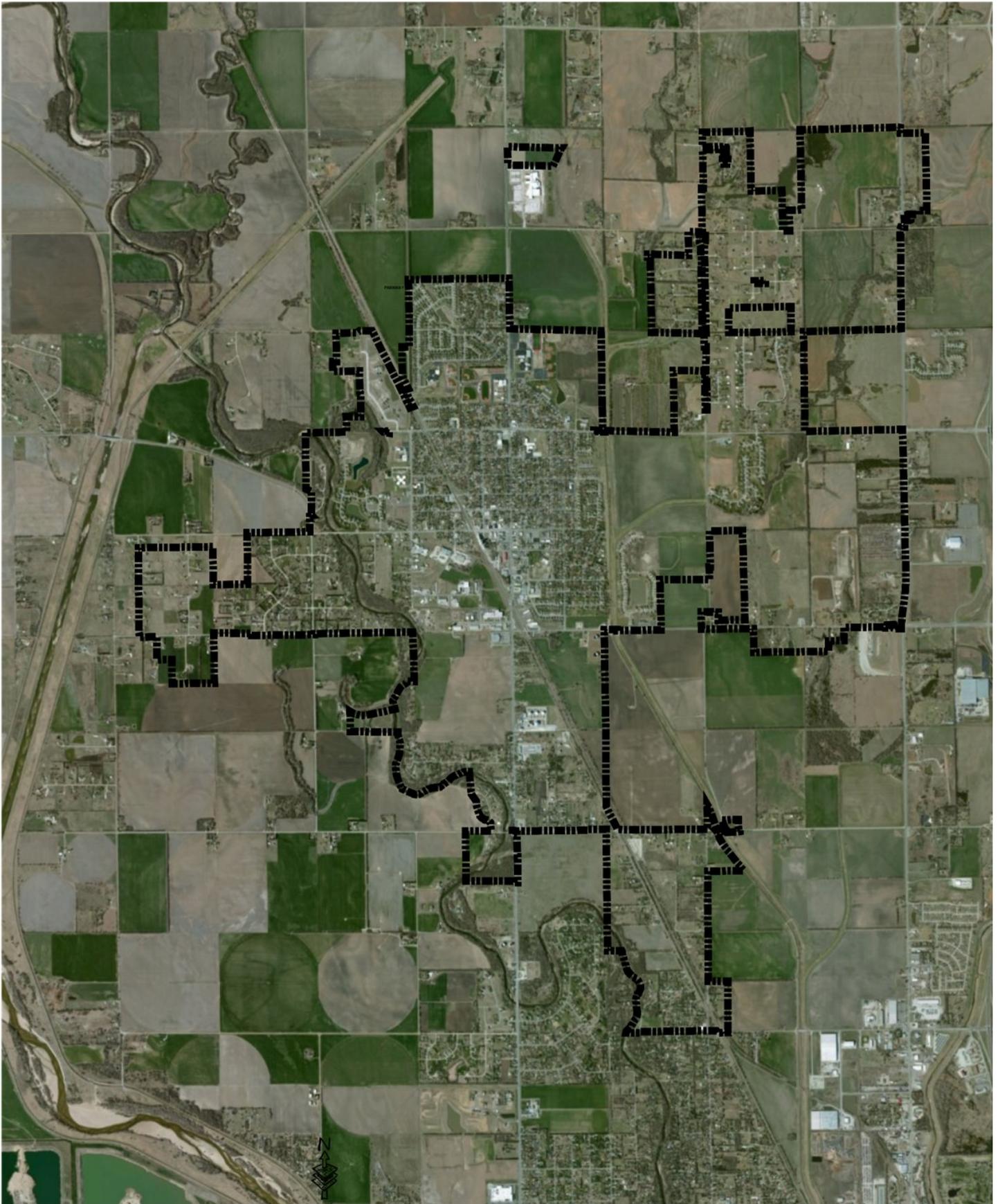
V City Vicinity

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



Highlighted in Red is Valley Center compared to the surrounding areas of Wichita, Park City, Goddard, Sedgwick, Derby, and other communities within Sedgwick County.

V City Boundaries



V Form of Government

Valley Center is governed by a Mayor and an eight-member City Council, which when combined comprise the Governing Body. Council members are elected by wards, with the Mayor elected at-large, all on a non-partisan ballot. Council members are elected to staggered four-year terms. City Council elections are held every two years, with the next election to be held in November 2017, when four City Council positions will be on the ballot.

Governing Body

Name	Title	Office Term
Laurie Dove	Mayor	4 Years
Dale Kerstetter	Councilmember	4 Years
Lou Cicirello	Councilmember	4 Years
Brendan McGettigan	Councilmember	4 Years
Gina Gregory	Councilmember	4 Years
Marcy Maschino	Councilmember	4 Years
Jake Jackson	Councilmember	4 Years
Ben Anderson	Councilmember	4 Years
Al Hobson	Councilmember	4 Years

Administrative Officials

Name	Title	Employed Since
Scott Hildebrand	City Administrator	2016
Kristine Polian	Finance & Admin Director	2003
Brent Holper	City Superintendent	2014
Neal Owings	Parks & Public Grounds Director	1998
Mark Hephner	Police Chief	2007
Lonnie Tormey	Fire Chief	1977
Ryan Shrack	Community Development Director	2015
Kristi Carrithers	City Clerk	2015

V Governing Body



Ward 1: Dale Kerstetter



Ward 1: Lou Cicirello



Ward 2: Gina Gregory



Ward 2: Brendan McGettigan



Mayor: Laurie Dove



Ward 3: Jake Jackson



Ward 3: Marcy Maschino



Ward 4: Al Hobson



Ward 4: Ben Anderson

V Ward Map



CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

Financial Summary



DISCOVER
Valley Center 

V Accounts and Funds

Valley Center maintains and tracks revenues and expenditures for each fund using accounting software. The Funds are broken down into line items with each line item representing a particular function. For example: The General Fund is considered fund 010. Administration, which is a part of the General Fund, is considered account 5100. Salary for full time administration staff is account 700.101. When the City pays the salary for a full time administration employee it would come out of 010-5100-700.101. Every fund, department, and line item has their own respective account numbers which are used for tracking and reporting purposes.

The City currently has 12 budgeted funds:

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

The City also has 9 non budgeted funds:

- Equipment Reserve
- ADSAP
- Active Aging
- Drug Tax Distribution
- Water Improvement
- Water Reserve
- Sewer Reserve
- 2007 Sewer KDHE Loan P&I
- Building Equipment Reserve

Each year after the final budget is adopted, administration staff enter the budget into the accounting software. This allows all departments to check their progress in regards to their budget. Administration staff review department budgets on a monthly basis to identify issues that may exist. In addition, controls are in place that prohibit department heads from exceeding their budget without authority.

All governmental funds are accounted for using the regulatory basis of accounting. Revenues are recognized when they become measurable and available. Expenses are recognized when the liability is incurred, even if the funds have not been distributed. This allows the City to know exactly how many funds are available at any given point in time.



Financial Policies of Valley Center

Financial Policies of the City of Valley Center (Revised & Adopted June, 2015)

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

Elected officials and city staff are representatives of the people of Valley Center and are expected to manage the City of Valley Center for the economic and social benefit of everyone. We have a fiduciary responsibility for the assets we manage on behalf of the people who are here today and those who come after us.

The City of Valley Center will maintain its financial records in accordance with the Kansas Municipal Accounting and Auditing Guide and comply with all laws, regulations, contracts, grants and other legal requirements as prescribed by the State of Kansas.

This policy is self-explanatory. We sometimes hear stories of how public or private entities use "creative accounting" to paint a more positive picture than might really exist. Staff will always conduct the City's financial affairs and maintain records in accordance with accounting and auditing guidelines prescribed for municipalities in the State of Kansas. This process will help in maintaining accuracy and public confidence in the City's financial reporting systems.

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

This policy requires that in any given fiscal year we do not budget recurring appropriations in excess of the revenue we expect to receive in the same year. This "pay as you go" approach mandates that any increase in expenditures, decreases in revenues, or combination of the two that would result in a budget imbalance will require cost cutting and/or revenue enhancement, rather than spending unappropriated surpluses or designated reserves to support ongoing operations. Cost cutting measures may include reductions in staff (either through eliminating vacant positions, attrition, hiring freezes, or actual lay-offs), or reductions in expenditures for materials, services, and supplies. Expenditure reductions may very well result in reduced service levels.

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

Any apparent exception to this policy would be explained by the City Administrator with the proposed action that would bring this policy into apparent conflict. An example might be the State being late in some payment to the City, but the adopted State budget includes those late payments. In such circumstances, short term use of reserves would not be an actual violation of this policy.



Financial Policies of Valley Center

It is the policy of the City of Valley Center to establish and maintain at least a reserve fund balance for the General Fund equal to 25% of the current year's expenditure- appropriations and adequate operating reserves for all other funds to be reviewed at least annually.

Unforeseen developments and crises occur more often than not in any given budget year. Maintaining reserves is considered a prudent management practice and can be used for numerous unforeseen situations. Examples of potential uses and draw-downs include:

- Federal/State/County budget cuts;
- Local revenue shortfall due to major business closures or relocations;
- Increase in demand for a specific service;
- Legislative or judicial mandate to provide a new or expanded service or program;
- One-time City Council approved expenditure;
- Unexpected increase in inflation (CPI); and,
- Natural disaster (tornado, flood, etc.)

In an effort to ensure the continuance of sound financial management of public resources, this policy of the City Council directs staff to maintain an unappropriated General Fund reserve amount equal to 25% of current year appropriations in the fund account. If unforeseen circumstances occur which cause the reserves to drop below their prescribed levels, then staff will immediately present the City Council with various options for curing the deficiency(ies).

The annual budget shall present a three year revenue and expenditure projection for the General Fund and other major funds of the City.

A long-range financial perspective is essential to provide a more comprehensive and thorough overview of the City's long-term financial needs. Components of this plan include the use of an annual operating budget and a three-year financial forecast with revenue and expenditure projections. The approach will be supported by staff's use of historical data, current economic trends and identification of future financial events.

The City will estimate revenues using an objective, analytical process; in the case of economic uncertainty, conservative projections will be utilized.

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

The City will endeavor to maintain a diversified and stable revenue base to minimize the effects of economic fluctuations on revenue generation.



Financial Policies of Valley Center

Among the most stable revenues are property taxes and utility user fees, and these two revenues are both stronger in their contribution to our tax base than sales taxes. We are fortunate to have a diversified revenue base today, without a major reliance on any one revenue. Economic development policies that encourage this type of diversified revenue base are in the best interests of our fiscal health.

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

New development is part of the economic diversification that is desirable in the City. However, new development has major costs associated with it, not least of which is the processing of the permits to ensure compliance with Federal, State and local laws and ordinances. It is unfair for existing residents and businesses to pay these costs. The City shall develop a policy of full cost recovery from fees for new development costs.

Fee supported services shall be reviewed and fees adjusted to reduce public subsidies and move toward full cost recovery where deemed appropriate. This shall be done in conjunction with the annual budget process.

In addition to development fees, the City offers a wide variety of other services which could be totally offset by fees, including library costs, park and recreation costs, and special programs for seniors and others. However, very few jurisdictions charge full costs for these services. Nevertheless, some fees must be charged for most of these services, and those fees should be reviewed annually as part of the annual budget process and recommendations for any changes could be made to council at the same time services provided by the budget are considered. In addition to these fees, the City charges a wide variety of other fees, from contractor licensing and permitting, to copies of documents. In general, these fees should have full cost recovery, and should be reviewed annually to ensure that all costs are being considered.

The City supports a financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions. Major capital projects will be reviewed and included in the City's 10-Year Capital Improvement Plan. Annual budgets shall identify all new and on-going capital improvement projects.

The City is currently updating its Capital Improvement Plan (CIP) and all the elements of it, including a long range fiscal plan for the city. Many of the major infrastructure projects of the City have important capital needs and deferred maintenance requirements. This includes the City's water and sewer systems, and the need for major improvements to the storm water system. We also have major street repair requirements and related street improvements of sidewalks, signals and trees.

The City shall maintain an inventory of and assess the condition of all major capital assets. This information will be used to plan for adjustments to enterprise fund fees and a long term capital improvement plan.



Financial Policies of Valley Center

As required by GASB 34 for capital assets and common sense for City assets, the City shall maintain an inventory and assess the condition of its major capital assets. The capital plans for the City shall include this information as part of its planning and implementation process.

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

One time revenues, if in excess of the required reserve, are appropriate for one-time expenses, such as a capital project. However, it is fiscally irresponsible to use any windfall revenues to expand the base budget by adding staff or negotiating salary increases using these revenues alone as the basis for the action.

General Obligation Bonds will normally be issued only for equipment, land acquisition, and public improvements.

General Obligation Bonds may be rated by a national credit rating agency or agencies if deemed financially advantageous. The maximum maturity shall not exceed the anticipated useful life of the capital item as authorized by law. As a general practice, the City will structure normal capital improvement projects to mature over 10 to 15 years, or the useful life of the project, whichever is less with at least 60% of the debt service amortization in the first 10 years of the issue. Generally, tax levy supported debt will be structured to provide level debt service payments. Payment of long term debt shall be budgeted in the Bond & Interest Fund.

Where possible, special assessment revenues or other self-supporting funds will be pledged for the payment of general obligation bonds thereby reducing the burden of debt for the City at Large.

The City shall comply with the debt limits of the state of Kansas, and seek to minimize debt when it is used.

The City will not engage in debt financing unless the proposed obligation, when combined with all existing debts, will result in debt ratios throughout the life of the proposed obligation that are less than the following benchmarks.

Per capita direct debt will not exceed \$500

Per capita direct, overlapping and underlying debt will not exceed \$3,000

Direct debt as a percentage of estimated full market value will not exceed 1.5%

Direct, overlapping and underlying debt as a percentage of estimated full market value will not exceed 6.0%

Annual debt service will not exceed 20% of budgeted expenditures

The computation of these ratios will use the following variables:



Financial Policies of Valley Center

Per capita measures will be based on the most recent annual estimate of City population for the year in question.

Direct debt will be the total of all then outstanding General Obligation, Special Assessment, and Public Building Commission bonded debt plus all authorized but unissued bonded debt plus the amount of debt financing being proposed.

Annual debt service will be the total principal and interest payments due on direct debt in the year in question plus the estimated maximum annual principal and interest payment on the proposed long term obligation.

Budgeted expenditure will be the total original adopted budget of the General Fund and debt service fund for the year in question

The City will consider refinancing outstanding debt when legally permissible and financially advantageous.

The City may consider refinancing outstanding debt for restructuring purposes where revenue streams have declined and it is necessary to avoid default. When refinancing outstanding debt to reduce interest costs, the City shall seek to achieve a net present value benefit of at least 3% of the present value of refunded debt service for advance refunding. This 3% level is only a minimum target when refinancing to reduce interest costs – the City may elect not to refinance outstanding debt even if the 3% savings can be achieved. On an individual basis, the City will evaluate the present value benefit of potential current refunding transactions.

The City will adhere to its adopted Investment Policy and comply with all State and Federal requirements concerning investments.

It is the policy of the City that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with legal and administrative guidelines and, to the maximum extent possible, at the highest rates obtainable at the time of investment. The City may utilize the services of a consultant/ registered investment advisor to assist the City with proper cash and investment management procedures and for the purpose of training City personnel.

Effective cash management is recognized as essential to good fiscal management. An aggressive cash management and investment policy will be pursued to take advantage of investment interest as a viable and material revenue source for all operating and capital funds. The City's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

Earnings from investments will be used in a manner that will best serve the interest of the City and that will comply with applicable law.

V Financial Policies of Valley Center

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

City staff consistently reviews expenditures and revenues of the current fiscal year and compares them to the adopted budget. On a monthly basis the previous month's financial records are closed, and expenditure and revenue reports are provided to Departments. On a periodic basis, generally at the mid-point of the fiscal year, the Budget staff does a formal mid-year review with departments comparing budgets to actuals.



Assessed Valuation and Mill Levy 10 Year Comparison

- As of January 1st, The county appraisers office appraises all real estate and personal property in the city. From this, an assessed valuation is determined through a mathematical calculation. Commercial real estate is assessed at 25% of appraised value and residential real estate is assessed at 11.5% of its appraised value. One exception exists, however, in regards to residential property including mobile homes, the first \$20,000 of the appraised value is not subject to the school general levy.
- Once the city receives its estimated assessed value, the city determines the value of each mill by dividing the assessed valuation by 1,000. For 2017 the city's estimated assessed value was \$46,311,594, bringing the value of each mill to roughly \$46,312. This number is then multiplied by the total mill levy for the city to determine the total Ad Valorem tax dollars to be collected for the budget year.
- For 2017 the mill levy for Valley Center is estimated at 55.651 to bring in an estimated \$2,577,277 in Ad Valorem taxes.
- In November of 2016 the city will receive its actual assessed valuation to determine the actual mill levy for the year.

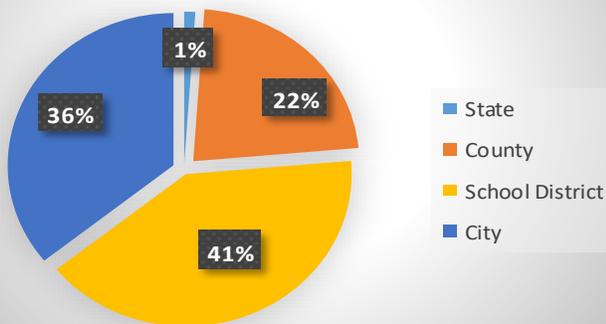
Year	Assessed Valuation	% Change
2007	\$39,208,830	7.22%
2008	\$42,178,107	7.04%
2009	\$42,344,615	0.39%
2010	\$43,792,585	3.31%
2011	\$44,193,447	0.91%
2012	\$43,065,035	-2.62%
2013	\$44,128,717	2.41%
2014	\$44,845,295	1.60%
2015	\$45,726,703	1.93%
2016	\$45,729,797	0.01%
2017	\$46,311,594*	1.26%*

** These values are estimated. Actual Valuation will be available in November of 2016*

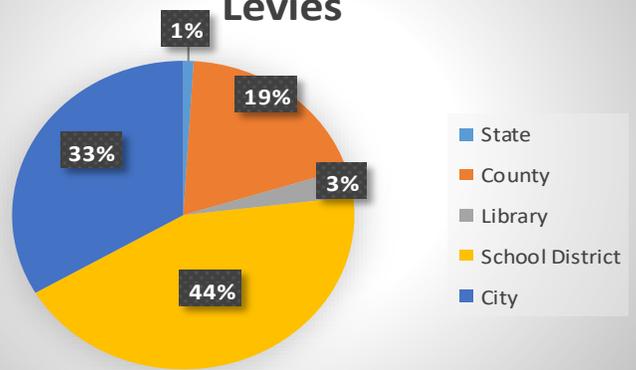
Mill Levy Ten Year Comparison (In mills)

Levy Year	Budget Year	State	County	Library	School District	City	Total
2006	2007*	1.5	31.315	-	56.471	49.731	139.017
2007	2008	1.5	31.333	4.563	57.743	44.198	139.337
2008	2009	1.5	30.377	4.568	63.742	43.799	143.986
2009	2010	1.5	29.868	4.514	64.094	44.002	143.978
2010	2011	1.5	29.359	4.494	63.006	43.954	142.313
2011	2012	1.5	29.428	4.497	64.677	46.675	146.777
2012	2013	1.5	29.447	4.502	66.339	49.128	150.916
2013	2014	1.5	29.377	4.501	66.257	49.129	150.764
2014	2015	1.5	29.478	4.507	64.480	50.936	150.901
2015	2016	1.5	29.383	4.507	66.599	50.939	152.928
2016	2017	1.5	29.359	4.507	66.599	51.144	153.109

2007 (Budget Year) Mill Levies



2017 (Budget Year) Tax Levies



* In 2007 the library was included in the city mill levy.



Budget Summary by Fund

2017 Adopted Budget	General Fund	Library	Employee Benefit	Bond & Interest	Emergency Equipment	Enterprise Funds	Special Revenue Funds	TOTAL
Beginning Fund Balance	\$766,661	\$15,443	\$341,393	\$753,152	\$137,822	\$2,039,581	\$380,771	\$4,434,823
Revenues								
Ad Valorem Taxes	\$1,616,541	\$208,726	\$451,679	\$254,019	\$46,312	-	-	\$2,577,277
Taxes (Non Property)	806,710	30,456	66,017	48,901	6,808	-	-	\$958,892
Licenses & Permits	619,850	-	-	-	-	-	-	\$619,850
Charges for Services	16,100	-	-	-	-	3,340,800	-	\$3,356,900
Fines & Forfeitures	142,100	-	-	-	-	-	-	\$142,100
Interest on Earnings	1,000	-	-	100	-	-	-	\$1,100
Other Revenues	96,155	-	-	-	-	256,000	-	\$352,155
Miscellaneous	154,000	-	3,500	45,000	-	3,600	10,000	\$216,100
Transfers In	-	-	-	679,500	-	-	80,000	\$759,500
Special Assessments	-	-	-	915,920	-	-	-	\$915,920
Intergovernmental	-	-	-	-	-	-	850,970	\$850,970
Total Revenue	\$3,452,456	\$239,182	\$521,196	\$1,943,440	\$53,120	\$3,600,400	\$940,970	\$10,750,764
Total Resources	\$4,219,117	\$254,625	\$862,589	\$2,696,592	\$190,942	\$5,639,981	\$1,321,741	\$15,185,587
Expenditures								
Administration	\$1,335,838	-	-	-	-	-	-	\$1,335,838
Community Development	214,800	-	-	-	-	-	-	\$214,800
Park & Public Grounds	491,558	-	-	-	-	-	-	\$491,558
Police	924,450	-	-	-	-	-	-	\$924,450
Fire	300,600	-	-	-	-	-	-	\$300,600
Legal & Court	153,530	-	-	-	-	-	-	\$153,530
Environmental Services	31,680	-	-	-	-	-	-	\$31,680
Personnel Service	-	-	797,000	-	-	644,800	319,903	\$1,761,703
Contractuals	-	-	-	1,000	-	1,597,550	77,800	\$1,676,350
Commodities	-	-	-	-	-	75,375	78,800	\$154,175
Other/Transfers/Misc	-	245,000	12,280	4,000	-	1,323,500	9,000	\$1,593,780
Capital Outlay	-	-	-	-	69,945	336,000	531,000	\$936,945
Debt Service	-	-	-	2,339,500	-	-	-	\$2,339,500
Total Expenditures	\$3,452,456	\$245,000	\$809,280	\$2,344,500	\$69,945	\$3,977,225	\$1,016,503	\$11,914,909
Ending Fund Balance	\$766,661	\$9,625	\$53,309	\$352,092	\$120,997	\$1,662,756	\$305,238	\$3,270,678



Fund Balance by Fund

FUND	Balance 1/1/2016	2016 Estimated Revenue	2016 Estimated Expenditures	Balance 12/31/2016	Increase/ Decrease in Fund Balance
General	\$766,661	\$3,308,233	\$3,308,233	\$766,661	\$0
Library	14,940	235,998	235,495	15,443	\$503
Employee Benefit	567,295	515,098	741,000	341,393	-\$225,902
Bond & Interest	1,218,943	1,795,201	2,237,992	753,152	-\$465,791
Emergency Equipment	139,364	51,945	53,487	137,822	-\$1,542
Water	1,040,079	1,604,000	1,604,150	1,039,929	-\$150
Sewer	447,313	1,256,753	1,141,470	562,596	\$115,283
Stormwater	275,720	205,000	192,475	288,245	\$12,525
Solid Waste	168,511	458,300	478,000	148,811	-\$19,700
Special Streets & Highway	473,508	973,120	1,097,503	349,125	-\$124,383
Special alcohol	28,622	6,000	10,000	24,622	-\$4,000
Special Parks & Rec	16,024	6,000	15,000	7,024	-\$9,000
Total	\$5,156,980	\$10,415,648	\$11,114,805	\$4,434,823	-\$722,157

Explanation of changes in fund balance:

Bond and Interest Fund: The negative net income for this fund is due to the city paying cash for a large over-age that was created during the Ford St./Meridian St. Drainage project.

Employee Benefit Fund: Employee health insurance premiums are unavailable until after the adoption of the budget so given the volatility of healthcare costs, additional funds are budgeted to assure adequate funding.

Annually, any fund balance surplus is transferred to the General Fund.

Sewer Fund: A major portion of funds were transferred to reserves.

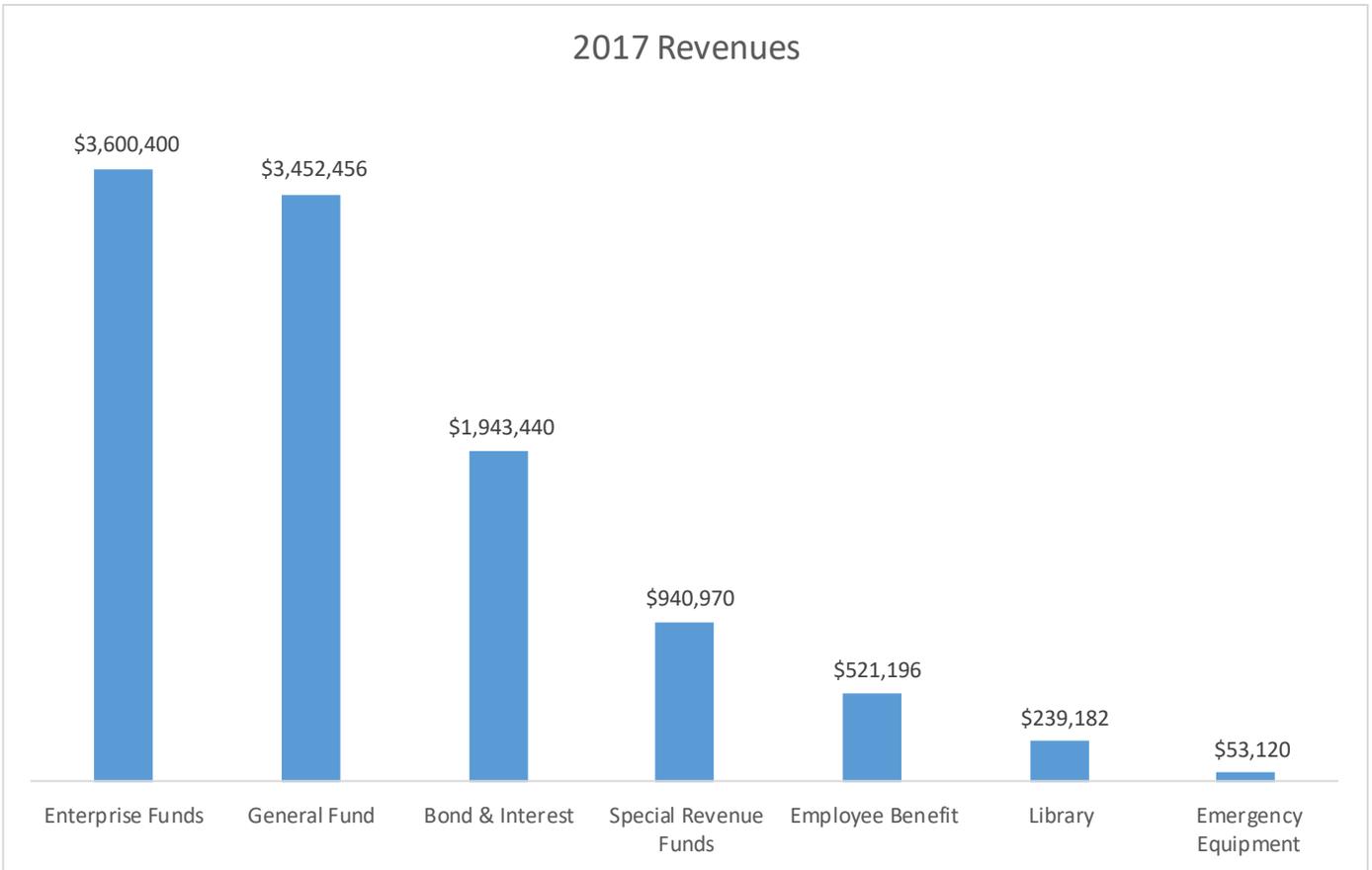
All other negative net income fund balances were reduced intentionally due to surplus fund balances.

FUND	Balance 1/1/2017	2017 Estimated Revenue	2017 Estimated Expenditures	Balance 12/31/2017	Increase/ Decrease in Fund Balance
General	\$766,661	\$3,452,456	\$3,452,456	\$766,661	\$0
Library	15,443	239,182	245,000	9,625	-\$5,818
Employee Benefit	341,393	521,196	809,280	53,309	-\$288,084
Bond & Interest	753,152	1,943,440	2,344,500	352,092	-\$401,060
Emergency Equipment	137,822	53,120	69,945	120,997	-\$16,825
Water	1,039,929	1,780,700	1,826,600	994,029	-\$45,900
Sewer	562,596	1,140,000	1,369,350	333,246	-\$229,350
Stormwater	288,245	250,000	312,275	225,970	-\$62,275
Solid Waste	148,811	429,700	469,000	109,511	-\$39,300
Special Streets & Highway	349,125	928,970	1,001,503	276,592	-\$72,533
Special alcohol	24,622	6,000	5,000	25,622	\$1,000
Special Parks & Rec	7,024	6,000	10,000	3,024	-\$4,000
Total	\$4,434,823	\$10,750,764	\$11,914,909	\$3,270,678	-\$1,164,145

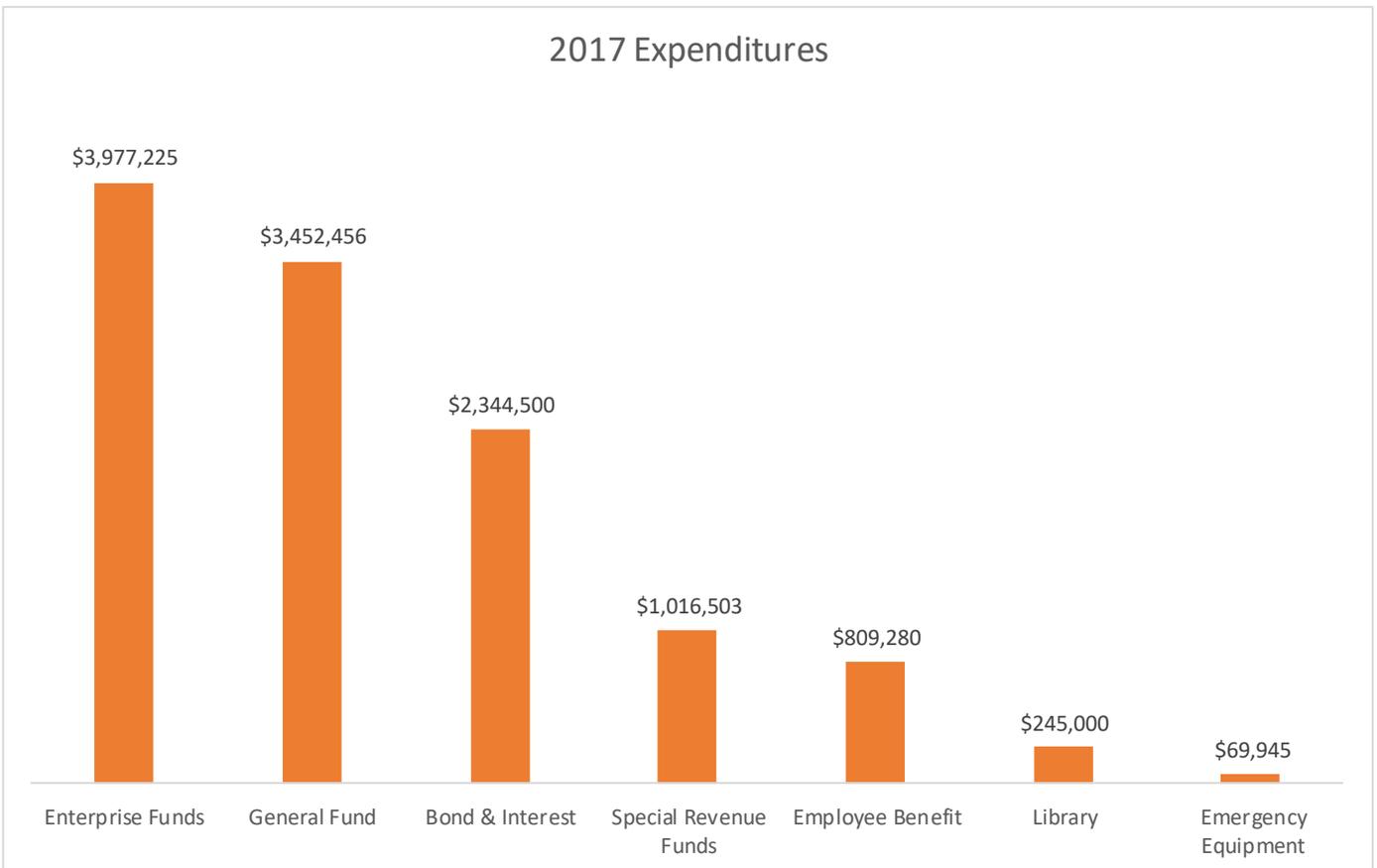


Budgeted Revenues and Expenditures (By Fund)

2017 Revenues



2017 Expenditures



CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

Financial Forecasting



DISCOVER
Valley Center 

V Major Revenues

Major revenues for the overall 2017 budget are detailed below in the graph.

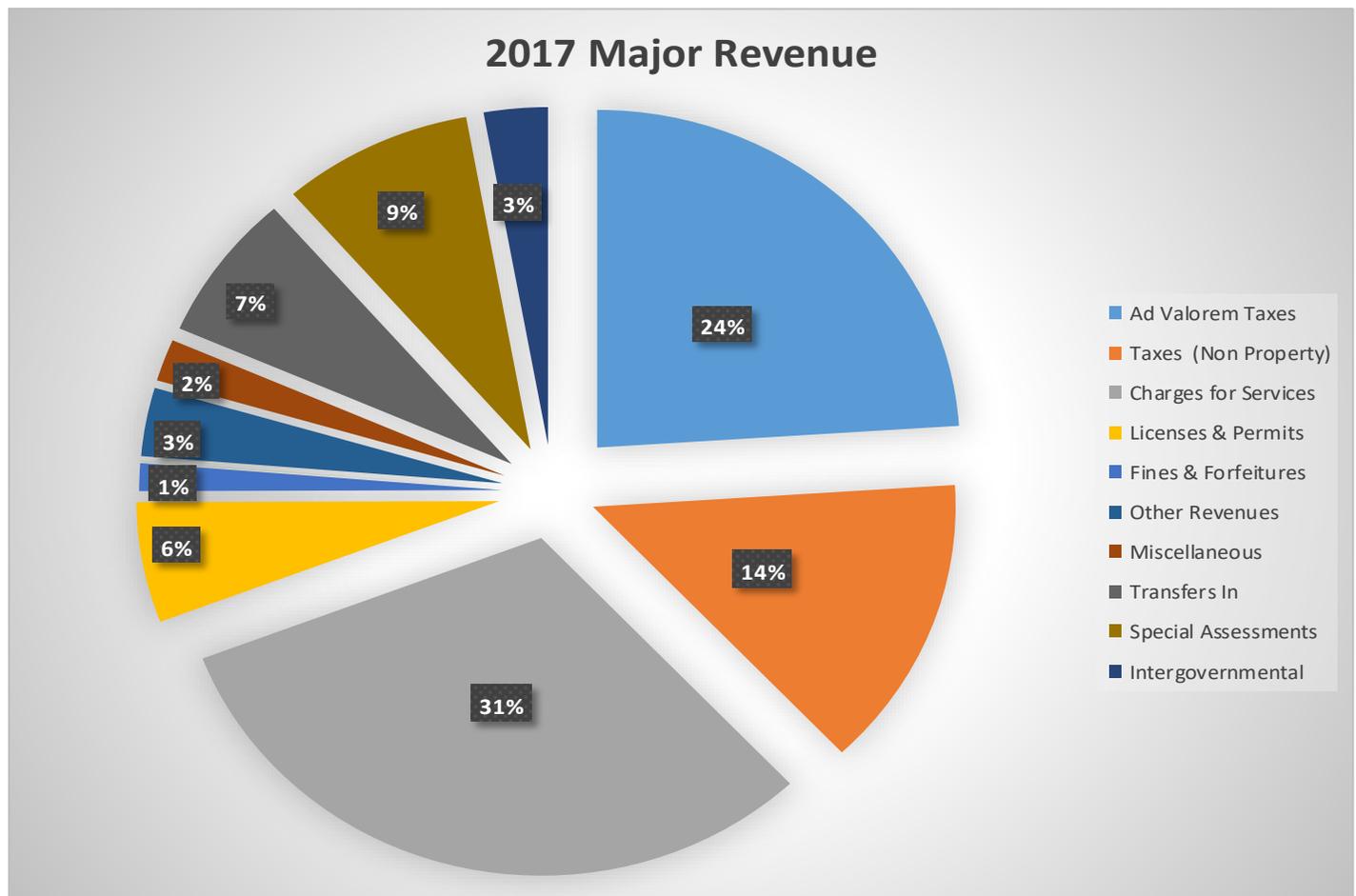
Charges for Services 31%: User charges are derived from services provided by the City such as water, storm-water, sewer, and solid waste. Rates for these charges were determined by a cost study performed by an outside firm. The study was conducted due to insufficient revenue to meet operating expenditures. Once the cost study was completed and the results were implemented, the City now generates enough revenue in these areas to continue future services as well as provide infrastructure improvements when necessary.

Ad Valorem Taxes 24%: Ad valorem taxes are strictly property taxes. These taxes are based off of each properties' assessed valuation.

Other Taxes 14%: These taxes include sales tax, motor vehicle tax, watercraft tax, and delinquent tax. These taxes are dispersed by the state and county each fiscal year.

Special Assessments 9%: Special assessments are charges for new infrastructure and upgrades to existing infrastructure. When new infrastructure or upgrades are made to existing infrastructure, the overall cost is divided amongst the homeowners and businesses based upon the frontage area of the property that is directly benefiting from the new or upgraded infrastructure.

These revenues total 78% of revenue for 2017.





Major Revenues—Property Tax Revenue Forecast

An important tool for local municipalities to utilize is forecasting. The City completed a forecast for property tax and general fund revenues for Valley Center using various models. Our projections were made using time series data or a sequences of measurements that follow non-random orders. The analysis of time series is based on the assumption that successive values in the data represent consecutive measurements taken at equally spaced time intervals. We utilized an ARIMA model which is the most general class of models for forecasting a time series data. ARIMA stands for autocorrelation, integrated, and moving average. The ARIMA model takes into account autocorrelation, the moving average factors within the series, and the drift or trend (integrated). The ARIMA model tries to break down the autocorrelation while adding in factors for moving average and the trend. The ARIMA model gives us the best results considering the forecast for the assessed valuation mill levy using this model was .08% off from the assessed valuation mill levy received from Sedgwick County for 2017. Because the forecast was so accurate, the city is able to predict general fund property tax revenues extremely well and can budget accordingly. Other forecasted revenues within the general fund were compiled using the SMA (Standard Moving Average) model.

	2015 ACTUAL	2016 BUDGETED	2017 PROJECTED	2018 PROJECTED	2019 PROJECTED	2020 PROJECTED
General Fund	\$870,851	\$1,633,059	\$1,653,060	\$1,675,542	\$933,417	\$947,268
General Fund Mill Levey	19.419	35.36	35.36	35.36	19.419	19.419
Total	55.443	55.443	55.443	55.443	55.443	55.443
Total Dollars	\$2,535,226	\$2,560,568	\$2,591,929	\$2,627,180	\$2,664,991	\$2,704,535
Assessed Value	\$45,726,703	\$46,183,789	\$46,749,434	\$47,385,235	\$48,067,227	\$48,780,462
AV Mill Value	\$45,727	\$46,184	\$46,749	\$47,385	\$48,067	\$48,780
% Change in Assessed Value	1.77%	1.00%	1.22%	1.36%	1.44%	1.48%

Source: Five Year Revenue and Expenditure Forecast .Created by Ted Henry, former City Treasurer (created on 4/25/2016).

As you can see from the forecasting model, the forecast for the 2017 assessed valuation mill levy was projected only \$437 over what the City received from Sedgwick County’s calculation of the city’s assessed valuation mill levy for 2017. The forecasted total assessed valuation was projected at 0.9% over Sedgwick County’s calculation of total assessed valuation for the city of Valley Center.



Major Revenues—General Fund Forecast

The remaining General Fund revenue source forecast through 2020 is shown below. The models used in this forecast will be used every year to update the forecasts to remain as accurate as possible for future budget

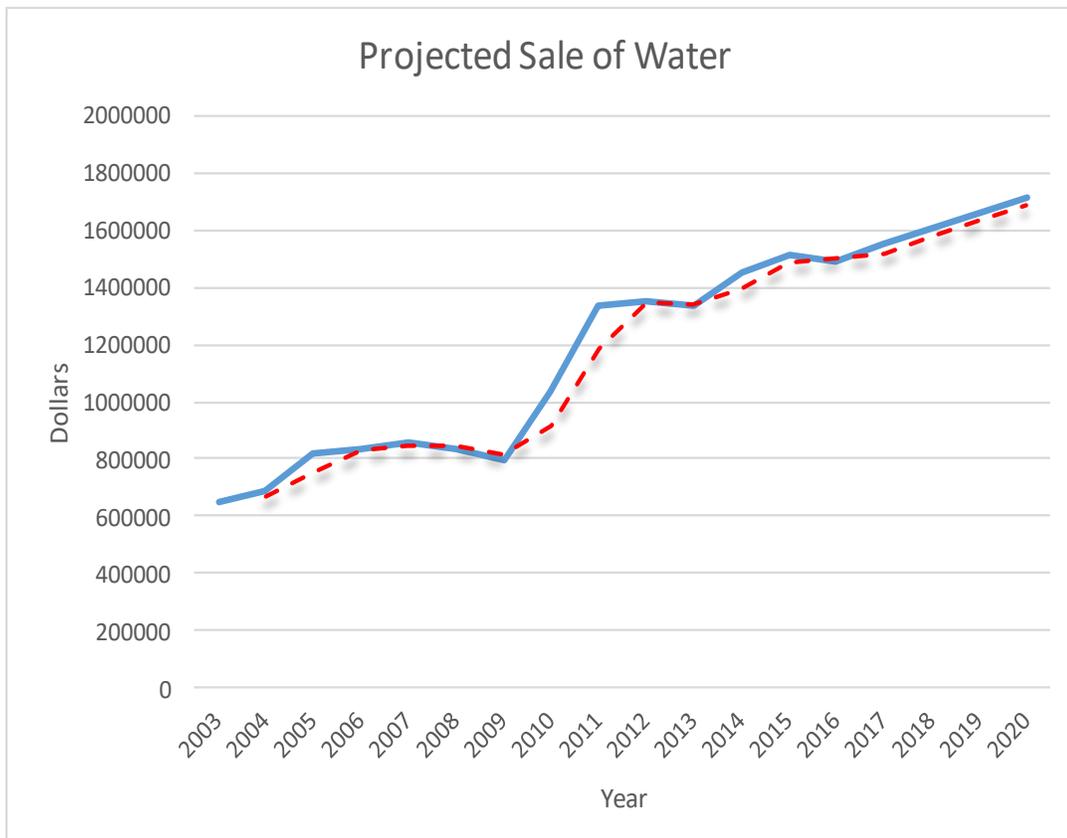
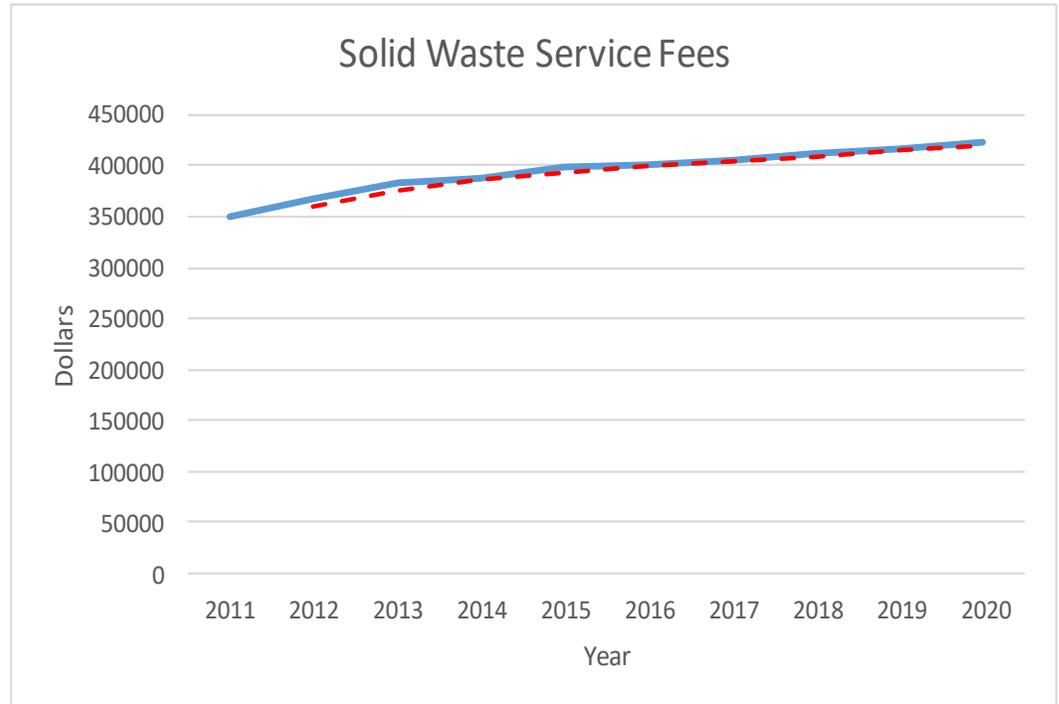
Projected General Fund Revenues									
Year	Ad Valorem	Motor Vehicle Tax	Other Taxes	Sales Tax	Permits	Licenses	Franchise Fee	City Utility Franchise Fee	Administration Fees
2005	600,944	88,244	4,555	366,578	21,190	23,188	222,907	47,280	118,210
2006	690,492	89,543	8,445	389,982	27,386	18,401	219,059	49,559	123,899
2007	915,773	112,382	8,943	426,416	28,647	22,641	320,709	-	-
2008	699,558	147,795	20,728	461,301	15,471	23,378	358,857	74,920	59,930
2009	996,559	113,023	27,120	453,477	30,631	25,656	329,206	-	-
2010	831,890	141,831	27,774	456,351	22,713	58,936	416,085	25,000	27,000
2011	790,554	121,077	10,139	472,245	14,410	63,861	431,802	60,000	124,000
2012	715,572	110,909	14,478	500,053	20,243	51,216	420,199	50,000	119,000
2013	765,282	99,281	21,630	532,752	26,353	47,763	455,996	60,000	120,000
2014	781,033	112,168	25,655	557,219	30,347	66,298	491,145	33,000	125,000
2015	852,532	114,176	21,749	584,185	38,555	57,393	473,793	60,000	115,000
2016	1,633,059	268,621	25,429	612,053	40,933	62,837	510,899	60,000	135,000
2017	1,653,060	270,593	29,732	641,250	43,458	68,798	550,911	60,000	135,000
2018	1,675,542	272,446	34,763	671,840	46,139	75,325	594,057	60,000	135,000
2019	933,417	149,580	40,645	703,889	48,985	82,470	640,582	60,000	135,000
2020	947,268	149,389	47,523	737,467	52,006	90,294	690,750	60,000	135,000
	ARIMA	SMA							

Charges for Services	Fines and Fees	Use of money and property	Other Revenues	Micellaneous	Total
7,730	47,281	22,799	108,114	2,052	1,681,073
6,915	44,798	29,549	24,059	19,495	1,741,581
6,288	44,068	45,007	53,054	6,094	1,990,022
8,635	58,502	25,329	99,241	2,309	2,055,954
7,736	67,851	11,466	22,716	10,575	2,096,016
10,544	71,864	12,485	75,162	18,395	2,196,029
5,343	88,727	(2,451)	33,203	14,046	2,226,954
7,704	57,007	5,417	46,047	(14,908)	2,102,936
7,974	90,979	10,854	15,151	8,695	2,262,707
7,221	149,775	14,816	79,952	47,357	2,520,987
3,185	141,467	9,295	66,688	5,766	2,543,784
2,915	157,853	8,497	74,686	6,393	3,599,177
2,667	176,136	7,768	83,645	7,089	3,730,108
2,441	196,538	7,101	93,677	7,861	3,872,730
2,234	219,302	6,492	104,913	8,716	3,136,226
2,044	244,703	5,935	117,497	9,665	3,289,541



Major Revenues—User Charge Forecast

Solid Waste service fees are projected at \$406,512 for 2017. This regression analysis also shows a trend line (red dash line) that shows the basic trend of forecasted data compared to prior year actuals.

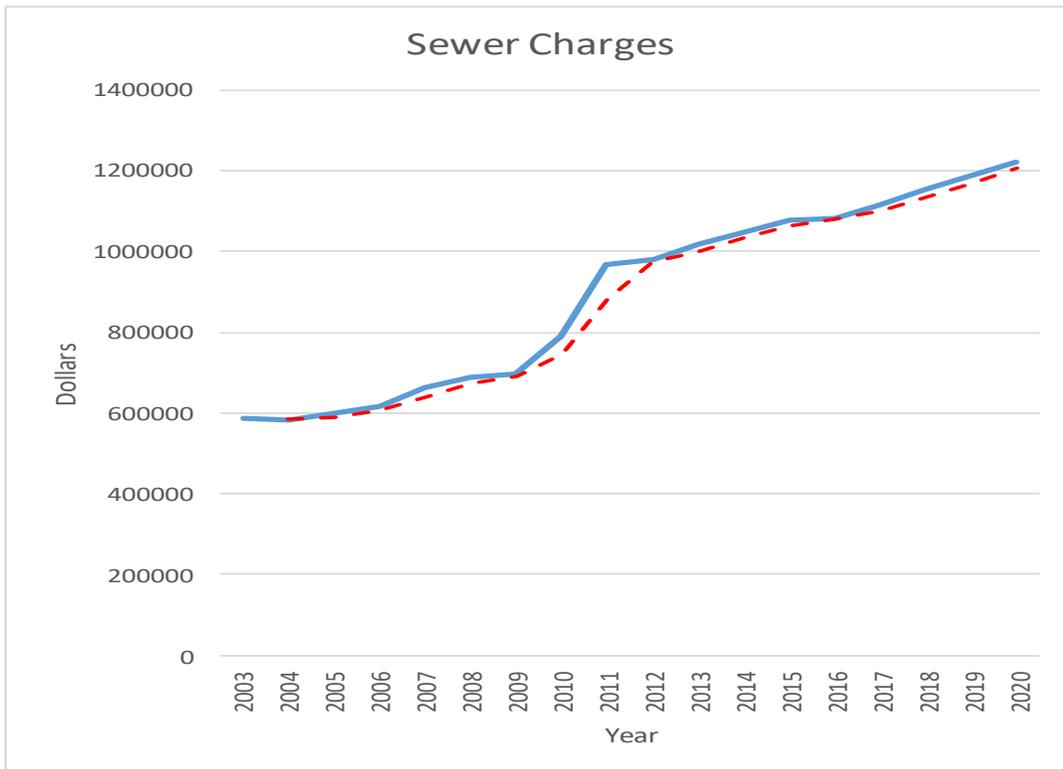
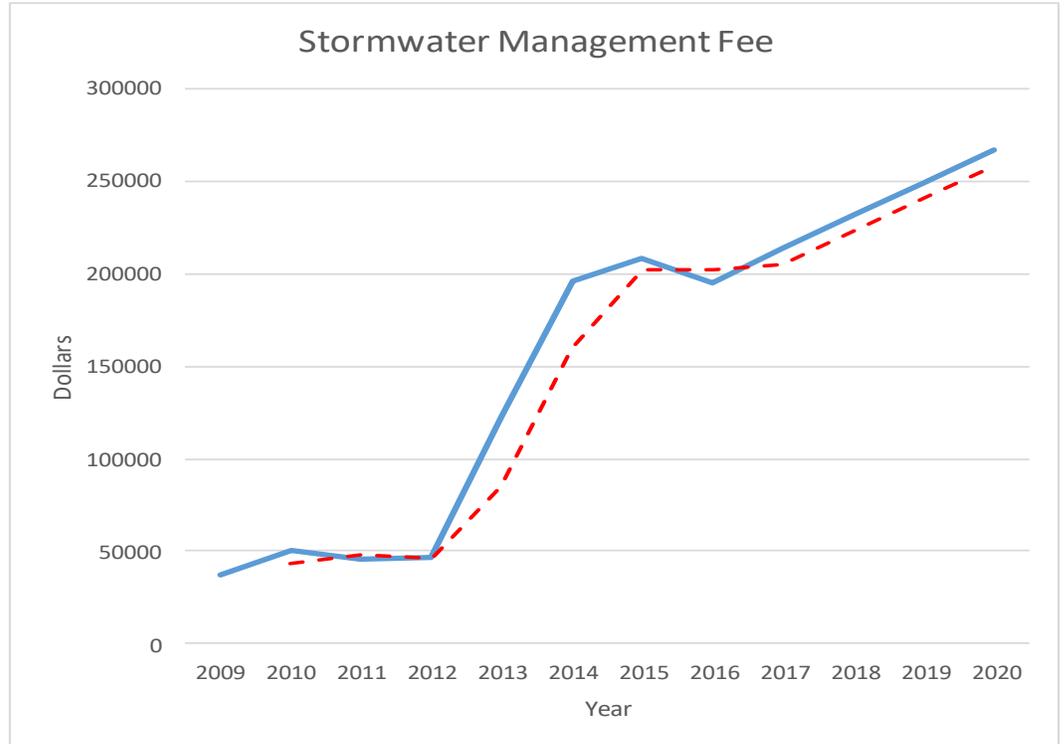


The sale of water is projected at \$1,548,614 for 2017. This regression analysis also shows a trend line (red dash line) that shows the basic trend of forecasted data compared to prior year actuals.



Major Revenues—User Charge Forecast

Stormwater management fees are projected at \$213,675 for 2017. This was projected using a regression analysis of previous yearly data. The graph is also shown with a trend line (red dash line) to compare previous predictions with actual revenue.



Sewer charges are projected at \$1,223,554 for 2017. This was projected using a regression analysis of previous yearly data. The graph is also shown with a trend line (red dash line) to compare previous predictions with actual revenue.

CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

Governmental Funds



DISCOVER
Valley Center 



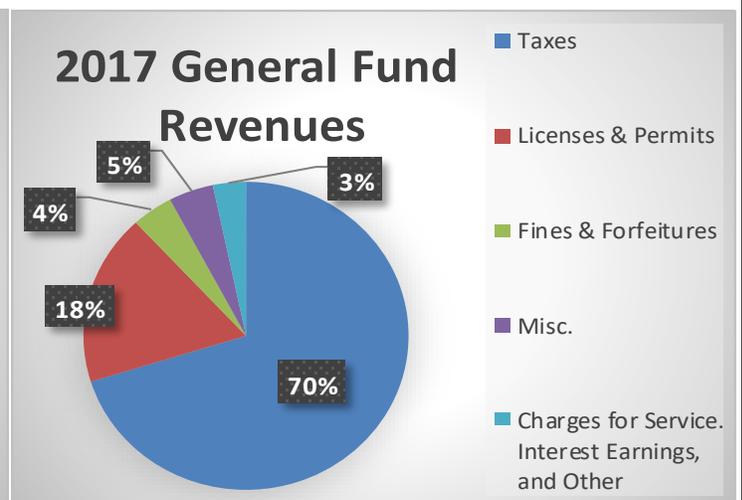
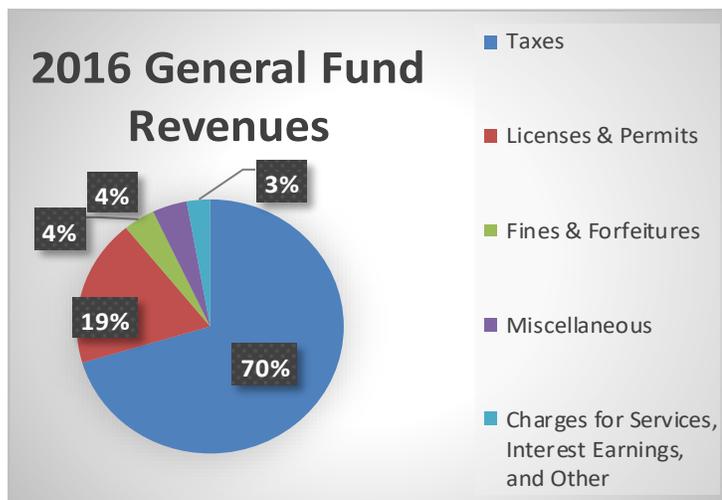
General Fund Overview and Revenue Summary

The General Fund for Valley Center is a legally required fund which accounts for the general operations and activities that the City provides that do not need to be accounted for elsewhere. The General Fund includes Police, Fire, Parks & Public Buildings, Community Development, Finance and Administration, Municipal Court, and Environmental Services. The General Fund is the primary operating fund for the City.

The General Fund for Valley Center encompasses seven areas of revenue. The seven areas include Taxes, Licenses & Permits, Charges for Services, Fines & Forfeitures, Interest Earnings, Other Revenues, and Miscellaneous. The main revenue source for the General Fund is taxes. Taxes comprise 71% of the total revenue for the General Fund. The taxes category is made up of ad valorem tax, sales tax, motor vehicle tax, watercraft tax, delinquent tax, and recreational vehicle tax. The second largest revenue source is licenses and permits. This revenue comes from licenses and permits for buildings, housing projects, construction, and various other activities that are completed by the citizens and businesses within the City.

The City Council approved a 2017 General Fund budget of \$3,452,456 in revenues and \$3,452,456 in expenditures to create a balanced General Fund budget. All salaries and hourly wages within the departments listed above are paid from the General Fund. The major increase in revenues from 2015 to 2016 was due to the mill transfer mentioned in the budget message. The mill transfer allowed the City to spend down fund balance in the Bond and Interest Fund rather than raising taxes to pay for the overage on the Meridian St./Ford St. drainage project.

	2014 ACTUAL	2015 ACTUAL	2016 BUDGET	2017 ADOPTED
Revenues:				
Taxes	1,476,075	1,572,643	2,328,683	2,423,251
Licenses & Permits	620,790	629,641	619,650	619,850
Charges for Services & Fees	17,126	12,460	16,600	16,100
Fines & Forfeitures	149,774	141,467	127,100	142,100
Interest Earnings	4,911	20	2,000	1,000
Other Revenues	79,952	66,688	75,200	96,155
Miscellaneous	172,357	131,006	139,000	154,000
TOTAL REVENUE	2,520,985	2,553,925	3,308,233	3,452,456





Line Item: General Fund Revenue

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Revenues:				
Ad Valorem Tax	781,033	852,532	1,617,006	1,616,541
Delinquent Tax	16,888	14,535	10,000	10,000
In Lieu of Tax	0	0	0	0
Motor Vehicle Tax	112,168	114,176	114,768	206,152
Recreational Vehicle Tax	1,821	1,810	1,940	3,408
16/20M Trucks	761	196	168	266
Commercial Vehicle	0	0	3,045	6,039
Watercraft Tax	0	0	256	845,0
Machinery & Equipment Telecom	0	0	0	0
County Sales Tax	557,219	584,185	575,000	575,000
State Alcohol Distribution	6,185	5,209	6,500	5,000
Total Taxes	1,476,075	1,572,643	2,328,683	2,423,251
Cereal Malt Beverage License	300	300	200	300
Vendor's License	1,400	1,100	900	1,000
Utility Franchise	491,145	473,793	490,000	490,000
Contractor's License	32,375	22,925	21,000	21,000
City Utility Franchise	33,000	60,000	60,000	60,000
Refuse License	0	200	0	0
Trailer Permits	170	685	200	200
Pet License (Dog Tags)	10,220	8,410	6,000	6,000
Animal License	420	1,323	200	200
Electric, Plumb, Mech. Permits	30,347	38,555	20,000	20,000
Fire Permits	0	0	0	0
Fireworks Permits	10,500	11,100	11,000	11,000
Cemetery Lot Sales	6,800	7,200	7,000	7,000
Cemetery Fees	1,325	700	1,500	1,500
Liquor License	0	300	1,000	1,000
Right-of-Way Permits	2,700	2,800	200	200
Fence Permits	88	250	400	400
Sign Permits	0	0	50	50
Total Licenses & Permits	620,790	629,641	619,650	619,850



Line Item: General Fund Revenue

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Planning Fees	3,205	2,185	3,000	3,000
Community Building Rental	9,905	9,275	10,000	10,000
Returned Check Charges	16	0	600	100
L.E.D. Sign Fees	0	0	0	0
Township Fire Contract	4,000	1,000	3,000	3,000
Total Charges for Services & Fees	17,126	12,460	16,600	16,100
Police Fines	101,528	100,907	80,000	95,000
Court Costs	46,073	37,937	45,000	45,000
Diversion Fees	1,941	2,573	2,000	2,000
Warrant Fees	232	50	100	100
Total Fines & Forfeitures	149,774	141,467	127,100	142,100
Interest on Idle Funds	4,911	20	2,000	1,000
Total Interest Earnings	4,911	20	2,000	1,000
Reimbursed Expenses	79,952	29,210	35,000	90,955
Grant Contributions	0	37,478	40,000	5,000
Contributions	0	0	200	200
Total Other Revenues	79,952	66,688	75,200	96,155
Miscellaneous	4,198	5,765	4,000	4,000
Administrative Fees	125,000	115,000	135,000	150,000
Misc Revenue Offset (tie to audit)	43,159	10,241	-	-
Total Miscellaneous	172,357	131,006	139,000	154,000
TOTAL REVENUES	2,520,985	2,553,925	3,308,233	3,452,456



General Fund Expenditure Summary

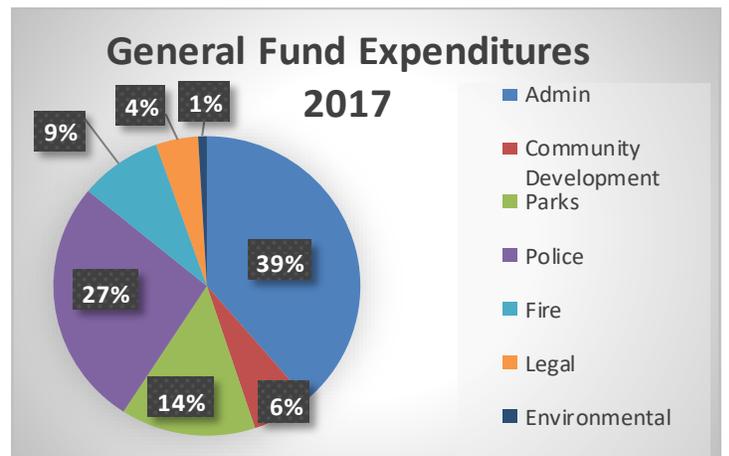
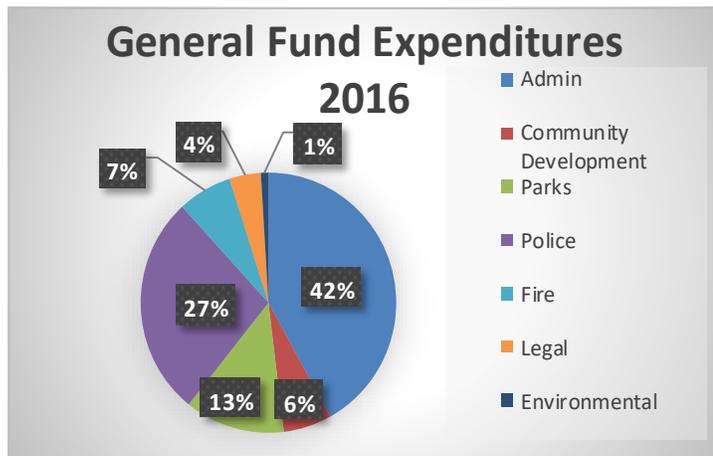
From 2015 to 2016, expenditures rose by almost 1 million dollars. This was due to the mill transfer from Bond and Interest Fund to General Fund. The mill transfer was initiated to let the City spend down fund balance in the Bond and Interest Fund while paying cash from the General Fund for the overage on the Meridian St./Ford St. drainage project. The mill transfer was carried out through the Administration Department which is why the Administration Department expenditures increased dramatically from 2015 to 2016.

General Fund expenditures for 2017 have increased by 4.3% over 2016 expenditures. This is due to a 1.3% increase in valuation and the intentional spending down of fund balances that are over 25%.

All department expenditures are broken down into categories ranging from salary and benefits, contractuels, commodities, miscellaneous/Other, and capital outlay expenditures. Each category serves a specific function.

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

Expenditures:	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Administration Department	563,986	598,457	1,387,715	1,335,838
Community Development Department	130,777	121,132	203,000	214,800
Park & Public Grounds Department	381,423	396,211	418,058	491,558
Police Department	789,599	821,478	909,250	924,450
Fire Department	221,692	217,653	227,450	300,600
Legal & Court Department	123,054	127,967	131,430	153,530
Environmental Services Department	61,769	65,676	31,330	31,680
TOTAL EXPENDITURES	2,272,300	2,348,574	3,308,233	3,452,456
Fund Balance - January 1	312,625	561,310	766,661	766,661
Fund Balance - December 31	561,310	766,661	766,661	766,661





Finance and Administration

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

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

Accomplishments in 2015 and 2016:

- Reorganization of department to streamline needs of the organization and community.
- Drafted policy for performance-based pay system to attract and retain quality personnel.
- Moved City Treasurer from elected to appointed to provide for greater operational oversight.
- Presented first Outcome-Based Budget to the City Council.
- Provided enhanced services to senior program.

Objectives for 2017:

- Implement performance-based pay system.
- Reduce the overall number of funds within the organization.
- Implement performance measurements for each department within the organization to accompany the performance-based pay system and Council’s three year strategic plan.
- Implement new personnel policy to provide a more extensive set of guidelines for personnel.

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
General Fund	563,986	598,457	1,387,715	1,355,838
Total Revenues	563,986	598,457	1,387,715	1,355,838
Salaries and Benefits	276,552	321,621	365,400	389,500
Contractuals	161,325	168,780	174,474	204,700
Commodities	7,258	6,313	10,000	8,000
Capital Outlay	9,921	7,836	14,300	14,300
Other	108,929	93,907	823,541	719,338
Total Expenditures	563,986	598,457	1,387,715	1,335,838
Total Positions/FTE	5.5/5	5.5/5	7/7*	7/7

*Added City Treasurer, Combined Senior Coordinator and Admin Assistant from 2 part-time positions into 1 full-time position.



Finance and Administration: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Salary-Staff	258,228	298,607	340,000	379,100
Salary-Part-Time	8,996	10,989	15,000	0
Contract 457 defer	2,978	4,775	2,900	2,900
Salary-Council	6,350	7,250	7,500	7,500
Subtotal Salaries and Benefits	276,552	321,621	365,400	389,500
Postage	2,254	2,526	3,000	3,000
Telephone	7,921	5,624	5,500	5,500
Travel	2,090	3,666	5,000	5,000
Insurance	15,669	11,714	16,000	16,000
Other Equipment Insurance	509	0	500	500
Subscriptions and Dues	8,155	14,949	12,000	12,000
Professional Services	29,385	25,073	39,774	60,000
Training	1,431	4,321	5,000	5,000
Printing	8,049	6,825	6,200	6,200
Software / Hardware Maintenance	4,123	5,801	7,000	7,000
Maintenance and Repair	814	989	1,500	1,500
Equipment Maintenance and Repair	1,465	1,473	2,000	2,000
Building Maintenance	0	0	1,000	1,000
Utility Expense	27,896	27,259	25,000	30,000
Street/Traffic Lights	42,995	46,425	40,000	50,000
Other Contractuals	8,568	12,135	5,000	0
Subtotal Contractuals	161,325	168,780	174,474	204,700
Office Supplies	5,069	4,733	6,000	6,000
Supplies and Parts	2,100	661	4,000	2,000
Other Commodities	90	919	0	0
Subtotal Commodities	7,258	6,313	10,000	8,000



Finance and Administration: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Office Equipment	4,740	3,196	6,300	6,300
Equipment	3,105	1,790	4,500	4,500
Computer Equipment / Software	2,076	2,850	2,500	2,500
Other Capital Outlay	0	0	1,000	1,000
Subtotal Capital Outlay	9,921	7,836	14,300	14,300
Economic Development	200	100	0	0
Contingency / Misc Transfers	3,884	23,216	8,541	15,000
Transfer to Equipment Reserve	5,000	0	185,000	124,338
Transfer to CIP	0	18,589	500,000	500,000
Transfer to Special Streets & HW	100,000	75,000	130,000	80,000
Misc Exp Offset (tie to audit)	-155	-88,805	-	-
Transfers Out (tie to audit)	-	93,589	-	-
Encumbrances (tie to audit)	-	-27,782	-	-
Subtotal Other / Misc	108,929	93,907	823,541	719,338
TOTAL	563,986	598,457	1,387,715	1,335,838





Community Development

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

Service Description:

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

Accomplishments for 2015-2016

- Approved multiple residential and commercial permits and projects, including construction of new community golf course and clubhouse.
- Created preliminary architectural designs for the new community center/library.
- Initiated GIS mapping update project.
- Hired a new Community Development Director in December 2015 and Code Enforcement Officer in March 2016.
- Transitioned Animal Control services to Public Works to focus more on code enforcement/inspections.
- Starting Code Enforcement Officer certifications
- Updating code enforcement procedures to save city funding.
- Providing technical guidance to the newly created Main Street Valley Center organization.

Objectives for 2017:

- Further economic development initiatives throughout the community.
- Improve city's CRS rating to further lower flood insurance.
- Provide building inspection services in-house.
- Ensure high quality of residential properties in the city.
- Attract high quality/multiple price ranges for new residential developments.
- Business attraction/retention.
- Industrial Park Development.
- Downtown revitalization.

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
General Fund	130,780	121,132	203,000	214,800
Total Revenues	130,780	121,132	203,000	214,800
Salaries and Benefits	80,648	74,834	147,000	140,600
Contractuals	39,410	18,745	41,950	30,500
Commodities	1,004	1,191	2,150	2,150
Capital Outlay	2,799	2,756	1,900	1,550
Other	6,919	23,606	10,000	40,000
Total Expenditures	130,780	121,132	203,000	214,800
Total Positions/FTE	2/2	2/2	3/3*	3/3**

*Added 1 FT Intern

** Eliminated Intern and Added Code Enforcement Officer



Community Development: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Salary-Staff	62,278	59,966	147,000	140,600
Salary-Part-Time	18,370	14,868	0	0
Subtotal Salaries and Benefits	80,648	74,834	147,000	140,600
Postage	504	1,175	1,400	1,400
Telephone	840	1,348	1,100	1,100
Travel	17	2,016	700	700
Vehicle Insurance	0	0	700	700
Insurance	396	289	500	500
Subscriptions and Dues	3,298	5,213	3,900	3,900
Professional Services	28,229	1,768	24,550	3,000
Training	367	831	900	1,000
Printing	2,675	1,541	2,400	2,400
Software / Hardware Maintenance	1,745	1,848	1,000	1,000
Vehicle Maintenance	327	1,173	3,000	3,000
Maintenance and Repair	20	243	500	500
Equipment Maintenance and Repair	0	233	200	200
Building Maintenance	0	0	500	500
Main Street	0	0	0	10,000
Uniform Clothing	0	0	100	100
Utility Expenses	516	697	300	300
Other Contractuals	476	370	200	200
Subtotal Contractuals	39,410	18,745	41,950	30,500
Office Supplies	991	898	900	900
Supplies and Parts	0	0	0	0
Motor Fuel	0	0	350	350
Other Commodities	13	293	900	900
Subtotal Commodities	1,004	1,191	2,150	2,150
Office Equipment	398	911	500	500
Equipment	205	60	200	350
Computer Equipment / Software	1,878	1,785	1,000	500
Other Capital Outlay	318	0	200	200
Subtotal Capital Outlay	2,799	2,756	1,900	1,550
Economic Development Resources	6,919	23,607	10,000	40,000
Misc Expense Offset (tie to audit)		-1		
Subtotal Other / Misc	6,919	23,606	10,000	40,000
TOTAL	130,780	121,132	203,000	214,800



Public Parks and Buildings

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

Service Description:

- The Public Parks and Grounds department is responsible for many projects and activities such as:
- City park system.
- Public buildings & facilities.
- City Municipal Cemetery.
- City swimming pool and splash pad.
- Open space/green space.
- City fishing ponds.

Accomplishments for 2015 and 2016:

- Outsourced custodial services—cost savings of approx. \$10,000.
- Training of new staff in the areas of Aquatic Facility Operations, Turf Grass, and pesticide application.
- Completed public facility updates at Public Works.
- Installed section markers and refined internal processes of cemetery operations to improve customer relations.
- Purchased new tractor and seeding equipment.
- Completed sidewalk improvements at McLaughlin and Lions Park.
- Updated irrigation system components at 3 local parks.
- Partnering with Boy Scout troops to complete Eagle Scout projects in Wetland Park, such as the observation deck and walking trails.
- Updated swimming pool recirculation components to improve reliability.
- Updated the pedestrian/bike plan for the city.

Objectives for 2017:

- Continue expansion of City Ped/Bike infrastructure & connectivity within Park System.
- Capitalize on proactive maintenance processes of parks and public facilities in an effort to achieve increased efficiencies of resources.
- Reduce the average age of vehicles & equipment through systematic replacement.
- Continue to improve access to park and public facilities.
- Promote increased visibility of Valley Center Parks & Public Facilities in efforts to build awareness within the community.
- Address facility and maintenance needs through systematic repair, replacement, and new construction.

Revenue By Funds	2014	2015	2016	2017
Expenditures By Category	Actual	Actual	Adopted	Adopted
General Fund	381,423	396,211	418,058	491,558
Total Revenues	381,423	396,211	418,058	491,558
Salaries and Benefits	174,285	184,138	208,508	214,808
Contractuals	106,917	129,237	132,350	162,350
Commodities	46,747	44,821	46,700	46,400
Capital Outlay	44,512	33,109	23,500	61,000
Other	8,962	4,906	7,000	7,000
Total Expenditures	381,423	396,211	418,058	491,558
Total Positions/FTE	8/4	8/4	7/4*	7/4

*Eliminated 1 Janitor



Public Parks and Grounds: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Salary-Staff	139,056	157,955	175,178	180,478
Salary-Part-Time	35,229	26,183	33,330	34,330
Subtotal Salaries and Benefits	174,285	184,138	208,508	214,808
Postage	165	265	250	250
Telephone	1,469	1,857	1,500	1,500
Travel	204	1,141	1,000	1,000
Insurance	28,426	22,323	33,000	33,000
Vehicle Insurance	0	0	2,500	2,500
Other Equipment Insurance	636	441	600	600
Subscriptions and Dues	370	302	300	300
Professional Services	4,629	16,195	10,000	10,000
Training	640	1,592	2,000	2,000
Printing	116	0	200	200
Equipment Lease	947	566	500	500
Vehicle Maintenance	3,991	6,815	5,000	5,000
Software / Hardware Maintenance	2,155	3,749	2,000	2,000
Maintenance and Repair	17,386	19,340	29,000	29,000
Equipment Maintenance and Repair	11,935	12,058	10,000	10,000
Building & Grounds Maintenance	10,391	10,247	10,000	10,000
Community Building Deposit Refunds	0	75	500	500
Uniform Clothing	2,429	1,438	3,000	3,000
Utility Expense	9,035	8,601	9,000	9,000
Pool Management Fee	9,425	22,198	12,000	12,000
Other Contractuals	2,568	34	0	0
Custodial Services	0	0	0	30,000
Subtotal Contractuals	106,917	129,237	132,350	162,350



Public Parks and Grounds: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Office Supplies	1,339	526	400	400
Supplies and Parts	30,956	31,533	31,000	31,000
Pool Chemical	5,683	4,411	5,000	5,000
Chemicals	321	535	500	500
Motor Fuel	7,405	7,356	8,300	8,000
Shrubs and Bedding Plants	929	460	1,500	1,500
Other Commodities	114	0	0	0
Subtotal Commodities	46,747	44,821	46,700	46,400
Office Equipment	0	1,011	1,500	1,500
Building Maintenance	6,058	8,929	8,000	8,000
Building Improvement	5,349	2,439	7,500	10,000
Equipment	19,977	20,730	0	0
Computer Equipment / Software	0	0	1,500	1,500
Park System Improvements	3,878	0	5,000	0
Vehicle Replacement	9,250	0	0	40,000
Other Capital Outlay	0	0	0	0
Subtotal Capital Outlay	44,512	33,109	23,500	61,000
Tree Board	8,962	4,907	7,000	7,000
Special Assessment Payment	0	0	0	0
Misc Expense Offset (tie to audit)		-1		
Subtotal Other / Misc	8,962	4,906	7,000	7,000
TOTAL	381,423	396,211	418,058	491,558



Mission: *The Valley Center Police Department will provide ethical and reliable law enforcement for its citizens and will work to provide safety and security for the community. Officers will provide a fair and professional service and strive to be exceptional role models and mentors to the citizens they serve.*

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

Accomplishments for 2015 & 2016:

- Addition of K-9 to SRO position.
- Added 1 SRO position.
- Began using Lexipol for maintaining current policies and ensuring officers' policy knowledge.
- Added more body and in-car cameras.
- Reclassified one police officer position into sergeant which added more supervision during 2nd and 3rd shifts.
- Increased public outreach programs.

Objectives for 2017:

- Continue to monitor employee turnover rates and evaluate ways to lower it.
- Maintain low violent/property crime rate and enhance traffic safety in the community.
- Maintain acceptable response times.
- Maintain acceptable clearance rates.
- Increase community outreach programs.
- Maintain appropriate levels of training.
- Improve employee wellness and safety.
- Continue vehicle replacement program to maintain a quality police fleet.
- Increase patrol frequency.
- Maintain timely response times

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
General Fund	789,003	821,478	909,250	924,450
Total Revenues	789,003	821,478	909,2520	924,450
Salaries and Benefits	655,700	683,465	740,000	772,200
Contractuals	82,115	92,064	99,250	91,250
Commodities	43,391	33,619	51,500	42,500
Capital Outlay	7,797	12,331	18,500	18,500
Other	-	-	-	-
Total Expenditures	789,003	821,478	909,250	924,450
Total Positions/FTE	15/15	15/15	16/16*	16/16

* Added 1 Officer



Police: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Salary-Staff	626,637	662,529	710,000	741,300
Salary-Part-Time	29,063	20,936	30,000	30,900
Subtotal Salaries and Benefits	655,700	683,465	740,000	772,200
Postage	120	164	250	250
Telephone	6,213	11,133	8,000	8,000
Special Phone Line	596	0	1,200	1,200
Travel	288	1,203	1,500	1,500
Vehicle Insurance	11,136	10,525	12,000	12,000
Insurance	13,565	10,141	13,000	13,000
Other Equipment Insurance	913	974	8,000	0
Subscriptions and Dues	1,210	967	800	800
Professional Services	13,926	19,185	13,000	15,000
Training	2,191	1,715	2,000	2,000
Printing	1,091	2,436	2,000	2,000
School ED Programs	9	0	1,000	1,000
Vehicle Maintenance	7,981	10,300	8,000	8,000
Software / Hardware Maintenance	2,234	4,054	4,000	2,000
Maintenance and Repair	358	1,829	3,500	3,500
Equipment Maintenance and Repair	1,184	166	1,000	1,000
Building Maintenance	0	41	500	500
Uniform Clothing	5,301	3,614	5,500	5,500
Utility Expense	8,773	8,859	9,000	9,000
Other Contractuals	5,622	4,758	5,000	5,000
Subtotal Contractuals	82,711	92,064	99,250	91,250
Office Supplies	1,677	1,852	2,000	2,000
Range	2,854	3,387	3,500	3,500
Supplies and Parts	1,134	808	1,000	1,000
Motor Fuel	37,726	27,572	45,000	36,000
Other Commodities	0	0	0	0
Subtotal Commodities	43,391	33,619	51,500	42,500

V Police: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Office Equipment	97	1,796	2,000	2,000
Equipment	2,198	1,922	2,500	2,500
Computer Equipment / Software	2,402	5,793	10,000	2,000
Equipment Lease	0	0	0	8,000
Radar Equipment	1,000	2,013	2,000	2,000
Vehicle Replacement	0	0	0	0
Vests	2,100	807	2,000	2,000
Other Capital Outlay	0	0	0	0
Subtotal Capital Outlay	7,797	12,331	18,500	18,500
Miscellaneous / Transfer	0	-1	0	0
Subtotal Other	0	-1	0	0
TOTAL	789,599	821,478	909,250	924,450



Mission Statement: *The Valley Center Fire Departments mission is to be the foremost Emergency Fire Organization for the City of Valley Center. To do this we must meet the needs of our community in Fire Prevention, Fire Suppression, Emergency Medical, and Emergency Rescue. To accomplish this we must utilize and improve dedication and skills of our members and constantly review and improve all of our services and operations.*

Service Description:

- Fire Protection
- Fire Prevention Program
- Rescue
- Emergency Medical
- Special Assignments such as Inspections, Public Events, Blood Pressure Checks, Free Smoke Detector Program, and Burn Permits.

Accomplishments for 2015 and 2016:

- Started Free Smoke Detector Program
- Educated 720 students in Fire Prevention
- Firefighters became Ice Rescue Certified
- The Certified Non-EMT Firefighters were enrolled in CCR (Cardio Cerebral Resuscitation) training.

Objectives for 2017:

- Increase coverage and decrease response times by hiring two full-time firefighters.
- Assist Public Works with fire hydrant maintenance program
- Continue educating students on fire safety and prevention.
- Meet new EMT required certification standards recently imposed by the state.

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
General Fund	221,692	217,653	227,450	300,600
Total Revenues	221,692	217,653	227,450	300,600
Salaries and Benefits	144,929	149,779	148,000	215,850
Contractuals	43,020	49,597	55,550	71,550
Commodities	9,568	5,565	5,900	6,700
Capital Outlay	22,086	10,692	22,000	4,000
Other	2,089	2,020	3,000	2,500
Total Expenditures	221,692	217,653	227,450	300,600
Total Positions/FTE	3/2.5	3/2.5	3/2.5	5/4.5*

* Budgeted for 2 additional FTE Fire Fighters



Fire: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Salary-Staff	94,369	97,663	98,000	169,500
Salary-Part-Time	50,560	52,116	50,000	46,350
Subtotal Salaries and Benefits	144,929	149,779	148,000	215,850
Postage	140	110	150	150
Telephone	5,733	2,548	1,000	2,600
Travel	0	0	500	500
Vehicle Insurance	4,587	4,260	5,300	4,300
Insurance	4,305	3,382	12,500	12,500
Other Equipment Insurance	3,863	3,679	5,000	5,000
Subscriptions and Dues	464	528	3,500	3,500
Professional Services	3,694	4,741	3,500	5,000
Training	1,403	2,126	2,500	2,500
Equipment Lease	0	0	4,000	4,000
Printing	260	301	300	300
Vehicle Maintenance	3,204	7,338	4,000	7,000
Software / Hardware Maintenance	2,155	3,749	1,800	4,000
Maintenance and Repair	1,563	2,668	2,000	3,000
Building Maintenance	663	1,008	1,000	2,000
Uniform Clothing	2,213	4,415	4,500	6,500
Utility Expense	8,773	8,714	4,000	8,700
Other Contractuals	0	30	0	0
Subtotal Contractuals	43,020	49,597	55,550	71,550
Office Supplies	1,485	1,211	400	1,200
Supplies and Parts	1,992	1,625	2,000	2,000
Motor Fuel	6,091	2,729	3,500	3,500
Other Commodities	0	0	0	0
Subtotal Commodities	9,568	5,565	5,900	6,700

V Fire: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Office Equipment	1,475	1,013	1,500	1,500
Equipment	1,492	1,239	1,500	1,500
Computer Equipment / Software	659	1,564	1,000	1,000
Fire Fighting Equipment	18,460	6,876	12,000	0
Other Capital Outlay	0	0	0	0
Subtotal Capital Outlay	22,086	10,692	16,000	4,000
Fire Prevention Week	2,089	2,020	2,000	2,500
Misc Expense Offset (tie to audit)		0		
Subtotal Other	2,089	2,020	2,000	2,500
TOTAL	221,692	217,653	227,450	300,600





Legal and Municipal Court

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

Service Description:

- Process all misdemeanor infractions, traffic and criminal, for payment or appearance in court.
- Ensure proper handling of all court cases in a timely manner.
- Monitor defendants on diversion or probation.
- Issue warrants and driver license suspensions.
- Maintain strong financial controls for fees and fines owed to the City.
- Manage records of all court cases and defendants.
- Proper transparency and reporting to external agencies.

Accomplishments for 2015 and 2016:

- Decreased number of open cases by 30%.
- Reduced bad debt for fines and fees.
- Implemented stronger monitoring open cases.
- Moved Court Clerk to City Hall to centralize cash collection.
- Reorganized docket times to expedite cases and hearings for processing.
- Enhanced website to make it more user friendly.

Objectives for 2017:

- Continue to decrease open cases.
- Increase collection efforts for past due fines and fees.
- Reduce number of continuances per case.
- Implement immunity opportunities for defendants.
- Continue providing exceptional customer service to all defendants and family members.

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
General Fund	123,054	127,967	131,430	153,530
Total Revenues	123,054	127,967	131,430	153,530
Salaries and Benefits	59,745	56,714	54,400	61,500
Contractuals	50,093	52,493	56,300	71,300
Commodities	1,125	1,589	730	730
Capital Outlay	-	-	1,000	1,000
Other	12,091	19,000	19,000	19,000
Total Expenditures	123,054	127,967	131,430	153,530
Total Positions/FTE	1/1	1/1	1/1	1/1



Legal and Municipal Court: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Salary-Staff	34,082	35,714	41,000	42,300
Salary-Part-Time	1,084	0	2,000	2,100
City Officials	24,579	21,000	11,400	17,100
Subtotal Salaries and Benefits	59,745	56,714	54,400	61,500
Postage	614	607	500	500
Telephone	0	500	600	600
Insurance	396	289	800	800
Other Equipment Insurance	0	0	0	0
Building Insurance	0	0	1,000	1,000
Subscriptions and Dues	2,469	2,441	900	900
Lab Testing	0	0	0	0
Professional Services	31,656	40,171	40,000	55,000
Training	971	35	700	700
Printing	392	325	300	300
Software / Hardware Maintenance	3,437	4,749	3,000	3,000
Equipment Maintenance and Repair	0	0	200	200
Judge Training	976	113	300	300
Law Enforcement Training	9,189	3,263	8,000	8,000
Reinstatement Fee	0	0	0	0
Subtotal Contractuals	50,093	52,493	56,300	71,300
Office Supplies	752	1,231	730	730
Other Commodities	373	358	0	0
Subtotal Commodities	1,125	1,589	730	730
Computer Equipment / Software	0	0	1,000	1,000
Other Capital Outlay	0	0	0	0
Subtotal Capital Outlay	0	0	1,000	1,000
Jail Housing Fees	12,091	17,522	19,000	19,000
Misc Expense Offset (tie to audit)		-351		
Subtotal Other / Misc	12,091	17,171	19,000	19,000
TOTAL	123,054	127,967	131,430	153,530

V Environmental Services

Service Description:

Environmental services is a department in transition. In previous budget years the fund maintained a compliance/animal control officer (1 FTE) however, in 2016 that position was split into two full time employees. A code enforcement/building inspector (moved to Community Development) was created and the animal control officer was made into a full time position.

In 2017 the full time Animal Control Officer was moved over to the Special Streets and Highway department. This fund still provides operational support for the Animal Control Officer.



<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
General Fund	61,770	65,676	31,330	31,680
Total Revenues	61,770	65,676	31,330	31,680
Salaries and Benefits	38,825	34,038	-	-
Contractuals	20,058	20,857	20,780	21,130
Commodities	2,708	3,158	2,750	2,750
Capital Outlay	179	2,699	7,800	7,800
Other	-	4,924	-	-
Total Expenditures	61,770	65,676	31,330	31,680
Total Positions/FTE	1/1	1/1	1/1	0/0*

* Position transferred to Special Streets and Highway



Environmental Services: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Salary-Staff	38,825	34,038	0	0
Salary-Part-Time	0	0	0	0
Subtotal Salaries and Benefits	38,825	34,038	0	0
Postage	1,945	944	2,000	2,000
Telephone	480	749	480	480
Travel	300	0	400	400
Vehicle Insurance	0	0	800	800
Insurance	2,884	2,339	2,900	2,900
Other Equipment Insurance	0	0	0	0
Subscriptions and Dues	3	0	200	200
Professional Services	6,556	7,973	6,500	6,500
Training	257	90	400	400
Printing	459	576	600	600
Vehicle Maintenance	255	56	1,200	1,200
Software / Hardware Maintenance	2,073	3,499	500	500
Maintenance/ Repair	295	598	0	350
Equipment Maintenance and Repair	12	0	150	150
Building Maintenance	0	0	500	500
Shelter Services	3,488	3,075	3,500	3,500
Uniform Clothing	895	473	500	500
Other Contractuals	156	485	150	150
Subtotal Contractuals	20,058	20,857	20,780	21,130
Office Supplies	202	110	200	200
Supplies and Parts	608	2,169	500	500
Motor Fuel	1,783	879	2,000	2,000
Other Commodities	115	0	50	50
Subtotal Commodities	2,708	3,158	2,750	2,750
Office Equipment	0	605	300	300
Equipment	30	570	5,000	5,000
Computer Equipment / Software	149	1,513	1,500	1,500
Other Capital Outlay	0	11	1,000	1,000
Subtotal Capital Outlay	179	2,699	7,800	7,800
Misc Expense Offset (Tie to audit)		4,924		
Subtotal Misc/ Other		4,924		
TOTAL	61,770	65,676	31,330	31,680

The City of Valley Center is the taxing authority for the Library, which essentially means the City taxes its residents on behalf of the Library. The taxes collected are passed through to the Library for operations. The City levies approximately 4.5 mills annually on behalf of the Library.

For over 20 years, various attempts at funding a new Library have been made by the Library board and Library staff. In 2016 a grassroots fundraising effort was successful in raising the necessary funds to build a new Library/Community Center along with the City matching funds that were raised. The new Library/Community Center is planned to start construction in 2017 and be completed by 2018.

Programs offered by the Library include:

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



<i>Revenue By Funds</i>	2014	2015	2016	2017
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
Other Funds	227,118	230,482	235,998	239,182
Total Revenues	227,118	230,482	235,998	239,182
City Transfer	227,117	232,000	235,495	245,000
Total Expenditures	227,117	232,000	235,495	245,000
Total Positions/FTE	1/1	1/1	1/1	1/1
Fund Balance - January 1	16,457	16,458	14,940	15,443
Fund Balance - December 31	16,458	14,940	15,443	9,625

V Library: Line Item

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Revenues:				
Ad Valorem Tax	194,176	197,904	206,104	208,726
Delinquent Tax	4,277	3,680	2,000	2,000
In Lieu of Tax	0	0	0	0
Motor Vehicle Tax	28,008	28,399	26,639	27,041
Recreational Vehicle Tax	453	450	450	477
16/20M Trucks	204	49	39	35
Commercial Vehicle	0	0	707	792
Watercraft Tax	0	0	59	111
Other	0	0	0	0
Total Property & Motor Vehicle Taxes	227,118	230,482	235,998	239,182
TOTAL REVENUE	227,118	230,482	235,998	239,182
Expenditures:				
City Transfer	227,117	232,000	235,495	245,000
Subtotal Other / Misc	227,117	232,000	235,495	245,000
TOTAL EXPENDITURES	227,117	232,000	235,495	245,000





Employee Benefit Fund

The Employee Benefit fund provides the budgeting of all personnel expenditures of those employees of departments that are located in the General Fund. The employee benefit expenditures for those employees assigned to the Special Streets and Highway department, Water Department, and Sewer Department are budgeted within their respective department budgets.

Personnel expenditures include health insurance, workman's comp insurance, unemployment insurance, KPERS (Kansas Public Employee Retirement System), Social Security, and Medicare.

Due to rising healthcare costs, City finance staff must be careful when budgeting for these benefits. The City takes a conservative approach and budgets accordingly in these areas. Rates for each category are sent out previous to budget adoption each year with the exception of health insurance. Health insurance is usually renewed at the end of each calendar year therefore require extra attention when budgeting for this benefit.

The Employee Benefit Fund is primarily funded by ad valorem tax. The dedicated mill levy for this fund can be adjusted if benefit rates increase or decrease.

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
Other Funds (Taxes)	700,412	726,739	515,098	521,196
Total Revenues	700,412	726,739	515,098	521,196
Personnel Services and Benefits	597,639	513,825	727,000	797,000
Other	-	240	14,000	12,280
Total Expenditures	597,639	514,065	741,000	809,280
Total Positions/FTE	-	-	-	-
Fund Balance - January 1	252,399	354,621	567,295	341,393
Fund Balance - December 31	355,172	567,295	341,393	53,309



Employee Benefit Fund: Line Item

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Revenues:				
Ad Valorem Tax	593,791	626,897	415,730	451,679
Delinquent Tax	12,437	11,010	7,500	7,500
In Lieu of Tax	0	0	0	
Motor Vehicle Tax	85,322	86,804	84,389	55,666
Recreational Vehicle Tax	1,385	1,376	1,427	920
16/20M Trucks	565	146	124	72
Commercial Vehicle	0	0	2,240	1,631
Watercraft Tax	0	0	188	228
Total Property & Motor Vehicle Taxes	693,500	726,233	511,598	517,696
Interest on Idle Funds	0	0	0	0
Total Interest Earnings	0	0	0	0
Transfer In from General Fund	0	0	0	0
Transfer In from Water Fund	0	0	0	0
Transfer In from Sewer Fund	0	0	0	0
Transfer In from Stormwater Fund	0	0	0	0
Reimbursed Expense	6,912	468	3,500	3,500
Misc. Rev Offset (tie to audit)	0	38	0	
Transfers In & Reimbursements	6,912	506	3,500	3,500
TOTAL REVENUE	700,412	726,739	515,098	521,196
Expenditures:				
Medicare	19,666	21,129	35,000	29,000
Social Security	84,088	90,341	90,000	108,000
KPERS	124,014	126,297	100,000	134,000
Hospitalization Insurance	328,359	231,224	445,000	457,000
Workman's Comp Insurance	37,696	42,519	40,000	56,000
Unemployment Insurance	3,816	2,315	17,000	13,000
Total Personnel Ser. & Benef.	597,639	513,825	727,000	797,000
Contingency	0	240	14,000	12,280
Total Other / Misc.	0	240	14,000	12,280
TOTAL EXPENDITURES	597,639	514,065	741,000	809,280

V Bond & Interest Fund

The Bond and Interest Fund for the City is a dedicated fund for paying debt service related to capital improvements and Special Assessment projects.

The City maintains a consistent mill levy to meet our debt service obligations while remaining progressive through financing of a bi-annual capital improvement program. The financing sources for the capital improvement program consists of temp notes, G.O. bonds, KDHE revolving loans, and available cash depending on timing, project, and cost.

A portion of the dedicated mill levy for 2016-2018 has been transferred to the General Fund in order to pay cash for the overage amount on the Meridian St./Ford St. drainage project. By reducing the mill levy it allowed the City to reduce fund balance while maintaining our debt service obligations.

Several projects for the utilities were refunded/refinanced into G.O. Bonds but payment obligations are met by utility user fees, not tax dollars.

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
Other Funds	1,754,386	1,786,479	1,214,301	1,263,940
Transfer In—Water Fund	274,500	274,500	274,500	274,500
Transfer In—Sewer Fund	186,400	20,600	186,400	210,000
Transfer In—Stormwater Fund	60,000	100,000	100,000	175,000
Transfer In—Special Streets & Highway Fund	20,000	20,000	20,000	20,000
Total Revenues	2,295,286	2,201,579	1,795,201	1,943,440
Contractuals	1,220	-	5,000	1,000
Other	-	-	18,000	4,000
Debt Service	2,224,760	2,019,449	2,237,992	2,339,500
Total Expenditures	2,225,980	2,019,449	2,260,992	2,344,500
Total Positions/FTE	-	-	-	-
Fund Balance - January 1	966,506	1,036,812	1,218,943	753,152
Fund Balance - December 31	1,035,812	1,218,943	753,152	352,092



Bond & Interest Fund: Line Item

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Revenues:				
Ad Valorem Tax	701,554	716,360	250,828	254,019
Delinquent Tax	14,547	13,322	8,000	8,000
In Lieu of Tax	0	0	0	0
Motor Vehicle Tax	101,339	102,628	96,427	38,908
Recreational Vehicle Tax	1,636	1,626	1,630	643
16/20M Trucks	721	164	142	50
Commercial Vehicle	0	0	2,559	1,140
Watercraft	0	0	215	160
Total Property & Motor Vehicle Taxes	819,797	834,100	359,801	302,920
Interest on Idle Funds	1,465	175	500	100
Total Interest Earnings	1,465	175	500	100
Special Assessments	874,332	826,058	844,000	870,920
Delinquent Specials	58,792	64,331	10,000	45,000
Bond Proceeds	0	0	0	0
Total Special Assessments	933,124	890,389	854,000	915,920
Transfer In from General Fund	0	0	0	0
Transfer In from Water Fund	274,500	274,500	274,500	274,500
Transfer In from Sewer Fund	186,400	20,600	186,400	210,000
Transfer In from Stormwater Fund	60,000	100,000	100,000	175,000
Transfer In from Special ST & HW	20,000	20,000	20,000	20,000
Reimbursement from Water Fund	0	0	0	0
Reimbursement from Sewer Fund	0	0	0	0
Reimbursement from '01 Sewer B & I	0	0	0	0
Reimbursement from Stormwater Fund	0	0	0	45,000
Reimbursement from Special ST & HW	0	0	0	0
Miscellaneous Transfers	0	61,815	0	0
Appropriation From Fund Balance			0	0
Transfers In & Reimbursements	540,900	476,915	580,900	724,500
TOTAL REVENUE	2,295,286	2,201,579	1,795,201	1,943,440

V Bond & Interest Fund: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Professional Service	1,220	0	5,000	1,000
Total Contractuals	1,220	0	5,000	1,000
Cash Basis Reserve	0	0	3,000	3,000
Contingency	0	0	15,000	1,000
Total Other	0	0	18,000	4,000
Principal Payments	1,687,514	1,439,449	1,676,810	1,711,000
Interest Payments	537,246	580,000	561,182	628,500
Total Debt Service	2,224,760	2,019,449	2,237,992	2,339,500
Capital Outlay	0	0	0	0
Total Capital Outlay	0	0	0	0
TOTAL EXPENDITURES	2,225,980	2,019,449	2,260,992	2,344,500



V Emergency Equipment

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

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



<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
Other Funds	50,473	48,431	51,945	53,120
Total Revenues	50,473	48,431	51,945	53,120
Equipment	34,626	39,957	45,000	56,000
Capital Outlay	-	10,975	8,487	13,945
Total Expenditures	34,626	50,932	53,487	69,945
Total Positions/FTE	-	-	-	-
Fund Balance - January 1	126,019	141,866	139,364	137,822
Fund Balance - December 31	141,866	139,364	137,822	120,997



Emergency Equipment: Line Item

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Revenues:				
Ad Valorem Tax	43,169	40,553	45,730	46,312
Delinquent Tax	943	813	500	500
In Lieu of Tax	0	0	0	0
Motor Vehicle Tax	6,216	6,313	5,458	6,000
Recreational Vehicle Tax	101	100	92	99
16/20M Trucks	44	11	8	8
Commercial	0	0	145	176
Watercraft	0	0	12	25
Total Property & Motor Vehicle	50,473	47,790	51,945	53,120
Interest on Idle Funds	0	0	0	0
Total Interest Earnings	0	0	0	0
Transfer In		640	0	0
Grant Contributions	0	0	0	0
Misc Rev Offset (tie to audit)	0	1	0	0
Total Other / Misc	0	641	0	0
TOTAL REVENUE	50,473	48,431	51,945	53,120
Expenditures:				
Equipment	34,626	39,957	45,000	38,000
Other Capital Outlay	0	10,975	8,487	13,945
Total Capital Outlay	34,626	50,932	53,487	51,945
TOTAL EXPENDITURES	34,626	50,932	53,487	51,945
Fund Balance - January 1	126,019	141,865	139,364	137,822
Fund Balance - December 31	141,865	139,364	137,822	138,997

CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

Enterprise Funds



DISCOVER
Valley Center 

V Sewer Fund

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

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

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

As of 2016 phases 1 and 2 have been completed and phase 3 is underway. This includes various upgrades to handle the increased population since the study was conducted and additional equipment to increase the effectiveness and efficiency of the plant. The City's current National Pollutant Discharge Elimination System permit expires on Oct. 31, 2017. The new permit may include additional limitations that will be known after the City meets with KDHE to discuss them. When the new limitations are known, it is recommended that the City completes another engineering study of the plant to evaluate what changes should be made to the original evaluation and phase plan. As such, resources will be made available to ensure compliance is met.

<i>Revenue By Type</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
2001 Sewer Rev P&I	-	-	138,753	-
Charges for Service and Fees	1,057,062	1,083,177	1,118,000	1,134,000
Other Revenue	9,989	12,359	6,000	6,000
Total Revenues	1,057,072	1,093,190	1,256,753	1,140,000
Salaries and Benefits	188,436	179,020	236,700	286,800*
Contractuals	319,024	337,458	380,500	401,050
Commodities	14,163	33,354	28,500	30,000
Capital Outlay	63,696	76,575	58,500	116,500
Other/Misc	396,900	257,274	550,653	535,000
Total Expenditures	982,219	883,681	1,254,903	1,369,350
Fund Balance - January 1	162,950	237,803	447,313	449,163
Fund Balance - December 31	237,803	447,313	449,163	184,813

*Director and Ass't Director are listed as .5 each in Sewer and Water; went from 2 Admin Assistants to 1.



Sewer Fund: Line Item

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Revenues:				
In Lieu of Tax	0	0	0	0
Total Taxes	0	0	0	0
Equity Fee	0	5,031	12,000	12,000
Penalties	0	0	0	0
Sewer Service	1,047,073	1,078,146	1,100,000	1,122,000
Total Charges for Service	1,047,073	1,083,177	1,112,000	1,134,000
Interest on Idle Funds	0	200	0	0
Total Interest Earnings	0	200	0	0
Sewer Tap	7,300	7,350	3,000	3,000
Reimbursed Expenses	2,689	5,009	3,000	3,000
Transfer from Sewer Reserve	0	0		0
Transfer from 2001 Sewer Rev P&I	0	0	138,753	0
Total Other Revenues	9,989	12,359	144,753	6,000
Miscellaneous	0	2,542		0
Sale of Property & Equipment	0	0		0
Administrative Fees	0	0		0
Misc Rev Offet (tie to Audit)		-5,088		
Total Miscellaneous	0	-2,546	0	0
TOTAL REVENUE	1,057,062	1,093,190	1,256,753	1,140,000
Expenditures				
Salary-Staff	132,741	154,000	158,620	217,000
Salary-Part-Time	265	0	0	0
Overtime	0	10,000	10,000	10,000
Medicare	1,816	2,200	2,000	2,000
Social Security	7,763	9,500	8,500	8,500
KPERS	13,591	17,000	15,000	15,000
Hospital Insurance	19,034	40,000	30,000	30,000
Payroll Taxes	0	0	0	0
Workers Compensation	3,610	3,500	3,800	3,800
Unemployment Insurance	200	500	500	500
Subtotal Salaries and Benefits	179,020	236,700	228,420	286,800



Sewer Fund: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Postage	4,088	4,500	4,500	4,500
Telephone	14,046	9,000	12,500	12,500
Travel	0	400	400	400
Vehicle Insurance	1,122	1,300	1,300	1,300
Insurance	19,858	21,000	21,000	21,000
Other Equipment Insurance	93	200	200	200
Subscriptions and Dues	6,744	7,500	7,500	7,500
Lab Testing	5,800	8,000	8,000	8,000
Professional Services	8,159	9,000	9,000	9,000
Training	25	2,000	2,000	2,000
Equipment Lease	0	200	200	200
Printing	29	200	200	200
Vehicle Maintenance	743	1,000	1,500	1,500
Software / Hardware Maintenance	7,193	8,500	8,500	8,500
Maintenance and Repair	8,769	6,500	9,000	9,000
Equipment Maintenance and Repair	3,031	3,000	3,000	3,000
Lift Station Repairs	28,392	15,000	20,000	20,000
Building Maintenance	496	1,000	5,000	5,000
City Franchise Fees	30,000	30,000	30,000	30,000
Administrative Fees	50,000	50,000	50,000	50,000
Uniform Clothing	1,688	2,250	2,250	2,250
Utility Expense	85,580	90,000	90,000	90,000
Sludge Hauling	28,770	70,000	70,000	70,000
Line Cleaning	32,314	40,000	45,000	45,000
Other	519	0	0	0
Subtotal Contractuals	337,458	380,550	401,050	401,050
Office Supplies	788	1,000	1,000	1,000
Supplies and Parts	6,704	7,500	7,500	7,500
Safety Supplies	110	1,000	1,000	1,000
Lab Supplies	2,908	4,000	4,000	4,000
Chemicals	2,227	5,000	5,000	5,000
Building Supplies	26	1,000	1,000	1,000
Motor Fuel	20,209	6,000	7,500	7,500
Repair Parts	384	3,000	3,000	3,000
Other Commodities	0	0	0	0
Subtotal Commodities	33,354	28,500	30,000	30,000

V Sewer Fund: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Building Maintenance	2,142	0	0	0
Building Improvement	5,033	13,000	7,500	47,500
System Improvement	35,336	23,000	60,000	60,000
Office Equipment	199	0	0	0
Equipment	33,864	15,000	15,000	15,000
Vehicle Replacement	0	7,500	29,000	29,000
Other Capital Outlay	0	0	0	0
Subtotal Capital Outlay	76,575	58,500	111,500	151,500
Transfer to Sewer Reserve 628	0	138,753	100,000	300,000
Contingency	0	15,000	20,000	25,000
Transfer to '01 Sewer B&I	0	0	0	0
Transfer to '07 Sewer B&I	210,000	210,000	210,000	210,000
Transfer to Equipment Reserve	1,000	500	500	0
Transfer to Bond & Interest / CIP	21,600	186,400	40,000	0
Transfer to Sewer O&M Reserve 621	16,633	0		0
Misc Exp Offset (tie to Audit)	8,041			
Subtotal Other / Misc	257,274	550,653	370,500	535,000
TOTAL	883,681	1,254,903	1,141,470	1,404,350



V Solid Waste Fund

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

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

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

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

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
Admin Fees and Penalties	395,943	406,647	458,300	429,700
Total Revenues	395,943	406,647	458,300	429,700
Salaries and Benefits	-	20,000	-	-
Contractuals	374,949	371,984	448,000	438,000
Capital Outlay	-	-	5,000	16,000
Other/Misc	-	2,500	25,000	15,000
Total Expenditures	374,949	394,484	478,000	469,000
Total Positions/FTE	-	-	-	-
Fund Balance - January 1	135,836	156,830	168,511	148,811
Fund Balance - December 31	156,830	168,511	148,811	109,511



Solid Waste Fund: Line Item

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Revenues:				
Interest on Idle Funds	0	0	0	0
Total Interest Earnings	0	0	0	0
Solid Waste Administration Fee	386,718	399,027	450,000	421,400
Penalties	7,731	7,891	6,800	6,800
Reimbursed Expenses	0	0	0	0
Total Charges for Services	394,449	406,918	456,800	428,200
Miscellaneous	500	1,586	1,500	1,500
Misc Rev Offset		-1,857		
Total Miscellaneous	1,494	-271	1,500	1,500
TOTAL REVENUE	395,943	406,647	458,300	429,700

Expenditures				
Salary-Staff	0	20,000	0	0
Subtotal Salaries and Benefits	0	20,000	0	0
Postage	2,000	2,000	5,000	2,500
Telephone	0	0	0	
Travel	0	0	0	
Vehicle Insurance	0	0	0	
Insurance	0	0	0	
Other Equipment Insurance	0	0	0	
Subscriptions and Dues	0	0	0	
Professional Services	353,719	364,984	410,000	400,000
Training	0	0	0	0
Equipment Lease	0	0	0	0
Printing	0	0	3,500	1,500
Vehicle Maintenance	0	0	0	0
Software / Hardware Maintenance	2,395	4,059	2,500	3,000
Equipment Maintenance and Repair	0	0	0	0
Administrative Fees	15,168	0	25,000	25,000
Uniform Clothing	0	0	0	0
Utility Expense	0	0	0	4,000
Other	1,668	941	2,000	2,000
Subtotal Contractuals	374,949	371,984	448,000	438,000



Solid Waste Fund: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Office Supplies	0	0	0	0
Supplies and Parts	0	0	0	0
Special Projects	0	0	0	0
Equipment	0	0	0	0
Building Supplies	0	0	0	0
Motor Fuel	0	0	0	0
NPDES Requirements	0	0	0	0
Repair Parts	0	0	0	0
Other Commodities	0	0	0	0
Subtotal Commodities	0	0	0	0
System Improvement	0	0	0	
Office Equipment	0	0	0	15,000
Equipment	5,000	0	5,000	1,000
Vehicle Replacement	0	0	0	
Other Capital Outlay	0	0	0	
Subtotal Capital Outlay	5,000	0	5,000	16,000
Contingency	0	0	0	
Transfer to Equipment Reserve	0	2,500	25,000	15,000
Transfer to Bond & Interest / CIP	0	0	0	
Reimbursement to Bond & Interest / CIP	0	0	0	
Subtotal Other / Misc	0	2,500	25,000	15,000
TOTAL	379,949	394,484	478,000	469,000

V Stormwater Fund

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



<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
Other Funds	195,552	204,629	205,000	250,000
Total Revenues	195,552	204,629	205,000	250,000
Contractuals	17,735	28,992	26,400	21,400
Commodities	775	5,875	56,075	5,875
Capital Outlay	10,497	10,497	10,000	85,000
Transfers/Misc	60,000	92,633	100,000	200,000
Total Expenditures	89,007	137,997	192,475	312,275
Total Positions/FTE	-	-	-	-
Fund Balance - January 1	103,365	209,910	275,720	288,245
Fund Balance - December 31	209,910	275,720	288,245	225,970



Stormwater Fund: Line Item

	2014 ACTUAL	2015 ACTUAL	2016 BUDGET	2017 RECOMMEND
Revenues:				
In Lieu of Tax	0	0	0	0
Total Taxes	0	0	0	0
Interest on Idle Funds	0	0	0	
Total Interest Earnings	0	0	0	0
Stormwater Management Fee	195,552	204,629	205,000	250,000
Reimbursed Expenses	0	0	0	0
Total Other Revenues	195,552	204,629	205,000	250,000
Miscellaneous	0	0	0	0
Administrative Fees	0	0	0	0
Total Miscellaneous	0	0	0	0
TOTAL REVENUE	195,552	204,629	205,000	250,000

Expenditures				
Postage	2,030	2,030	2,500	2,000
Telephone	0	0	0	0
Travel	0	0	0	0
Vehicle Insurance	0	0	0	0
Insurance	0	0	0	0
Other Equipment Insurance	0	0	0	0
Subscriptions and Dues	0	60	0	0
Professional Services	6,983	6,983	3,000	3,000
Training	0	0	2,500	0
Equipment Lease	0	0	0	0
Printing	0	0	0	0
Vehicle Maintenance	0	0	0	0
Software / Hardware Maintenance	3,949	3,949	2,500	500
Maintenance and Repair	970	970	900	0
Equipment Maintenance and Repair	0	0	0	900
Building Maintenance	0	0	0	0
Administrative Fees	15,000	15,000	15,000	15,000
Uniform Clothing	0	0	0	0
Utility Expense	0	0	0	0
Other	0	0	0	0
Subtotal Contractuals	28,932	28,992	26,400	21,400



Stormwater Fund: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Office Supplies	0	0	200	0
Supplies and Parts	0	0	0	0
Special Projects	0	0	50,000	0
Equipment	0	0	0	0
Building Supplies	0	0	0	0
Motor Fuel	0	0	0	0
NPDES Requirements	5,875	5,875	5,875	5,875
Repair Parts	0	0	0	0
Other Commodities	0	0	0	0
Subtotal Commodities	5,875	5,875	56,075	5,875
System Improvement	10,497	10,497	0	75,000
Office Equipment	0	0	0	0
Equipment	0	0	10,000	10,000
Vehicle Replacement	0	0	0	0
Other Capital Outlay	0	0	0	0
Subtotal Capital Outlay	10,497	10,497	10,000	85,000
Debt Service	0	0	0	0
Contingency	0	0	0	0
Transfer to Equipment Reserve	0	0	0	0
Transfer to Bond & Interest / CIP	60,000	100,000	100,000	175,000
Reimbursement to Bond & Interest / CIP	0	0	0	25,000
Misc Exp Offset (tie to Audit)	0	-7,367	0	0
Subtotal Other / Misc	60,000	92,633	100,000	200,000
TOTAL	105,304	137,997	192,475	312,275



V Water Fund

The Water fund provides several core services. The water fund is used to maintain and improve the City's infrastructure for water distribution to customers of the City. Currently the City purchases its water from the City of Wichita but is considering future plans to treat its own water. It also provides resources so the City can ensure reliable water meters and accurate meter readings for proper billing of customers for their usage of water.

Some accomplishments of the water fund include:

- Expected to replace over 450 water meters w/ ERT's, with full conversion to an automatic reading system occurring in 2017.
- Improved water service repair capabilities with upgraded equipment. - 2015
- Changed locate process to be completed online and information accessible in the field. - 2016
- Implementation of SEMS software for work orders, inventory, asset management, and vehicle maintenance. - 2015



<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
Other Funds	1,626,823	1,701,719	1,604,000	1,780,700
Total Revenues	1,626,823	1,701,719	1,604,000	1,780,700
Salaries and Benefits	391,802	410,160	359,500	358,000*
Contractuals	676,164	562,182	735,150	737,100
Commodities	38,457	31,277	39,000	39,500
Capital Outlay	34,982	126,547	116,000	118,500
Transfers/Misc	278,500	278,388	354,500	573,500
Total Expenditures	1,419,905	1,408,554	1,604,150	1,826,600
Total Positions/FTE	7/7	7/7	7/7	7/5*
Fund Balance - January 1	539,996	749,914	1,040,079	1,039,929
Fund Balance - December 31	746,914	1,040,079	1,039,929	994,029

*Director and Ass't Director now oversee both Water and Sewer, went from 2 Admin Assistants to 1.



Water Fund: Line Item

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Revenues:				
In Lieu of Tax	0	0	0	0
Total Taxes	0	0	0	0
Sale of Water	1,453,844	1,512,912	1,464,500	1,652,100
Sale of Water to Wichita	39,258	33,887	40,000	40,000
Administrative Meter Fees	47,508	45,022	15,000	15,000
Water Meters - Setting Fee	0	0	0	0
Equity Fee	3,011	5,495	20,000	6,000
Penalties	46,864	49,782	43,000	45,000
Reconnection Fees	15,613	14,691	13,000	13,000
Connection Fees	8,060	9,045	6,000	7,000
Insufficient Check Fee	600	475	500	500
Total Charges for Service	1,614,758	1,671,309	1,602,000	1,778,600
Interest on Idle Funds	0	0	0	0
Total Interest Earnings	0	0	0	0
Reimbursed Expenses	7,086	20,402	0	0
Total Other Revenues	7,086	20,402	0	0
Miscellaneous	2,600	2,228	2,000	2,100
Sale of Property & Equipment	0	0	0	0
Administrative Fees	0	0	0	0
Misc Revenue Offset	2,379	7,780	0	0
Total Miscellaneous	4,979	10,008	2,000	2,100
TOTAL REVENUE	1,626,823	1,701,719	1,604,000	1,780,700
Expenditures:				
Salary-Staff	231,918	270,221	\$229,000	\$206,000
Salary-Part-Time	34,044	205	\$0	\$0
Overtime	0	0	\$10,000	\$10,000
Medicare	3,622	3,615	\$4,000	\$4,000
Social Security	15,489	15,459	\$14,500	\$18,000
KPERS	21,721	26,862	\$25,000	\$27,000
Hospital Insurance	74,918	81,445	\$66,000	\$80,000
Payroll Taxes	0	0	\$0	\$0
Workers Compensation	9,821	11,947	\$10,000	\$12,000
Unemployment Insurance	269	406	\$1,000	\$1,000
Subtotal Salaries and Benefits	391,802	410,160	359,500	358,000



Water Fund: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Postage	4,957	4,859	5,500	5,500
Telephone	3,356	5,716	9,000	8,000
Travel	59	267	400	400
Vehicle Insurance	2,824	3,297	2,800	3,500
Insurance	11,107	9,857	12,000	10,500
Other Equipment Insurance	279	214	500	500
Subscriptions and Dues	9,349	8,953	10,000	10,000
Lab Testing	1,982	2,872	2,200	4,500
Professional Services	14,304	11,395	15,000	15,000
Training	1,160	1,645	1,600	2,000
Equipment Lease	0	0	1,000	1,000
Printing	348	0	600	600
Vehicle Maintenance	1,021	781	2,300	2,500
Software / Hardware Maintenance	2,845	7,724	6,000	7,000
Maintenance and Repair	10,445	2,058	10,000	10,000
Equipment Maintenance and Repair	593	2,962	3,000	3,000
Well Maintenance	2,755	5,084	10,000	10,000
Building Maintenance	122	3,333	2,000	2,000
Water Purchase - Wichita	483,477	365,113	500,000	500,000
City Franchise Fees	30,000	30,000	30,000	30,000
Administrative Fees	50,168	50,000	60,000	60,000
Uniform Clothing	2,781	2,109	2,250	2,600
Utility Expense	39,578	41,344	45,000	45,000
Contingent	0	41	0	0
Sales Tax	3,747	2,557	4,000	3,500
Subtotal Contractuals	677,263	562,182	735,150	737,100
Office Supplies	1,417	2,429	2,500	2,500
Supplies and Parts	27,758	23,215	17,000	17,000
Safety Supplies	0	0	500	500
Lab Supplies	188	446	1,000	1,500
Equipment	0	0	0	0
Special Projects	0	102	1,500	1,500
Motor Fuel	8,182	4,227	11,000	11,000
Tires	700	20	1,500	1,500
Repair Parts	212	329	2,500	2,500
Sand	0	510	1,000	1,000
Other Commodities	0	0	500	500
Subtotal Commodities	38,457	31,277	39,000	39,500

V Water Fund: Line Item

Expenditures	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Building Improvement	550	0	2000	0
System Improvement	-9,311	52984	10000	26,000
Water Meters	31,363	23124	40000	40,000
Office Equipment	0	241	5000	5,000
Equipment	2,671	10018	47500	12,500
Vehicle Replacement	9,710	40180	11500	35,000
Other Capital Outlay	0	0	0	0
Subtotal Capital Outlay	34,982	126,547	116,000	118,500
Transfer to B& I (for '07 KDHE)	80,000	80,000	80,000	80,000
Transfer to B&I (for '00 KDHE)	194,500	194,500	194,500	194,500
Contingency	0	0	20,000	20,000
Transfer to Water Revenue Reserve	0	0	50,000	275,000
Transfer to Equipment Reserve	4,000	4,000	10,000	4,000
Transfer to Bond & Interest / CIP	0	0	0	0
Transfer to Water Improvement Fund	0	0	0	0
Reimbursement to Bond & Interest / CIP	0	0	0	
Bad Debt	-1,099	0	0	0
Misc. Exp. Offset		-112		
Subtotal Other / Misc.	277,401	278,388	354,500	573,500
TOTAL	1,419,906	1,408,554	1,604,150	1,871,600



CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

Special Revenue Funds



DISCOVER
Valley Center 

V Special Alcohol & Drug Fund

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



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

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
State Alcohol Distribution	7,185	5,209	6,000	6,000
Total Revenues	7,185	5,209	6,000	6,000
Contractuals	0	1,263	5,000	5,000
Commodities	0	5,577	5,000	0
Total Expenditures	0	6,840	10,000	5,000
Total Positions/FTE	-	-	-	-
Fund Balance - January 1	23,068	30,253	28,622	24,622
Fund Balance - December 31	30,253	28,622	24,622	25,622

V Special Parks & Rec Fund

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



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

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
State Alcohol Distribution	6,185	5,209	6,000	6,000
Total Revenues	6,185	5,209	6,000	6,000
Contractuals	0	17,000	15,000	10,000
Commodities	500	0	0	0
Total Expenditures	500	17,000	15,000	10,000
Total Positions/FTE	-	-	-	-
Fund Balance - January 1	22,130	27,815	16,024	7,024
Fund Balance - December 31	27,815	16,024	7,024	3,024

V Special Streets & Highway Fund

Service Description

- Maintain and improve the City's infrastructure (i.e. streets, sidewalks, storm sewer, ditches, etc.)
- Provide animal control services Monday through Friday, 8am to 5pm
- Ensure development/builder compliance with KDHE/EPA stormwater regulations

Accomplishments for 2015/2016

- Ford/Meridian/Ramsey Street and Drainage Project (Largest infrastructure project in the City's history) - 2015
- Site clearing and restoration of NW corner of 69th & Meridian - 2016
- Reconstruction of Butler St. from Meridian to Abilene (including storm sewer) – 2016
- Goff/Fieldstone/Clover Sidewalk – 2016
- High Point St. reconstruction – 2016
- Implementation of a community brush pile, compost pile, and mulch for residents to dispose of and use finished products. 2015 & 2016
- Implementation of SEMS software for work orders, inventory, asset management, and vehicle maintenance. - 2015
- Stormwater Master Drainage Plan Update – 2016
- Took on City fleet maintenance - 2016

<i>Revenue By Funds</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Expenditures By Category</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adopted</i>
General Fund	100,000	75,000	130,000	100,000
Other Funds	821,038	866,346	843,120	848,970
Total Revenues	921,038	941,346	973,120	948,970
Salaries and Benefits	241,079	246,847	306,203	319,903
Contractuals	55,353	53,025	63,500	62,800
Commodities	60,924	90,284	82,800	78,800
Capital Outlay	501,356	591,808	601,000	531,000
Transfers/Misc	21,316	26,000	44,000	9,000
Total Expenditures	880,028	1,007,964	1,097,503	1,001,503
Total Positions/FTE	3	4*	4	5**
Fund Balance - January 1	499,116	540,126	473,508	349,125
Fund Balance - December 31	540,126	473,508	349,125	296,592

*Added 1 Equipment Operator

** Added 1 Mechanic

CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

Non Budgeted Funds



V Non-Budgeted Funds

127-Equipment Reserve :

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Fund Balance - January 1	232,250	197,272	170,751	319,251
Fund Balance - December 31	197,272	170,751	319,251	466,589

280-ADSAP: (Alcohol and Drug Safety Action Program)

Fund Balance - January 1	2,941	3,160	3,160	2,660
Fund Balance - December 31	3,160	3,160	2,660	2,660

220-Active Aging:

Fund Balance - January 1	4,877	877	877	877
Fund Balance - December 31	877	877	877	877

250-Drug Tax Distribution:

Fund Balance - January 1	5,347	5,347	7,347	9,347
Fund Balance - December 31	5,347	7,347	9,347	9,347

615-Water Improvement Fund:

Fund Balance - January 1	146,497	146,497	126,497	26,497
Fund Balance - December 31	146,497	126,497	26,497	26,497

619-Water Reserve Fund:

Fund Balance - January 1	455,844	455,847	455,847	505,847
Fund Balance - December 31	455,847	455,847	505,847	780,847

V Non-Budgeted Funds

628-Sewer Reserve

	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	2017 ADOPTED
Fund Balance - January 1	178,050	178,052	178,052	316,805
Fund Balance - December 31	178,052	178,052	316,805	616,805

623-07 Sewer P&I

Fund Balance - January 1	49,411	50,764	52,114	53,464
Fund Balance - December 31	50,764	52,114	53,464	53,464

126-Building Equipment Reserve:

Fund Balance - January 1	111,178	111,178	111,178	80,178
Fund Balance - December 31	111,178	111,178	80,178	49,178

CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

Capital Improvement Plan



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Valley Center 



Capital Improvement budgeting

What is considered a Capital Project?

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

Why is Capital Budgeting important?

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

How does the City budget for Capital Projects?

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



Capital Improvement Financing

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

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

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

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

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

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

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

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



Capital Improvement Program

2016-25 CAPITAL BUDGET & FUNDING			
Item #	Project Category and Title	Year	Cost
STREETS & SIDEWALKS			
1-2015	Meridian / Ford / Ramsey Street & Drainage Project	2015	\$ 6,779,313
1-2016	Goff Street Sidewalk	2016	\$ 360,000
2-2016	Emporia Street Bicycle Pedestrian Path	2016	\$ 357,000
3-2016	93 rd Street: Seneca to Broadway	2016	\$ 600,000
3-2017	5 th Street: Bridge to Broadway	2017	\$ 2,700,000
1-2020 1-2021	Meridian: Ford to 69 th	2020 2021	\$ 2,000,000 \$ 1,500,000
2-2021	Meridian: 5 th to Main	2021	\$ 1,413,561
PUBLIC BUILDINGS/FACILITIES/EQUIPMENT			
2-2015	Public Buildings Improvements	2015	\$ 85,309
5-2016 2-2017	Community Center	2016 2017	\$ 1,000,000 \$ 1,000,000
6-2016 2-2018	Public Facilities	2016 2018	\$ 50,000 \$ 1,200,000
3-2018	Fire Equipment: Replace E-41	2018	\$ 400,000
WATER SYSTEM IMPROVEMENTS			
5-2015	Seneca & 69 th Street Water Main	2015	\$ 422,124
6-2015	Golf Course Waterline: HS – 5 th St.	2015	\$ 142,000
4-2016	Water Well Rehab	2016	\$ 257,000
1-2017 1-2018 1-2019	New Water Treatment Plant	2017 2018 2019	\$ 500,000 \$ 2,500,000 \$ 500,000
FUTURE CIP PROJECTS			
TOTAL 2015 / 2025 CIP PROJECTS			\$ 23,766,307



Capital Improvement Program 2016-2017 projects

PROJECT NUMBER & TITLE:	3-2017	5 th Street: Bridge to Broadway
PROJECT DESCRIPTION		PROJECT LOCATION
Partial road base reconstruction with repaving and the addition of turning lanes at Seneca.		5th St.: Bridge over W-VC Floodway to Broadway
PROJECT JUSTIFICATION		
Road pavement is in poor condition, with base failure. Main arterial into the City.		
TOTAL PROJECT COST		\$2,700,000

PROJECT NUMBER & TITLE:	5-2016 2-2017	Community Center
PROJECT DESCRIPTION		PROJECT LOCATION
PROJECT JUSTIFICATION		
<p>In the summer of 2015, the City Council approved the concept of building a Community Center that in effect would serve as a replacement to the old community center as a community resource for holding special events such as weddings, family reunions and the like. It would serve as the meeting place for housing our senior citizens programs and other related activity.</p> <p>As an adjacent function, it has been suggested the library be relocated to the center as a dedicated part of it. Although the addition of the library is still in the conceptual phase, other uses could be located at the facility. The planned location of the new facility is in Lyon's Park across from the current Community Center. The total planned cost of the Community Center, including the Library, is \$2,000,000 with the Library providing \$1,000,000 of that amount. Construction is scheduled to begin in 2017 or whenever a firm concept of the use of the Center is approved. It has been suggested that more study and vetting of the project is needed to determine its final use.</p>		
TOTAL PROJECT COST		\$2,000,000

PROJECT NUMBER & TITLE:	1-2017	New Water Treatment Plant
PROJECT DESCRIPTION		PROJECT LOCATION
Water treatment facility to provide Valley Center customers with a more feasible water service that is not dependent on the City of Wichita.		Location has yet to be identified and is awaiting preliminary design to be completed to identify the appropriate space needed.
PROJECT JUSTIFICATION		
Provide water treatment that is not dependent on another utility and vulnerable to their rate increases.		
TOTAL PROJECT COST		\$3,500,000

CITY OF VALLEY CENTER

2017

Jan 1-Dec 31

Debt Management



DISCOVER
Valley Center 

V Debt Management

The debt figures presented in this section use actual numbers as of 6/1/16. The actual valuations for the City, County, and school districts will not be available until the end of 2016 to the beginning of 2017.

The City of Valley Center Debt Policy states:

The City shall comply with the debt limits of the state of Kansas, and seek to minimize debt when it is used. The City will not engage in debt financing unless the proposed obligation, when combined with all existing debts, will result in debt ratios throughout the life of the proposed obligation that are less than the following benchmarks.

Per capita direct debt will not exceed \$500

Per capita direct, overlapping and underlying debt will not exceed \$3,000

Direct debt as a percentage of estimated full market value will not exceed 1.5%

Direct, overlapping and underlying debt as a percentage of estimated full market value will not exceed 6.0%

Annual debt service will not exceed 20% of budgeted expenditures

The legal debt limit for a municipality in the state of Kansas according to K.S.A. 10-308 is 30% of the municipality's assessed valuation. Exceptions to this rule are stated in K.S.A. 10-309 which states :

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

Type of Debt	Date of Issue	Date of Maturity	Interest Rate %	Date Due		Amount of Issue	Remaining as of 1/1/17
				Interest	Principal		
General Obligation							
2007-1 G.O. Bond	11/15/2007	12/1/2019	4.29	6/1 12/1	12/1	\$ 710,000	\$ 545,000
2009-1 G.O. Bond	9/10/2009	12/1/2024	4.00	6/1 12/1	12/1	\$ 1,395,000	\$ 1,095,000
2010-1 G.O. Bond	6/15/2010	12/1/2025	3.00	6/1 12/1	12/1	\$ 2,005,000	\$ 680,000
2012-1 G.O. Bond	5/1/2012	12/1/2027	3.00	6/1 12/1	12/1	\$ 4,665,000	\$ 3,725,000
2012-2 G.O. Bond	5/1/2012	12/1/2032	3.00	6/1 12/1	12/1	\$ 2,065,000	\$ 1,750,000
2012-3 G.O. Bond	5/1/2012	12/1/2027	3.00	6/1 12/1	12/1	\$ 2,560,000	\$ 2,145,000
2013-1 G.O. Bond	3/1/2013	12/1/2033	3.00	6/1 12/1	12/1	\$ 6,635,000	\$ 5,490,000
2016-1-G.O. Bond	6/1/2016	12/1/2036	3.00	6/1 12/1	12/1	\$ 4,490,000	\$ 4,490,000
Total GO Bonds						\$ 24,525,000	\$ 19,920,000
2007 KWPCRLF Sewer	7/26/2007	3/1/2029	2.51	3/1	9/1	\$ 3,299,870	\$ 2,150,323
Total Other						\$ 3,299,870	\$ 2,150,323
TOTAL ISSUED DEBT						\$ 27,824,870	\$ 22,070,323

Repayment Schedule for all G.O. Bonds and other bonds.

V Debt Management

Debt Summary (As of June 1, 2016)	Less Self	
	City Debt	Supporting Debt
Estimated Actual Valuation.....	\$334,590,419	\$334,590,419
Assessed Valuation ¹	\$53,534,467	\$53,534,467
Outstanding General Obligation Debt	\$19,920,000	\$19,920,000
Legal Limitation of Bonded Debt ²	\$16,060,340	\$16,060,340
Exempt Debt	\$13,975,219	-----
Net Debt against Debt Limit Capacity	\$5,944,781	-----
Additional legal debt capacity.....	\$10,115,559	-----
Less Self Supporting debt ³	-----	\$1,440,000
Non Self Supporting Debt	-----	\$18,480,000
Overlapping debt ⁴	\$12,174,837	\$12,174,837
Direct debt per capita (7,057 population)	\$2,822.73	\$2,618.68
Direct and overlapping debt per capita	\$4,547.94	\$4,343.89
Direct debt as a percentage of Assessed Valuation	37.21%	34.52%
Statutory Direct debt as a percentage of Assessed Valuation	11.01%	-----
Direct debt as a percentage of Estimated Actual Valuation	5.95%	5.59%
Direct & overlapping debt as a percentage of Assessed Valuation	59.95%	57.26%
Direct & overlapping debt as a percentage of Estimated Actual Valuation	9.59%	9.16%

¹ The assessed value of all tangible taxable property within the City, as certified to the County Clerk. Also includes the taxable value of motor vehicles within the City for year 2015. See K.S.A. 10-301 *et seq.*

² See K.S.A. 10-301 *et seq.*

³ A portion of the City's Series 2012-1 Bonds are payable from net revenues of the Water Utility System.

⁴ The overlapping debt includes the debt of USD 262 and USD 259. The State established the Capital Improvement Fund (CIF) in 1992 to assist school districts on making principal and interest payments on voted general obligation bond issues. Each school district that is obligated to make payments from its bond and interest fund is entitled to receive state aid from the CIF. A school district's entitlement of state aid from the CIF each year is determined by applying its state aid percentage factor to the bond and interest fund payment obligation for that year. Although the CIF has provided state aid in each year since its inception, no assurance can be given that state aid will continue in future years. However, the District is obligated to levy unlimited ad valorem taxes to provide for debt service payments on its outstanding general obligation bonds, including the Bonds, regardless of any state aid.

The City's direct debt per capita and direct & overlapping debt per capita are currently above what the City's fiscal policy dictates. This was an approved, conscious decision to go above the fiscal policy limits. The decision was made to go ahead and bond for the 2016-1 G.O. bond two years prior to starting the Ford St. Drainage project. Low interest rates that existed within the bond market at the time ensured the best value for the City's money. Direct debt per capita = \$5,944,781(Net debt against debt limit capacity)/7,057(population) = \$842.39. Direct & Overlapping debt = \$18,119,618(Net debt + overlapping debt)/7,057(population) = \$2,567.60 (statutorily under the City's debt policy).

V Debt Schedule to Maturity

The following table shows the City's debt schedule to maturity. The City has plans to bond for the 2018-2019 Capital Improvement Plan to help purchase a new fire truck and additional city improvements, including the construction of a new community center/library.



Total Debt Service Payments for all General Obligation and Revenue Bonds Per Year

Fiscal Year	Bond & Interest Fund Interest		Bond & Interest Fund Principal		Total
2017	\$	628,298	\$	1,710,645	\$ 2,338,943
2018	\$	527,497	\$	1,534,576	\$ 2,062,073
2019	\$	488,531	\$	1,578,607	\$ 2,067,138
2020	\$	439,723	\$	1,407,739	\$ 1,847,462
2021	\$	408,333	\$	1,456,976	\$ 1,865,309
2022	\$	369,366	\$	1,441,319	\$ 1,810,685
2023	\$	330,328	\$	1,415,773	\$ 1,746,101
2024	\$	291,097	\$	1,460,338	\$ 1,751,435
2025	\$	250,643	\$	1,350,020	\$ 1,600,663
2026	\$	214,857	\$	1,339,819	\$ 1,554,676
2027	\$	179,738	\$	1,279,740	\$ 1,459,478
2028	\$	146,046	\$	794,784	\$ 940,830
2029	\$	123,650	\$	555,000	\$ 678,650
2030	\$	106,275	\$	575,000	\$ 681,275
2031	\$	87,688	\$	585,000	\$ 672,688
2032	\$	68,088	\$	610,000	\$ 678,088
2033	\$	47,000	\$	615,000	\$ 662,000
2034	\$	25,050	\$	270,000	\$ 295,050
2035	\$	16,950	\$	275,000	\$ 291,950
2036	\$	8,700	\$	290,000	\$ 298,700

Glossary





Glossary

Accrual Accounting— A method of accounting that recognizes the financial effect of transactions, events, and Interfund activities when they occur, regardless of the timing of related cash flows.

ADSAP— Alcohol and Drug Safety Program

Appraised Valuation— The value set upon real estate and other property as deemed by the county appraiser.

Assessed Valuation— a fixed percentage, by law, of the overall market evaluation provided by the county appraiser's office.

Bond & Interest Fund— Designated fund for the paying of principal and interest on borrowed money.

Budget— A detailed financial plan which lays out all planned revenue and expenses for the city and matches them with services that are provided.

Capital Expenditures— An expenditure related to capital improvements which cover the acquisition of or rehabilitation of fixed assets.

Capital Improvements— Improvements to city infrastructure or physical plant such as streets, sidewalks, building improvements, and major construction initiatives.

Capital Outlay— Assets with a useful lifespan of more than 1 year. Also includes large capital items that need to be accounted for such as vehicles, buildings, and other large equipment.

Cash Basis Accounting— Revenues and Expenditures are accounted for when resources change hands.

Commodities— Consumable items with a minor life span such as office supplies and gasoline.

Contractual Services— Provided services by private firms, individuals, or other government agencies for various tasks and projects.

Debt Service— Principal and Interest due on borrowed money for various projects throughout the city.

Department— A specific organization of the city government dedicated to certain tasks and obligations.

Example—Finance and Administration Department.

Employee Benefits— Benefits the city offers to its employees such as vacation, sick pay, different types of leave, and holidays.

Employee Benefit Fund— Designated fund for paying the additional costs associated with employees such as unemployment, KPERS, Social Security, Medicare, and flexible spending accounts.

Encumbrance— To set aside or assign funds for a future expenditure to a specific vendor or recipient.

Enterprise Fund— A fund that is primarily supported by user charges for services provided by the City such as sewer, water, stormwater, and solid waste.



Glossary

Expenditures— the spending of city resources for due to receiving goods and services

Expenses— Charges incurred for operations, maintenance, interest, or other charges.

Fiscal Year— A 12 month financing period of the City. Valley Center has a fiscal year from Jan.1 to Dec. 31. During this time the annual budget for the current year is followed.

FTE— Full Time Employee

Fund Balance— The remainder of current assets minus the current liabilities.

General Fund— The operating fund of the city. This fund finances all basic services for the city. This fund includes Fire, Police, Community Development, Finance and Administration, and Public Works.

General Obligation Bonds— Bonds which finance projects and are backed by the full faith and credit of the City.

GFOA— Government Finance Officers Association. An association of public finance professionals

Interfund Transfers— A transfer of resources from a designated fund to another designated fund.

Intergovernmental Revenues— Funds received from Federal, State, and other government sources in the form of grants, shared revenues, and payments in lieu of taxes.

KORA— Kansas Open Records Act

KOMA— Kansas Open Meetings Act

Legal Debt Margin— The current statutory debt limit for all Kansas cities pursuant to K.S.A. 79-5037 is 30% of assessed valuation including the motor vehicle valuation.

Levy— taxes imposed for the operations of the governmental unit.

Line Item— A single expenditure section listing

Long Term Debt— Any debt that matures more than one year after being issued.

Mill— A monetary unit used only in calculations dealing with assessed valuation, worth one thousandth of a dollar. Every one thousand dollars in assessed valuation produces one dollar of taxes.

Modified Accrual Accounting— A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

Reserve— A fund used to accumulate resources for designated projects, purchases, or emergency situations.



Glossary

Resources— Total amount of money available for distribution and spending. This includes fund balances, estimated revenues, and fund transfers.

Revenues— Monies that the governing entity receives as income. This includes taxes, specials, fees, charges for service, intergovernmental receipts, fines and forfeitures, grants and interest income.

Special Assessments (Specials)— a unique charge designated to new or existing real estate parcels to assist in financing new infrastructure or repair of older infrastructure .

Special Revenue Funds—Funds used to account for revenues received from specific taxes, governmental grants, or other revenue sources which have been designated to finance certain functions of the City.

Tax Levy—Amount of property taxes to be collected and distributed to each governmental fund based on each fund's mill total.

Tax Rate—Amount of tax that is levied for every one thousand dollars of assessed valuation.

Transfers In/Out— Monies transferred from one fund to another to help finance the services provided by the receiving fund.

