

CITY OF VALLEY CENTER

2016

Jan 1-Dec 31

*2016 YEAR IN REVIEW*



DISCOVER  
*Valley Center* 

# **YEAR END SUMMARY**

Honorable Mayor Dove & Valley Center City Council,

Presented by Kristine Polian, Finance and Administration Director

The Finance and Administration Department is pleased to present the City of Valley Center's unaudited fiscal year 2016 Financial Year in Review. This report is intended to give readers a broad overview of the year, and can be used in conjunction with the 2016 Budget document and the 2016 Comprehensive Annual Financial Report once completed (Summer 2017). Included in this report are Budget vs. Actual comparisons, fund balances and departmental highlights; specific, detailed information regarding individual fund activity or highlighted projects is available in the Finance and Administration department by request.

The Valley Center Council and staff historically have taken a conservative approach to budgeting, especially since the recession began in 2008. In recent years, budgeting practices have included forecasting revenues conservatively while ensuring expenses were at least balanced, if not budgeted lower than revenues. This practice has produced strong reserves in the main operating funds, providing rainy-day funds for unforeseen needs. This practice has also better prepared the City for the upcoming tax lid that becomes effective in 2018, which will have significant impact on the City's ability to capitalize on increased valuation. As noted in previous reports, the tax lid likely will make it difficult for the City to provide additional services in the face of additional growth, so have ample reserves will be vital to appropriately managing growth in the future.

Though the City's budgeting practices have historically been conservative, much progress has been made in regards to infrastructure, community services and general governance. Such projects as Goff Street sidewalk, Butler Street paving, water tower cleaning, and equipment replacement at the wastewater treatment plant were completed within the year, providing sustainability for the aging infrastructure within the City. As well, initiatives like a 3-year strategic plan and a performance management wage system have been implemented, providing focus and intent for City growth and strong administration of City staff.

The City still remains in excellent financial condition. Several funds showed decreased fund balances, but this was intentional to ensure city funds were used responsibly while maintaining strong reserves. A brief summary of both governmental funds (tax supported) and enterprise funds (user fee supported) is provided. Overall, 2016 actual expenditures were 2% over actual revenues for all main operating funds. Although intentional, the 2% overage was lower than the 14% overage that was budgeted.

With the hiring of a new City Administrator and the completion of the strategic plan, the City is poised for many years of continued performance driven goals and initiatives. Along with the guidance of City Council, administrative staff, department directors, and the dedication of all employees of the City, Valley Center will continue to thrive, grow, and be a place that everyone should discover.

Respectfully submitted,

*Kristine Polian*

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# **TAXING FUNDS SUMMARY**

## General Fund

The General Fund is budgeted to provide resources for the majority of the City's operations, to include (but not limited to) police, fire, and administrative functions. Several departments exist within the General Fund, and all were maintained within their individual budgets. Below are financial highlights:

Revenues - 102.1 %  
Expenditures- 96.8 %  
Fund Balance ↑ \$179,180  
Fund Balance = \$977,160  
Fund Balance = 28% of 2017 Budgeted expenditures

## Employee Benefits Fund

As allowed by statute, the City has created a tax-supported fund solely for the use of providing resources for General Fund employees' benefits and payroll taxes. As such, this fund is responsible for expenses such as health insurance, pension and FICA taxes. Given unknown and volatile health insurance premiums for past several years, expenditures have been budgeted at a conservative level, allowing the fund balance to grow significantly. To spend down the fund balance once it hit a certain threshold, Council opted to transfer the fund balance the following fiscal year to the General Fund for one-time expenses. Fiscal year 2016 is the second year Council has budgeted such a transfer, which has provided additional resources for the general operation of the City. Staff will continue to evaluate the fund balance each year, and make necessary recommendations to Council as for future transfers. ***\*Note- Effective January 1, 2017, the City has implemented a self-funded insurance plan, which will likely have an impact on future expenditures.*** Financial highlights are listed below:

Revenues- 100.4%  
Expenditures- 71.1%  
Fund Balance ↓ \$10,194  
Fund Balance = \$557,100  
Fund Balance = 69% of 2017 Budgeted expenditures

# **TAXING FUNDS SUMMARY**

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## **Emergency Equipment Fund**

This fund is the most recent tax-supported fund to be created by Council, and was intended to provide resources for public safety equipment. Per City ordinance, one mill is levied annually for this fund, and in most recent years has paid to replace one police vehicle annually. As such, the balance steadily grows, which will ultimately be available for larger purchases, such as fire trucks. Financial highlights are below:

Revenues- 105.9%  
Expenditures- 73.76%  
Fund Balance ↑ \$15,832  
Fund Balance = \$160,743

## **Bond and Interest Fund**

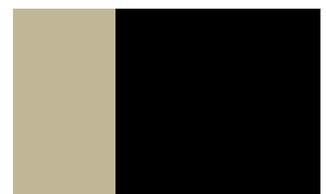
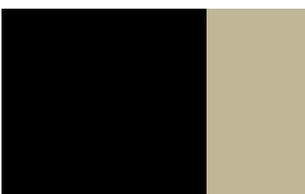
The Bond and Interest Fund is responsible for paying principle and interest for general obligation debt service. This fund is tax-supported at the appropriate levy to pay necessary debt service associated with larger capital projects. In the past, it has been beneficial for the City to refinance revenue bonds and/or State revolving loan funds due to cost savings; in this case, the principle and interest is transferred from the enterprise funds and paid from the Bond and Interest Fund. For several years, the City has remained diligent at only adding debt service for capital improvements that maintained a steady mill levy in this fund. With that said, a fund balance still existed, and in 2015, Council decided to use that balance to pay cash for a portion of a large capital project that exceeded normal CIP debt service. As such, the Bond and Interest fund balance is being decreased intentionally over a period of 3 years (2016-2018). Financial highlights are below:

Revenues- 100.7%  
Expenditures- 88.1%  
Fund Balance ↓ \$183,394  
Fund Balance = \$1,035,549  
Fund Balance = 44% of 2017 Budgeted expenditures

## **Library Fund**

The City of Valley Center is the taxing authority for the Valley Center Library, levying approximately 4.5 mills on an annual basis. The Valley Center Library Board, which is appointed by the Mayor and approved by Council, is an autonomous governing body that oversees the operations of the Library. As the City taxes on the Library's behalf, it is the Valley Center Library Board that dictates how those taxes are spent. Given such, financial highlights that are of concern of the City are minimal. They are listed below:

Revenues- 100.4%  
Expenditures- 100%  
Fund Balance = \$1,271 (*to be transferred in 2017*)





# TAXING FUNDS HIGHLIGHTS

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## FINANCE AND ADMINISTRATION 2016

### HIGHLIGHTS

- Hired a City Administrator to help lead and guide the city in future endeavors.
- 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.
- Created City's first GFOA budget document for submission to the Distinguished Budget Presentation Award.
- Reviewed and updated all job descriptions within the department to better align with the performance based merit system.
- Budgeted and received approval for Police and Fire Master Plan study.
- Partnered with Wichita State University to create the City of Valley Center Strategic Plan.
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## EMPLOYEE BENEFIT 2016 HIGHLIGHTS

- Created a Partially Self Funded insurance program for City Employees. The creation of this plan helped negate a 39% increase in premiums for the fully insured health plan the City was currently using.
- The creation of the new partially self insured health plan allowed City employees to shape and have a major impact on the benefits the City provides. These benefits are more in line with what City employees needs are and should reduce the overall cost of health insurance for years to come.

## LEGAL AND MUNICIPAL COURT 2016 HIGHLIGHTS

- Decreased number of open cases by 30%.
- Reduced bad debt for fines and fees.
- Implemented stronger monitoring of 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.





# TAXING FUNDS HIGHLIGHTS

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## POLICE DEPARTMENT 2016 HIGHLIGHTS

- 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.
- Officer Adams was awarded the Presidential Award from the Kansas Juvenile Officers Association for his outstanding work with students in Valley Center and the S.H.O.W program.
- Created a advocate program for victims of domestic abuse headed by a Valley Center PD officer who will soon become a licensed Master Social Worker.
- Continued D.A.R.E. education throughout Valley Center schools.
- Continue to look for new ways to communicate with the community. The Department of Public Safety Facebook page has helped tremendously in this regard.
- Purchased new server for possible future expansion.
- The new server also allows body cam footage to be directly downloaded rather than fir being downloaded onto a DVD.

## FIRE DEPARTMENT 2016 HIGHLIGHTS

- \$1,201.34 dollars for MDA.
- Started community wide smoke detector program.
- Added a second AED for Engine 41
- Continued Fire Prevention Program at 3 Schools K-2<sup>nd</sup> grade. 628 kids and 37 adults attended the programming.
- Fire prevention open house at the Fire Station. 170 kids and 106 adults attended these open house events.
- Fire Prevention at the Methodist Church. Pre-K 125 kids and 6 adults attended these events.
- \$1,067,170.00 Pre Fire Value's. Loss \$251,700.00 which comes out to 23% loss of value for these calls.
- Firefighters became Ice Rescue Certified
- The Certified Non-EMT Firefighters were enrolled in CCR (Cardio Cerebral Resuscitation) training.





# TAXING FUNDS HIGHLIGHTS

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## COMMUNITY DEVELOPMENT 2016 HIGHLIGHTS:

- Hired new Code Enforcement Officer and Community Development Assistant
- Completed nearly 20 hours of floodplain management training
- Issued five new residential construction permits valued at \$1,257,000.00
- Approved two lots splits, two zoning variances, and one subdivision modification
- Issued four new commercial construction permits valued at \$1,176,000.00
- Reviewed and approved four commercial development site plan applications
- Issued over 650 other development-related permits
- Reviewed and approved two property tax abatements for local businesses
- Addressed over 600 code enforcement issues
- Assisted in the creation of Main Street Valley Center and the City of Valley Center invested \$5,000 in the organization.
- Commenced the process of transitioning building inspection from Sedgwick County to departmental staff (residential inspections to be moved in-house by Summer 2017)
- Answered over 50 floodplain-related inquiries
- Updated City of Valley Center's floodplain ordinance to maintain compliance with U.S. FEMA regulations

## PARKS AND PUBLIC BUILDINGS 2016 HIGHLIGHTS:

- Coordinated with church group volunteers to complete landscaping projects at Lions Park and painting of fire hydrants.
- Assisted Girls Scout group with tree planting and education talk.
- Coordinated with football team to remove retaining wall on Emporia – prep for Emporia Sidewalk
- Facilitated completion of two Eagle Scout projects at Wetland Park that included construction of trails and an wildlife observation deck.
- Fleet Updates – Kubota Tractor, Seeder/Aerator, Tree Auger, Pickup truck
- Implemented use of tablets with staff
- Implemented measures to increase building security and park security
- Old Public Works renovations – fence, general clean up, disposal of surplus property via Purple Wave Auctions, electrical updates, paint building
- Purchase 6 new play equipment pieces to be installed at Lions, McLaughlin, and Arrowhead Parks.
- Updated exterior lighting in back parking lot at PSB
- Installed ADA door controls at PSB
- Replaced PW carpet and tile in offices
- Installed section markers at Cemetery
- Expanded disc golf from 9 hole to 18 hole course
- Made repairs to McLaughlin waterfall & rocks
- Update job descriptions
- City assisted Main Street Valley Center with maintenance of downtown flower planters
- Mitigated 30+ safety concerns from Department of Labor
- Installed new sidewalk on north side of Lions Park
- Installed new retaining wall and landscape in Veterans Park
- Hosted Community Christmas Tree lighting ceremony at MLP





# TAXING FUNDS HIGHLIGHTS

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## SPECIAL STREETS AND HIGHWAY 2016 HIGHLIGHTS

- Partnered with Sedgwick County to complete 93<sup>rd</sup> St. from Seneca to Broadway being paved with compacted concrete.
- Goff, Fieldstone, and Clover sidewalk project.
- Paved Butler St. from Meridian to Abilene which included curb and gutter with storm drains.
- Cleaned drainage from West Main St. North to West 3<sup>rd</sup> St.. This helped with West 3<sup>rd</sup> St. drainage.
- 2" mill and overlay. North Abilene, from main to 4<sup>th</sup> street.
- Replaced old grass mower with newer, more efficient mower to handle additional mowing projects.
- Additional mowing of the ditches on 93<sup>rd</sup> by the high school and Ford St. retention pond.
- Started completed in house maintenance on all police vehicles.
- Created and filled newly created position of Mechanic I.
- Hired new Equipment Operator I.
- Hauled 500 tons of spoils which include dirt, concrete, asphalt, and street sweepings.
- Pothole patching by Apec. 650 tons.
- Spring clean-up last April which totaled around 650 pick-up loads.
- Replaced 50 old and hard to read signs with new prismatic reflective signs.
- Increased accessibility at the ford pump station.
- Replaced 60 feet of culvert to improve drainage for neighborhoods.
- 4 tons of cold patch was used to fill in potholes throughout the community.
- Ongoing of sweeping the streets and extensive branch trimming. We laid rock on Osage, Kansa, Buena Vista, and west 77<sup>th</sup> and applied over lay with hot mix.

## EMERGENCY EQUIPMENT 2016 HIGHLIGHTS

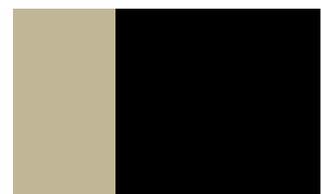
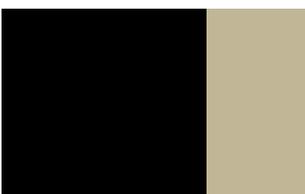
- Purchased police car for the City Police Department.

## BOND AND INTEREST 2016 HIGHLIGHTS

- Paid \$1,525,000 in principal payments and \$466,658 in interest payments on all outstanding G.O. Bonds and Loans.
- Transferred \$500,000 in mill levy to General Fund for cash payment of Meridian/Ford St. drainage project.

## LIBRARY 2016 HIGHLIGHTS

- 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.
- 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.

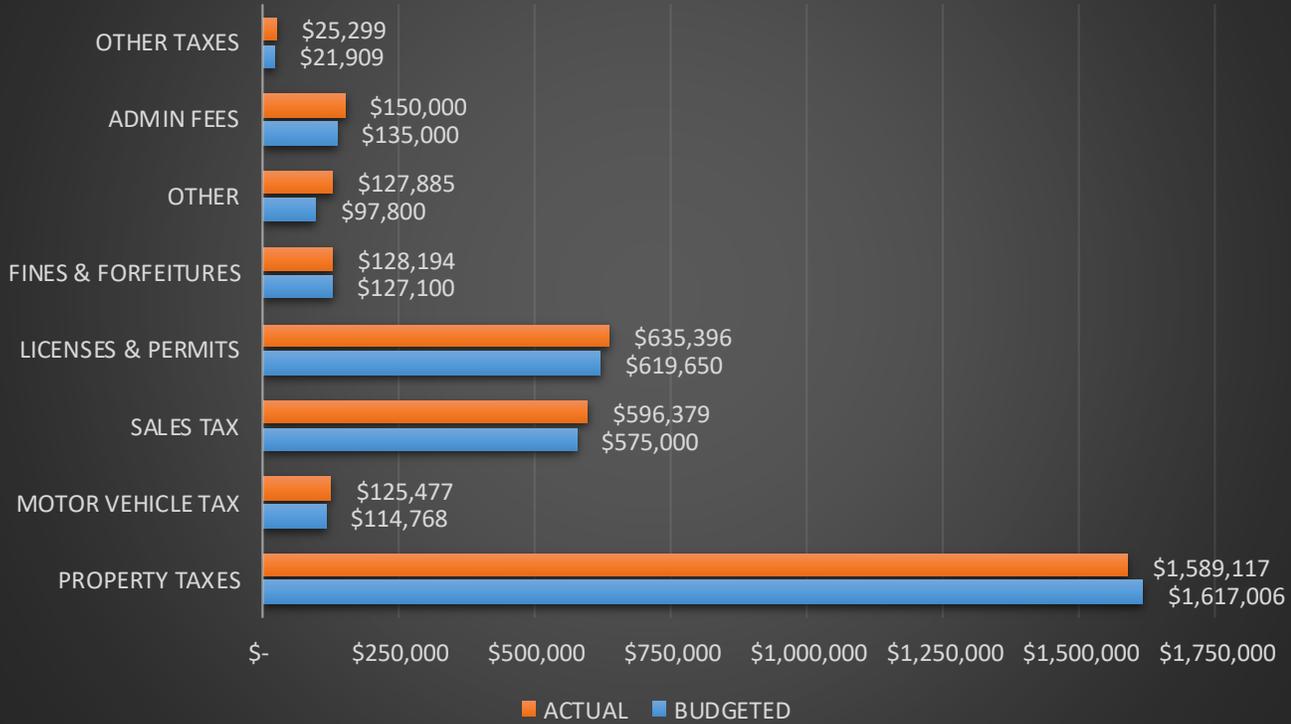




# GENERAL FUND REVENUES

2016 YEAR IN REVIEW

## 2016 Budgeted to ACTual Comparison (General Fund Revenues)



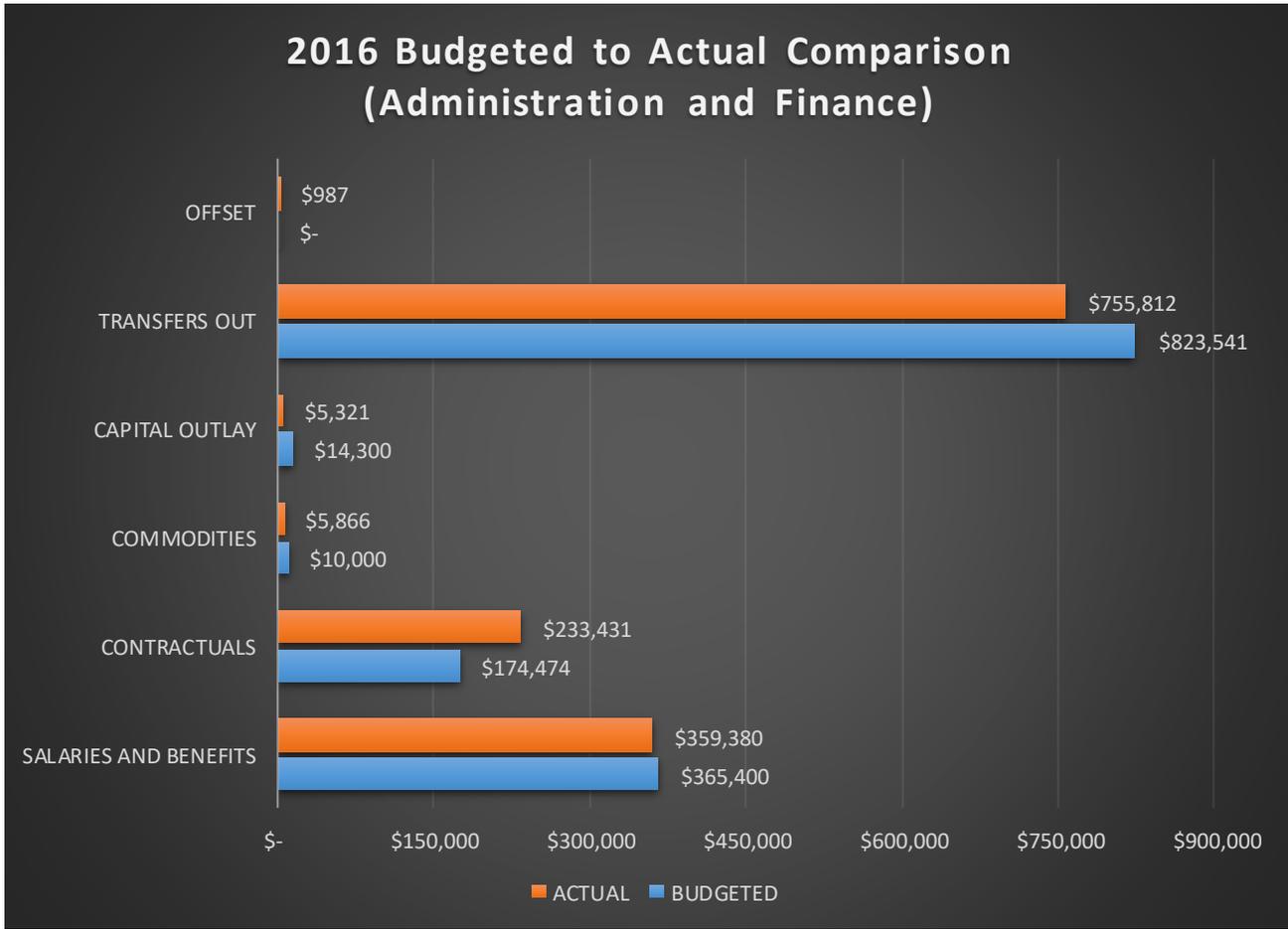
REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
PROPERTY TAXES	\$ 1,617,006	\$ 1,589,117	98%	\$ (27,889)
MOTOR VEHICLE TAX	\$ 114,768	\$ 125,477	109%	\$ 10,709
SALES TAX	\$ 575,000	\$ 596,379	104%	\$ 21,379
LICENSES & PERMITS	\$ 619,650	\$ 635,396	103%	\$ 15,746
FINES & FORFEITURES	\$ 127,100	\$ 128,194	101%	\$ 1,094
OTHER	\$ 97,800	\$ 127,885	131%	\$ 30,085
ADMIN FEES	\$ 135,000	\$ 150,000	111%	\$ 15,000
OTHER TAXES	\$ 21,909	\$ 25,299	115%	\$ 3,390
TOTAL	\$ 3,308,233	\$ 3,377,747	102%	\$ 69,514





# ADMINISTRATION AND FINANCE

2016  
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EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 365,400	\$ 359,380	98%	\$ 6,019
CONTRACTUALS	\$ 174,474	\$ 233,431	134%	\$ (58,963)
COMMODITIES	\$ 10,000	\$ 5,866	59%	\$ 4,134
CAPITAL OUTLAY	\$ 14,300	\$ 5,321	37%	\$ 8,979
TRANSFERS OUT	\$ 823,541	\$ 755,812	92%	\$ 67,729
OFFSET	\$ -	\$ 987	0%	\$ (987)
<b>TOTAL</b>	<b>\$ 1,387,715</b>	<b>\$ 1,360,797</b>	<b>98%</b>	<b>\$ 26,912</b>

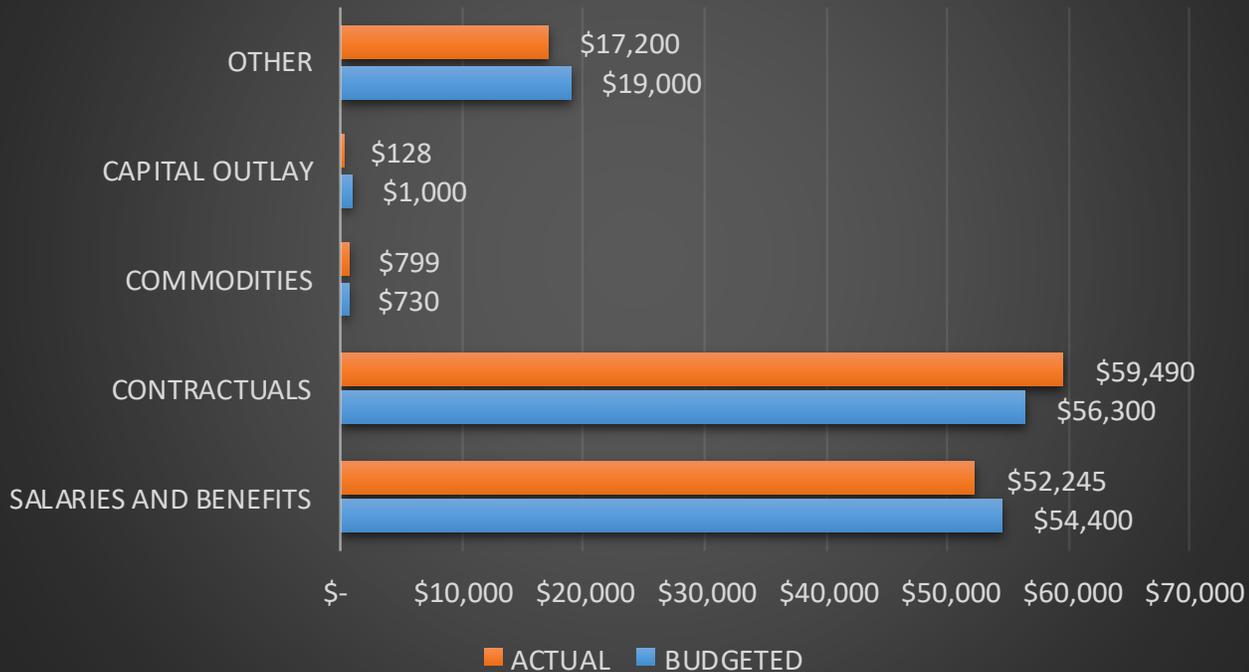




# LEGAL AND MUNICIPAL COURT

2016 YEAR IN REVIEW

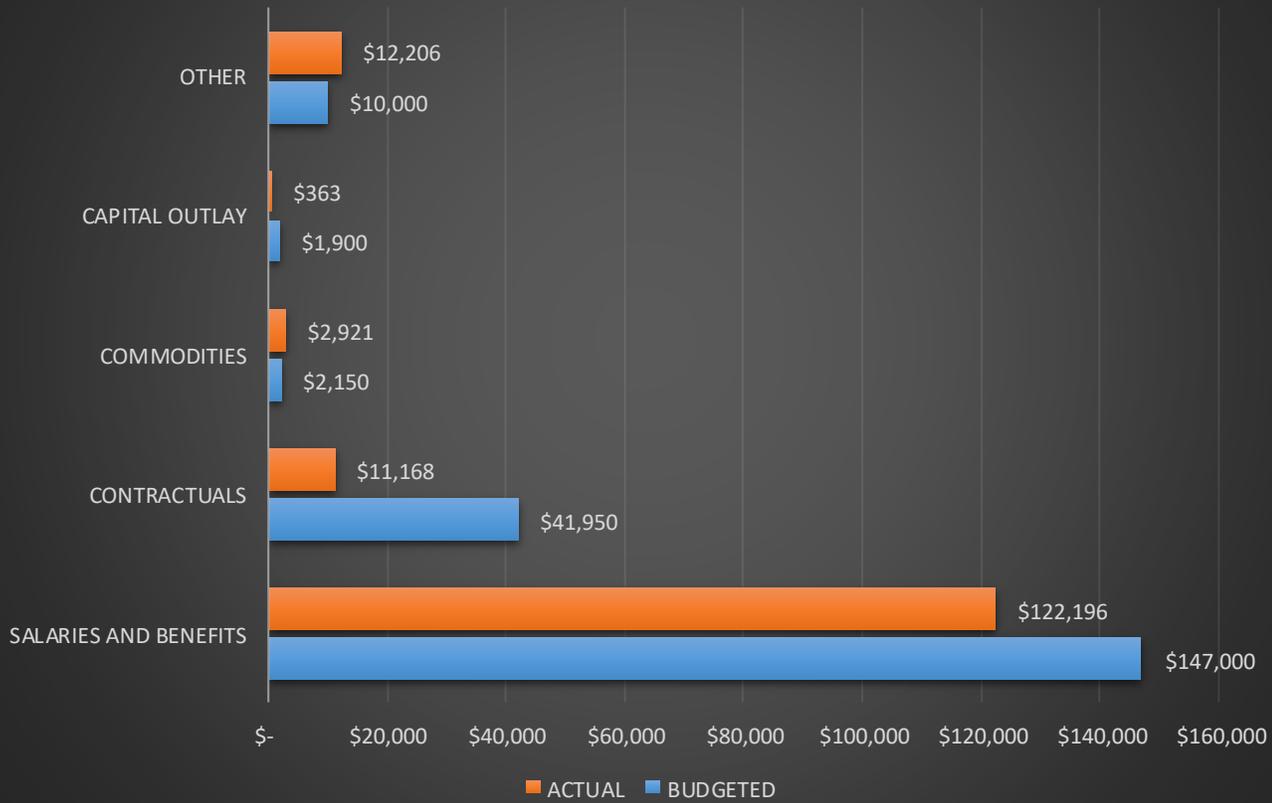
## 2016 Budgeted to Actual Comparison (Legal and Municipal Court)



EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 54,400	\$ 52,245	96%	\$ 2,155
CONTRACTUALS	\$ 56,300	\$ 59,490	106%	\$ (3190)
COMMODITIES	\$ 730	\$ 799	109%	\$ (69)
CAPITAL OUTLAY	\$ 1,000	\$ 128	13%	\$ 872
OTHER	\$ 19,000	\$ 17,200	91%	\$ 1,800
TOTAL	\$ 131,430	\$ 129,862	99%	\$ 1,563



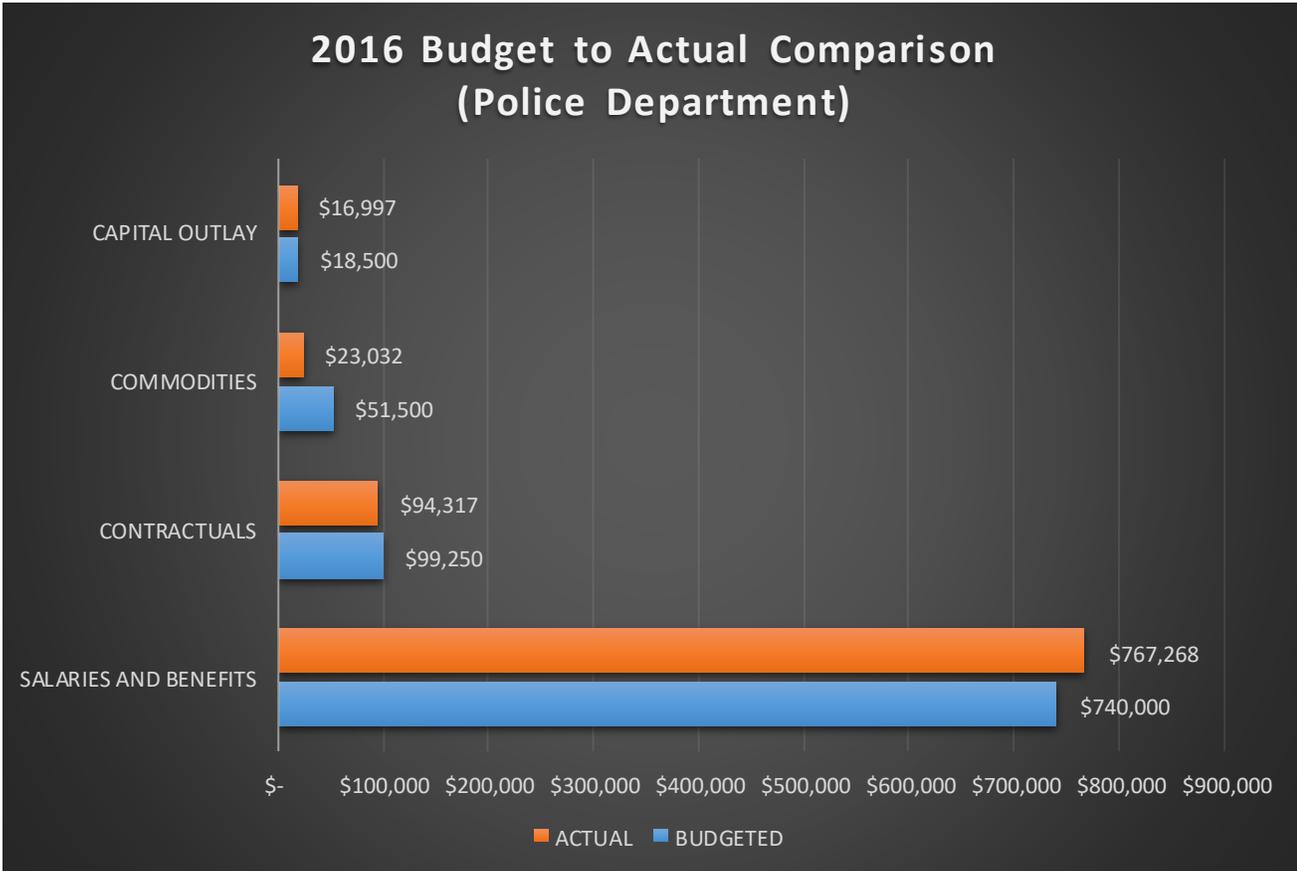
## 2016 Budgeted to Actual Comparison (Community Development)



EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 147,000	\$ 122,196	83%	\$ 24,804
CONTRACTUALS	\$ 41,950	\$ 11,168	27%	\$ 30,782
COMMODITIES	\$ 2,150	\$ 2,921	136%	\$ (771)
CAPITAL OUTLAY	\$ 1,900	\$ 363	19%	\$ 1,537
OTHER	\$ 10,000	\$ 12,206	122%	\$ (2,206)
TOTAL	\$ 203,000	\$ 148,854	73%	\$ 54,146

# V POLICE DEPARTEMENT

2016 YEAR IN REVIEW



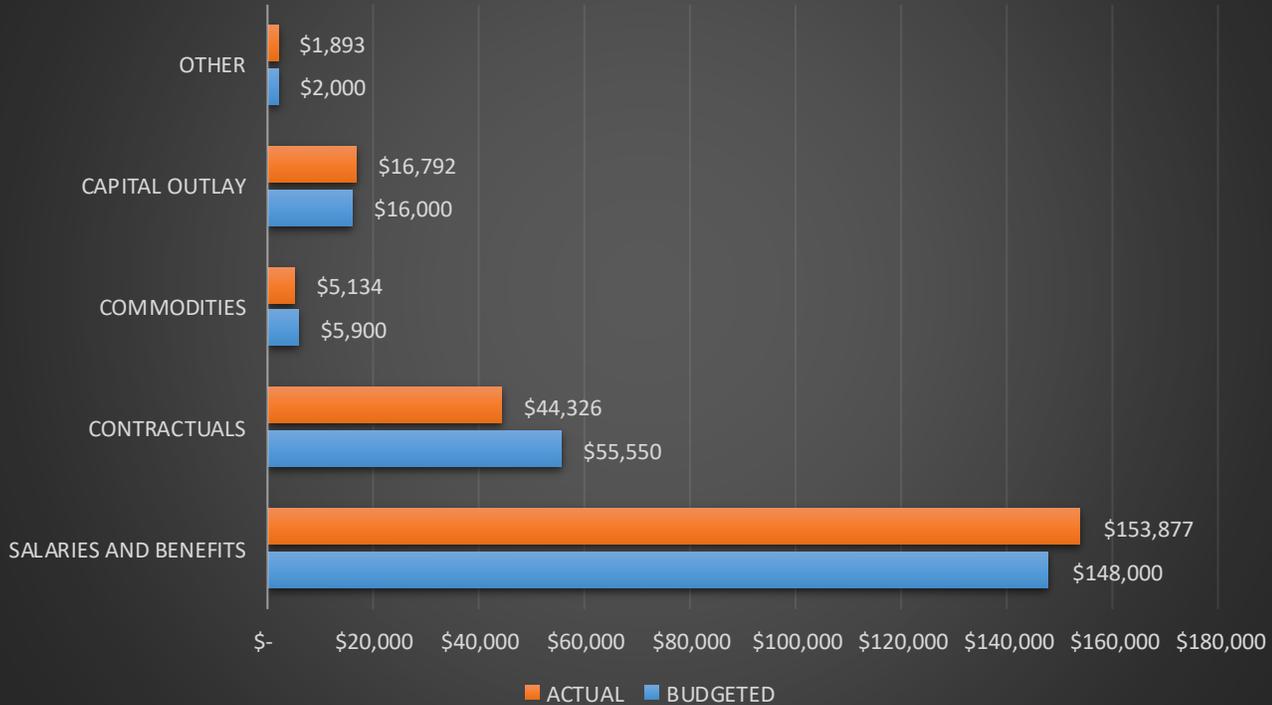
EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 740,000	\$ 767,268	104%	\$ (27,268)
CONTRACTUALS	\$ 99,250	\$ 94,317	95%	\$ 4,933
COMMODITIES	\$ 51,500	\$ 23,032	45%	\$ 28,468
CAPITAL OUTLAY	\$ 18,500	\$ 16,997	92%	\$ 1,503
TOTAL	\$ 909,250	\$ 901,613	99%	\$ 7,637



# V FIRE DEPARTMENT

2016  
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IN  
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## 2016 Budget to Actual Comparison (Fire Department)



EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 148,000	\$ 153,877	104%	\$ (5,877)
CONTRACTUALS	\$ 55,550	\$ 44,326	80%	\$ 11,224
COMMODITIES	\$ 5,900	\$ 5,134	87%	\$ 766
CAPITAL OUTLAY	\$ 16,000	\$ 16,792	105%	\$ (792)
OTHER	\$ 2,000	\$ 1,893	95%	\$ 107
TOTAL	\$ 227,450	\$ 222,022	98%	\$ 5,428





# ENVIRONMENTAL SERVICES

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## 2016 Budgeted to Actual Comparison (Environmental Services)



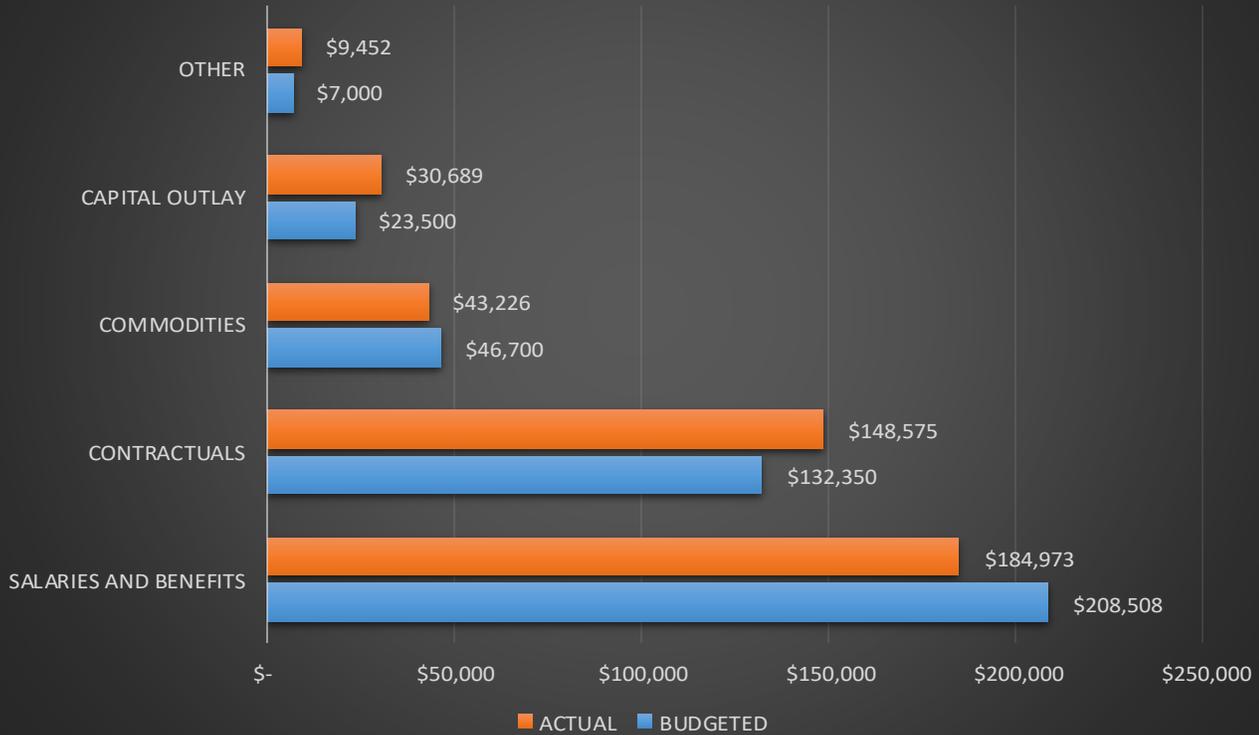
EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
CONTRACTUALS	\$ 20,780	\$ 13,877	67%	\$ 6,903
COMMODITIES	\$ 2,750	\$ 4,003	146%	\$ (1,253)
CAPITAL OUTLAY	\$ 7,800	\$ 624	8%	\$ 7,176
TOTAL	\$ 31,330	\$ 18,505	59%	\$ 12,825



# V PARKS & PUBLIC BUILDINGS

2016  
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**2016 Budgeted to Actual Comparison  
(Parks & Public Buildings)**



EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 208,508	\$ 184,973	89%	\$ 23,535
CONTRACTUALS	\$ 132,350	\$ 148,575	112%	\$ (16,225)
COMMODITIES	\$ 46,700	\$ 43,226	93%	\$ 3,474
CAPITAL OUTLAY	\$ 23,500	\$ 30,689	131%	\$ (7,189)
OTHER	\$ 7,000	\$ 9,452	135%	\$ (2,452)
TOTAL	\$ 418,058	\$ 416,915	100%	\$ 1,143

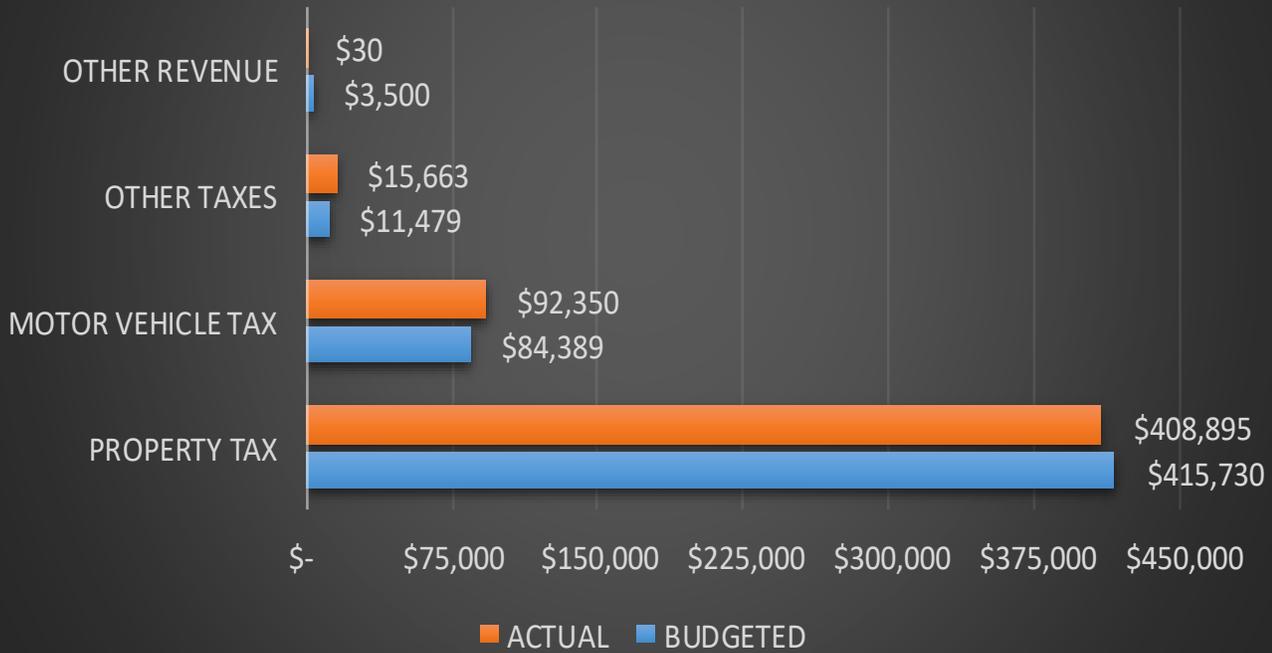




# EMPLOYEE BENEFIT REVENUES

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## 2016 Budgeted to Actual Comparison (Employee Benefit Revenues)



REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
PROPERTY TAX	\$ 415,730	\$ 408,895	98%	\$ (6835)
MOTOR VEHICLE TAX	\$ 84,389	\$ 92,350	109%	\$ 7961
OTHER TAXES	\$ 11,479	\$ 15,663	136%	\$ 4184
OTHER REVENUE	\$ 3,500	\$ 30	1%	\$ (3470)
TOTAL	\$ 515,098	\$ 516,938	100%	\$ 1840

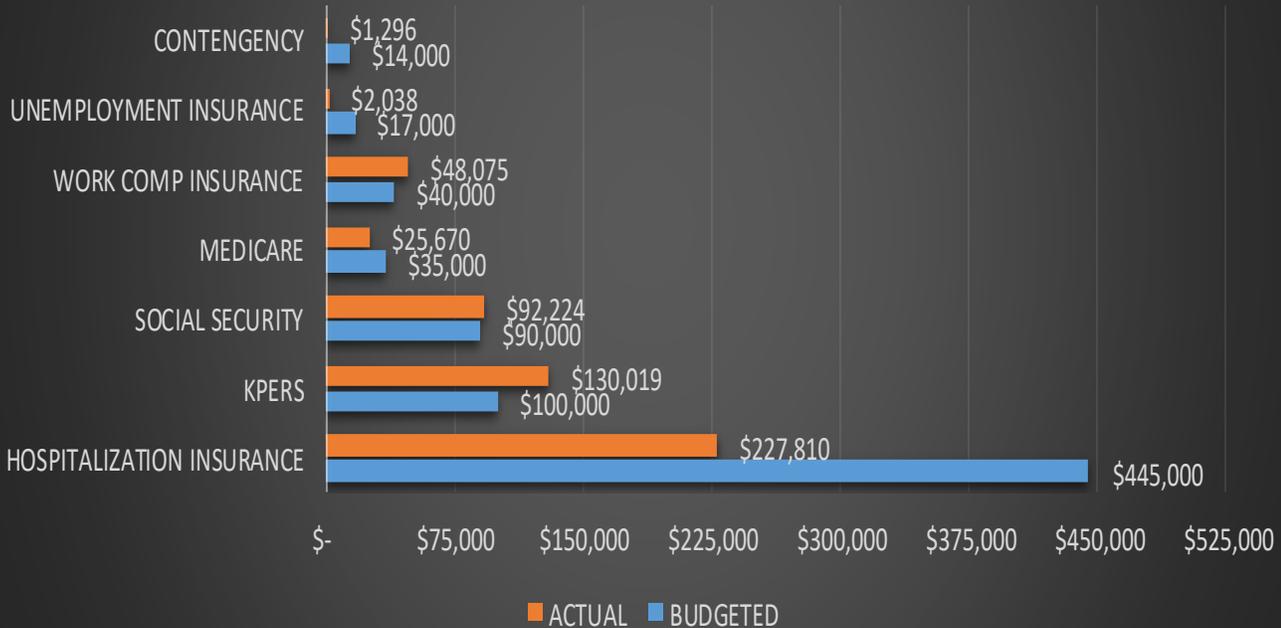




# EMPLOYEE BENEFIT EXPENDITURES

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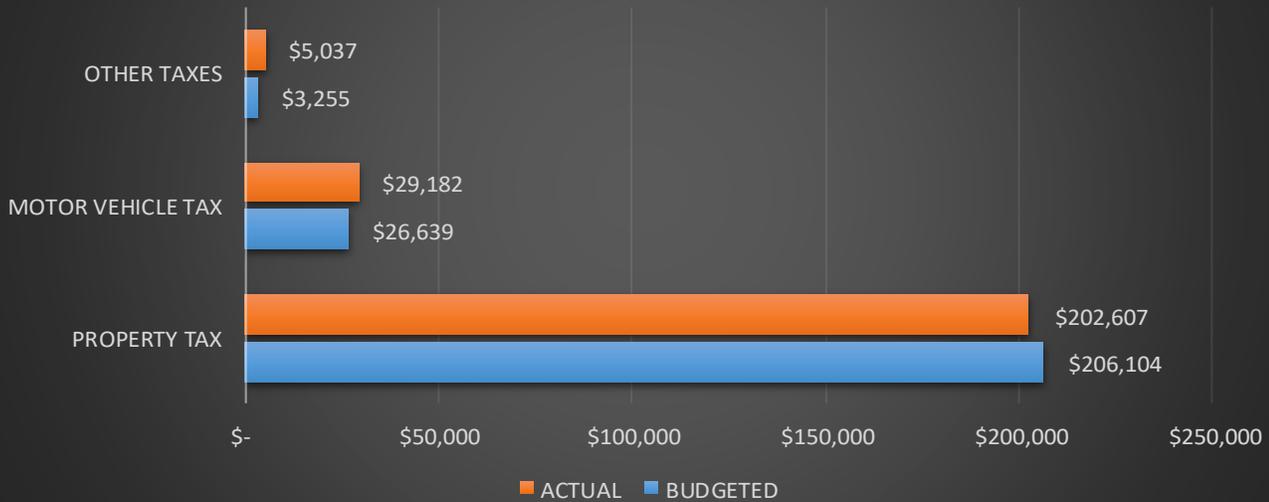
## 2016 Budgeted to Actual Comparison (Employee Benefit Expenditures)



EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
HOSPITALIZATION INSURANCE	\$ 445,000	\$ 227,810	51%	\$ (217,190)
KPERS	\$ 100,000	\$ 130,019	130%	\$ 30,019
SOCIAL SECURITY	\$ 90,000	\$ 92,224	102%	\$ 2,224
MEDICARE	\$ 35,000	\$ 25,670	73%	\$ (9,330)
WORK COMP INSURANCE	\$ 40,000	\$ 48,075	120%	\$ 8,075
UNEMPLOYMENT INSURANCE	\$ 17,000	\$ 2,038	12%	\$ (14,962)
CONTINGENCY	\$ 14,000	\$ 1,296	9%	\$ (12,704)
TOTAL	\$ 741,000	\$ 527,132	71%	\$ (213,868)

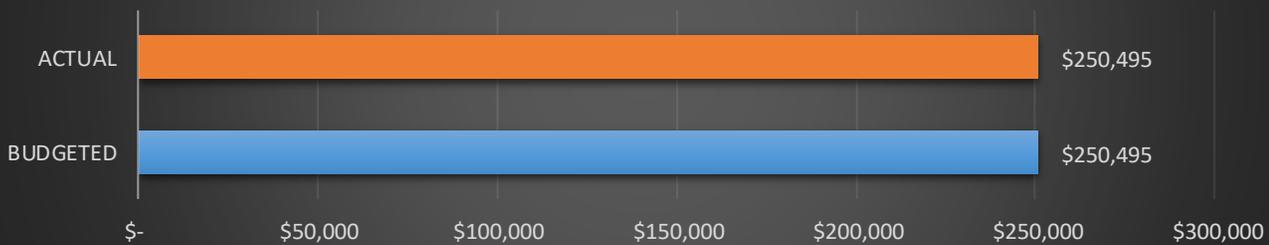


## 2016 Budgeted to Actual Comparison (Library Revenues)



REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
PROPERTY TAX	\$ 206,104	\$ 202,607	98%	\$ (3,497)
MOTOR VEHICLE TAX	\$ 26,639	\$ 29,182	110%	\$ 2,543
OTHER TAXES	\$ 3,255	\$ 5,037	155%	\$ 1,782
<b>TOTAL</b>	<b>\$ 235,998</b>	<b>\$ 236,826</b>	<b>100%</b>	<b>\$ 828</b>
EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
CITY TRANSFER	\$ 250,495	\$ 250,495	100%	0

## 2016 Budgeted to Actual Comparison (Library Expenditures)

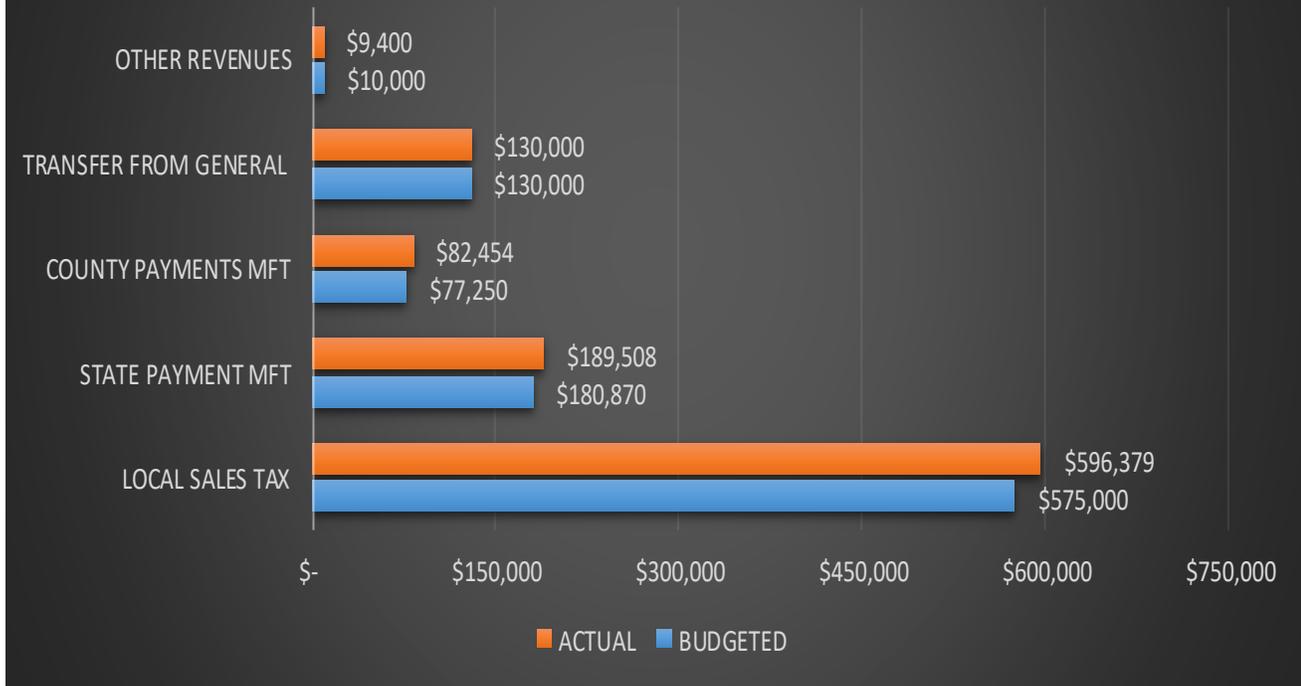




# SPECIAL STREETS AND HIGHWAY REVENUES

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REVIEW

## 2016 Budgeted to Actual Comparison (Special Streets and Highway Revenues)



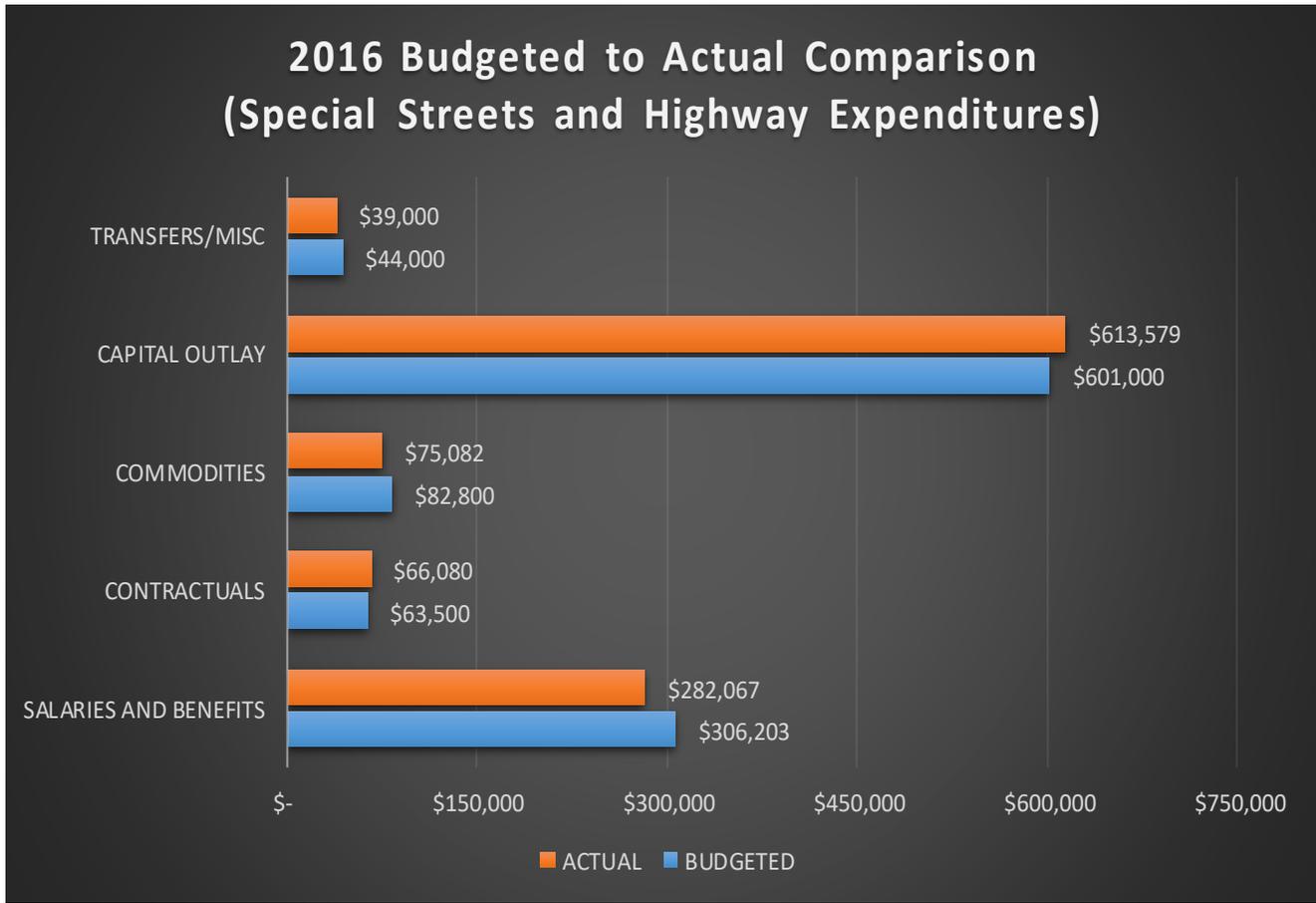
REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
LOCAL SALES TAX	\$ 575,000	\$ 596,379	104%	\$ 21,379
STATE PAYMENT MFT	\$ 180,870	\$ 189,508	105%	\$ 8,638
COUNTY PAYMENTS MFT	\$ 77,250	\$ 82,454	107%	\$ 5,204
TRANSFER FROM GENERAL	\$ 130,000	\$ 130,000	100%	\$ -
OTHER REVENUES	\$ 10,000	\$ 9,400	94%	\$ (600)
TOTAL	\$ 973,120	\$ 1,007,741	104%	\$ 34,621





# SPECIAL STREETS AND HIGHWAY EXPENDITURES

2016 YEAR IN REVIEW



EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 306,203	\$ 282,067	92%	\$ 24,136
CONTRACTUALS	\$ 63,500	\$ 66,080	104%	\$ (2,580)
COMMODITIES	\$ 82,800	\$ 75,082	91%	\$ 7,718
CAPITAL OUTLAY	\$ 601,000	\$ 613,579	102%	\$ (12,579)
TRANSFERS/MISC	\$ 44,000	\$ 39,000	89%	\$ 5,000
<b>TOTAL</b>	<b>\$ 1,097,503</b>	<b>\$ 1,075,808</b>	<b>98%</b>	<b>\$ 21,695</b>

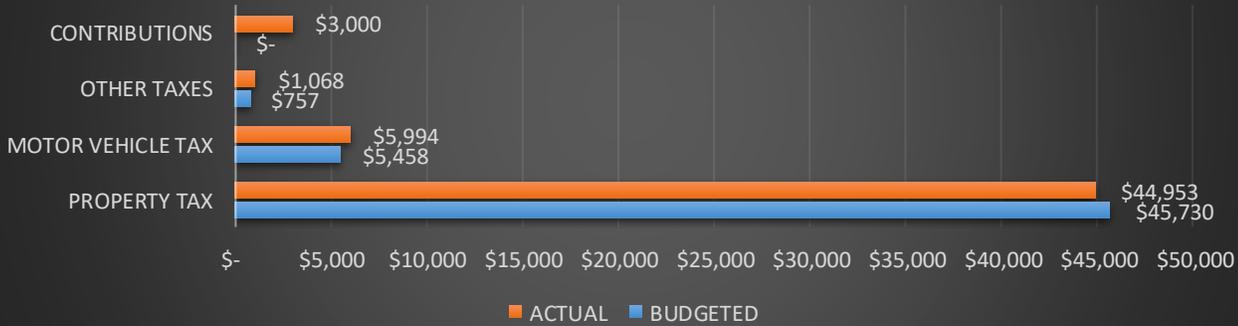




# EMERGENCY EQUIPMENT FUND

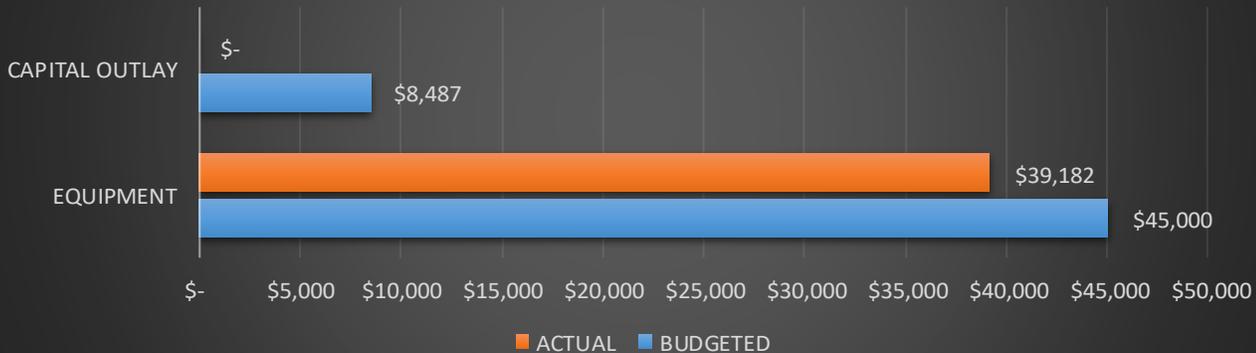
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## 2016 Budgeted to Actual Comparison (Emergency Equipment Revenues)



REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
PROPERTY TAX	\$ 45,730	\$ 44,953	98%	\$ (777)
MOTOR VEHICLE TAX	\$ 5,458	\$ 5,994	110%	\$ 536
OTHER TAXES	\$ 757	\$ 1,068	141%	\$ 311
CONTRIBUTIONS	\$ -	\$ 3,000	0%	\$ 3,000
<b>TOTAL</b>	<b>\$ 51,945</b>	<b>\$ 55,015</b>	<b>106%</b>	<b>\$ 3,070</b>
EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
EQUIPMENT	\$ 45,000	\$ 39,182	87%	\$ 5,818
CAPITAL OUTLAY	\$ 8,487	\$ -	0%	\$ 8,487
<b>TOTAL</b>	<b>\$ 53,487</b>	<b>\$ 39,182</b>	<b>73%</b>	<b>\$ 14,305</b>

## 2016 Budgeted to Actual Comparison (Emergency Equipment Expenditures)

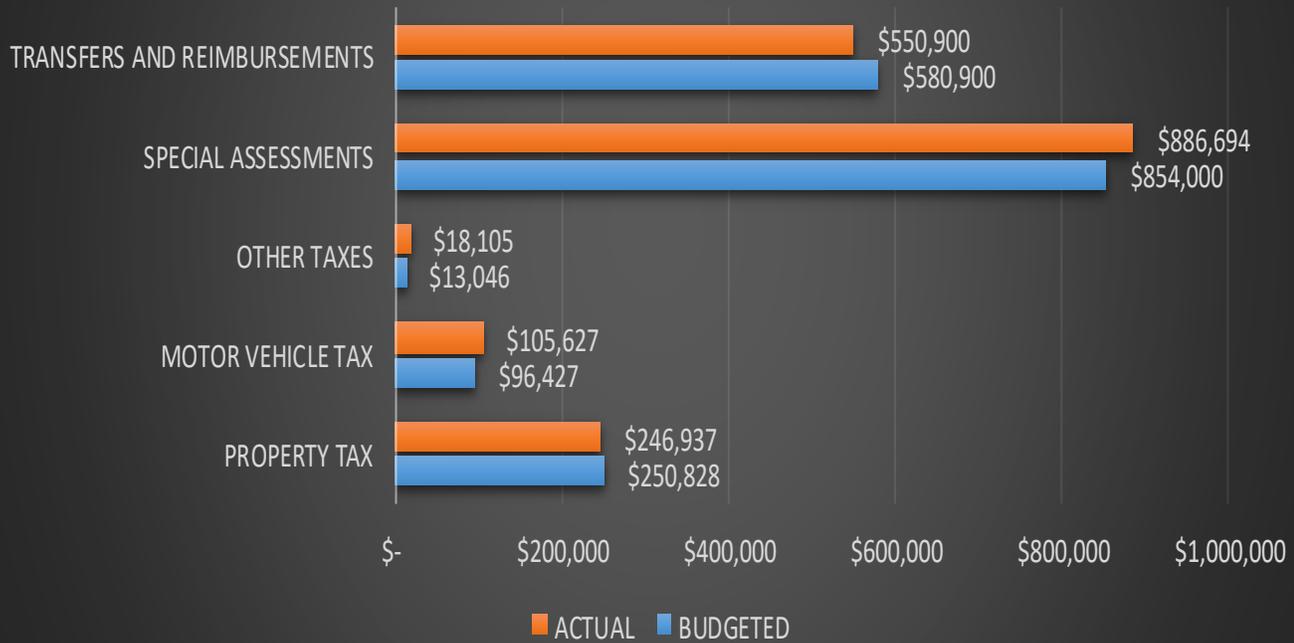




# BOND AND INTEREST REVENUES

2016  
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REVIEW

## 2016 Budgeted to Actual Comparison (Bond and Interest Revenues)



REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
PROPERTY TAX	\$ 250,828	\$ 246,937	98%	\$ (3,891)
MOTOR VEHICLE TAX	\$ 96,427	\$ 105,627	110%	\$ 9,200
OTHER TAXES	\$ 13,046	\$ 18,105	139%	\$ 5,059
SPECIAL ASSESSMENTS	\$ 854,000	\$ 886,694	104%	\$ 32,694
TRANSFERS AND REIMBURSEMENTS	\$ 580,900	\$ 550,900	95%	\$ (30,000)
<b>TOTAL</b>	<b>\$ 1,795,201</b>	<b>\$ 1,808,263</b>	<b>101%</b>	<b>\$ 13,062</b>

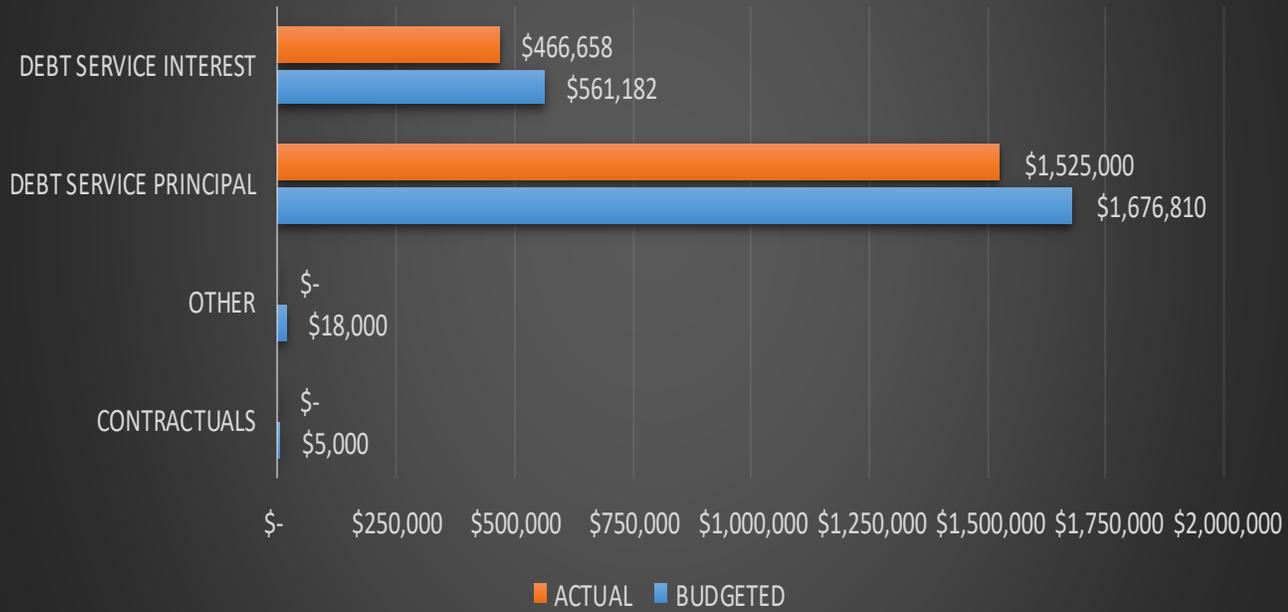




# BOND AND INTEREST EXPENDITURES

2016 YEAR IN REVIEW

## 2016 Budgeted to Actual Comparison (Bond and Interest Expenditures)



EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
CONTRACTUALS	\$ 5,000	\$ -	0%	\$ 5,000
OTHER	\$ 18,000	\$ -	0%	\$ 18,000
DEBT SERVICE PRINCIPAL	\$ 1,676,810	\$ 1,525,000	91%	\$ 151,810
DEBT SERVICE INTEREST	\$ 561,182	\$ 466,658	83%	\$ 94,524
TOTAL	\$ 2,260,992	\$ 1,991,658	88%	\$ 269,334



# **ENTERPRISE FUNDS SUMMARY**

## **Stormwater Utility Fund**

The Stormwater Utility Fund was created to help reduce the burden of flooding among City streets. Flooding has been a major issue in the past and continues to plague the City in certain areas. The Stormwater fund's highest expenditure line item is transfers. In 2016 this fund transferred \$100,000 to Bond and Interest to help with payment on debt service. In 2017 this fund is budgeted to transfer \$200,000 to Bond and Interest to help with payment on future debt service. Financial Highlights are below:

Revenues – 107.6%  
Expenditures – 72.2%  
Fund Balance ↑ \$85,796  
Fund Balance = \$357,647  
Fund Balance = 114% of 2017 Budgeted expenditures

## **Solid Waste Utility Fund**

The Solid Waste Utility Fund provides trash and recycling services for the City of Valley Center. The City awarded the bid to Waste Management in 2011 and has continued to use their services since. The idea behind using a solid waste franchise was to lower the overall cost of this service to all residents of the City and to increase the useful life of City streets by reducing the amount of large truck traffic. All City buildings receive trash service at no cost to also reduce the tax burden on the City's residents. Financial highlights are below:

Revenues – 93%  
Expenditures – 91.5%  
Fund Balance ↓ \$11,404  
Fund Balance = \$158,964  
Fund Balance = 33 % of 2017 Budgeted expenditures

# **ENTERPRISE FUNDS SUMMARY**

## Water Operating Utility

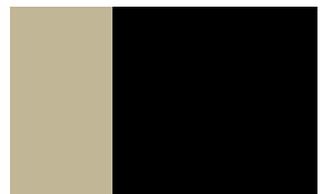
The Water fund provides several core services. The water fund is used to maintain and improve the City's infrastructure for water distribution to customers of the City. Currently the City purchases its water from the City of Wichita but is considering future plans to treat its own water. It also provides resources so the City can ensure reliable water meters and accurate meter readings for proper billing of customers for their usage of water. During 2016 the City water tower was cleaned, 100% of water testing that was sent to KDHE passed rigorous testing requirements, a Valve exercising program was created to help maintain all water valves and keep them functional to avoid costly repairs from under maintained equipment, and the water Department replaced 246 water meters during 2016. The largest expenditure during 2016 was a \$700,000 transfer to CIP for repayment on the overage of the Meridian/Ford St. project. Due to this large transfer a budget amendment was needed at the end of 2016 to increase expenditures by \$479,113. In 2017 the water fund will transfer an additional \$100,000 to the CIP to complete the internal loan amount of \$800,000 from Water to CIP. Financial highlights are below:

Revenues – 114.7%  
Expenditures – 95.7%  
Fund Balance ↓ \$241,466  
Fund Balance = \$798,318  
Fund Balance = 43% of 2017 Budgeted expenditures

## Sewer Operating Utility

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. 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. In 2016 The Sewer Department was able to clean 1/3 of the total sewer lines in the City and inspected roughly 4600 feet of sewer lines. Financial highlights are below:

Revenues – 101.5%  
Expenditures – 98.2%  
Fund Balance ↑ **\$42,914**  
Fund Balance = \$518,766





# ENTERPRISE FUNDS HIGHLIGHTS

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## WATER DEPARTMENT 2016 HIGHLIGHTS

- Chief Water Operator earned his class 4 Water Operator's License from the state of Kansas.
- The City water tower was cleaned and inspected via video.
- The Water Department took two Haloacetic acid (HAA5) and Trihalomethane (TTHM) samples and sent them to KDHE for testing. The testing was completed in the KDHE environmental microbiology laboratories and both samples that were tested passed.
- The Water Department took 72 bacteria samples in 2016 and sent them to KDHE environmental microbiology lab for testing. All samples sent passed testing.
- The water department implemented a hydrant maintenance program. In which the work on fire hydrants is logged and scheduled. The maintenance includes painting, lubricating, disassembly and re-assembly. 12 fire hydrants were serviced in 2016.
- Valve exercising program was implemented. This program logs when and which valves are exercised. Valves are exercised so that they stay functioning properly. 120 valves were exercised last year.
- The water department did 2,541 locate services last year. The water department locates water, sewer, and storm lines when people call 1-800-dig safe.
- The water department replaced 246 water meters last year. The water department is phasing out old meters and replacing them Sensus Iperl's. The new meters are more flow sensitive and can track water usage more accurately.
- The water department attended 56 hours of continuing education.

## SEWER DEPARTMENT 2016 HIGHLIGHTS

- 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.
- New gear box drive units were purchased for the North and South boxes.
- Pumps #9 and #10 were replaced due to equipment failure.
- Replaced blower used for the sludge holding tanks.
- Cleaned lift station and 1/3 of the sewer lines throughout the City
- TV scoped roughly 4600 feet of sewer line in 2016 to look for damage and needed maintenance.





# **ENTERPRISE FUNDS HIGHLIGHTS**

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## **STORMWATER 2016 HIGHLIGHTS**

- Completed Master Drainage Study
- Began meeting debt service obligation for Ford Street/Meridian Street drainage project.
- Windmill Valley drainage project completion.

## **SOLID WASTE 2016 HIGHLIGHTS**

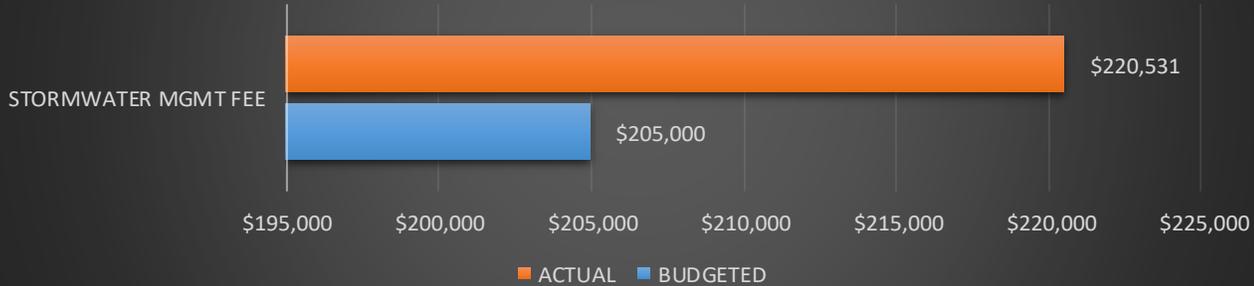
- Continued franchise partnership with Waste Management.
- Strong customer satisfaction with service.
- Free waste removal for Spring Clean-up.
- Waste Management assistance with building demolition at 69th and Meridian.
- Low monthly fee for customers.



# V **STORMWATER FUND**

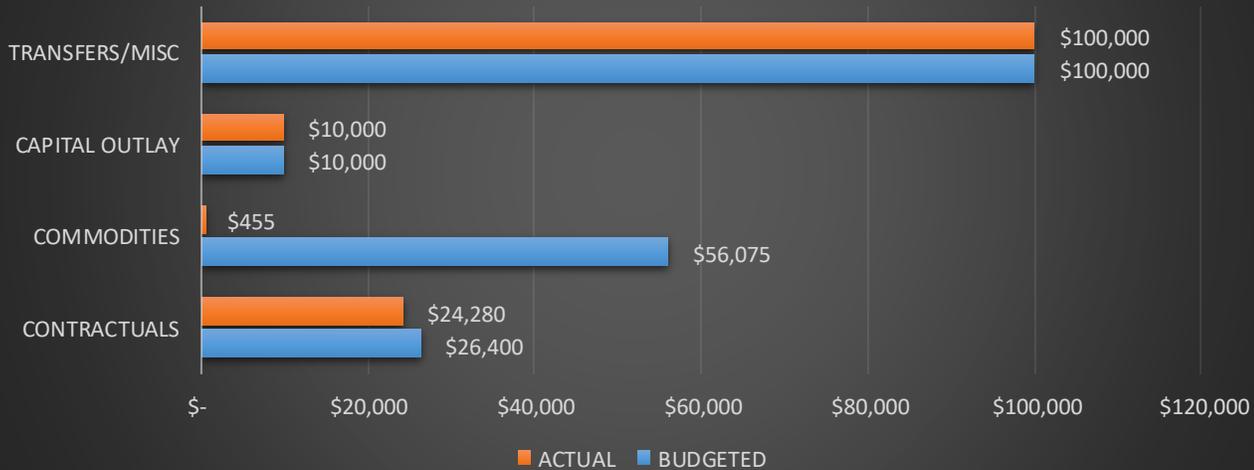
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## 2016 Budgeted to Actual Comparison (Stormwater Revenues)



REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
STORMWATER MGMT FEE	\$ 205,000	\$ 220,531	108%	\$ 15,531
<b>TOTAL</b>	<b>\$ 205,000</b>	<b>\$ 220,531</b>	<b>108%</b>	<b>\$ 15,531</b>
EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
CONTRACTUALS	\$ 26,400	\$ 24,280	92%	\$ 2,120
COMMODITIES	\$ 56,075	\$ 455	1%	\$ 55,620
CAPITAL OUTLAY	\$ 10,000	\$ 10,000	100%	\$ -
TRANSFERS/MISC	\$ 100,000	\$ 100,000	100%	\$ -
<b>TOTAL</b>	<b>\$ 192,475</b>	<b>\$ 134,735</b>	<b>70%</b>	<b>\$ 57,740</b>

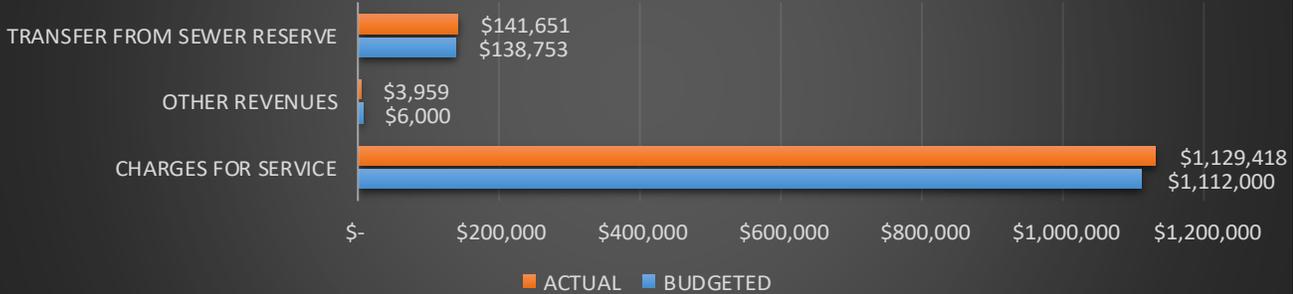
## 2016 Budgeted to Actual Comparison (Stormwater Expenditures)



# V SEWER OPERATING FUND

2016  
YEAR  
IN  
REVIEW

## 2016 Budgeted to Actual Comparison (Solid Waste Revenues)



REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
CHARGES FOR SERVICE	\$ 1,112,000	\$ 1,129,418	102%	\$ 17,418
OTHER REVENUES	\$ 6,000	\$ 3,959	66%	\$ (2,041)
TRANSFER FROM SEWER RES.	\$ 138,753	\$ 141,651	102%	\$ 2,898
<b>TOTAL</b>	<b>\$ 1,256,753</b>	<b>\$ 1,275,028</b>	<b>101%</b>	<b>\$ 18,275</b>
EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 236,700	\$ 250,614	106%	\$ (13,914)
CONTRACTUALS	\$ 380,500	\$ 387,813	102%	\$ (7,313)
COMMODITIES	\$ 28,500	\$ 12,478	44%	\$ 16,022
CAPITAL OUTLAY	\$ 58,500	\$ 85,607	146%	\$ (27,107)
TRANSFERS	\$ 550,653	\$ 495,653	90%	\$ 55,000
<b>TOTAL</b>	<b>\$ 1,254,853</b>	<b>\$ 1,232,165</b>	<b>98%</b>	<b>\$ 22,688</b>

## 2016 Budgeted to Actual Comparison (Solid Waste Expenditures)



# V SOLID WASTE FUND

2016  
YEAR  
IN  
REVIEW

## 2016 Budgeted to Actual Comparison (Stormwater Revenues)

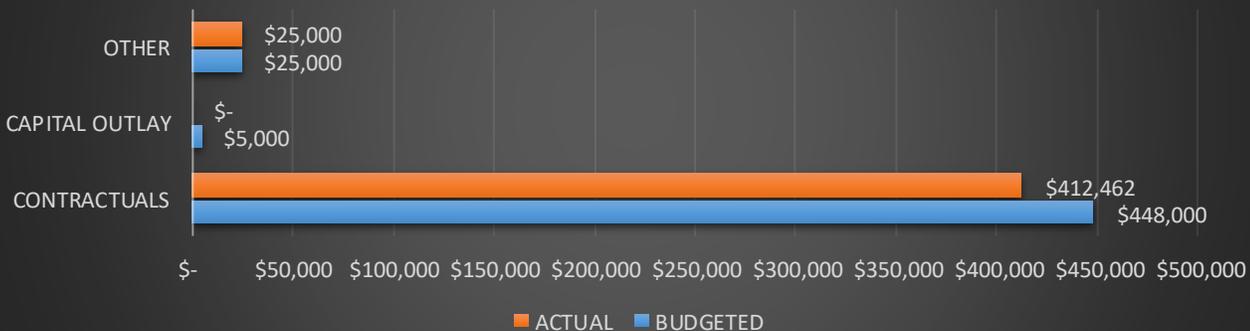


REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SERVICE FEES	\$ 450,000	\$ 416,390	93%	\$ (33,610)
PENALTIES	\$ 6,800	\$ 7,590	112%	\$ 790
MISC	\$ 1,500	\$ 2,078	139%	\$ 578
<b>TOTAL</b>	<b>\$ 458,300</b>	<b>\$ 426,058</b>	<b>93%</b>	<b>\$ (32,242)</b>

EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
CONTRACTUALS	\$ 448,000	\$ 412,462	92%	\$ 35,538
CAPITAL OUTLAY	\$ 5,000	\$ -	0%	\$ 5,000
OTHER	\$ 25,000	\$ 25,000	100%	\$ -
<b>TOTAL</b>	<b>\$ 478,000</b>	<b>\$ 437,462</b>	<b>92%</b>	<b>\$ 40,538</b>

## 2016 Budgeted to Actual Comparison (Stormwater Expenditures)

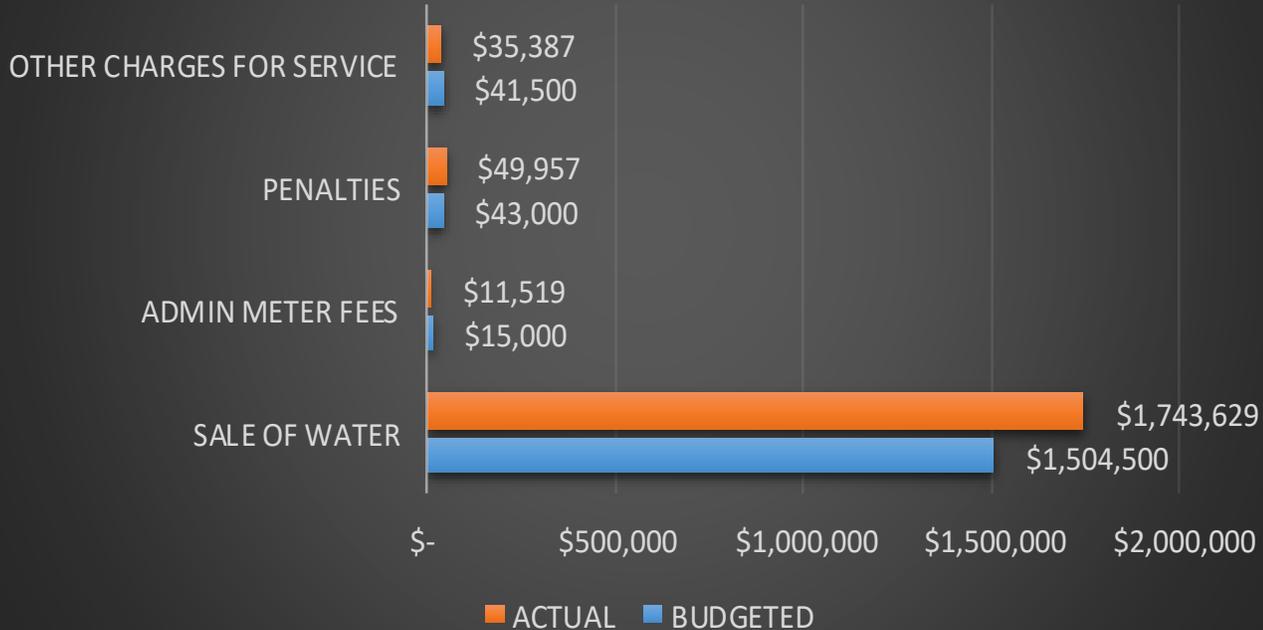




# WATER FUND REVENUES

2016  
YEAR  
IN  
REVIEW

## 2016 Budgeted to Actual Comparison (Water Operating Revenues)



REVENUES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALE OF WATER	\$ 1,504,500	\$ 1,743,629	116%	\$ 239,129
ADMIN METER FEES	\$ 15,000	\$ 11,519	77%	\$ (3,481)
PENALTIES	\$ 43,000	\$ 49,957	116%	\$ 6,957
OTHER CHARGES FOR SERVICE	\$ 41,500	\$ 35,387	85%	\$ (6,113)
TOTAL	\$ 1,604,000	\$ 1,840,492	115%	\$ 236,492

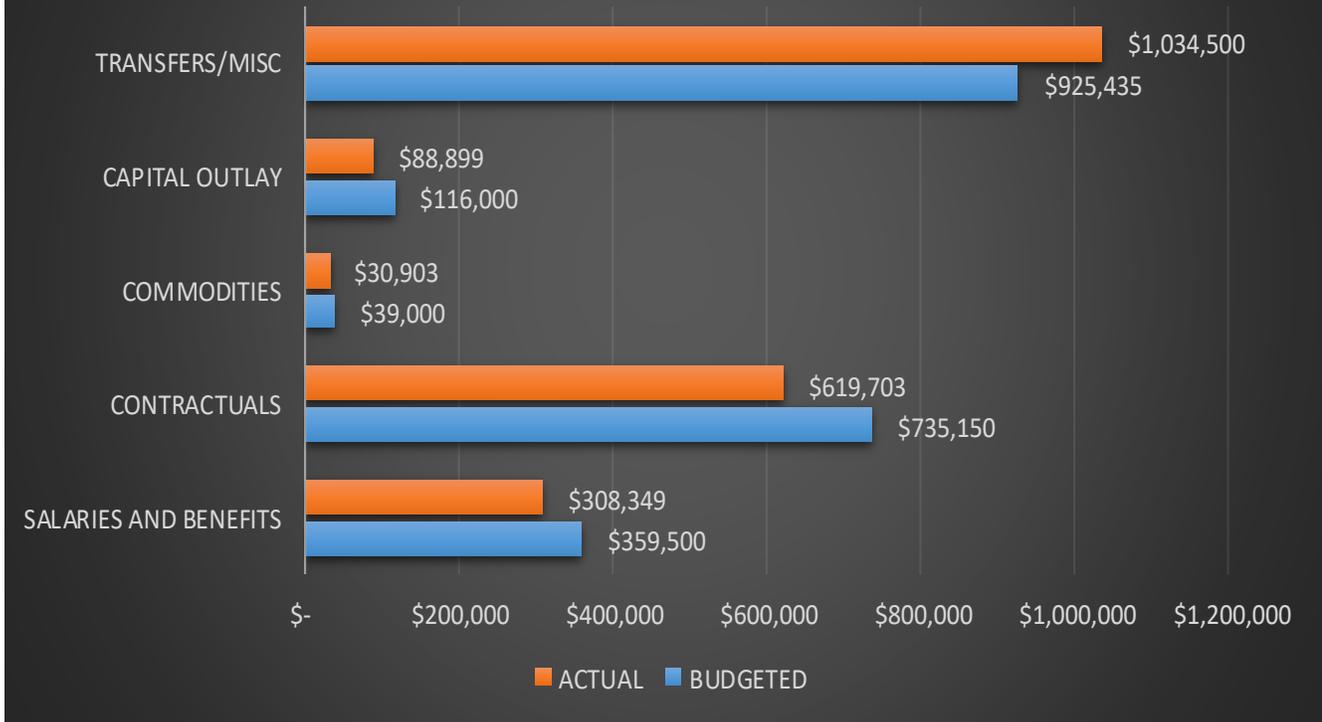




# WATER FUND EXPENDITURES

2016 YEAR IN REVIEW

## 2016 Budgeted to Actual Comparison (Water Operating Expenditures)



EXPENDITURES	BUDGETED	ACTUAL	% OF BUDGET	AMOUNT +/- BUDGET
SALARIES AND BENEFITS	\$ 359,500	\$ 308,349	86%	\$ (51,151)
CONTRACTUALS	\$ 735,150	\$ 619,703	84%	\$ (115,447)
COMMODITIES	\$ 39,000	\$ 30,903	79%	\$ (8,097)
CAPITAL OUTLAY	\$ 116,000	\$ 88,899	77%	\$ (27,101)
TRANSFERS/MISC	\$ 925,435	\$ 1,034,500	112%	\$ 109,065
TOTAL	\$ 2,175,085	\$ 2,081,378	96%	\$ (93,707)



# V YEAR END TOTALS

2016  
YEAR  
IN  
REVIEW

FUND YEAR 2016	BUDGETED REVENUES	ACTUAL REVENUES	% OF BUDGET	AMOUNT +/- BUDGET
GENERAL FUND	\$3,308,233	\$3,377,747	102%	\$69,514
BOND AND INTEREST	\$1,795,201	\$1,808,263	101%	\$13,062
WATER UTILITY	\$1,604,000	\$1,840,492	115%	\$236,492
SEWER UTILITY	\$1,256,753	\$1,275,028	101%	\$18,275
SPECIAL HIGHWAY	\$973,120	\$1,007,741	104%	\$34,621
EMPLOYEE BENEFIT	\$515,098	\$516,938	100%	\$1,840
SOLID WASTE UTILITY	\$458,300	\$426,058	93%	(\$32,242)
LIBRARY	\$235,998	\$236,826	100%	\$828
STORMWATER UTILITY	\$205,000	\$220,531	108%	\$15,531
EMERGENCY EQUIPMENT	\$51,945	\$55,015	106%	\$3,070
<b>TOTAL REVENUES</b>	<b>\$10,403,648</b>	<b>\$10,764,639</b>	<b>103%</b>	<b>\$360,991</b>

FUND YEAR 2016	BUDGETED EXPENDITURES	ACTUAL EXPENDITURES	% OF BUDGET	AMOUNT +/- BUDGET
GENERAL FUND	\$3,308,233	\$3,198,568	97%	\$109,665
BOND AND INTEREST	\$2,260,992	\$1,991,658	88%	\$269,334
WATER UTILITY	\$2,175,085	\$2,081,378	96%	\$93,707
SEWER UTILITY	\$1,254,853	\$1,232,165	98%	\$22,688
SPECIAL HIGHWAY	\$1,097,503	\$1,075,808	98%	\$21,695
EMPLOYEE BENEFIT	\$741,000	\$527,132	71%	\$213,868
SOLID WASTE UTILITY	\$478,000	\$437,462	92%	\$40,538
LIBRARY	\$250,495	\$250,495	100%	\$0
STORMWATER UTILITY	\$192,475	\$134,735	70%	\$57,740
EMERGENCY EQUIPMENT	\$53,487	\$39,182	73%	\$14,305
<b>TOTAL EXPENDITURES</b>	<b>\$11,812,123</b>	<b>\$11,007,914</b>	<b>93%</b>	<b>\$804,209</b>

TOTAL BUDGETED REVENUES	TOTAL BUDGETED EXPENDITURES	% OF EXPENDITURES TO REVENUES	BUDGETED AMOUNT +/- BUDGET
\$10,403,648	\$11,812,123	114%	-\$1,408,475
TOTAL ACTUAL REVENUES	TOTAL ACTUAL EXPENDITURES	% OF ACTUAL EXPENDITURES TO REVENUES	ACTUAL AMOUNT +/- BUDGET
\$10,764,639	\$10,968,583	102%	-\$203,944

2016 COLLECTION TOTALS			
UTILITY		COURT	
CBOK	KDRS	CBOK	KDRS
\$ 2,726.28	\$ 3,761.94	\$ 2,927.88	\$ 2,062.63

