

2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT



Division of Finance
100 N. Broadway #610 - Wichita, KS 67202
316-660-7591 - sedgwickcounty.org

ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of
**THE COUNTY OF
SEDGWICK, KANSAS**
for the
Year Ended December 31, 2022

Prepared by:
DIVISION OF FINANCE
Lindsay Poe Rousseau, Chief Financial Officer
Brent Shelton, Deputy Chief Financial Officer
Hope Hernandez, Director of Accounting

COUNTY OF SEDGWICK, KANSAS BOARD OF COUNTY COMMISSIONERS

2022

Chairman
David T. Dennis

Chair Pro-Tem
Sarah Lopez

Commissioner
Lacey D. Cruse

Commissioner
Peter F. Meitzner

Commissioner
James M. Howell

County Manager
Thomas J. Stolz

2023

Chairman
Peter F. Meitzner

Chair Pro-Tem
James M. Howell

Commissioner
Sarah Lopez

Commissioner
David T. Dennis

Commissioner
Ryan Baty

County Manager
Thomas J. Stolz

NON-DISCRIMINATION STATEMENT

Sedgwick County does not discriminate on the basis of handicapped status in the admission to, or treatment of, or employment in, its programs or activities. The Affirmative Action Officer has been designated to coordinate the non-discrimination requirements contained in Section 51.55 of the Revenue Sharing Regulations. The Coordinator may be contacted in the Sedgwick County Office of Affirmative Action, 510 North Main St #304, Wichita, Kansas, 67203. Phone (316) 660-7058.

SEDGWICK COUNTY, KANSAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2022

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2022

INTRODUCTORY
SECTION





*Sedgwick County...
working for you*

County Manager's Office

100 N. Broadway, Suite 630, Wichita, KS 67202 - www.sedgwickcounty.org - TEL: 316-660-9393

June 14, 2023

Board of County Commissioners
Sedgwick County Courthouse
100 N. Broadway, Suite 660
Wichita, KS 67202

Dear Commissioners:

The administration is pleased to present to you the Annual Comprehensive Financial Report of the County of Sedgwick, Kansas for the fiscal year ended December 31, 2022. This document is a review of what occurred financially last year. In that respect, it is a report card of our ability to manage our financial resources. This report indicates we are in sound financial shape.

This document can also be used as a means to inform you and the citizens regarding our financial condition as you struggle with the difficult choices of delivery of services. It provides a foundation of information that will help us all make informed decisions.

This report, along with management of our finances, is the fine work of Chief Financial Officer Lindsay Poe Rousseau, Deputy Chief Financial Officer Brent Shelton, Accounting Director Hope Hernandez, and the Accounting team of David Floyd, Lisette Foster, Cassandra Maestas, Lynn Newby, Elizaveta Roberts, Michelle Stroot, and Ammi Walters.

Sincerely,

Tom Stolz
County Manager



Sedgwick County...
working for you

Division of Finance

100 N. Broadway, Ste. 610, Wichita, KS 67202 - www.sedgwickcounty.org - TEL: 316-660-7591

June 14, 2023

To the Honorable Chair of the Board,
Members of the Board of County Commissioners, and
Citizens of Sedgwick County:

Good financial management requires that we provide full disclosure of the results of the County's fiscal activities each year, and that we obtain independent verification of the accuracy of our financial statements. Additionally, Kansas statutes call for an annual audit of all funds of the County by independent certified public accountants. Pursuant to these requirements, we hereby issue the annual comprehensive financial report of Sedgwick County for the fiscal year ended December 31, 2022. The County is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. I believe that the information presented in this report is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of the various funds, and that all disclosures necessary for readers to gain an understanding of the County's financial affairs have been included.

The firm of FORVIS, LLP audited the County's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. Sedgwick County has implemented a control environment that has been built into, not onto, its business practices. The objective of this control environment is to provide reasonable assurance that its financial statements are free of material misstatements. The cost of providing absolute assurance far exceeds the potential benefits derived from absolute assurance. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there is a reasonable basis for rendering unmodified opinions that the statements are presented in conformity with Generally Accepted Accounting Principles, (GAAP) and fairly present the financial position of the County. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

PROFILE OF SEDGWICK COUNTY

History

Originally a camping ground of the Osage and Wichita Indian tribes, Sedgwick County, Kansas, is thought to be a place of discovery for such explorers as Francisco Coronado and Kit Carson. The earliest European settler to the region was M. DuTissenet, a Frenchman operating under the direction of the governor of Louisiana in 1719. DuTissenet brought with him soldiers, traders, and hunters who soon populated and transformed the region from prairie to a land of opportunity.

Sedgwick County was officially established nearly 150 years later on February 26, 1867, and bears the name of Civil War hero Major General John Sedgwick of the Union Army who was killed during the battle of Spotsylvania Courthouse in Virginia. After an initial failed attempt at establishing an official county government, the Governor of the State of Kansas appointed three Commissioners to aid in the effort. In April 1870, the first county officials were elected and the county seat of Wichita was chosen.

Geography

Occupying 1,008 square miles of land in south central Kansas, Sedgwick County falls within the borders of the Arkansas River Lowlands. It is noted for its extreme flatness, as its highest point is only 1,540 feet above sea level. The County's lowest point, approximately 1,220 feet above sea level, occurs along the southern border where the Arkansas River leaves the county. Sedgwick County's largest city is Wichita, which is located along Interstate 35 with service areas to Interstate 135, U.S. 54, and various other highways.

Population

Sedgwick County is in a growing region, currently home to approximately 500,000 citizens. The County's population has increased 3.2% since 2010, and has increased faster than the population of Kansas as a whole (1.9% since the 2010 census). The population of Sedgwick County is expected to grow to approximately 643,186 by 2070. In addition to a strong growth trend, the *U.S. Census Bureau, 2020 American Community Survey*, reports Sedgwick County is a relatively young community, with 85.2% of its population younger than the age of 65. By 2070, however, the number of citizens age 65 and older is expected to increase to 170,079, over a 150.0% change from 2015-2070.

GOVERNMENT

Elected Officials

Sedgwick County is governed by a five-member Board of County Commissioners (BOCC) that meets in regular weekly sessions, with the exception of the last Wednesday of every month. Commissioners are elected according to geographical area (districts) and serve four-year terms with those terms overlapping. The Commissioners are full-time County officials and perform all executive, legislative, and policy-related functions. The Board also governs Sedgwick County Fire District 1, a separate special-purpose local government. The Chairman of the Board is elected by the Commissioners and serves a one-year term, January through December.

In addition to the BOCC, citizens of Sedgwick County elect the following positions:

- County Clerk
- Register of Deeds
- County Treasurer
- Sheriff

- District Attorney
- 18th Judicial District Judges

Appointed Officials

Sedgwick County was recognized by the International City-County Management Association (ICMA) in 1981 as a Council-Manager form of government. Therefore, the Board appoints a professional County Manager to administer most County functions and to implement policy decisions. Tasks of the County Manager range from the management of special projects to the daily functions of the County's nearly 3,000 employees. A Deputy County Manager and two Assistant County Managers aid the County Manager in his duties.

The BOCC also appoints the:

- County Counselor
- County Appraiser
- County Engineer
- Director of the MABCD

The Kansas Secretary of State is responsible for appointing an Election Commissioner for Sedgwick County.

In addition to the County government, Sedgwick County contains 26 townships, 20 cities, 20 unified school districts, 10 improvement districts (eight improvement districts levy taxes), 11 recreation commissions, 12 active tax increment financing districts, seven cemetery districts, five drainage districts, four watershed districts, two library districts, one redevelopment district, one fire district, one hospital district and one groundwater district. Ten of the unified school districts, two of the cities, two of the cemetery districts, three of the drainage districts, one of the improvement districts, one of the library districts, and nine of the recreation commission districts cross the border into at least one other county.

Services

Sedgwick County prides itself on being a full-service government for all of its citizens. Community residents are familiar with the concept that Sedgwick County provides services from A-Z: everything from Animal Control to the Sedgwick County Zoo. In addition to the aforementioned services provided by the elected and appointed officials, Sedgwick County provides services pertaining to community development, culture and recreation, finance, health, human services, information technology, operations, and public safety.

The annual budget process begins 12 months before the start of each fiscal year, when the Budget Department prepares a five-year financial forecast. The financial forecast serves as the foundation for planning and control, projecting revenues and expenditures for the next five years and comparing the prior year's projections with actual results. The Budget Department receives input from the Capital Improvement Program Committee. This Committee ranks projects with significant multi-year benefits, such as buildings, drainage, and infrastructure. It also receives input from the Technology Review Board, a team that evaluates new and replacement of technology that connects to the County's network. Eleven months before the start of the new fiscal year, the Budget Department prepares and distributes a base budget for all County departments. Department managers identify the service implications of the base budget and, if necessary, submit requests for additional funding or staff. Three months later, the BOCC holds budget review sessions to discuss service levels, resource allocations, and funding strategies for the upcoming year. The County Manager prepares a proposed budget in conjunction with his Budget Team and Budget Department staff. He presents this recommended budget to the Commission about five months before the New Year. The Commissioners hold public hearings to receive input from citizens. The budget is adopted approximately three to four months before the start of the new fiscal year and is submitted to the County Clerk in compliance with State statutes.

The legal level of budgetary control is at the individual fund level, and County policy provides authority for intra-fund modifications of the budget. The budget is prepared by fund, function, cost center and superior commitment item. Legally appropriated annual budgets are statutorily required for most, but not all, operations. Budget to actual comparisons are provided in this report for each individual governmental fund for which a legal appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page A-82 as part of the required supplementary information. For governmental funds other than the General Fund with legal appropriated annual budgets, this comparison is presented in the governmental funds subsection, beginning on page B-17.

ECONOMIC CONDITION AND OUTLOOK

Sedgwick County is a regional economic center with manufacturing, health care service, and retail trade as primary industries. The economic information contained in this letter was drawn from publications of the Center for Economic Development and Business Research (CEDBR) at Wichita State University, and from the U.S. Department of Labor. The Wichita metropolitan statistical area (MSA) is comprised of Sedgwick, Butler, Harvey, Kingman, and Sumner counties in Kansas.

Employment/Income

The Center for Economic Development and Business Research (CEDBR) at Wichita State University reports the labor force for the Wichita MSA at 320,744 as of December 2022 a 0.3% increase from December 2021. Of those who are eligible for employment, approximately 97.1% (311,289) were employed in 2022. According to the US Census Bureau the 2021 median income was \$60,593 for households in Sedgwick County, up from \$57,540 in 2020.

Property Values/Tax Payers

Similar to other jurisdictions, Sedgwick County has continued to address modest growth in property valuations by making operational changes. Prior to the national recession, assessed property valuations grew by an average of 5.5% annually between 1999 and 2009. Since that time, assessed valuations were below 1.0% for three years (2010 to 2012), and fell in value for the 2013 budget by 0.7%. In 2016, there was an increase of 1.4%. In 2017, there was an increase of 2.8%, and assessed value increased to 3.2% in 2018. The assessed valuation for 2019 was 3.9% and in 2020 the assessed valuation was 4.5%. Assessed valuation for 2021 was 3.6% and 7.3% in 2022. In Sedgwick County, residential property accounts for the largest percentage (64.6%) of the total assessed value of real property. The second largest is commercial property, comprising 32.4% of the County's total assessed value of real property. The large percentage of residential property shows that individuals and families recognize the County as a growing community where they can purchase a home and establish roots, while the large portion of commercial property shows that the County's business environment is also favorable. Another economic indicator is the total assessed value of the five largest taxpayers compared to the total assessed valuation of the County. A concentrated property tax base can be detrimental to a community in times of economic downturn, especially if a jurisdiction's largest taxpayers are in the same industry. Sedgwick County's largest five taxpayers comprised 7.27% of the County's total assessed value in 2021.

Cost of Living/Housing

The current overall cost of living in Wichita is below the national average of 100.0 on the Overall Cost of Living Index. Compared to Oklahoma City, Oklahoma (85.7), Omaha, Nebraska (91.9), Dallas, Texas (107.7), and Kansas City, Missouri-Kansas (95.5), the overall cost of living for area residents (90.8) is comparable to other area communities. As of the fourth quarter of 2021, the median home sales price in Wichita was \$192,100 for an existing home, approximately \$168,600 less than the national average. New housing units are also very competitively priced at an average of \$225,426, 25.77% below the corresponding national average.

COUNTY BUSINESS AND FINANCIAL FORECAST

Financial Forecast

Sedgwick County continues to demonstrate a very strong financial position. The County uses a five-year financial forecast to evaluate current and projected fiscal conditions and to guide policy and programmatic decisions. The financial forecast is a management tool that projects operating results based on current and anticipated economic conditions and identifies revenue and expenditure trends that may have an immediate or long-term effect on the County's financial condition. The financial forecast assists in making decisions that meet the County's objectives of fiscal discipline and delivery of essential community services. Additionally, it serves as an early warning signal of the possibility of future deficits, allowing time for reasoned consideration of alternative actions to avoid deficits.

Over the next five years, the County faces a number of challenges but is generally well positioned to meet them financially. Like many communities, the County experienced rapid growth in homes sales, strong growth in property values, and near historic levels of retail tax growth following the COVID-19 pandemic, leading to strong revenues. At the same time, persistent inflation, supply chain disruptions, utility cost volatility, and workforce shortages have increased pressure on County expenditures. Recent Federal Reserve actions to cool a heated economy and avoid a recession also cause fiscal uncertainty. However, as this report demonstrates, the County has substantial reserves and a demonstrated history of making financial course corrections when needed to balance the budget. The health of the reserves will allow the County to make deliberate and strategic decisions, pending the impacts of these global challenges. The County continues to closely monitoring revenue collections and expenses going into the next financial forecast update.

The most recent forecast update anticipates an operating surplus in the General Fund in 2023 due to strong revenue growth, as well as the one-time transfer in of fund balances from three County property-tax-supported funds that were consolidated into the General Fund in 2022. Other County property-tax-supported funds have been budgeted to attain or preserve targeted fund balances. Other funds, particularly grant funds, are projected to experience a mix of operating surpluses and deficits, particularly as Federal American Rescue Plan Act funds are utilized after the County received the funds in two tranches in 2021 and 2022. These financial forecast projections will certainly be impacted as conditions changes, but the County's objective remains to maintain prudent fund balances through strategic management.

Major initiatives of the County include the following:

- Aligning compensation with market peers and local employers to provide a competitive employment environment to attract and retain a diverse and high performance workforce
- Maintaining budget balance while also meeting competitive pay and space needs for county government, like administration, public safety, and elections
- Investment in the mental health and substance use community response to improve access to care and reduce demands on the public safety system, including a partnership with the State of Kansas to construct a State mental health hospital within Sedgwick County
- Pursue and administer federal grant opportunities in compliance with applicable rules and regulations
- Upgrade to the County's enterprise data system with financial system implementation in 2024

In addition to the five-year financial forecast, the County develops a Capital Improvement Program (CIP) with the goal of facilitating area-wide economic development by updating the County's roads, bridges, and drainage systems, as well as maintaining its facilities. The five-year CIP is used as a planning tool that specifies the capital spending budget for the current year and projects it for the four following years. Capital spending for 2022 totaled \$19,128,913, including projects for road improvements, infrastructure,

equipment, and continued upgrades to County owned and leased buildings. Planned capital spending for 2023 totals \$32,107,413. Total projected spending in the 2023-2027 CIP is \$148,222,698 and is comprised of the following: \$34,027,198 for facilities and drainage, \$90,445,000 for roads, and \$23,750,500 for bridges. The CIP is funded on a year-by-year basis from various funding sources, including annual operating revenues from property tax and sales tax, or by issuing bonds and making debt service payments over a period of years.

During 2022, as authorized by a comprehensive written investment policy, idle County funds were invested in certificates of deposit, obligations of the U.S. Treasury, government agency securities, repurchase agreements, money market funds, and the State of Kansas Municipal Investment Pool. Investments had a maximum maturity of four years. The weighted average maturity was 246 days and the average yield to maturity was 1.43%. The fair value of investments totaled \$727,973,247 at December 31, 2022.

Sedgwick County maintains a debt management policy designed to set guidelines for management and control of debt financing by the County. Many demands are placed upon the County to provide services; therefore, it is necessary to ensure the use of debt to finance projects does not outrun the County's legal and fiscal capability to repay the debt.

Sedgwick County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Single audits are intended to eliminate duplication of audit effort by providing for only one audit entity-wide, specifically designed to meet the needs of all interested parties. Although individual federal grantor agencies may still arrange for additional audit work if they consider it necessary for their purposes, the law requires that any additional work be built upon the single audit.

The County's financial management policies may be viewed at the County Finance Division's website, <http://www.sedgwickcounty.org/finance>.

As a recipient of Federal and State financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to assure compliance with applicable laws and regulations related to those programs. Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. This internal control structure is subject to periodic evaluation by management. As a part of the County's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to Federal financial assistance programs, and to evaluate the County's compliance with applicable laws and regulations.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Sedgwick County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2021. This was the 41st consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Sedgwick County also received GFOA's Award for Distinguished Budget Presentation for its 2022 annual appropriated budget document. In order to qualify for the Distinguished Budget Presentation Award, a government must publish a document that meets program criteria as a policy document, operations guide, financial plan, and communications medium. The award is valid for a period of one year only. Sedgwick County has received the award for 40 consecutive years.

For the 17th time, Sedgwick County received GFOA's Popular Annual Financial Reporting (PAFR) Award for 2021 GFOA's PAFR award program encourages governments to publish concise annual financial reports specifically designed to be readily accessible and easily understandable to the general public. This award is valid for one year only.

Acknowledgements

Preparation of this report required the cooperation and dedicated efforts of many County personnel outside the Division of Finance, and of the independent auditors, FORVIS, LLP. I sincerely appreciate this significant support. The citizens of Sedgwick County are extraordinarily well served by all members of the Division of Finance who contributed to this annual financial report of the County's financial results in their daily work throughout the year and their individual fiscal year-end tasks.

In particular, I want to applaud the efforts of the Accounting Staff, whose service to the County is invaluable. I express special appreciation to the Board of County Commissioners for their continued support for maintaining the highest standards of professionalism in the management of Sedgwick County's finances.

Respectfully,



Lindsay Poe Rousseau
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Sedgwick
Kansas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

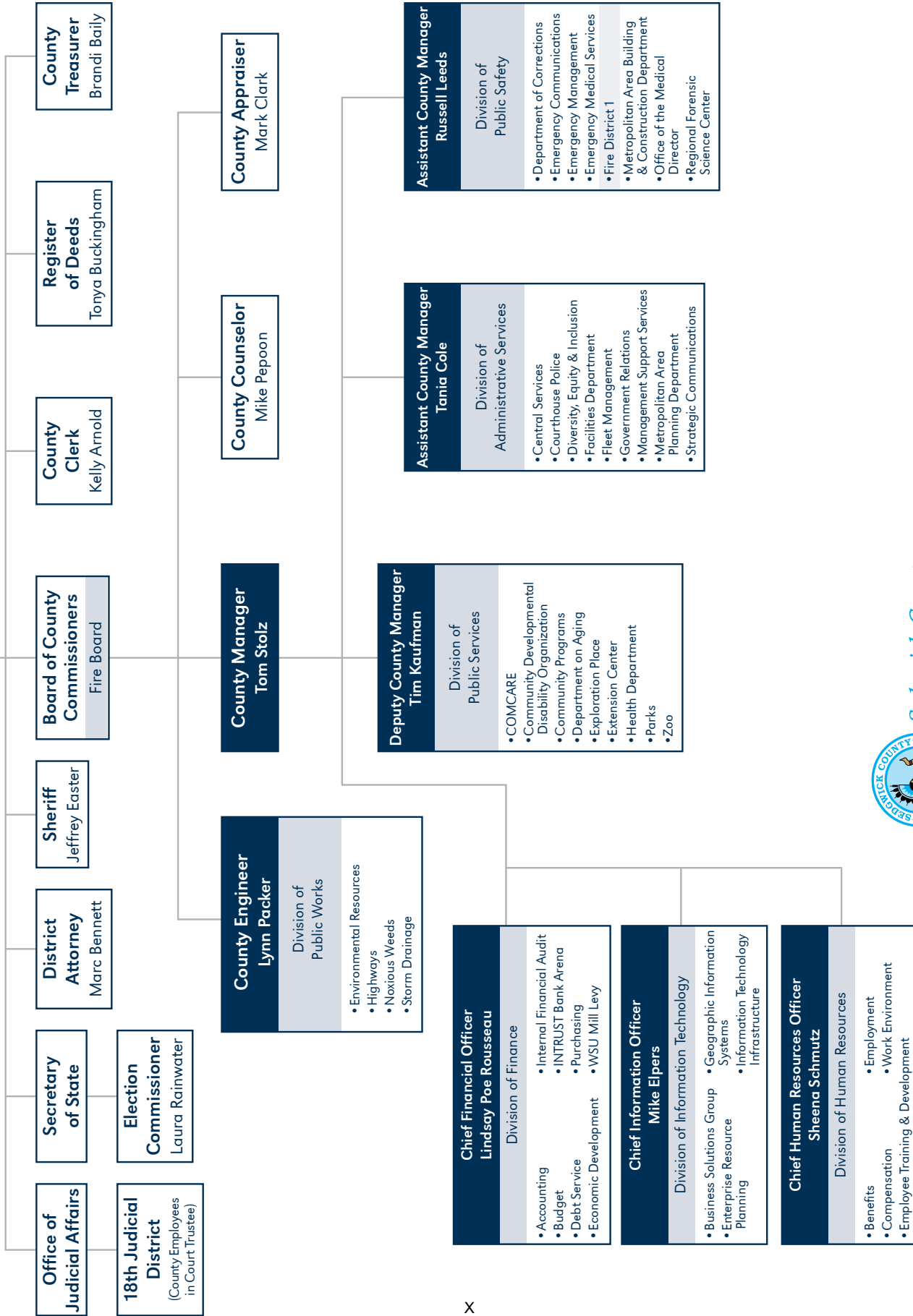
Christopher P. Morill

Executive Director/CEO

SEDGWICK COUNTY, KANSAS
PRINCIPAL OFFICIALS
December 31, 2022

Elected Positions	Name	Date of Appointment
Commissioner, 1 st District	Peter F. Meitzner	January 13, 2019
Commissioner, 2 nd District	Sarah Lopez	January 10, 2021
Commissioner, 3 rd District	David T. Dennis	January 8, 2017
Commissioner, 4 th District	Lacey D. Cruse	January 13, 2019
Commissioner, 5 th District	James M. Howell	January 11, 2015
Administrative Judge, 18 th Judicial District	Jeffrey Goering	June 30, 2019
District Attorney	Marc Bennett	January 13, 2013
County Clerk	Kelly B. Arnold	January 11, 2009
Register of Deeds	Tonya Buckingham	January 29, 2016
County Sheriff	Jeffrey Easter	December 16, 2012
County Treasurer	Brandi Baily	October 10, 2021

Appointed Positions	Name	Date of Appointment
County Manager	Thomas J. Stolz	February 20, 2019
Deputy County Manager, Public Services	Tim Kaufman	July 24, 2016
Assistant County Manager, Administrative Services	Tania Cole	April 3, 2019
Assistant County Manager, Public Safety	Russell Leeds	September 25, 2017
Chief Financial Officer	Lindsay Poe Rousseau	February 15, 2017
County Counselor	Michael Pepoon	November 16, 2018
County Appraiser	Mark Clark	February 12, 2020
County Engineer	James Weber	July 22, 2020
Chief Information Officer	Mike Elpers	April 11, 2021
Director of Health Department	Adrienne Byrne	May 18, 2014
Chief Human Resources Officer	Sheena Schmutz	November 26, 2018
Director, Metropolitan Area Planning Department	Scott Wadle	March 23, 2020
Director, Metropolitan Area Building and Construction Department	Chris W. Labrum	June 5, 2017



X



*Sedgwick County...
working for you*

2022

FINANCIAL
SECTION



Independent Auditor's Report

Board of County Commissioners
Sedgwick County, Kansas
Wichita, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Sedgwick County, Kansas (the County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note IV.E. to the financial statements, in 2022, the County adopted Governmental Accounting Standards Board Statement Number 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension, and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing

Board of County Commissioners
Sedgwick County, Kansas

the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2023, on our consideration of County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

FORVIS, LLP

Wichita, Kansas
June 14, 2023

Management's Discussion and Analysis

As management of Sedgwick County, Kansas, we offer you this discussion and analysis of the financial activities of Sedgwick County for the fiscal year ended December 31, 2022. This information is designed to identify and explain significant financial issues, changes in Sedgwick County's financial position and deviations from budget. We encourage you to consider this information in conjunction with the letter of transmittal that precedes this narrative, the financial statements, and the notes to the financial statements.

Financial Highlights

- On March 11, 2020, the World Health Organization declared the novel coronavirus, COVID-19, a pandemic. To assist with the response, Sedgwick County received \$99.6 million in Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funds awarded directly to Sedgwick County, with another \$9.3 million in Strengthening People and Revitalizing Kansas (SPARK) funds awarded by the State of Kansas for economic recovery efforts necessary due to COVID-19's economic effects. Then, in June 2021, Sedgwick County received the first half of a \$100.2 million allocation in Federal American Rescue Plan Act (ARPA) funds. The second half was received in June 2022. These funds are permitted to be obligated for eligible uses through 2024 and must be spent by December 31, 2026. The Board of County Commissioners has adopted a spending plan through 2024, which includes funding for premium pay for front-line workers during the worst of the pandemic; public health response; measures for employee safety related to COVID-19 and other respiratory protections; facility measures and additional workforce necessary to resolve the 18th Judicial District Court system backlog; and other programs.
- Several key revenues for the County reflected economic recovery from the pandemic. Sales and use tax collections were 10.4% greater than in 2021, while licenses and permit revenue received through the Metropolitan Area Building & Construction Department (MABCD) increased 12.6%. The impact of increasing interest rates also yielded higher income from the County's investment portfolio, doubling the amount of income received in 2022 versus 2021. At the same time, historic levels of inflation and supply chain challenges put new pressures on the 2022 budget for departments.
- Like the rest of the country, Sedgwick County's behavioral health system has been challenged to meet the level of need as the effects of the pandemic have rippled throughout the community. In 2022, the State of Kansas designated Sedgwick County COMCARE as a Certified Community Behavioral Health Clinic (CCBHC), which changes and expands access to mental health care, as well as significantly changing the funding model. This resulted in significant new revenue to COMCARE in 2022, which is anticipated to increase in the coming years.
- Total net position of Sedgwick County increased \$2.9 million to \$546.8 million. The governmental funds increased \$1.8 million, and the Arena Fund, our only enterprise fund through 2022, increased \$1.0 million. An additional enterprise fund will be used by the County beginning in 2024.
- Of this total, (\$3.8) million is reported as unrestricted net position, a decrease from the prior year of \$7.5 million.
- 2022 expenses were \$385.4 million, a decrease of \$21.5 million. This decrease in expenses is largely related to the COVID relief funding that was received and spent in 2021 versus 2022.
- Program revenues were \$151.5 million, a decrease of \$30.5 million. This decrease in revenues is largely related to the COVID relief funding that was received in 2021 versus 2022.
- Property taxes were \$198.5 million, an increase of \$4.3 million. The County's assessed valuation grew 3.6% for the 2022 budget year
- Sales taxes were \$38.5 million, an increase of \$2.7 million. This increase can be contributed to a strong economy with very low unemployment rates causing higher wages, but also high inflation.

- The County adopted Governmental Accounting Standards Board Statement No. 87, *Leases* in 2022. Comparative 2021 information presented herein has not been restated for its adoption.

Overview of the Financial Statements

Management's discussion and analysis serves as an introduction to Sedgwick County's basic financial statements. The basic financial statements consist of three components: [1] government-wide financial statements, [2] fund financial statements, and [3] notes to the financial statements. This report also contains other information in addition to the basic financial statements.

The government-wide financial statements provide financial information about the County as a whole, including its component units.

The fund financial statements focus on the County's operations in more detail than government-wide financial statements. The financial statements presented for governmental funds report on the County's general government services and proprietary funds report on the activities the County operates like private-sector businesses.

The basic financial section also includes notes that explain in more detail the information in the government-wide and fund financial statements; the notes provide more detailed data essential to a full understanding of the data presented in the financial statements. The notes to the financial statements can be found on pages A-32 through A-86 of this report.

Government-wide Financial Statements

The *government-wide financial statements* provide readers with a broad overview of Sedgwick County's finances. All current year revenues and expenses are included, regardless of whether related cash has been received or paid. This reporting method produces a view of financial activities and position similar to that presented by most private-sector businesses.

The *statement of net position* presents information on all of Sedgwick County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*, which is one method to measure the County's financial condition. An increase or decrease in the County's net position from one year to the next indicates whether the financial position of the County is improving or deteriorating, although unique one-time revenues or expenses may cause changes in the net position without indicating structural financial concerns.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The government-wide financial statements report functions of the County that are principally supported by taxes and intergovernmental revenue (governmental activities) separately from other functions that are intended to recover all or a significant portion of costs through user fees and charges (business-type activities). Governmental activities of the County include general government, public safety, public works, health and welfare, cultural and recreation, and community development. The County has a single business-type activity, the Arena Fund, which is used to account for the assets, liabilities, revenues and expenses associated with INTRUST Bank Arena. In 2024, the MABCD Fund will be utilized for the first time, which will also be treated an enterprise fund.

The government-wide financial statements include not only the primary government but also two blended component units, Sedgwick County Fire District 1 and Sedgwick County Public Building Commission.

The government-wide financial statements can be found on pages A-15 through A-17 of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Sedgwick County, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements focus on individual parts of the County, reporting the operations in more detail than the government-wide statements. Fund financial statements focus on the most significant funds within the County. The County's funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds include most of the basic services provided by the County and account for essentially the same functions as reported in the governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, the fund financial statements focus on how money flows in and out of the funds during the fiscal year and spendable resources available at the end of the fiscal year. This information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Sedgwick County maintains 32 individual governmental funds. Information is presented separately in the governmental funds *balance sheet* and in the governmental funds *statement of revenues, expenditures, and changes in fund balances* for the General Fund, Federal/State Assistance Fund, Public Building Commission Fund, Debt Service Fund, and Debt Proceeds Fund, all of which are reported as major funds. Information on the remaining nonmajor governmental funds is combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Governmental Funds subsection.

The County adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental funds financial statements and reconciliations to the government-wide financial statements can be found on pages A-19 through A-26 of this report.

Proprietary Funds

Sedgwick County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County reports a single enterprise fund to account for the Arena complex. Additional information regarding the INTRUST Bank Arena is provided in the combining schedule in the Enterprise Fund subsection. See the note above regarding the addition of a second enterprise fund in 2024.

Internal service funds are used to accumulate and allocate costs internally among Sedgwick County's various functions. The County utilizes internal service funds to account for its fleet of vehicles, employee health, dental and life insurance, worker's compensation activity, and risk management. The four internal service funds are combined into a single aggregated column in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the Internal Service Funds subsection. Because activity of the internal service funds predominately benefit governmental rather than business-type functions, they are included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages A-27 through A-29 of this report.

Fiduciary Funds

Fiduciary funds are used to report activities whereby the County acts as a trustee or fiduciary to hold resources for the benefit of parties outside the government. The accrual basis of accounting is used for fiduciary funds and is similar to the accounting used for proprietary funds. The government-wide statements exclude fiduciary fund activities and balances, because these assets are restricted in purpose and cannot be used by the County to finance its operations. The County must ensure that assets reported in fiduciary funds are used for their intended purpose.

The County has four fiduciary funds classified as custodial funds. These four funds account for tax collection and distribution and for other clearing and fee collections. Individual fund detail is included in the form of *combining statements* in the Custodial Funds subsection. Additionally, the County reports its 457 Plan as a pension (and other employee benefits) trust fund in accordance with GASB 84.

The basic fiduciary fund financial statement can be found on page A-30 through A-31 of this report.

Notes to the Financial Statements

The notes provide additional narrative and financial information that is essential to a full understanding of the data provided in the government-wide financial statements and the fund financial statements. The notes to the financial statements begin on page A-32 of this report.

Other Required Supplementary Information

This section is found on pages A-81 through A-86 and shows a comparison of the original and final General Fund budget to actual results and reconciliation between budgetary fund balance and GAAP. Information on the County's defined benefit pensions and postemployment benefits other than pensions is also shown.

Other Information

Other information includes combining financial statements for nonmajor governmental, enterprise, internal service, and fiduciary funds. Combining and individual fund statements and schedules can be found on pages B-1 through D-3 of this report.

Government-wide Financial Analysis

Net Position

Net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows of resources of the primary government exceeded liabilities and deferred inflows of resources by \$546.8 million at the end of 2022.

Sedgwick County, Kansas
Net Position
As of December 31, 2022
With Comparatives as of December 31, 2021
(Millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Assets:						
Current and other assets	546.6	\$531.2	\$5.2	\$12.7	\$551.8	\$543.9
Capital assets	419.8	425.2	133.1	132.5	552.9	557.7
Total assets	<u>966.4</u>	<u>956.4</u>	<u>138.3</u>	<u>145.2</u>	<u>1,104.7</u>	<u>1,101.6</u>
Deferred Outflows:						
Deferred refunding	-	0.1	-	-	-	0.1
Deferred outflows – other postemployment benefits	2.7	3.2			2.7	3.2
Deferred outflows – Pensions	72.9	37.4	-	-	72.9	37.4
Total deferred outflows	<u>75.6</u>	<u>40.7</u>	<u>-</u>	<u>-</u>	<u>75.6</u>	<u>40.7</u>
Liabilities:						
Long-term liabilities	362.7	286.3	-	-	362.7	286.3
Other liabilities	71.0	82.6	-	8.0	71.0	90.6
Total liabilities	<u>433.7</u>	<u>368.9</u>	<u>-</u>	<u>8.0</u>	<u>433.7</u>	<u>376.9</u>
Deferred Inflows:						
Deferred property tax Revenues	187.9	174.8	-	-	187.9	174.8
Deferred inflows –other postemployment benefits	8.1	3.4	-	-	8.1	3.4
Deferred inflows - pensions	3.7	43.2	-	-	3.7	43.2
Total deferred inflows	<u>199.7</u>	<u>221.4</u>	<u>-</u>	<u>-</u>	<u>199.7</u>	<u>221.4</u>
Net position:						
Net investment in capital assets	350.2	345.9	133.0	132.4	483.2	478.3
Restricted	67.4	62.0	-	-	67.4	62.0
Unrestricted (deficit)	(9.0)	(1.1)	5.2	4.8	(3.8)	3.7
Total net position	<u>\$408.6</u>	<u>\$406.8</u>	<u>\$138.2</u>	<u>\$137.2</u>	<u>\$546.8</u>	<u>\$544.0</u>

The largest portion of the County's net position (88.4%) is invested in capital assets (e.g. land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. Sedgwick County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other

sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents 4.7% of net position and is resources that are subject to external restrictions on how they may be used. The remaining balance of (\$3.8million) is *unrestricted net position*.

Change in Net Position

The County's net position for governmental activities increased \$1.8 million or 0.5%. Net position of the County's business-type activities increased \$1.0 million representing an increase of 0.7% during 2022. Overall, net position increased \$2.8 million or 0.5%. Changes in net position were as follows:

Sedgwick County, Kansas
Change in Net Position
Fiscal Year Ended December 31, 2022
With Comparatives for the Year Ended December 31, 2021
(Millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	\$72.2	\$67.1	\$1.8	\$1.1	\$74	\$ 68.2
Operating grants and contributions	65.4	99.9	5.3	4.7	70.7	104.6
Capital grants and contributions	6.8	9.2	-	-	6.8	9.2
General revenues:						
Property taxes	198.5	194.2	-	-	198.5	194.2
Sales taxes	38.5	35.8	-	-	38.5	35.8
Other taxes	4.1	3.6	-	-	4.1	3.6
Investment earnings	(4.4)	3.8	-	-	(4.4)	3.8
Gain (loss) on sale of capital assets	-	-	-	-	-	-
Total revenues	<u>381.2</u>	<u>413.6</u>	<u>7.1</u>	<u>5.8</u>	<u>388.3</u>	<u>419.4</u>
Expenses						
General government	81.5	124.1	-	-	81.5	124.1
Public safety	169.3	158.0	-	-	169.3	158.0
Public works	33.3	31.0	-	-	33.3	31.0
Health and welfare	64.9	53.0	-	-	64.9	53.0
Culture and recreation	14.1	15.0	-	-	14.1	15.0
Community development	12.4	12.4	-	-	12.4	12.4
Interest on long-term debt	3.8	4.0	-	-	3.8	4.0
Arena	-	-	6.1	9.3	6.1	9.3
Total expenses	<u>379.3</u>	<u>397.5</u>	<u>6.1</u>	<u>9.3</u>	<u>385.4</u>	<u>406.8</u>
Increase (decrease) in net position	1.8	16.1	1.0	(3.5)	2.8	12.6
Net position, beginning	406.8	390.7	137.2	140.7	544.0	531.4
Net position, ending	<u>\$408.6</u>	<u>\$406.8</u>	<u>\$138.2</u>	<u>\$137.2</u>	<u>\$546.8</u>	<u>\$544.0</u>

Charges for services in governmental activities increased \$5.1 million, or 7.6%, in 2022. This increase is due primarily to the new Comcare billing structure due to the CCBHC (Certified Community Behavioral Health Clinic) certification. Operating grants and contributions decreased \$34.5 million or 34.5%. This decrease is due to less Federal COVID relief funding received in 2021 vs. in 2022, due to the receipt of half of the ARPA allocation (\$50.1 million) and \$10.0 million in Shuttered Venue Operating Grant funding in

2021 and only the second half of the ARPA allocation (\$50.1 million) in 2022 . Capital grants and contributions decreased \$2.4 million or 26.1%. Property tax collections increased \$4.3 million or 2.2%. The County’s assessed valuation grew 3.6% for the 2022 budget year. Sales tax collections increased \$2.7 million or 7.5%. This increase can be contributed to a strong economy with very low unemployment rates casing higher wages.

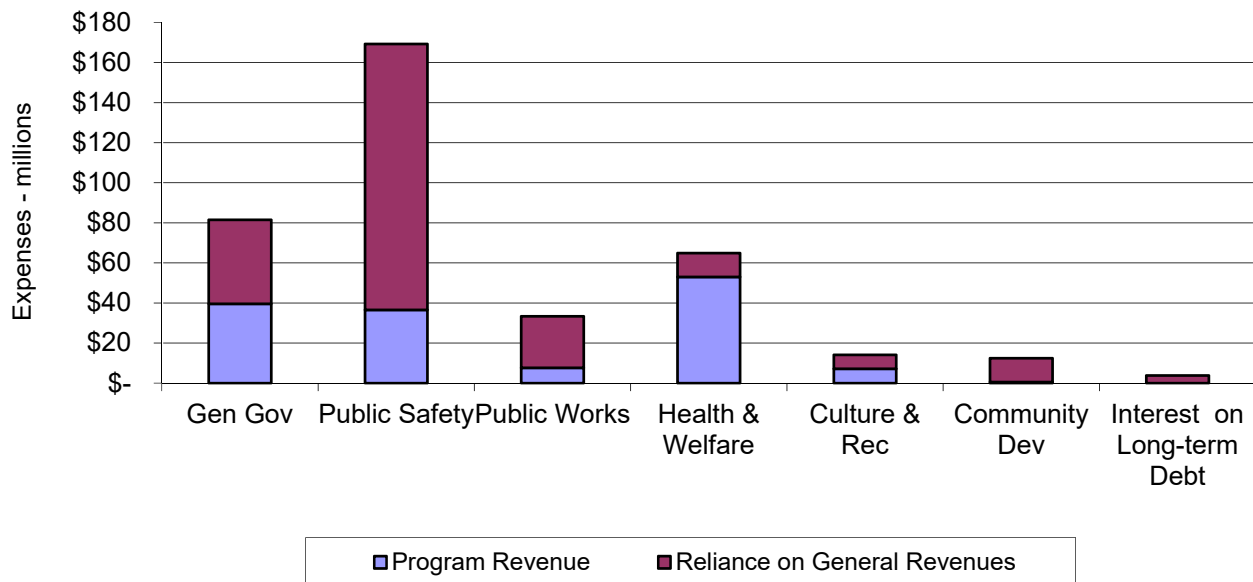
Expenses for governmental activities decreased \$18.2 million, or 4.6%, from 2021 to 2022. General government expenses decreased \$42.6 million, or 34.4%. This decrease is largely contributed to grant awards issued to the public using COVID relief funding. Public safety expenses increased \$11.3 million, or 7.2%. This increase can be largely attributed to personnel expenses for the extra pay period in 2022, as well as increases in pay for various public safety departments. Additional expenses were incurred for radio replacement systems and CIP projects. Public works increased \$2.3 million, or 7.5%. This increase is due to personnel expenses due to the extra pay period for 2022. Health and welfare expenses increased \$11.9 million or 22.5%. This increase can be largely contributed to the new billing structure for CCBHC which helped fill vacant positions in the Comcare Department. Another large expense was temporary employment services that were utilized to fill positions for COVID-related programs. Culture and recreation expenses decreased \$0.9 million or 6.1%. Community development expenses did not change from 2021 to 2022. Interest on long-term debt decreased \$0.2 million, or 6.2% for 2022.

Governmental Activities

Governmental activities incurred \$379,322,585 in expenses during 2022. The following list breaks this expense down into percentage by function with the corresponding dollar amount:

o Public safety	44.6%	\$169,298,708
o General government	21.5%	81,470,605
o Health and welfare	17.1%	64,919,618
o Public works	8.8%	33,313,784
o Culture and recreation	3.7%	14,077,870
o Community development	3.3%	12,438,100
o Interest on long-term debt	1.0%	<u>3,803,900</u>
Total governmental activities expenses		<u>\$379,322,585</u>

The following chart shows total expenses for each function of governmental activities. The chart also shows total program revenue for each function along with total reliance on general revenues. General revenues are principally taxes and investment earnings.



As reflected in the chart, no function of government is self-supporting. For that reason, there is a need for taxes to be levied and collected in order to provide services to the community. The following list shows each function of government, the percentage of reliance on general revenues of the County to fund the function, and the corresponding dollar amount of general revenue and program revenues used to fund the function:

		General Revenues	Program Revenues
o Interest on long-term debt	100.0%	\$ 3,803,900	\$ -
o Community development	95.7%	11,898,721	539,379
o Culture and recreation	49.4%	6,954,889	7,122,981
o Public works	77.1%	25,682,941	7,630,843
o Public safety	78.4%	132,745,414	36,553,294
o General government	51.5%	41,940,140	39,530,465
o Health and welfare	18.3%	11,898,637	53,020,981
Total reliance on general revenues		<u>\$234,924,643</u>	<u>\$144,397,943</u>

Business-type Activity

Sedgwick County has one business-type activity, the Arena Fund. Net position for fiscal year 2022 increased by \$1.0 million to \$138.2 million. Of that \$138.2 million, \$133.0 million is invested in capital assets. This increase can be attributed to fewer COVID-related restrictions on gathering size and spacing, as well as more touring shows in 2022.

County Funds Financial Analysis

As noted earlier, Sedgwick County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term cash inflows and outflows during the fiscal year and balances of spendable resources at year-end. This information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of the County's net resources available for future spending.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$250.2 million, an increase of \$11.0 since the beginning of the year. The following table shows how fund balance changed in the major and other governmental funds.

Fund	Beginning Fund Balance (As Restated)	Ending Fund Balance	Change in Fund Balance
General	\$ 88,286,470	\$ 83,227,428	\$ (5,059,042)
Federal/State Assistance	31,067,182	31,707,484	640,302
Public Building Commission	42,883,784	42,904,055	20,271
Debt Service	1,474,558	2,241,355	766,797
Debt Proceeds	5,039,439	7,621,418	2,581,979
Other Governmental	70,362,783	82,458,673	12,095,980
Total Governmental Funds	<u>\$ 239,114,216</u>	<u>\$ 250,160,413</u>	<u>\$11,046,287</u>

The General Fund is the chief operating fund of Sedgwick County. Ending fund balance in the General Fund decreased \$5.1 million, compared to a decrease of \$5.6 million a year ago.

Revenues of the General Fund increased \$18.8 million, to \$204.3 million, in 2022. Property tax increased \$12.3 million or 9.1% from 2021, primarily due to assessed valuations that grew 3.6% for 2022 budget year. Licenses and permits increased \$1.0 million or 12.7% from 2022.

General Fund expenditures increased \$14.1 million or 7.6% to \$198.3 million. The increase primarily can be attributed to the unusual additional payroll posting in 2022, which occurs once every 11 years.

As a measure of the General Fund's financial position, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 29.9% of total General Fund expenditures, while total fund balance represents 42.0%. In other words, readily available resources as of December 31 were sufficient to pay for services for three months.

The Federal/State Assistance Fund is a special revenue fund that accounts for programs that receive grant funding. The Federal/State Assistance Fund ended the year with a fund balance of \$31.7 million which is \$0.6 million more than 2021. Revenues decreased \$25.6 million over the prior year, to \$79.7 million. Charges for service increased \$6.2 million or 44.5% from 2021. This increase is due primarily to the new Comcare billing structure due to the CCBHC (Certified Community Behavioral Health Clinic) certification. Intergovernmental revenues decreased \$25.3 million from 2020. This decrease is primarily due to the funds received in 2021 in response to the COVID pandemic that were not received in 2022.

The Sedgwick County Public Building Commission (SCPBC) fund is a special revenue fund to account for revenues and expenditures derived from the contracts to fund construction for other governmental entities. The SCPBC fund ended the year with a fund balance of \$42.9 million, which is a small increase from the previous year of \$42.88 million, after the adjustment for adoption of GASB 87.

Debt Service fund balance increased by \$0.7 million in 2022 compared to 2021.

The Debt Proceeds Fund is a capital projects fund that receives proceeds from general obligation bond issues and other long-term financing sources. This fund increased \$2.6 million from 2021 to 2022 due to the issuance of GO bonds in 2022 for \$2.4 million.

Proprietary Funds

Sedgwick County's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Arena Fund represents the activity of the INTRUST Bank Arena. The facility is operated by a private company; the County incurs expenses only for certain capital improvements or major repairs and depreciation, and receives as revenue only a share of profits earned by the operator, if any, and naming rights fees. The Arena Fund had an operating loss of \$4.2 million. The majority of the loss can be attributed to \$5.0 million in depreciation expense. In 2021, Sedgwick County received a \$10.0 million Shuttered Venue Operators Grant from the United States Small Business Administration related to lost revenues at the facility due to COVID-19 and its impact. This funding was used through part of 2022 to reimburse certain eligible operating costs, as well as to complete needed capital improvement projects.

Internal service funds account for the County's fleet operation as well as insurance, including workers' compensation, health, life, dental, property, and liability. Fleet operations show a decrease in 2022 of \$0.1 million, to \$23.7 million. The workers' compensation expenses exceeded charges billed to departments and the Fund ended the year with a fund balance of \$3.5 million. The Risk Management Fund decreased \$1.3 million in 2022 to \$1.2 million. Sedgwick County expended \$4.2 million for property and liability insurance during 2022 and also paid \$0.6 million in claims for various items including, but not limited to, storm damage to County property and vehicle damages. The Health, Dental and Life Insurance Reserve Fund accounts for employee benefits. The County uses a self-funded insurance model for health insurance and dental insurance. The Fund had an increase of \$2.5 million during 2022, increasing net position to \$11.4 million at the end of the year.

General Fund Budgetary Highlights

The County did not amend the budget during fiscal year 2022, although appropriations were shifted between line items in the General Fund.

Actual revenue was \$1.7 or 0.7%, below both the original and final budgets. Five of ten major revenue sources ended the year above budget. Property taxes were \$4.8 million below budget when considering back taxes, though current property taxes exceeded budget by \$1.4 million. Sales taxes were \$6.5 million above budget due to anticipated negative financial impacts from COVID that did not arise. Charges for services were \$1.1 million above budget. Uses of money and property were \$4.0 million below budget due to very low interest rates, which affected investment income. Licenses and permits were \$1.1 million above budget. Reimbursed expenditures were \$1.6 million below budget.

General Fund expenditures totaled \$206.1 million, and were \$33.7 million below budget and 14.1% less than the final budget. Expenditures for personnel services were less than the final budget by \$13.7 million due to significant workforce challenges, which resulted in a focus on compensation in the 2023 budget. Contractual services ended the year \$17.9 million lower than the final budget. The County budgets a contingency for disaster recovery each year, which is included in contractual services. Overall budgetary fund balance in the General Fund decreased \$0.1 million in 2022.

Capital Asset and Debt Administration

Sedgwick County’s investment in capital assets for its governmental and business-type activities as of December 31, 2022, totaled \$552,847,267 (net of accumulated depreciation). This investment in capital assets includes land, buildings, roads, bridges, improvements, machinery and equipment, software, and INTRUST Bank Arena.

Capital Assets December 31, 2022 (Net of Depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	\$ 27,982,042	\$ 13,038,358	\$ 41,020,400
Buildings and improvements	187,796,769	116,152,053	303,948,822
Improvements other than buildings	11,445,230	-	11,445,225
Machinery and equipment	21,021,888	494,499	21,516,387
Infrastructure	141,790,149	-	141,790,149
Construction in progress	25,877,669	3,363,717	29,241,386
Right to use assets	3,884,898	-	3,884,898
Total	<u>\$ 419,798,645</u>	<u>\$ 133,048,627</u>	<u>\$ 552,847,267</u>

Additional information regarding capital assets can be found in Note III. C, beginning on page A-51.

Long-term Debt

At the end of 2022, Sedgwick County had total general obligation bonds outstanding of \$38.1 million. This amount includes \$2.2 million of special assessment bonds. The County’s long-term obligations also include revenue bonds totaling \$69.3 million. All outstanding debt at the end of the year was associated with governmental activities and is backed by the full faith and taxing power of Sedgwick County with the exception of the Public Building Commission 2014-3 and 2014-4 issuance, which is backed by lease revenue from Wichita State University.

During 2022, Sedgwick County issued \$2,445,000 general obligation debt consisting of \$825,000 special assessment debt and \$1,620,000 mill levy supported debt.

Outstanding general obligation bonds of the County and lease revenue bonds of the SCPBC are rated “AAA” by Standard & Poor’s Rating Services, a division of the McGraw-Hill Companies, Inc. (“S&P”) and “Aaa” by Moody’s Investors Service (“Moody’s”).

Additional information about the County’s long-term debt can be found in Note III. E, beginning on page A-52 of this report.

Economic Factors and Next Year's Budgets and Rates

- Unemployment rate for Wichita MSA was 3.0% at the end of 2022, a 0.2% decrease from 2021.
- 2021 County property tax levy funds the 2022 budget; 2021 property tax (mill levy) rate is 29.376.
- Wichita is known as the "air capital of the world" because it houses major facilities of three leading aircraft manufacturers: Textron Aviation (which produces Cessna and Beechcraft airplanes), Spirit Aero Systems, and Bombardier Learjet.
- Cost of living index in Wichita is a moderate 90.8, almost 10% below the national urban area average of 100.
- Continued community recovery from the effects of the worldwide pandemic associated with the novel coronavirus, referred to as COVID-19, while addressing challenges from historic levels of inflation, supply chain disruptions, and workforce shortages.
- Continuing efforts to align compensation with market peers and local employers to provide a competitive employment environment to attract and retain a diverse and high performance workforce.
- Maintaining budget balance while also meeting competitive pay and space needs for county government, like administration, public safety, and elections.
- Investment in the mental health and substance use community response to improve access to care and reduce demands on the public safety system.
- Upgrade to the County's enterprise data system with financial system implementation in 2024.

Requests for Information

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the funds it receives.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Sedgwick County Division of Finance, 100 N. Broadway, Suite 610 Wichita, Kansas 67202.

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SEDGWICK COUNTY, KANSAS

Statement of Net Position

December 31, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash, including investments	\$ 292,342,189	\$ 4,248,039	\$ 296,590,228
Receivables, net	245,713,327	977,501	246,690,828
Due from other agencies	4,004,423	-	4,004,423
Inventories, at cost	818,538	-	818,538
Prepaid items	2,249,118	-	2,249,118
Restricted assets:			
Cash, including investments	1,472,538	-	1,472,538
Capital assets:			
Land and construction in progress	53,859,712	16,402,075	70,261,787
Other capital assets, net of depreciation	365,938,933	116,646,552	482,585,485
	966,398,778	138,274,167	1,104,672,945
Deferred Outflows of Resources			
Deferred refunding	-	-	-
Deferred outflows-OPEB	2,654,564	-	2,654,564
Deferred outflows-pensions	72,939,367	-	72,939,367
	75,593,931	-	75,593,931
Liabilities			
Accounts payable and other current liabilities	4,774,385	-	4,774,385
Accrued wages	-	-	-
Accrued interest payable	1,717,623	-	1,717,623
Due to other entities	239,354	-	239,354
Advance - grants	64,290,982	-	64,290,982
Other liabilities	-	-	-
Noncurrent liabilities:			
Due within one year	21,778,758	-	21,778,758
Due in more than one year	340,931,282	-	340,931,282
	433,732,384	-	433,732,384
Deferred Inflows of Resources			
Deferred property tax revenue	187,877,095	-	187,877,095
Deferred inflows-leases	8,545	-	8,545
Deferred inflows-OPEB	8,062,845	-	8,062,845
Deferred inflows-pensions	3,704,229	-	3,704,229
	199,652,714	-	199,652,714
Net Position			
Net investment in capital assets	350,253,178	-	350,253,178
Invested in capital assets	-	133,048,627	133,048,627
Restricted for:			
Capital improvements	25,376,566	-	25,376,566
Capital improvements and operations	-	-	-
Debt service	3,519,539	-	3,519,539
Federal/State assistance	3,360,717	-	3,360,717
Community Development	3,125,122	-	3,125,122
Equipment and technology improvements	1,975,605	-	1,975,605
Fire protection	8,606,816	-	8,606,816
Public Safety	4,870,100	-	4,870,100
Court Operations	2,416,488	-	2,416,488
Health and welfare	2,502,144	-	2,502,144
Code enforcement	8,048,910	-	8,048,910
Other purposes	3,584,520	-	3,584,520
Unrestricted	(9,032,094)	5,225,540	(3,806,554)
	\$ 408,607,611	\$ 138,274,167	\$ 546,881,778

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SEDGWICK COUNTY, KANSAS

Statement of Activities

For the Year Ended December 31, 2022

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 81,470,605	\$ 23,489,378	\$ 16,041,087	\$ -
Public safety	169,298,708	25,158,257	11,395,037	-
Public works	33,313,784	2,476,003	4,868,871	285,969
Health and welfare	64,919,618	20,532,474	32,488,507	-
Cultural and recreation	14,077,870	537,546	114,224	6,471,211
Community development	12,438,100	9,680	529,699	-
Interest on long-term debt	3,803,901	-	-	-
Total governmental activities	<u>379,322,585</u>	<u>72,203,338</u>	<u>65,437,425</u>	<u>6,757,180</u>
Business-type activities:				
Arena	6,062,933	1,817,658	5,277,928	-
Total business-type activities	<u>6,062,933</u>	<u>1,817,658</u>	<u>5,277,928</u>	<u>-</u>
Total primary government	<u>\$ 385,385,518</u>	<u>\$ 74,020,996</u>	<u>\$ 70,715,353</u>	<u>\$ 6,757,180</u>

General revenues:
 Property taxes
 Sales taxes
 Other taxes
 Investment earnings
 Gain (loss) on sale of capital assets

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (41,940,140)	\$ -	\$ (41,940,140)
(132,745,414)	-	(132,745,414)
(25,682,941)	-	(25,682,941)
(11,898,637)	-	(11,898,637)
(6,954,889)	-	(6,954,889)
(11,898,721)	-	(11,898,721)
(3,803,901)	-	(3,803,901)
<u>(234,924,642)</u>	<u>-</u>	<u>(234,924,642)</u>
-	1,032,653	1,032,653
-	1,032,653	1,032,653
<u>(234,924,642)</u>	<u>1,032,653</u>	<u>(233,891,989)</u>
198,528,763	-	198,528,763
38,530,070	-	38,530,070
4,088,672	-	4,088,672
<u>(4,384,470)</u>	<u>-</u>	<u>(4,384,470)</u>
-	-	-
<u>236,763,035</u>	<u>-</u>	<u>236,763,035</u>
1,838,393	1,032,653	2,871,046
406,769,218	137,241,514	544,010,732
<u>\$ 408,607,611</u>	<u>\$ 138,274,167</u>	<u>\$ 546,881,778</u>

SEDGWICK COUNTY, KANSAS

**Balance Sheet
Governmental Funds
December 31, 2022**

	<u>General Fund</u>	<u>Federal/State Assistance Fund</u>	<u>Public Building Commission Fund</u>
Assets:			
Cash, including investments	\$ 71,759,905	\$ 93,422,889	\$ 18,184
Restricted investment	-	-	1,472,538
Advance receivable	3,609,762	-	-
Due from other funds	796,079	-	-
Due from other agencies	389,979	3,613,944	-
Accounts receivable	3,752,116	1,906,783	-
Property tax receivable	142,813,209	-	-
Sales tax receivable	3,473,884	-	-
Interest receivable	800,414	-	-
Prepaid items	1,945,118	-	-
Lease receivable	8,545	-	-
Notes receivable			
Noncurrent	-	-	41,413,333
Delinquent (including interest)	-	-	-
Inventories, at cost	-	16,021	-
Total assets	\$ 229,349,011	\$ 98,959,637	\$ 42,904,055
Liabilities:			
Accounts payable	\$ 1,745,545	\$ 692,859	\$ -
Advance - grants	-	64,290,982	-
Due to other funds	-	-	-
Advance payable	-	-	-
Due to other entities	176,228	626	-
Total liabilities	1,921,773	64,984,467	-
Deferred Inflows of Resources:			
Deferred property tax revenue	142,813,209	-	-
Unavailable revenue - accounts receivable	1,378,056	2,267,686	-
Deferred inflows-leases	8,545	-	-
Unavailable revenue - special assessments	-	-	-
Total deferred inflows of resources	144,199,810	2,267,686	-
Fund balances:			
Nonspendable:			
Inventories	-	16,021	-
Advance receivable	3,609,762	-	-
Long-Term Notes receivable	-	-	41,413,333
Prepaid items	1,945,118	-	-
Restricted:			
General Government	8,048,910	-	-
Debt Service	-	-	18,184
Public Safety	-	2,177,086	-
Public Works	-	-	-
Health and Welfare	-	1,183,631	-
Culture and Recreation	-	-	-
Community Development	-	4,231,458	1,472,538
Capital Outlay	-	-	-
Committed:			
Public Safety	-	11,494	-
Capital Outlay	-	-	-
Health and Welfare	-	2,546,750	-
Assigned:			
General Government	9,468,971	-	-
Public Safety	603,606	213,599	-
Public Works	399	-	-
Health and Welfare	265,293	21,307,144	-
Culture and Recreation	3,468	-	-
Community Development	-	20,301	-
Capital Outlay	-	-	-
Unassigned	59,281,901	-	-
Total fund balances	83,227,428	31,707,484	42,904,055
Total liabilities, deferred inflows of resources and fund balances	\$ 229,349,011	\$ 98,959,637	\$ 42,904,055

The notes to the financial statements are an integral part of this statement.

Debt Service Fund	Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
\$ 2,241,355	\$ 7,631,946	\$ 85,061,208	\$ 260,135,487
-	-	-	1,472,538
-	-	-	3,609,762
-	-	-	796,079
-	-	500	4,004,423
-	-	51,934	5,710,833
10,660,415	-	34,403,471	187,877,095
-	-	3,473,884	6,947,768
-	-	-	800,414
-	-	-	1,945,118
-	-	-	8,545
1,144,561	-	-	42,557,894
1,807,272	-	-	1,807,272
-	-	450,011	466,032
<u>\$ 15,853,603</u>	<u>\$ 7,631,946</u>	<u>\$ 123,441,008</u>	<u>\$ 518,139,260</u>
\$ -	\$ 10,528	\$ 2,110,523	\$ 4,559,455
-	-	-	64,290,982
-	-	796,079	796,079
-	-	3,609,762	3,609,762
-	-	62,500	239,354
-	<u>10,528</u>	<u>6,578,864</u>	<u>73,495,632</u>
10,660,415	-	34,403,471	187,877,095
-	-	-	3,645,742
-	-	-	8,545
<u>2,951,833</u>	<u>-</u>	<u>-</u>	<u>2,951,833</u>
<u>13,612,248</u>	<u>-</u>	<u>34,403,471</u>	<u>194,483,215</u>
-	-	450,011	466,032
-	-	-	3,609,762
-	-	-	41,413,333
-	-	-	1,945,118
-	-	4,038,162	12,087,072
2,241,355	-	25,790	2,285,329
-	-	15,893,404	18,070,490
-	-	3,911,952	3,911,952
-	-	2,613,358	3,796,989
-	-	80,308	80,308
-	-	30,859	5,734,855
-	7,621,418	22,764,196	30,385,614
-	-	4,284,392	4,295,886
-	-	8,147,358	8,147,358
-	-	-	2,546,750
-	-	-	9,468,971
-	-	-	817,205
-	-	3,605,665	3,606,064
-	-	978,436	22,550,873
-	-	-	3,468
-	-	-	20,301
-	-	16,430,861	16,430,861
-	-	(796,079)	58,485,822
<u>2,241,355</u>	<u>7,621,418</u>	<u>82,458,673</u>	<u>250,160,413</u>
<u>\$ 15,853,603</u>	<u>\$ 7,631,946</u>	<u>\$ 123,441,008</u>	<u>\$ 518,139,260</u>

SEDGWICK COUNTY, KANSAS

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position December 31, 2022

Total fund balances of governmental funds		\$ 250,160,413
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$849,069,325 and the accumulated depreciation is \$440,386,745, excluding internal service fund capital assets.</p>		408,682,580
<p>Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.</p>		39,884,848
<p>Certain accounts receivable resulting from charges for services are not considered available to pay current period expenditures and are therefore deferred in the funds.</p>		
Special assessments	2,951,833	
Miscellaneous other	3,645,742	6,597,575
<p>Other deferred outflows of resources do not decrease net position until a future period and therefore are not reported in the funds</p>		
Deferred refunding	-	
Deferred outflows - OPEB	2,654,564	
Deferred outflows - pensions	72,939,367	75,593,931
<p>Long-term liabilities are not due and payable in the current period and are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:</p>		
Bonds payable	(40,270,000)	
Bond premium	(4,820,562)	
Revenue bonds payable	(69,350,000)	
Finance purchase payable	(2,757,621)	
Lease payable	(3,960,909)	
Compensated absences	(7,600,000)	
Net pension liability	(206,982,388)	
Total OPEB liability	(23,085,560)	
Accrued interest payable	(1,717,623)	(360,544,662)
<p>Other deferred inflows of resources do not increase net position until a future period and therefore are not reported in the funds</p>		
Deferred inflows -OPEB	(8,062,845)	
Deferred inflows - pensions	(3,704,229)	(11,767,074)
Net position of governmental activities		\$ 408,607,611

The notes to the financial statements are an integral part of this statement

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SEDGWICK COUNTY, KANSAS

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022**

	<u>General Fund</u>	<u>Federal/State Assistance Fund</u>	<u>Public Building Commission Fund</u>
Revenues			
Property taxes	\$ 148,105,007	\$ -	\$ -
Emergency telephone services taxes	-	-	-
Sales taxes	22,460,168	-	-
Special assessments	-	-	-
Other taxes	272,169	37,520	-
Intergovernmental	794,480	57,089,206	-
Charges for services	29,039,179	20,250,162	638,333
Uses of money and property	(9,056,598)	2,065,339	1,870,619
Fines and forfeits	280,794	163,739	-
Licenses and permits	9,348,114	-	-
Other	3,095,979	140,966	-
Total revenues	<u>204,339,292</u>	<u>79,746,932</u>	<u>2,508,952</u>
Expenditures			
Current:			
General government	46,330,940	17,124,142	-
Public safety	124,041,086	11,683,681	-
Public works	2,367,648	51,040	-
Health and welfare	12,229,172	49,751,596	-
Cultural and recreation	10,263,419	-	-
Community Development	1,560,835	529,916	-
Capital outlay	1,237,128	2,046,622	-
Debt service:			
Principal	252,369	333,195	620,000
Interest and fiscal charges	9,545	17,821	1,868,681
Total expenditures	<u>198,292,142</u>	<u>81,538,013</u>	<u>2,488,681</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,047,150</u>	<u>(1,791,081)</u>	<u>20,271</u>
Other financing sources (uses)			
Transfers from other funds	471	1,005,577	-
Transfers to other funds	(11,106,663)	(620,816)	-
Premium from issuance of general obligation bonds	-	-	-
Issuance of leases	-	2,046,622	-
Issuance of general obligation bonds	-	-	-
Total other financing sources (uses)	<u>(11,106,192)</u>	<u>2,431,383</u>	<u>-</u>
Net change in fund balances	<u>(5,059,042)</u>	<u>640,302</u>	<u>20,271</u>
Fund balances, beginning of year, as previously reported	88,286,470	31,067,182	1,470,451
Adjustment for adoption of GASB 87	<u>-</u>	<u>-</u>	<u>41,413,333</u>
Fund balances, beginning of year, as restated	<u>88,286,470</u>	<u>31,067,182</u>	<u>42,883,784</u>
Fund balances, end of year	<u>\$ 83,227,428</u>	<u>\$ 31,707,484</u>	<u>\$ 42,904,055</u>

The notes to the financial statements are an integral part of this statement.

Debt Service Fund	Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
\$ 12,484,314	\$ -	\$ 37,939,442	\$ 198,528,763
-	-	3,575,468	3,575,468
-	-	16,069,902	38,530,070
339,873	-	-	339,873
-	-	203,515	513,204
-	-	5,085,930	62,969,616
-	-	9,625,643	59,553,317
-	7,905	429,350	(4,683,385)
-	-	-	444,533
-	-	46,145	9,394,259
-	-	522,872	3,759,817
<u>12,824,187</u>	<u>7,905</u>	<u>73,498,267</u>	<u>372,925,535</u>
-	-	5,383,263	68,838,345
-	-	21,373,505	157,098,272
-	-	11,003,443	13,422,131
-	-	2,338,638	64,319,406
-	-	102,322	10,365,741
-	-	9,112,788	11,203,539
-	-	19,128,913	22,412,663
11,670,000	-	734,132	13,609,696
2,720,461	60,102	61,969	4,738,579
<u>14,390,461</u>	<u>60,102</u>	<u>69,238,973</u>	<u>366,008,372</u>
<u>(1,566,274)</u>	<u>(52,197)</u>	<u>4,259,294</u>	<u>6,917,163</u>
2,333,071	-	10,167,983	13,507,102
-	(13,962)	(2,331,387)	(14,072,828)
-	203,138	-	203,138
-	-	-	2,046,622
-	2,445,000	-	2,445,000
<u>2,333,071</u>	<u>2,634,176</u>	<u>7,836,596</u>	<u>4,129,034</u>
<u>766,797</u>	<u>2,581,979</u>	<u>12,095,890</u>	<u>11,046,197</u>
1,474,558	5,039,439	70,362,783	197,700,883
-	-	-	41,413,333
<u>1,474,558</u>	<u>5,039,439</u>	<u>70,362,783</u>	<u>239,114,216</u>
<u>\$ 2,241,355</u>	<u>\$ 7,621,418</u>	<u>\$ 82,458,673</u>	<u>\$ 250,160,413</u>

SEDGWICK COUNTY, KANSAS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended December 31, 2022

Net change in fund balances - total governmental funds \$ 11,046,197

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those capitalized assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Capital outlays capitalized	11,118,659	
Loss on disposal of assets	(1,897,036)	
Depreciation expense	(24,239,136)	(15,017,513)

Contributed capital assets are recognized as revenues on the statement of activities 6,471,211

Payments received on certain receivables are recognized as revenue when received in the fund. However, in the statement of net position, revenue is recognized as earned. 1,465,317

Repayment of bond principal and other long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Bonds payable	5,680,000	
Revenue bond payable	6,610,000	
Lease payables	683,814	
Financed purchases payable	635,882	13,609,696

Bond and lease proceeds provide current financial resources to governmental funds, but represent an increase in long-term liabilities in the statement of net position.

Proceeds from bonds	(2,445,000)
Proceeds from lease	(2,046,622)

Bond costs - governmental funds report the effect of premiums, discounts and similar items when the debt is issued, whereas these amounts are deferred and amortized in the statement of activities 524,979

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditures are not reported until due. 206,561

In the statement of activities, compensated absences are measured by the amounts earned during the year, instead of by the amount paid. (450,000)

Payment of other postemployment benefits (OPEB) contributions is an expenditure in the governmental funds, but reduces the total OPEB liability in the statement of net position. Additionally, the effect of changes in deferred outflows and inflows for OPEB are only recorded in the statement of activities. (1,102,413)

Payment of pension contributions is an expenditure in the governmental funds, but reduces the net pension liability in the statement of net position. Additionally, the effect of changes in deferred inflows and deferred outflows for pensions are only recorded in the statement of activities. (12,123,228)

Internal service funds are used by management to charge the costs of fleet management and insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. 1,699,208

Change in net position of governmental activities **\$ 1,838,393**

The notes to the financial statements are an integral part of this statement

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SEDGWICK COUNTY, KANSAS

Statement of Net Position Proprietary Funds December 31, 2022

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
Assets		
Current assets:		
Cash, including investments	\$ 4,248,039	\$ 32,206,702
Accounts receivable	977,501	3,505
Prepays	-	304,000
Inventories, at cost	-	352,506
	5,225,540	32,866,713
Noncurrent assets:		
Capital assets:		
Land	13,038,358	40,580
Buildings and improvements	172,407,864	8,319,354
Machinery and equipment	8,491,121	36,165,315
Construction in progress	3,363,717	595,000
Less accumulated depreciation	(64,252,433)	(34,004,184)
	133,048,627	11,116,065
Total capital assets (net of accumulated depreciation)	133,048,627	11,116,065
	\$ 138,274,167	\$ 43,982,778
Liabilities		
Current liabilities:		
Accounts payable	\$ -	\$ 214,930
Estimated claims costs payable	-	3,376,550
Total current liabilities	-	3,591,480
Noncurrent liabilities:		
Estimated claims costs payable	-	506,450
Total liabilities	-	4,097,930
Net position		
Investment in capital assets	133,048,627	11,116,065
Unrestricted	5,225,540	28,768,783
Total net position	138,274,167	39,884,848
Total liabilities and net position	\$ 138,274,167	\$ 43,982,778

The notes to the financial statements are an integral part of this statement.

SEDGWICK COUNTY, KANSAS

Statement of Revenues, Expenses, and Changes in Net Position Proprietary Funds

For the Year Ended December 31, 2022

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
Operating revenues:		
Charges for services	\$ 1,817,597	\$ 46,912,263
Other revenue	61	1,905,750
Total operating revenues	1,817,658	48,818,013
Operating expenses:		
Salaries and benefits	-	1,575,437
Contractual services	883,150	5,802,147
Utilities	-	62,759
Supplies and fuel	134,276	4,335,222
Administrative charges	-	230,010
Depreciation expense	5,045,507	3,128,047
Claims expense	-	36,354,117
Other expense	-	28,443
Total operating expenses	6,062,933	51,516,182
Operating loss	(4,245,275)	(2,698,169)
Nonoperating revenues:		
Federal Grant Revenues	5,277,928	-
Investment income	-	298,915
Capital Contributions	-	3,366,111
Gain on sale of assets	-	166,625
Total nonoperating revenues	5,277,928	3,831,651
Income before transfers	1,032,653	1,133,482
Transfers:		
Transfers from other funds	-	3,910,357
Transfers to other funds	-	(3,344,631)
Change in net position	1,032,653	1,699,208
Net position, beginning of year	137,241,514	38,185,640
Net position, end of year	\$ 138,274,167	\$ 39,884,848

The notes to the financial statements are an integral part of this statement.

SEDGWICK COUNTY, KANSAS

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2022

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
Cash flows from operating activities		
Receipts from customers	\$ 1,867,613	\$ 167,283
Receipts from interfund services provided	-	46,976,357
Other operating revenues	-	1,670,868
Payments to suppliers for goods and services	(3,710,171)	(47,040,248)
Payments to employees for services	-	(1,637,401)
Net cash provided by (used in) operating activities	(1,842,558)	136,859
Cash flows from noncapital financing activities		
Transfers from other funds	-	3,910,357
Transfers to other funds	-	(3,344,631)
Net cash provided by noncapital financing activities	-	565,726
Cash flows from capital and related financing activities		
Proceeds from sale of capital assets	-	166,625
Purchases and construction of capital assets	(5,639,728)	(350,770)
Net cash used in capital and related financing activities	(5,639,728)	(184,145)
Cash flows from investing activities		
Interest on investments	-	298,915
Net cash provided by investing activities	-	298,915
Net increase in cash and cash equivalents	(7,482,286)	817,355
Cash and cash equivalents, beginning of the year	11,730,323	31,389,347
Cash and cash equivalents, end of the year	\$ 4,248,037	\$ 32,206,702
Reconciliation of operating loss to net cash provided by (used in) operating activities		
Operating loss	\$ (4,245,275)	\$ (2,698,169)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation expense	5,045,507	3,128,047
Decrease in prepaid expenses	-	(304,000)
(Increase) decrease in accounts receivable	49,957	(3,505)
(Increase) decrease in inventories	-	(67,931)
Increase (decrease) in accounts payable	(2,692,747)	177,581
Increase (decrease) in accrued wages	-	(61,964)
Increase (decrease) in estimated claims payable	-	(33,200)
Net cash provided by (used in) operating activities	\$ (1,842,558)	\$ 136,859

The notes to the financial statements are an integral part of this statement

SEDGWICK COUNTY, KANSAS

Statement of Fiduciary Net Position Fiduciary Funds December 31, 2022

	Pension (and Other Employee Benefit) Trust Fund - 457(b) Plan	Custodial Funds
	<u> </u>	<u> </u>
Assets		
Cash and cash equivalents	\$ -	\$ 431,320,287
Investments		
Mutual Funds	63,358,320	-
Notes receivable from participants	1,125,267	-
Property tax levied	-	315,256,934
Total assets	<u>64,483,587</u>	<u>746,577,221</u>
Liabilities		
Accounts payable	-	52,905,172
Due to other governmental entities	-	693,533,521
Total liabilities	<u>-</u>	<u>746,438,693</u>
Net Position		
Restricted for Employee Benefits	64,483,587	-
Restricted for Sheriff Inmates	-	138,528
Total net position	<u>\$ 64,483,587</u>	<u>\$ 138,528</u>

The notes to the financial statements are an integral part of this statement

SEDGWICK COUNTY, KANSAS

Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Year Ended December 31, 2022

	Pension (and Other Employee Benefit) Trust Fund - 457(b) Plan	Custodial Funds
Additions		
Contributions	\$ 4,947,420	\$ -
Property tax collections for other governments	-	1,422,292,110
Motor vehicle tax collections for other governments	-	120,085,741
Finance holdings	-	1,792,139,042
Inmate deposits	-	4,014,958
State clerk fee	-	2,622,600
Other fees	-	3,768,669
Fines, penalties and forfeitures	-	2,138,192
Other	-	26,512,692
Investment earnings		
Net increase (decrease) in the fair value of investments	(15,835,501)	-
Interest	2,521,390	-
Total investment earnings	(13,314,111)	-
Less investment expense	(172,397)	-
Net investment earnings	(13,486,508)	-
Total additions	(8,539,088)	3,373,574,004
Deductions		
Plan fees	6,084	-
Plan withdrawals	4,947,030	-
Payment of property taxes to other governments	-	1,422,292,110
Motor vehicle tax to other governments	-	120,085,741
Finance holdings	-	1,792,139,042
State court fees	-	2,622,600
Inmate payments	-	4,125,958
Other	-	32,419,553
Total deductions	4,953,114	3,373,685,003
Change in net position	(13,492,202)	(111,000)
Net position, beginning of year	77,975,789	249,528
Net position, end of year	\$ 64,483,587	\$ 138,528

The notes to the financial statements are an integral part of this statement

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

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SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. Summary of Significant Accounting Policies

A. Reporting Entity

Sedgwick County (County) is organized under the laws of the State of Kansas (Kansas or State) and is governed by an elected five-member board. As required by generally accepted accounting principles (GAAP), these financial statements present the primary government and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations.

Blended Component Units

Sedgwick County Fire District 1 (Fire District) is governed by the Sedgwick County Board of County Commissioners (BOCC), acting as a separate governing body. The Fire District is a separate taxing entity by applicable Kansas statutes, providing fire protection services to certain areas of the County. The costs of providing such service, including retirement of long-term debt, are provided from property taxes assessed to property owners in the benefit district. The Fire District's general obligation bonds payable are general obligation debt of the Fire District and are secured by the full faith and credit of the Fire District. For financial reporting, the financial activities of the Fire District are accounted for within the special revenue funds, debt service funds, and capital projects funds within the County's financial statements. The blending method is used because the Fire District's governing body is identical to the County's governing board and because the County's Finance staff and resources will be used to create and oversee the Fire District's lease purchase agreements.

The Sedgwick County Public Building Commission (SCPBC) was established to benefit the County and other governmental entities and is governed by a separate five-member board. The BOCC appoints all five members of the SCPBC Board and is able to impose its will on the SCPBC. The SCPBC has the authority to issue revenue bonds to finance the cost of acquiring and/or constructing land and facilities operated for a public purpose by a governmental entity. The SCPBC finances the debt service of the revenue bonds through payments from the governmental entity that operates the facilities. The operating governmental entity guarantees the payments under the SCPBC agreement. The SCPBC has no power to levy taxes, and revenue bonds issued by the SCPBC are not included in any legal debt limitations of the operating governmental entity. The SCPBC is considered a blended component unit due to a majority of the total debt outstanding for SCPBC being expected to be repaid entirely with the resources of the County. For financial reporting, the financial activities of the SCPBC are accounted for within the special revenue funds within the County's financial statements.

Separate audited financial statements are not prepared for the Fire District or the SCPBC.

Related Organizations

The Sedgwick County Zoological Society, Inc. (Society) and BOCC entered into an agreement on August 18, 1967, which employs the Society as an agent of the County to plan, establish, manage, operate, and develop zoological gardens and exhibits. Sedgwick County provides monies annually for the maintenance and operation of the facility. Such expenditures are financed within the general fund, the capital reserve fund, and the park and recreation fund of Sedgwick County.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report financial information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include [1] charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and [2] grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are presented for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Fund Financial Statement Presentation

Government-Wide Financial Statements - The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Special assessments are recognized as revenue when levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements - Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues collected within 60 days of the end of the current fiscal period as available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due and pension and OPEB liabilities are only recognized to the extent the liability is normally expected to be liquidated with expendable available resources.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Fund Financial Statement Presentation (continued)

Property taxes are budgeted to finance the subsequent year's operations and, consequently, are not susceptible to accrual. Sales taxes collected and held by merchants and/or the State at year-end on behalf of the County are recognized as revenue. Licenses, fees, fines, forfeitures, charges for services, and other revenues are generally not susceptible to accrual and are recorded when received in cash.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Unrestricted aid is reported as revenue in the fiscal year during which the entitlement is received.

The County's fiduciary funds consist of a pension (and other employee benefit) trust fund and three custodial funds.

The County reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Federal/State Assistance Fund* is a special revenue fund established to account for revenues and expenditures derived from Federal and State grant sources.
- The *Public Building Commission Fund* is a blended component unit (special revenue fund) established to account for revenues and expenditures derived from loans to other government entities.
- The *Debt Service Fund* accounts for the servicing of general long-term debt, including special assessment debt that is secured by the full faith and credit of the County, not being financed by proprietary funds.
- The *Debt Proceeds Fund* accounts for the receipt of proceeds from general obligation bonds and transfers to capital projects for financing the costs of improvements.

The County reports the following major proprietary fund:

The *Arena Fund* is a major fund and the only enterprise fund of the County, accounting for activities of the County-owned downtown arena.

Additionally, the County reports the following fund types:

- *Nonmajor special revenue funds* account for the proceeds of specific revenue sources (other than for debt service or capital projects) that are restricted or committed for specified purposes.
- *Nonmajor capital projects funds* account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of major capital facilities or improvements (other than those financed by proprietary funds).

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Fund Financial Statement Presentation (continued)

- *Internal service funds* account for fleet management, health, dental and life insurance reserves, workers' compensation reserves, and risk management reserves that provide services to other departments on a cost-reimbursement basis.
- *Pension (and other employee benefit) trust fund* is used to account for fiduciary activities of the Sedgwick County, Kansas Section 457(b) Deferred Compensation Plan, which accumulates resources that allows eligible employees to supplement any existing retirement and pension benefits by saving and investing before-tax dollars through a voluntary salary contribution.
- *Custodial funds* are used to report fiduciary activities for tax collections and related distributions to other governments, as well as amounts held for individuals.

Expenditures are grouped by function. The following are descriptions of the County's functions:

- *General government* includes legislative, executive, financial administration, law, personnel administration, elections, facility operations, information technology, and planning & zoning functions.
- *Public safety* includes public safety administration, law enforcement, corrections, protective inspection, fire protection, ambulance services, emergency communications, civil preparedness and judicial functions.
- *Public works* includes road & bridges, storm drainage, waste disposal, weed control, and environmental resources functions.
- *Health and welfare* includes mental health, public health, aging assistance, general assistance, and animal control functions.
- *Cultural and recreation* includes parks, fairs & livestock, museums, and zoo functions.
- *Community development* includes education, economic development, economic opportunity, and urban redevelopment & housing functions.
- *Capital outlay* includes construction of buildings, roads and major asset purchases.
- *Debt service* includes payment of principal, interest and debt issuance costs.

Amounts reported as *program revenues* include: [1] charges to customers or applicants for goods, services, or privileges provided, [2] operating grants and contributions, and [3] capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund are charges to customers for services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. For internal service funds, operating revenues and expenses relate to goods or services provided to other funds. All revenues and expenses not meeting this definition

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Fund Financial Statement Presentation (continued)

are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources, as they are needed.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

1. Deposits and Investments

The County maintains a cash and investment pool that is available for use by all funds of the primary government. The pool has the general characteristics of demand deposit accounts, in that each fund may deposit additional cash at any time and may withdraw cash at any time without prior notice or penalty. The pooled cash is invested to the extent available in authorized investments. Each fund type's portion of the pool is displayed on the financial statements as "cash, including investments."

For purposes of the statement of cash flows, the County considers investments of the proprietary fund types to be cash equivalents if such investments have original maturities of three months or less.

The County's investment policy and Kansas law (K.S.A. 12-1675 – 12-1677) allow monies not otherwise regulated by statute to be invested in:

- Temporary notes of Sedgwick County;
- Time deposits, open accounts, or certificates of deposits with maturities of not more than four years;
- Repurchase agreements with commercial banks, or State or federally chartered savings and loan associations that have offices in Sedgwick County;
- United States treasury bills or notes with maturities not exceeding four years;
- U.S. government agency securities with a maturity of not more than four years;
- The municipal investment pool fund operated by the Kansas State Treasurer. This pool is not an SEC registered pool. The Pooled Money Investment Board (PMIB) provides the regulatory oversight for this pool. The fair value of the PMIB investments approximates the value of pool shares; and,
- A municipal investment pool established through the trust department of commercial banks that have offices in Sedgwick County.

In addition to the preceding authorized investments, the County's investment policy and Kansas law (K.S.A. 10-131) allow investment of proceeds of bonds and temporary notes in the following:

- U.S. government and agency obligations;
- Time deposits with banks and trust companies in Sedgwick County;
- FNMA, FHLB, and FHLMC obligations;
- Collateralized repurchase agreements;
- Investment agreements with financial institutions, including broker/dealers whose obligations are rated in one of the three highest rating categories by either Moody's or Standard & Poor's;

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

1. Deposits and Investments (continued)

- Mutual funds whose portfolio consists entirely of obligations of the U.S. government, U.S. government agencies, FNMA, FHLB, and FHLMC; and
- Certain Kansas municipal bonds.

During 2022, the County invested in certificates of deposit, repurchase agreements, the Kansas Municipal Investment Pool, U.S. government and agency obligations, money market funds whose portfolio consists entirely of obligations of the U.S. government, and state and local government securities held by a trustee.

Unless specifically required under applicable Kansas statutes or other restrictions, earnings from investments are allocated based on average available cash balances, and the remaining earnings are allocated to the General Fund. Investments are carried at fair value.

2. Receivables

Interfund receivables - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Property tax receivables – In accordance with Kansas statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied, with the balance to be paid on or before May 10 of the ensuing year. Kansas statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year.

Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property and are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as deferred inflows of resources in both the government-wide and fund financial statements. It is not practicable to apportion delinquent taxes at the end of the year, and further, those amounts are not material in relationship to the basic financial statements.

Special assessments receivable – As required by Kansas statutes, projects financed in part by special assessments are financed through the issuance of general obligation bonds that are secured by the full faith and credit of the County and are retired from the Debt Service Fund. Further, Kansas statutes permit levying additional general ad valorem property taxes in the

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

2. Receivables (continued)

Special assessments receivable (continued)

Debt Service Fund to finance delinquent special assessments receivable. Consequently, special assessments receivable are accounted for within the Debt Service Fund.

Special assessment taxes are levied over a 10 or 15-year period, and the County may foreclose on liens against property benefited by special assessments when delinquent assessments are two years in arrears. In the fund financial statements, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the Debt Service Fund, with a corresponding amount recorded as deferred inflows of resources in the fund financial statements at December 31.

3. Inventories

Inventories of the governmental funds are valued at cost as determined by the first-in, first-out (FIFO) method. The consumption method is used to account for these inventories. Under the consumption method, inventories purchased are recorded as an asset and expenditure recognition is deferred until the inventories are actually consumed. Reported inventories in governmental funds are equally offset by a nonspendable fund balance, which indicates they are unavailable for appropriation, even though they are a component of reported assets. Inventories of proprietary funds are valued at cost determined on the moving weighted average method.

4. Prepaid Items

Prepaid items represent payments made in advance of the benefitting period and are recognized under the consumption method (recognized proportionally over the periods that service is provided.)

5. Capital Assets

Capital assets, including property, plant, equipment, software, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property, plant, and infrastructure assets with initial individual costs that exceed \$50,000 and estimated useful lives extending beyond a single reporting period are recorded as capital assets. Equipment and software is capitalized when the initial cost exceeds \$10,000 and its useful life extends beyond a single reporting period.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

I. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position(continued)

5. Capital Assets (continued)

Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is expensed in the period in which the cost is incurred in accordance with GASB 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

Property, plant, software, and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Bridges	40
Drainage systems	30
Roads	30
Building improvements	20
Heavy equipment	10
Improvements other than buildings	10
Leasehold improvements	10
Lease Land	4-16
Lease Building	4-6
Office furniture and equipment	5
Operating equipment	3-5
Software	5
Vehicles	3
Lease Equipment	2

6. Compensated Absences

It is the County's policy to permit employees who have 40 hour work weeks to accumulate a maximum of 200 hours of vacation. Upon termination or resignation from service to the County, employees who have worked six months or longer for the County are entitled to payment for all accrued vacation earned prior to termination or resignation.

All employees on permanent status earn sick leave at the rate of one calendar day per month with no maximum accumulation. Upon retirement, any general employee who has accumulated 800 hours of sick leave is entitled to 240 hours of pay at the employee's current rate of salary. No allowance for unused sick leave is paid upon termination or resignation.

All leave pay is accrued when incurred in the government-wide statements and a liability for these amounts is reported.

7. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. In the government-wide financial statements, bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

I. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

7. Long-Term Obligations (continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

8. Pensions and OPEB

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERS) and additions to/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

9. Net Position/Fund Balance Classifications

In the government-wide statements, net position is classified into three components:

- Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, leases, or other borrowings that are attributable to the acquisitions, construction, or improvements of those assets. If no debt is attributable to the capital assets, net position is reported as “invested in capital assets.”
- Restricted net position – consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The County first utilizes restricted resources to finance qualifying activities.
- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

As prescribed by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governmental fund balance classifications are based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. **Summary of Significant Accounting Policies (continued)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

9. Net Position/Fund Balance Classifications (continued)

In the fund financial statements, governmental funds report fund balance in five different classifications:

- Nonspendable - Amounts legally or contractually required to be maintained or are not in spendable form. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.
- Restricted - Amounts with externally imposed constraints, such as those mandated by creditors, grantors, and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws, or regulations.
- Committed - Amounts with a purpose formally imposed by resolution by the BOCC, binding unless modified or rescinded by the BOCC.
- Assigned - Comprises of amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the BOCC or (2) a body or official to whom the BOCC has delegated the authority to. The BOCC has delegated authority to the County Manager or Department Heads to assign amounts to be used for specific purposes as prescribed by the County's Fund Balance and Cash policy.
- Unassigned - All amounts not included in the other fund balance classifications. The general fund shall be the only fund to report positive unassigned fund balance. All governmental funds may report negative unassigned fund balance.

In circumstances when expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

The County's fund balance policy states that the General Fund will be managed in such a way as to maintain a minimum unrestricted fund balance on the last calendar quarter equal to 20% of budgeted annual expenditures and transfers out.

10. Deferred Inflows of Resources/Deferred Outflows of Resources

In addition to assets, the statement of financial position and fund balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future reporting period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure/reduction of liability) until then. The County has three items that qualify for reporting in this category in the government-wide statement of net position; deferred refunding, deferred outflows for pensions, and deferred outflows for other postemployment benefits. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

10. Deferred Inflows of Resources/Deferred Outflows of Resources (continued)

the refunded or refunding debt. See Note IV. G for more information on other postemployment benefits.

In addition to liabilities, the statement of financial position and fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has four types of items: unavailable revenue, deferred revenue, deferred inflows for pensions, and deferred inflows for other postemployment benefits, that qualify for reporting in this category. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows are reported in both the government-wide statement of net position and the governmental funds balance sheet for property tax receivable and for leases under GASB 87. Property taxes are not recognized as revenue until the period for which they are levied. Deferred inflows for pensions and deferred inflows for other postemployment benefits, are reported on the government-wide statement of net position. See Note IV. F. and Note IV. G. for more information on these deferred inflows.

11. Estimates

Preparation of financial statements in conformity with GAAP requires making estimates and assumptions that affect [1] the reported amounts of assets and liabilities, deferred outflows and deferred inflows of resources, [2] disclosures, such as contingencies, and [3] the reported amounts of revenues and expenditures or expenses included in the financial statements. Actual results could differ from those estimates.

12. Leases

During fiscal year 2022, the County implemented Governmental Accounting Standards Board Statement No. 87, *Leases* (GASB 87). Leases having a greater than twelve month lease term are analyzed to determine if the arrangement is subject to GASB 87. If the County is found to be either the lessee or the lessor in the agreement, GASB 87 accounting principles are applied.

County as Lessee

The County as a lessee recognizes a lease liability and a right-to-use asset at the commencement of a lease, unless the lease is considered short-term or transfers ownership of the underlying assets. The County recognizes short-term lease payments as outflows of resources (expense) based on the lease agreement's payment provisions. The lease liability and right-to-use asset are measured based on the net present value of the remaining lease payments on the lease commencement date, discounted using the County's incremental borrowing rate. Remeasurement of the lease liability occurs when there is a change in the lease term and/or there are other changes that are likely to have a significant impact on the lease liability. When a lease is either partially or fully terminated, the County will reduce the carrying value of the lease payable and the right-to-use asset and record a gain or loss for the difference.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

I. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (continued)

12. Leases (continued)

The County applies lease payments first to any accrued interest liability, then to the lease principal due for that period. Right-to-use assets are depreciated over the shorter of the lease term or useful life of the underlying asset. Variable lease payments are based on usage or performance of the underlying assets and are not included in the lease liability calculations and are recognized as outflows of resources in the periods in which the obligation for the payments are incurred.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Kansas statutes require an annual operating budget be legally adopted for the general fund and debt service funds. Legally adopted budgets are also required for special revenue funds, internal service funds and enterprise funds, unless specifically exempted by statute. The statutes provide for the following sequence and timetable of the legal annual operating budget:

- Last day to notify county clerk of intent to levy above the Revenue Neutral Rate is July 20th
- Revenue Neutral Rate hearing must be held between August 20th and September 20th each hearing must be published at least 10 days prior to the hearing date
- If not intending to exceed the Revenue Neutral Rate the budget must be submitted to the county clerk by August 25th. If intending to exceed the Revenue Neutral Rate the budget must be adopted between August 20th and October 1st
- Certified budgets must be turned in to the county clerk between August 30th and October 1st

The County has the following levels of budget control:

- The legal level of control is established at the fund level by Kansas statutes.
- County resolution places level of control at the object class (i.e., personnel services, contractual, commodities, etc.). This allows management to transfer amounts between object classes within a fund, subject to County policy.
- As allowed by Kansas statute, the governing body can increase the fund level expenditures by amending the budget. An amendment may only be made for previously unbudgeted increases in revenue other than ad valorem taxes. A notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after the publication, the hearing may be held and the governing body may amend the budget at that time.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

II. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

There were no budget amendments in 2022.

All unencumbered appropriations (legal budget expenditure authority) lapse at year-end, except for capital projects fund appropriations, which are carried forward until such time as the project is completed or terminated. Encumbered appropriations are not appropriated in the ensuing year's budget, but are carried forward until liquidated or cancelled.

A legal operating budget is not required for capital projects funds, the debt proceeds fund, the County's single enterprise fund, or the following special revenue funds and internal service funds:

Non-Budgeted Special Revenue Funds

Federal/State Assistance Fund
Public Building Commission Fund
Fire District Research and Development
Auto License
Prosecuting Attorney Training
Technology
Court Alcohol/Drug Safety Action Program
Court Trustee Operations

Non-Budgeted Internal Service Funds

Fleet Management
Health/Dental/Life Insurance Reserve
Workers' Compensation Reserve
Risk Management Reserve

B. Deficit Fund Balance

The Building and Equipment Fund, a nonmajor capital project fund, had a fund balance deficit of \$779,470, as of December 31, 2022. This deficit will be recovered through transfers from the Debt Proceeds Fund.

III. Detailed Notes on All Funds

A. Deposits and Investments

Sedgwick County has adopted a formal investment policy. Primary objectives of investment activities are, in order of priority: safety, liquidity and yield. The standard of care to be used by investment officials is the "prudent person" investment rule and is applied to management of the entire portfolio. This rule states "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well the probable income to be derived."

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2022, the County had the following investments:

Investment Type	Fair Value	Modified Duration (in years)	Percent of Total Pooled Funds ¹
U.S. Agency coupon securities	\$ 199,762,497	1.919	27.86%
U.S. Treasury coupon securities	39,786,576	0.105	5.55%
Repurchase agreements	349,009,818	-	48.67%
Money market funds	125,211,911	-	17.46%
 Subtotal general operating portfolio	 713,770,802		
 Assets held by trustee:			
Security Bank of Kansas City	1,264,269	-	0.18%
Subtotal assets held by trustee	1,264,269		
 Total Investments	 715,035,070		 99.72%
 Portfolio modified duration		 0.561	

¹Percentage is based off of pooled funds including certificates of deposit. Certificates of deposit is 0.28%

Custodial credit risk

Custodial credit risk is the risk that in the event of a bank failure or failure of the investment counterparty, the County's deposits may not be returned to the County, or the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have any treasury or agency coupon securities that are held by the investment counterparty.

The County requires that all investment transactions be settled delivery versus payment with an independent third-party safekeeping agent under contract with the County. The County's investment policy requires compliance within the provisions of state law for the collateralization of all deposits and allowable securities are further limited to:

- Direct obligations of, or obligations insured by, the U.S. government or any agency thereof.
- Obligations and securities of U.S. government-sponsored corporations that, under federal law, may be accepted as security for public funds.
- Bonds of any Kansas municipality that have been refunded and are secured by U.S. obligations.
- Bonds of the State of Kansas.
- General obligation bonds of any Kansas municipality.
- Temporary notes of Sedgwick County, Kansas.
- Surety bond of a surety corporation authorized to do business in Kansas in an amount equal to the amount on deposit.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The County does not accept peak period collateral agreements. Kansas law requires the fair value of collateral pledged to be equal to or greater than the entity's deposits. The County's investment policy requires the fair value of collateral to be at least 102% of the total deposits.

Interest rate risk

Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by requiring that maturities be staggered in a way that avoids undue concentration of assets in a specific maturity sector, and that the investment portfolio remain sufficiently liquid to meet all operating requirements which might reasonably be anticipated. Additionally, Kansas law and the investment policy limits investments to a maximum stated maturity of four years.

Credit risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. Kansas law limits the types of investments that can be made by Sedgwick County. The County's investment policy imposes limitations beyond those of the State of Kansas. In accordance with the County's investment policy, the County minimizes credit risk by pre-qualifying financial institutions, brokers/dealers, intermediaries and advisors, as well as diversifying the portfolio so that potential losses on individual securities will be minimized. On December 31, 2022, the County's securities underlying repurchase agreements and investments consisting of U.S. agency obligations not directly guaranteed by the U.S. government included only instruments rated Aaa by Moody's and AAA by Standard & Poor's. The County also holds investments with the Kansas Municipal Investment Pool, which was not rated for 2022. Mutual funds utilized by the County were rated Aaa-mf by Moody's and AAAM by Standard & Poor's at December 31, 2022.

Concentration of credit risk

The investment policy of the County limits the amount of investments that can be placed with a single financial institution to no more than 60% of the total value of time deposits in the portfolio. The following maximum limits, by instrument, are also established for the County's total investment portfolio:

<u>Investment Type</u>	<u>Maximum Percentage Of Portfolio</u>
Repurchase agreements	15
Collateralized time and demand deposits	100
U.S. Treasury notes and bills	80
U.S. government agency obligations	80
Kansas Municipal Investment Pool	25
Bank Trust Department municipal pools	15
Temporary notes	10

In addition, the limit on repurchase agreements and investments with the Kansas Municipal Investment Pool may not exceed 75% of the portfolio for a maximum of 45 days during each of the May and December tax collection seasons. Finally, investments established for bond proceeds are limited by instrument as a percentage of the County's total portfolio value. Invested amounts are not to exceed 20% for mutual funds and 10% for general obligation bonds of Kansas municipalities.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2022 the County held \$65.1 million, or 9.09%, of its portfolio in investments issued by the Federal Home Loan Bank, \$50.4 million, or 7.04%, in investments were issued by the Federal Farm Credit Bank, \$23.2 million, or 3.25%, in investments were issued by Federal Home Loan Mortgage Loan Corp., and \$61.1 million, or 8.53% in investments were issued with the Federal National Mortgage Association.

A reconciliation of cash and investments as shown on the basic financial statements follows:

Cash, including investments, Statement of Net Position	\$ 296,590,228
Restricted cash, including investments, Statement of Net Position	1,472,538
Cash, including investments, custodial funds	431,320,287
Total	<u>\$ 729,383,053</u>

The above total is comprised of:

Deposits	\$ 14,347,983
Total Investments	715,035,070
Total	<u>\$ 729,383,053</u>

Fair Value Investments

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position/balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2022:

	12/31/2022	Fair Value Measurements Using		
		Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
		(Level 1)	(Level 2)	(Level 3)
Investments				
U.S. Agency coupon securities	\$ 199,762,497	\$ 199,762,497	\$ -	\$ -
U.S. Treasury coupon securities	39,786,576	-	39,786,576	-
Repurchase agreements	349,009,818	349,009,818	-	-
Kansas Municipal Investment Pool	-	-	-	-
Collateralized deposits	2,016,015	2,016,015	-	-
Money market funds	125,211,911	125,211,911	-	-
Subtotal general operating portfolio	715,786,816	676,000,240	39,786,576	-
Assets held by trustee:				
State & Local Govt. Securities	1,264,269	1,264,269	-	-
Subtotal assets held by trustee	1,264,269	1,264,269	-	-
Total investments	\$ 717,051,085	\$ 677,264,509	\$ 39,786,576	\$ -
Total investments per previous page	\$ 715,035,070			
Collateralized deposits	2,016,015			
Total	<u>\$ 717,051,085</u>			

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

B. Receivables

Amounts are aggregated into a single accounts receivable line for certain funds and aggregated columns. Below is the detail of receivables for the general, fed/state assistance, SCPBC, debt service, nonmajor governmental, internal service and Arena funds in the aggregate as of December 31, 2022:

Receivables	Accounts Receivable	Property Taxes Receivable	Sales Taxes Receivable	Interest Receivable	Lease Receivable	Notes Receivable	Special Assessment Receivable	Total
General Fund	\$ 3,752,117	\$ 142,813,209	\$ 3,473,884	\$ 800,414	\$ 8,545			\$ 150,848,169
Fed/State Assistance Fund	1,906,783							1,906,783
Public Building Commission						41,413,333		41,413,333
Debt Service Fund		10,660,415					2,951,833	13,612,248
Nonmajor Governmental Funds	51,934	34,403,471	3,473,884					37,929,289
Internal Service Fund	3,505							3,505
Total Governmental Activities	5,714,339	187,877,095	6,947,768	800,414	8,545	41,413,333	2,951,833	246,713,327
Arena	977,501	-	-	-	-	-	-	977,501
Total Business Type Activities	977,501	-	-	-	-	-	-	977,501
Total Net Receivables	\$ 6,691,840	\$ 187,877,095	\$ 6,947,768	\$ 800,414	\$ 8,545	\$ 41,413,333	\$ 2,951,833	\$ 246,690,828

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

C. Capital Assets

Capital assets activity of the primary government, which includes the internal service funds, for the year ended December 31, 2022, was as follows:

	January 1, 2022	Increases	Decreases	December 31, 2022
Governmental Activities:	(As Restated)			
Capital assets, not being depreciated				
Land	\$ 27,982,042	\$ -	\$ -	\$ 27,982,042
Construction in progress	25,398,470	10,936,898	(10,457,698)	25,877,670
Total capital assets, not being depreciated	<u>53,380,512</u>	<u>10,936,898</u>	<u>(10,457,698)</u>	<u>53,859,712</u>
Capital assets, being depreciated				
Buildings and improvements	363,380,472	7,769,345	(50,644)	371,099,173
Leasehold improvements	2,234,871	-	-	2,234,871
Improvements other than buildings	42,725,411	3,730,522	(278,271)	46,177,661
Machinery and equipment	98,223,266	5,375,395	(4,719,891)	98,878,770
Infrastructure	315,388,992	1,905,668	-	317,294,660
Lease Land	1,173,323	-	-	1,173,323
Lease Building	1,413,234	2,046,662	-	3,459,896
Lease Equipment	11,544	-	-	11,544
Total capital assets being depreciated	<u>824,551,113</u>	<u>20,827,591</u>	<u>(5,048,806)</u>	<u>840,329,898</u>
Less accumulated depreciation for:				
Buildings and improvements	(173,766,180)	(9,586,867)	50,644	(183,302,404)
Leasehold improvements	(2,234,871)	-	-	(2,234,871)
Improvements other than buildings	(32,780,973)	(2,182,690)	231,192	(34,732,472)
Machinery and equipment	(74,264,990)	(6,462,309)	2,870,416	(77,856,883)
Infrastructure	(167,128,502)	(8,376,010)	-	(175,504,511)
Leased Assets	-	(759,825)	-	(759,825)
Total accumulated depreciation	<u>(450,175,516)</u>	<u>(27,367,701)</u>	<u>3,152,252</u>	<u>(474,390,965)</u>
Total capital assets being depreciated, net	<u>374,375,597</u>	<u>(6,540,110)</u>	<u>(1,896,554)</u>	<u>365,938,933</u>
Governmental activities capital assets, net	<u>\$ 427,756,109</u>	<u>\$ 4,396,788</u>	<u>\$ (12,354,252)</u>	<u>\$ 419,798,645</u>
Business-Type Activities:				
Capital assets, not being depreciated				
Land	\$ 13,038,358	\$ -	\$ -	\$ 13,038,358
Construction in progress	2,464,095	899,622	-	3,363,717
Total capital assets, not being depreciated	<u>15,502,453</u>	<u>899,622</u>	<u>-</u>	<u>16,402,075</u>
Capital assets, being depreciated				
Buildings and improvements	167,667,759	4,740,105	-	172,407,864
Machinery and equipment	8,491,121	-	-	8,491,121
Total capital assets being depreciated	<u>176,158,880</u>	<u>4,740,105</u>	<u>-</u>	<u>180,898,985</u>
Less accumulated depreciation for:				
Buildings and improvements	(51,635,892)	(4,619,919)	-	(56,255,811)
Machinery and equipment	(7,571,034)	(425,588)	-	(7,996,622)
Total accumulated depreciation	<u>(59,206,926)</u>	<u>(5,045,507)</u>	<u>-</u>	<u>(64,252,433)</u>
Total capital assets being depreciated, net	<u>116,951,954</u>	<u>(305,402)</u>	<u>-</u>	<u>116,646,552</u>
Business-type activities capital assets, net	<u>\$ 132,454,407</u>	<u>\$ 594,220</u>	<u>\$ -</u>	<u>\$ 133,048,627</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

Depreciation expense was charged to functions of the primary government, as follows:

Governmental activities:		
General government	\$	3,367,069
Public safety		6,547,285
Public works, including depreciation of general infrastructure assets		8,854,502
Health and welfare		191,464
Cultural and recreation		3,419,219
Community development, conserve/natural resources		1,099,772
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		3,128,047
Leased Assets		<u>759,825</u>
Total depreciation expense – governmental activities		<u><u>27,367,183</u></u>
Business-type activities:		
Arena fund	\$	<u><u>5,045,507</u></u>

Construction Commitments

The County had outstanding construction commitments for various capital projects and improvements totaling \$11,802,369 at December 31, 2022. This amount is reflected as an encumbrance, which is a part of the fund balance in the Capital Projects Funds, including the Building and Equipment Fund, Street, Bridge and Other Fund, Sales Tax Road and Bridge Fund, Road and Bridge Equipment Fund, and the Capital Improvement Fund. These commitments will be funded through special assessments, general obligation bonds, local sales tax, intergovernmental revenue and existing local resources.

D. PBC Funding

For 2022 the Debt Service Fund levied 1.861 mills, a decrease of 0.174 mills from the 2021 budget, as a result of no debt issues in 2021. Funding is budgeted to maintain a specific level of fund balance on a budgetary basis.

E. Long-Term Debt

General Obligation Bonds

Sedgwick County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities, roads, bridges, storm water drainage systems, and to refund past debt issuances. All general obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of Sedgwick County. These bonds generally are issued as 20-year serial bonds with a level repayment schedule.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

General obligation bonds outstanding at December 31, 2022 are as follows:

Purpose	Interest Rate	Amount
Governmental Activities – Road and Bridge	2.00 – 5.00%	\$14,730,694
Governmental Activities – Facilities	2.00 – 5.00%	13,601,306
Governmental Activities – Refunding	2.00 – 5.00%	5,645,000
Governmental Activities – Comm. Development	4.00 – 5.00%	4,135,000
Total general obligation bonds outstanding		<u>\$38,112,000</u>

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

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2023	\$ 4,357,000	\$ 1,316,103	\$ 5,673,103
2024	4,261,000	1,188,651	5,449,651
2025	4,041,000	1,028,896	5,069,896
2026	3,276,000	886,506	4,162,506
2027	3,216,000	759,554	3,975,554
2028-2032	11,281,000	2,211,435	13,492,435
2033-2037	5,770,000	796,058	6,566,058
2038-2042	1,910,000	107,581	2,017,581
Totals	<u>\$ 38,112,000</u>	<u>\$ 8,294,784</u>	<u>\$ 46,406,784</u>

During 2020, Sedgwick County issued general obligation debt in the amount of \$1,620,000 for various road and bridge projects. Sedgwick County also issues special assessment debt. Prior to 2002, the County issued special assessment debt to provide funds for the construction of sewer systems and streets for residential and commercial development. The County sold the sewer system to the City of Wichita on April 1, 2001 and now only issues special assessment debt to provide funds for the construction of streets. Special assessment bonds will be repaid from amounts levied against the property owners benefited by the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the County will provide resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received. These bonds are issued as 15-year or 20-year serial bonds with a level repayment schedule. During 2022, Sedgwick County issued \$240,000 of 15-year and \$585,000 of 20-year special assessment debt. Special assessment bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount
Governmental activities – Street and Sewer	2.00 – 5.20%	\$ 2,158,000

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

Annual debt service requirements to maturity for special assessment bonds are as follows:

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2023	\$ 308,000	\$ 74,631	\$ 382,631
2024	314,000	76,174	390,174
2025	319,000	61,436	380,436
2026	119,000	45,771	164,771
2027	104,000	40,611	144,611
2028-2032	504,000	138,576	642,576
2033-2037	365,000	56,568	421,568
2038-2042	125,000	15,000	140,000
Totals	\$ 2,158,000	\$ 508,768	\$ 2,666,768

Sedgwick County Public Building Commission Revenue Bonds

The SCPBC is a blended component unit of Sedgwick County. The SCPBC has the authority to issue revenue bonds to finance the cost of acquiring and/or constructing land and facilities operated for a public purpose by a governmental entity. The SCPBC finances the debt service of the revenue bonds through payments from the governmental entity which operates the facilities. The operating governmental entity guarantees the payments under the SCPBC agreement. The SCPBC has no power to levy taxes and revenue bonds issued by the SCPBC are not included in any legal debt limitations of Sedgwick County. SCPBC bonds do not constitute a debt or pledge the full faith and credit of Sedgwick County, except to the extent the agreement constitutes an unconditional obligation of the County. The County is the operating governmental entity on five of the seven issues outstanding (as indicated with a “*”) with repayment schedules ranging from 5 to 20 years with one exception. The WSU Experiential Engineering 2014-3 is paid over 40 years to keep annual debt service under \$2,500,000. The current bonds outstanding are as follows:

Purpose	Interest Rate	Amount
Public Safety Facilities & Equipment 2011-1	2.00 – 4.00%	\$ 6,500,000
Juvenile Justice 2012-1 Refunding	2.00 – 3.00%	1,395,000
Juvenile Justice Complex 2014-1 Refunding	1.00 – 5.00%	2,715,000
Technical Education Complex 2014-2 Refunding	1.75 – 5.00%	16,740,000
^*WSU Experiential Engineering (Tax Exempt) 2014-3	1.50 – 5.00%	38,895,000
^*WSU Experiential Engineering 2014-4	1.95 – 3.90%	3,105,000
Total		\$ 69,350,000

^: These bond issues do not constitute an unconditional obligation of the County.

*: Direct borrowings

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

Annual debt service requirements to maturity for revenue bonds are as follows:

Year ending December 31	Component Unit – SCPBC		
	Principal	Interest	Totals
2023	5,840,000	2,740,745	8,580,745
2024	4,625,000	2,517,473	7,142,473
2025	4,815,000	2,327,904	7,142,904
2026	4,960,000	2,197,433	7,157,433
2027	4,385,000	2,060,699	6,445,699
2028-2032	10,280,000	8,679,914	18,959,914
2033-2037	5,065,000	7,306,339	12,371,339
2038-2042	6,415,000	5,908,422	12,323,422
2043-2047	8,155,000	4,141,725	12,296,725
2048-2052	10,120,000	2,142,875	12,262,875
2053-2057	4,690,000	204,400	4,894,400
Totals	<u>\$ 69,350,000</u>	<u>\$ 40,227,929</u>	<u>\$ 109,577,929</u>

SCPBC Revenue Bonds – WSU Experiential Engineering 2014-3 & 2014-4

On December 30, 2014, the SCPBC issued revenue bonds for Wichita State University (WSU) to finance the cost of constructing, furnishing, and equipping the first project part of the University's Innovation Campus. The proceeds of the bonds were deposited into an escrow trust account.

Annual debt service requirements to maturity for these revenue bonds are as follows:

Year ending December 31	Principal	Interest	Total
2023	640,000	1,848,826	2,488,826
2024	660,000	1,827,041	2,487,041
2025	680,000	1,803,416	2,483,416
2026	705,000	1,777,958	2,482,958
2027	735,000	1,750,199	2,057,009
2028-2032	4,135,000	8,273,464	12,408,464
2033-2037	5,065,000	7,306,339	12,371,339
2038-2042	6,415,000	5,908,422	12,323,422
2043-2047	8,155,000	4,141,725	12,296,725
2048-2052	10,120,000	2,142,875	12,262,875
2053-2057	4,690,000	204,400	4,894,400
Total	<u>\$ 42,000,000</u>	<u>\$ 36,984,665</u>	<u>\$ 78,984,665</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

Direct Borrowings & Direct Placements

In accordance with GASB 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, which was implemented during the year ended on December 31, 2019, the County is now required to disclose information about direct borrowings and direct placements of debt separately from other debt. The County's outstanding notes from direct borrowings and direct placements related to governmental activities total \$42,000,000. There are no unused lines of credit or assets pledged as collateral for debt at December 31, 2022.

The outstanding notes from direct borrowings relating to the Exploration Place Series 2015-1 Refunding in the amount of \$1,010,000 contain a provision in the original bond agreement from 1997. In the event of a default, outstanding notes from direct borrowings related to the Series 2015-1 Refunding contain (1) a provision if the payment of the principal, premium, or interest are not made when due, INTRUST Bank, N.A. may take whatever action at law or in equity necessary or desirable to collect the rental payments due under the Exploration Place Lease Agreement; (2) a provision if SCPBC defaults in the due and punctual performance of any of the covenants, conditions, agreements, and provisions contained in the Bonds (other than those relating to continuing disclosure requirements) and the default continues for thirty days after written notices specifying such default, INTRUST Bank, N.A. may take whatever action at law or in equity is necessary or desirable to enforce the performance, observance, or compliance by SCPBC with any covenant, condition, or agreement by SCPBC; or (3) an event of default as defined in the lease has occurred, INTRUST Bank, N.A. may take whatever action SCPBC would be entitled to take, and shall take whatever action required of SCPBC pursuant to the lease in order to remedy the event of default. As of December 31, 2022, Series 2015-1 is paid in full.

Fire District Finance Purchase Agreements

In 2014, 2016, 2019, and 2021, the County entered into six finance purchase agreements for financing the acquisition of major equipment for the Fire District. The 2014 and 2016 agreements have been paid in full as of December 31, 2022.. The assets acquired through the agreements are as follows:

	<u>Governmental Activities</u>
Asset:	
Machinery and equipment	\$ 5,812,895
Less: accumulated depreciation	1,908,395
Total	<u>\$ 3,904,501</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

The future minimum finance purchase obligations and the net present value of the minimum finance purchase payments as of December 31, 2022, were as follows:

Year ending December 31	Governmental Activities
2023	\$ 360,793
2024	625,753
2025	625,753
2026	501,092
2027	376,432
2028	376,432
Total minimum payments	2,866,256*
Less: amount representing interest	108,635
Total	\$ 2,757,621

*includes rounding adjustment

Lease Liabilities

In accordance with GASB 87, *Leases*, which was implemented during the year ended on December 31, 2022, the County is now required to disclose information about lease contracts for nonfinancial assets-including vehicles, heavy equipment, and buildings-but excludes nonexchange transactions, including donated assets, and leases on intangible assets (such as patents and software licenses.) The County's principal and interest from lease contract obligations related to governmental activities total \$4,120,209. The County has entered into various lease agreements to lease buildings, land and equipment. Details for each lease are outlined below:

Description and purpose	Date of lease agreement	Amount of original agreement	Lease term	Interest rates	December 31, 2022
Administrative building lease	6/1/2022	\$ 2,046,622	37 months	1.868%	\$ 1,713,427
COMCARE building lease	1/1/2022	1,413,233	69 months	0.769%	1,171,519
Cheney tower lease	1/1/2022	979,301	188 months	1.240%	934,899
Goddard tower lease	1/1/2022	194,022	43 months	0.512%	140,174
Copier lease	1/1/2022	11,544	13 months	0.218%	890
		\$ 4,644,722			\$ 3,960,909

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

The principal and interest requirements to maturity as of December 31, 2022, are as follows:

Year Ending December 31, 2022	Principal	Interest	Totals
2023	\$ 1,019,415	\$ 46,321	\$ 1,065,736
2024	1,035,699	30,857	1,066,556
2025	678,039	16,497	694,536
2026	301,467	11,996	313,463
2027	243,069	9,449	252,518
2028-2032	317,371	33,059	350,430
2033-2037	365,849	11,121	376,970
	<u>\$ 3,960,909</u>	<u>\$ 159,300</u>	<u>\$ 4,120,209</u>

Changes in Noncurrent Liabilities

Internal Service Funds predominantly serve the governmental funds. Accordingly, long-term liabilities of the Internal Service Funds are included as part of the totals for governmental activities. At year-end, claims payable totaling \$3,883,000 are included in the amounts below. Claims are generally liquidated by the appropriate Internal Service Fund. The net pension liability will be liquidated primarily through KPERS employer contributions made primarily from the Generally, compensated absences and the total other postemployment benefits (OPEB) liability are liquidated by the General Fund. Noncurrent liability activity for the year ended December 31, 2022, is as follows:

	Beginning Balance (As Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 41,920,000	\$ 1,620,000	\$ 5,428,000	\$ 38,112,000	\$ 4,357,000
Revenue bonds	75,960,000	-	6,610,000	69,350,000	5,840,000
Special assessment debt with government commitment	1,585,000	825,000	252,000	2,158,000	308,000
Total bonds payable	<u>119,465,000</u>	<u>2,445,000</u>	<u>12,290,000</u>	<u>109,620,000</u>	<u>10,505,000</u>
Finance purchase payable	3,393,502	-	635,882	2,757,620	421,231
Lease liability	2,598,101	2,046,622	683,814	3,960,909	1,019,415
Claims payable	3,916,200	30,429,174	30,462,375	3,882,999	3,376,550
Compensated absences	<u>7,150,000</u>	<u>7,584,840</u>	<u>7,134,840</u>	<u>7,600,000</u>	<u>6,591,541</u>
Governmental activities	<u>136,522,803</u>	<u>42,505,636</u>	<u>51,206,911</u>	<u>127,821,528</u>	<u>21,913,737</u>
Premium/(Discount)	<u>5,364,587</u>	<u>203,138</u>	<u>747,163</u>	<u>4,820,562</u>	<u>-</u>
Noncurrent liabilities	<u>\$ 141,887,390</u>	<u>\$ 42,708,774</u>	<u>\$ 51,954,074</u>	<u>\$ 132,642,090</u>	<u>\$ 21,913,737</u>
				Total OPEB liability	23,085,560
				Net pension liability	<u>206,982,388</u>
				Total noncurrent liabilities	<u>\$ 362,710,038</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

F. Interfund Transfers

A summary of interfund transfers is as follows:

	Transfers In:						Totals
	General Fund	Federal/State Assistance Fund	Debt Service Fund	Debt Proceeds Fund	Nonmajor Governmental Funds	Internal Service Funds	
Transfers out:							
General Fund	\$ -	\$ 37,574	\$ 1,684,225	\$ -	\$ 5,474,507	\$ 3,910,357	\$ 11,106,663
Federal/State Assistance Fund	-	620,816	-	-	-	-	620,816
Debt Proceeds Fund	-	-	-	-	13,962	-	13,962
Nonmajor Governmental Funds	471	347,187	648,846	-	1,334,883	-	2,331,387
Internal Service Funds	-	-	-	-	3,344,631	-	3,344,631
Total	\$ 471	\$ 1,005,577	\$ 2,333,071	\$ -	\$ 10,167,983	\$ 3,910,357	\$ 17,417,459

Transfers are used to [1] move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, [2] move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and [3] use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

G. Interfund Receivables and Payables

Interfund balances result from the time lag between the dates that [1] interfund goods and services are provided or reimbursable expenditures occur, [2] transactions are recorded in the accounting system, and [3] payments between funds are made. Interfund payables at year-end relate to amounts spent in certain capital projects funds that have yet to be repaid from long-term financing from the Debt Proceeds Fund.

A summary of interfund receivables and payables at December 31, 2022 is as follows:

	Interfund Receivable	Interfund Payable
Debt Proceeds Fund	\$ 796,079	\$ -
Nonmajor Capital Projects Funds:		
Building and Equipment Fund	-	796,709
	<u>\$ 796,079</u>	<u>\$ 796,079</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

III. Detailed Notes on All Funds (continued)

G. Interfund Receivables and Payables (continued)

During 2013 and 2014, interfund loans were made between the General Fund and the Capital Improvement Fund to provide for the funding of Fire Stations 34 and 36. These advance receivables and payables as of December 31, 2022 are supported by note agreements specifying payment dates and interest amounts and are as follows:

	<u>Advance Receivables</u>	<u>Advance Payables</u>
General Fund	\$ 3,609,762	
Nonmajor Capital Projects Fund:		
Capital Improvement Fund		\$ 3,609,762
	\$ 3,609,762	\$ 3,609,762

IV. Other Information

A. Risk Management

The County's property and casualty insurance coverage consists of both a self-insurance program and insurance policies purchased from various insurance carriers. The overall cost of insurance coverage has increased significantly the past three years. There have not been any settlements in excess of insurance coverage during any of the prior three fiscal years. Exposure to various risks associated with weather related incidents such as wind, hail, and storm damage is covered by a property insurance policy.

Risks associated with the operation of the INTRUST Bank Arena include loss related to theft, damage or destruction of assets, and natural disasters. These risks are covered by commercial insurance. Settlements from these risks have not exceeded insurance coverage for the past three years.

Health/Dental/Life Insurance Reserve Fund the County has a self-funded insurance fund for health claims. Claims for county employees are administered through a third-party administrator for the County's self-insured plan. Premiums are paid by employer and employee contributions into an internal service fund and are available to pay claims and costs of an administrative service agreement. An excess insurance policy covers individual claims in excess of \$500,000. Incurred but not reported claims of \$2,400,000 have been accrued as a liability. In 2022, \$28,946,174 as paid as claims. The outstanding claims liability is calculated from historical data and future expectations. This includes an estimated liability for known claims as well as an estimated liability for claims incurred but not reported.

Workers' Compensation the County provides workers' compensation benefits through a self-insured plan that has been approved by the State of Kansas. Workers' compensation claims are administered by Risk Management, with the assistance of a contract attorney. Funding (premiums) for this self-insurance plan is allocated to County departments. Premiums are determined by a formula that uses both paid claims and the actual number of claims. The County does maintain reserves and pays all expenses for this plan from the Workers' Compensation Reserve Fund.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

A. Risk Management (continued)

Risk Management Reserve Fund the Risk Management Reserve Fund was established for the purpose of providing a contingency fund to pay self-insured claims, retentions and deductibles, and to provide an additional source of funding for the self-insured law enforcement liability, general liability, and public official's liability. Property insurance is maintained with a commercial carrier. Property claims have a \$250,000 deductible per claim. In 2022, \$658,954 was paid on claims. An additional \$1,777,174 of insurance proceeds was paid to repair roofs at the Sedgwick County Zoo related to a 2019 hail storm.

The following is a summary of the changes in the unpaid claims liability:

	<u>Workers' Compensation</u>	<u>Health/Dental Life Insurance</u>
December 31, 2020 liability balances	1,684,200	\$ 2,400,000
2021 Claims and changes in estimates	1,817,275	27,689,562
2021 Claim payments	<u>(1,985,275)</u>	<u>(27,689,562)</u>
December 31, 2021 liability balances	1,516,200	\$ 2,400,000
2022 Claims and changes in estimates	1,342,279	28,946,174
2022 Claim payments	<u>(1,375,479)</u>	<u>(28,946,174)</u>
December 31, 2022 liability balances	<u>\$ 1,483,000</u>	<u>\$ 2,400,000</u>

Net position available for self-insurance expenses and future catastrophic losses are as follows:

Health/Dental/Life Insurance Reserve Fund	\$	11,445,203
Workers' Compensation Reserve Fund		3,472,361
Risk Management Reserve Fund		1,237,114

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

B. Commitments

Encumbrances - The County uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executed contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year end are not accounted for as expenditures and liabilities but, rather, as restricted, committed, or assigned fund balance. As of December 31, 2022, the County's governmental funds had a total of \$18.98 million in encumbrances, which were reported as following:

	<u>General Fund</u>	<u>Federal/State Assistance Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Restricted				
General Government	\$ 238,229	\$ 4,038,647	\$ 2,972	\$ 4,279,847
Debt Service	-	-	-	-
Public Safety	603,606	169,064	197,537	970,208
Public Works	399	41,760	35,217	77,376
Health & Welfare	265,293	2,879,473	84,730	3,229,497
Culture & Recreation	-	131,415	-	131,415
Capital Outlay				
Road Improvements	-	-	5,156,890	5,156,890
Bridge Improvements	-	-	3,951,549	3,951,549
Committed				
Capital Outlay				
Buildings	-	-	19,157	19,157
Building Improvements	-	-	1,060,858	1,060,858
Other Improvements	-	-	46,027	46,027
Outdoor Warning Devices	-	-	24,677	24,677
Drainage Improvements	-	-	2,446	2,446
Assigned				
Culture & Recreation	3,469	-	5,190	8,659
Equipment Upgrades	-	-	22,136	22,136
Total Reserved for Encumbrances	<u><u>\$ 1,110,995</u></u>	<u><u>\$ 7,260,359</u></u>	<u><u>\$ 10,609,386</u></u>	<u><u>\$ 18,980,740</u></u>

C. Contingent Liabilities

The County is a defendant in various legal actions pending or in process for tax appeals, property damage, and miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. Management and the County's counsel are of the opinion that the final outcome of the cases will not have an adverse material effect on the County's financial statements.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

D. Tax Abatements

There are currently two programs being utilized in Sedgwick County that offer tax abatements for economic development purposes. Both operate by granting an exemption on part or all of a property's assessed, or taxable, valuation.

Economic Development Exemptions (EDX)

Article 11, Section 13 of the Kansas Constitution gives counties and cities the authority to exempt from ad valorem taxation all or any portion of the valuation of buildings, land or other improvements used to facilitate business expansion and new employment creation. Such economic development exemptions may be in effect for up to 10 years.

Exempt Industrial Revenue Bonds (IRB)

Kansas Statutes Annotated 79-213 et.seq. establish procedures by which the taxable value of real or personal property being financed by industrial revenue bonds may be wholly or partially exempt. In Sedgwick County, IRB exemptions granted by the County and several of the cities are currently in effect. The table below shows taxes that are foregone by the County government and the Fire District for both EDX & IRB abatements whether issued by the County or by another municipal government that reduce County revenues.

Economic Development Tax Abatements Abated Taxes

Location of Exempt Property	Sedgwick County	Sedgwick County Fire District	Total
IRB			
County	\$ 1,837,908	\$ 1,114,948	\$ 2,952,856
Cities	2,068,674	473,462	2,542,136
Total IRB	\$ 3,906,582	\$ 1,588,410	\$ 5,494,992
EDX			
County	\$ -	\$ -	\$ -
Cities	359,078	20,152	379,230
Total EDX	\$ 359,078	\$ 20,152	\$ 379,230
Tax Abatements	\$ 4,265,660	\$ 1,608,562	\$ 5,874,222

The abated taxes reflect the amounts that would have been levied on behalf of the County and the Fire District on the 2021 tax roll to fund expenditures during calendar year 2022 were it not for the tax exemption.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

IV. Other Information (continued)

E. Accounting Pronouncements

Adopted in 2022:

GASB Statement No. 87, *Leases (GASB 87)*, which was implemented by the County during 2022. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources of outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the County's leasing activities.

Adoption of GASB 87 resulted in an adjustment to increase beginning net fund balance of the Sedgwick County PBC fund as of January 1, 2022 by \$41,413,333 for an agreement previously reported as a lease that does not qualify for lease reporting under GASB 87.

Not Yet Effective:

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, the objectives of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). GASB 94 is effective for financial statements for the County's fiscal year beginning January 1, 2023.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, the objectives of this Statement it to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). GASB 96 is effective for financial statements for the County's fiscal year ending December 31, 2023.

GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB statements and (2) accounting and financial reporting for financial guarantees. The requirements of this statement are effective at various dates based on topics addressed.

GASB Statement 100, *Accounting Changes and Error Corrections*- an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2023 which is the fiscal year beginning January 1, 2024.

GASB Statement No. 101, *Compensated Absences*. This objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 which is the fiscal year beginning January 1, 2024.

F. Defined Benefit Pension Plans

General Information about the Pension Plans

Plan description. The County participates in the Kansas Public Employees Retirement System (KPERs) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et. seq.* Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. KPERs' financial statements are included in its Annual Comprehensive Financial Report, which can be found on the KPERs website at <http://www.kpers.org> or by writing to KPERs (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Benefits provided. KPERs and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Benefits are established by statute and may only be changed by the Legislature. Members (except Police and Firemen) with ten or more years of credited service, may retire as early as age 55 (Police and Firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 "points" (Police and Firemen's normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service).

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into, and disbursed from, the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement, a member may receive a lump sum payment of up to 50% of the actuarial present value of the members lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current member employees and employers. A new KPERs 3 cash balance retirement plan for new hires, starting January 1, 2015, was created. Normal retirement age for KPERs 3 is 65 with five years of service or 60 years of age with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERs member-employee contributions rates. KPERs has multiple benefit structures and contribution rates depending on whether the employee is a KPERs 1, KPERs 2, or KPERs 3 member. KPERs 1 members are active

SEDGWICK COUNTY, KANSAS

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3, and KP&F be determined based on the results of each annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for KPERS and 22.99% for KP&F for the fiscal year ended December 31, 2022. Contributions to the pension plan from the County were \$9,619,749 for KPERS and \$7,951,489 for KP&F for the year ended December 31, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each group of the plan. The County participates in the local KPERS group and the KP&F group.

At December 31, 2022, the County reported a liability of \$114,076,847 for KPERS and \$92,905,541 or KP&F for its proportionate share of the KPERS' collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2022, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to the measurement date of June 30, 2022. The County's proportion of the collective net pension liability was based on the ratio of the County's actual contributions to KPERS and KP&F, relative to the total employer and nonemployer contributions of the KPERS and KP&F for the fiscal year ended June 30, 2022. The contributions used exclude contributions made for prior service, excess benefits and irregular payments.

	Net pension liability as of December 31, 2022	Proportion as of June 30, 2022	Increase(decrease) in proportion from June 30, 2021
KPERS (local)	\$ 114,076,847	5.738%	0.506%
KP&F	92,905,541	6.442%	0.461%
	\$ 206,982,388		

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

F. Defined Benefit Pension Plans (continued)

For the year ended December 31, 2022, the County recognized pension expense of \$15,532,106 for KPERS and \$14,162,357 for KP&F. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
KPERS		
Difference between expected and actual experience	\$ 4,314,857	\$ (204,477)
Net difference between projected and actual earnings on pension plan investments	9,656,601	-
Changes in proportionate share	5,583,745	(1,219,956)
Changes in assumptions	18,234,526	-
County contributions subsequent to measurement date	<u>5,000,466</u>	<u>-</u>
Total	<u>\$ 42,790,195</u>	<u>\$ (1,424,433)</u>
 KP&F		
Difference between expected and actual experience	\$ 3,942,533	\$ -
Net difference between projected and actual earnings on pension plan investments	6,376,224	-
Changes in proportionate share	3,743,537	(2,279,796)
Changes in assumptions	11,938,961	-
County contributions subsequent to measurement date	<u>4,147,917</u>	<u>-</u>
Total	<u>\$ 30,149,172</u>	<u>\$ (2,279,796)</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

F. Defined Benefit Pension Plans (continued)

The \$9,148,383 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases (decreases) to pension expense as follows:

KPERS

	Deferred Outflows (Inflows) of Resources
Year ending December 31:	
2023	\$ 9,767,328
2024	9,231,891
2025	5,167,143
2026	11,606,635
2027	592,299
	\$ 36,365,296

KP&F

	Deferred Outflows (Inflows) of Resources
Year ending December 31:	
2023	\$ 6,509,579
2024	5,800,613
2025	3,320,350
2026	7,692,976
2027	397,941
	\$ 23,721,459

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.75% (no change from prior year)
Salary increases	3.50% to 12.00%, including inflation (no change from prior year)
Investment rate of return	7.00%, compounded annually, net of investment expense and including price inflation (0.25% decrease from prior year)

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

F. Defined Benefit Pension Plans (continued)

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study conducted for the three-year period beginning January 1, 2016. The experience study is dated January 7, 2020.

The actuarial assumptions changes adopted by the Pension Plan for all groups based on the experience study were as follows:

- Investment return assumption was lowered from 7.25% to 7.00%.
- Salary assumption, including wage increases, was increased from 3.50% to 12%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities	23.50%	5.20%
Non-U.S. Equities	23.50	6.40
Private Equity	8.00	9.50
Private Real Estate	11.00	4.45
Yield Driven	8.00	4.70
Real return	11.00	3.25
Fixed Income	11.00	1.55
Short-term investments	4.00	0.25
Total	100%	

Discount rate. The discount rate used by KPERS to measure the total pension liability at the measurement date of June 30, 2022 was 7.00%. The discount rate used to measure the total pension liability at the prior measurement date of June 30, 2021 was 7.25%. The projection of cash flows used to determine the discount rate was based on member and employer contributions. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993 and subsequent legislation, the employer contribution rates certified by the KPERS' Board of Trustees for this group may not increase by more than the statutory cap. The statutory cap for the State fiscal year 2021 was 1.2%. The Local employers are currently contributing the full actuarial contribution rate. Employers contribute the full actuarial determined rate for KP&F. The expected employer actuarial contribution rate was modeled for future years for these groups, assuming all actuarial assumptions are met in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

F. Defined Benefit Pension Plans (continued)

Sensitivity of the County's proportionate share of the collective net pension liability to changes in the discount rate. The following presents the County's proportionate share of the collective net pension liability calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's KPERS proportionate share of the net pension liability	\$ 163,875,077	\$ 114,025,847	\$ 72,587,687
County's KP&F proportionate share of the net pension liability	127,433,557	92,905,541	64,176,253
	\$ 291,308,634	\$ 206,982,388	\$ 136,763,940

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued KPERS financial report.

G. Postemployment Benefits Other than Pensions

County's OPEB Plan

Plan Description

The County sponsors a single-employer defined benefit healthcare plan that provides healthcare benefits, including medical, dental and vision, to retirees. Retiree health coverage is provided for under K.S.A. 12-5040. Employees who retire with at least 10 years of cumulative service with the County and commence retirement or disability benefits under KPERS are eligible for benefits. The funding policy of the County is to pay premiums as they come due through the Health/Dental/Life Insurance Reserve internal service fund. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. There is no stand-alone financial report for the plan.

Benefits Provided

County retirees pay the same premiums charged to COBRA participants for medical, dental and vision coverage. The COBRA rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these two amounts is the implicit rate subsidy, which is considered OPEB.

Retirees and spouses have the same benefit as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, or when the retiree reaches the Medicare eligibility age, which is currently age 65. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or dies.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

Funding Policy

The premium requirements of plan members and the County are established and may be amended by the BOCC. The required premium is based on projected pay-as-you-go financing requirements. For year ended December 31, 2022, Sedgwick County's benefit payments were \$429,864. County retirees pay 100% of their healthcare premiums; the County is not required to share costs of retiree premiums.

Covered Employees

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	207
Active employees	2,481
TOTAL	2,688

Total OPEB Liability

The County's total OPEB liability of \$20,251,607 was measured as of December 31, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost-method	Entry-age
Inflation	2.50%
Salary increases	2.50%
Discount rate	4.18%
Healthcare cost trend rates	6.00% for 2022, decreased by 0.25% per year to an ultimate rate of 4.5% for 2028 and later years
Retiree share of benefit cost	Retirees and spouses pay 102% of the group premium rates

Changes in assumptions relate to changing the discount rate from 2.05% to 4.18% and the mortality improvement scale was updated to MP-2021 scale. The total OPEB liability decreased \$3,015,671 due to the change in discount rate.

The discount rate was based on the average of the S&P Municipal Bond 20 Year High Grade and Fidelity GO AA-20 Year published yields.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

Mortality rates were based on the PUBH-2010 General Employees and Public Safety Mortality and the MP-2021 Improvement Scale.

Disability and retirement rates were based on those utilized for the KPERS-Local and KP&F-Local pension valuations.

The actuarial assumptions used in the December 31, 2022 valuation were based on an experience analysis of the plans past experience, the actuary's experience with plans of similar size, plan design, retiree contribution level and assumptions used in the County's participation in the corresponding pension plan through KPERS and KP&F, as applicable.

Changes in the Total OPEB Liability

	Total OPEB Liability
+ Balance at January 1, 2022	\$23,267,278
Changes for the year:	
Service cost	1,583,364
Interest	472,091
Differences between expected and actuarial experience	-
Changes in assumptions or other inputs	(4,591,828)
Benefit payments	(429,864)
Interest rate subsidy fulfillment	(49,434)
Net changes	(3,015,671)
Balance at December 31, 2022	\$20,251,607

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.18%) or 1 percentage point higher (5.18%) than the current discount rate:

	1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
Total OPEB liability	\$ 21,896,248	\$ 20,251,607	\$ 18,046,734

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

The table below presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.0% decreasing to 3.5%) or 1 percentage point higher (7.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (5.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (6.0% decreasing to 4.5%)	1% Increase (7.0% decreasing to 5.5%)
Total OPEB liability	\$ 17,470,664	\$ 20,251,607	\$ 22,922,909

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended December 31, 2022, the County recognized OPEB expense of \$1,475,523. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,745,173
Changes in assumptions	2,228,762	4,851,183
Total	\$ 2,228,762	\$ 6,596,356

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

	Deferred Outflows (Inflows) of Resources
Year ending December 31:	
2023	\$ (579,932)
2024	\$ (579,932)
2025	\$ (579,932)
2026	(615,372)
2027	(792,347)
Thereafter	(1,220,079)
	\$ (4,367,594)

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

KPERS Death and Disability OPEB Plan

Plan Description. The County participates in an agent multiple-employer defined benefit other post-employment benefit (OPEB) plan which is administered by KPERS. The Plan provides long-term disability benefits and life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. Because the trust's assets are used to pay employee benefits other than OPEB, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. There is no stand-alone financial report for the plan.

Benefits provided:

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60% (prior to January 1, 2006, 66 2/3%) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver premium provision.

Long-term disability benefit: Monthly benefit is 60% of the member's monthly compensation, with a minimum of \$100 and maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers' compensation benefits, other disability benefits from any other source by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability occurs after age 60, benefits are payable while disability continues, for a period of 5 years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the term of the disability or 24 months per lifetime, whichever is less. There are no automatic cost-of-living increase provisions. KPERS has the authority to implement an ad hoc cost-of living increase.

Group life waiver of premium benefit: Upon the death of an employee who is receiving monthly disability benefits, the plan will pay a lump-sum benefit to eligible beneficiaries. The benefit amount will be 150% of the greater of the member's annual rate of compensation at the time of disability or the member's previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for 5 or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price before the life insurance benefit is computed. The indexing is based on the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual life insurance policy.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

Employees covered by benefit terms. At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	27
Active employees	<u>1,924</u>
TOTAL	<u><u>1,951</u></u>

Total OPEB Liability

The County's total OPEB liability of \$2,833,953 was measured as of June 30, 2022 and was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise noted:

Price Inflation	2.75%
Payroll growth	3.00%
Salary increases	3.50 – 10.00%, including price inflation
Discount rate	3.54%
Healthcare cost trend rates	Not applicable for the coverage in this plan
Retiree share of benefit cost	Not applicable for the coverage in this plan

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Mortality rates were based on the RP-2014 Mortality tables, as appropriate, with adjustment for mortality improvements based on Scale MP-2021.

The actuarial assumptions used in the June 30, 2022 valuation were based on an actuarial experience for the three-year period beginning January 1, 2016. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2021 KPERS pension valuation.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at January 1, 2022	\$ 3,909,445
Changes for the year:	
Service cost	393,989
Interest	90,259
Effect of economic/demographic gains or losses	(561,941)
Effect of assumptions changes or inputs	(746,946)
Benefit payments	(250,853)
Net changes	(1,075,492)
Balance at December 31, 2022	\$ 2,833,953

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period and demographic assumption updates based on the most recent KPERS experience study. The discount rate increased from 2.16% on June 30, 2021 to 3.54 % on June 30, 2022.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 2,970,796	\$ 2,833,953	\$ 2,699,341

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS. Therefore, there is no sensitivity to a change in healthcare trend rates.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the County recognized OPEB expense of \$353,621. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 76,536	\$ 728,963
Changes in assumptions	223,840	737,526
Benefit payments subsequent to the measurement date	125,427	-
Total	\$ 425,803	\$ 1,466,489

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31:	Deferred Outflows (Inflows) of Resources
2023	\$ (130,627)
2024	\$ (130,627)
2025	\$ (130,627)
2026	(125,964)
2027	(122,747)
Thereafter	(524,521)
	\$ (1,165,113)

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

H. Sedgwick County, Kansas Section 457(b) Deferred Compensation Plan

Plan Description

The County offers its employees a deferred compensation, defined contribution plan (Plan) created in accordance with Internal Revenue Code Section 457. A governmental 457(b) deferred compensation plan (457b Plan) is a retirement savings plan that allows eligible employees to supplement any existing retirement and pension benefits by saving and investing before-tax dollars through a voluntary salary contribution. Contributions and any earnings on contributions are tax-deferred until money is withdrawn. Distributions are subject to ordinary income tax. The plan is administered by Empower. Participants are comprised of all eligible employees of the County. All full-time employees are eligible.

2022 Participant Count	
Participants who are currently employed and have an ending account balance	1,920
Participants who terminated employment and have an ending account balance	2,032
Participants with a zero ending account balance	267

The 457b plan was established by County resolution and the 457(b) Deferred Compensation Committee has the power to amend the plan. The Committee has nine voting members include the Director or Human Resources, The Chief Financial Officer, The County Counselor or designee, one retired participant, two full time current employee appointed by the County Manager, and three elected current Sedgwick County employees. The assets of the plan are held in trust, with the County as trustee, for the exclusive benefit of the plan participants and their beneficiaries. The assets cannot be diverted for any other purpose.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2022

IV. Other Information (continued)

H. Sedgwick County, Kansas Section 457(b) Deferred Compensation Plan (continued)

Investment Policy

The deposits and investments of the 457(b) Plan are held separately from those of other County funds. Participating employees have the ability to invest in multiple mutual funds as investment options along with the ability to use a self-directed brokerage account for access to additional investment options.

Valuation of Investments

All investments in the 457(b) Plan are measured and reported at fair value and recorded as of the trade date. Fair value is based on quoted market prices at December 31, 2022. The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of fiduciary net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2022:

Fair Value Measurements Using

	12/31/2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities				
Mutual Funds-Equity	\$ 63,358,320	\$ 63,358,320	\$ -	\$ -

Level 1 Includes quoted prices (unadjusted) for identical assets or liabilities in an active market that the County can access at the measurement date.

Level 2 Includes inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets for liabilities.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

IV. Other Information (continued)

H. Sedgwick County, Kansas Section 457(b) Deferred Compensation Plan (continued)

Level 3 Includes unobservable inputs for an asset or liability

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy.

Custodial credit, interest and credit risk

None of the Plan's investments at December 31, 2022 are subject to custodial credit, interest or credit risk.

I. COVID-19 Funding

Following widespread calls for greater federal action to provide financial relief to governments across the United States, President Biden and Congress provided additional funding related to COVID-19 through the American Rescue Plan Act (the "ARPA" or the "Plan").

Enacted into law on March 11, 2020 and building on previously enacted aid measures, such as the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), the Plan adds \$350 billion in emergency funding to state and local governments. However, unlike the CARES Act, which limited expenditures to costs directly related or incurred due to the pandemic, ARPA allows governments to use funding for a broader array of eligible purposes, though with additional compliance requirements.

To assist with the response, Sedgwick County received \$99.6 million in Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funds awarded directly to Sedgwick County, with another \$9.3 million in Strengthening People and Revitalizing Kansas (SPARK) funds awarded by the State of Kansas for economic recovery efforts necessary due to COVID-19's economic effects. Then, in June 2021, Sedgwick County received the first half of a \$100.2 million allocation in Federal American Rescue Plan Act (ARPA) funds. These funds are permitted to be obligated for eligible uses through 2024 and must be spent by December 31, 2026. The Board of County Commissioners has adopted a spending plan for 2021-2024, which includes funding for premium pay for front-line workers during the worst of the pandemic; public health response; measures for employee safety related to COVID-19 and other respiratory protections; facility measures and additional workforce necessary to resolve the 18th Judicial District Court system backlog; and other programs.

SEDGWICK COUNTY, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2022

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – Budgetary Basis
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 152,868,439	\$ 152,868,439	\$ 148,105,007	\$ (4,763,432)
Sales taxes	31,668,000	31,668,000	38,187,177	6,519,177
Other taxes	300,708	300,708	272,169	(28,539)
Intergovernmental	719,601	719,601	815,587	95,986
Charges for Services	28,973,991	28,973,991	30,125,414	1,151,422
Uses of Money and property	4,957,114	4,957,114	963,540	(3,993,574)
Fines and forfeits	181,924	181,924	280,794	98,870
licenses and permits	8,229,011	8,229,011	9,348,114	1,119,104
reimbursed expenditures	5,514,667	5,514,667	3,881,448	(1,633,219)
Other	2,387,647	2,387,647	2,161,816	(225,831)
Total revenues	235,801,103	235,801,103	234,141,066	(1,660,037)
Expenditures				
Current				
Personnel Services	157,855,462	156,797,538	143,066,225	13,731,313
Contractual services	77,462,493	70,839,246	52,926,851	17,912,396
Commodities	9,248,592	9,552,879	8,236,812	1,316,066
Capital Outlay	4,096,037	2,661,034	1,915,396	745,637
Total expenditures	248,662,585	239,850,697	206,145,284	33,705,413
Revenues over (under) expenditures	12,861,482	4,049,595	(27,995,782)	32,045,376
Other financing uses				
Transfers from other funds	259,887	259,887	471	(259,416)
Transfers to other funds	(19,962,156)	(28,774,043)	(27,005,119)	1,768,924
Total other financing uses	(19,702,269)	(28,514,156)	(27,004,648)	1,509,508
Net change in fund balances	(32,563,751)	(32,563,751)	991,133	33,554,884
Fund balances beginning of year	32,563,751	32,563,751	88,286,471	88,286,471
Fund balances, end of year	\$ -	\$ -	\$ 89,277,604	\$ 89,277,604

SEDGWICK COUNTY, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2022

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – Budgetary Basis
General Fund (continued)

Budget / GAAP Reconciliation

All legal operating budgets are prepared using the modified cash basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Accordingly, the data presented in the budgetary comparison statements differs from the data presented in the financial statements prepared in accordance with GAAP. The following schedule provides reconciliation from GAAP basis to budgetary basis for the General Fund.

	December 31, 2022
Fund balance, budgetary basis	\$ 89,277,604
Current year encumbrances	1,110,994
Fair value adjustment of investments	(10,020,138)
Interdepartmental charges	(1,086,235)
Accrued revenues	10,687,352
Accrued expenditures	(6,742,148)
Fund balance, GAAP basis	\$ 83,227,429

Defined Benefit Pension Plans

Share of the Collective Net Pension Liability
 Kansas Public Employees Retirement System
 Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
County's proportion of the collective net pension liability:										
KPERs (local group)	5.738%	5.232%	5.331%	5.386%	5.362%	5.445%	5.344%	5.525%	5.403%	5.475%
KP&F (police & firemen)	6.442%	5.981%	6.191%	6.430%	6.451%	6.655%	6.735%	6.858%	6.825%	6.879%
County's proportionate share of the collective net pension liability	\$ 206,982,388	\$ 119,859,652	\$ 168,762,539	\$ 140,339,426	\$ 136,810,111	\$ 141,282,887	\$ 145,221,592	\$ 122,343,954	\$ 111,262,101	\$ 139,254,285
County's covered payroll ^a	\$ 153,098,073	\$ 133,875,573	\$ 137,559,196	\$ 142,457,639	\$ 138,127,377	\$ 134,047,537	\$ 127,025,880	\$ 127,247,391	\$ 122,530,074	\$ 122,135,423
County's proportionate share of the collective net pension liability as a percentage of its covered payroll	135%	90%	122.68%	98.51%	99.05%	105.40%	114.32%	96.15%	90.80%	114.02%
Plan fiduciary net position as a percentage of the total pension liability	69.75%	76.40%	66.30%	69.88%	70.95%	67.12%	65.10%	64.95%	66.60%	59.94%

^a Covered payroll is measured as of the measurement date ending June 30.

SEDGWICK COUNTY, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2022

Defined Benefit Pension Plans (continued)

Schedule of County's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 17,571,235	\$ 18,827,831	\$ 17,121,387	\$ 17,610,863	\$ 15,903,065	\$ 14,547,001	\$ 18,215,161	\$ 16,216,371	\$ 14,137,345	\$ 12,199,406
Contributions in relation to the contractually required contribution	(17,571,235)	(18,827,831)	(17,121,387)	(17,610,863)	(15,903,065)	(14,547,001)	(18,215,161)	(16,216,371)	(14,137,345)	(12,199,406)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll ^A	\$136,216,075	\$151,009,203	\$137,763,316	\$138,555,937	\$134,392,946	\$131,611,804	\$126,822,618	\$127,537,022	\$124,775,254	\$122,097,547
Contributions as a percentage of covered payroll	12.90%	12.47%	12.43%	12.71%	11.83%	11.05%	14.36%	12.72%	11.33%	9.99%

^A Covered payroll is measured as of the fiscal year end December 31.

Changes in benefit terms for KPERS. In the state fiscal year 2014, the KP&F group had a change in benefit terms. The Legislature increased this group's employee contributions to 7.15 percent and eliminated the reduction of employee contributions to 2.0 percent after 32 years of service. In addition, the maximum retirement benefit increased to 90 percent of final average salary (reached at 36 years of service). Before this change the maximum retirement benefit was limited to 80 percent of final average salary (reached at 32 years of service).

Effective January 1, 2014, KPERS 1 member's employee contribution rate increased to 5.0 percent and then on January 1, 2015, increase to 6.0 percent, with an increase in benefit multiplier to 1.85 percent for future years of service. For KPERS 2 members retired after July 1, 2012, the cost of living adjustment (COLA) is eliminated, but members will receive a 1.85 percent multiplier for all years of service.

January 1, 2015, the KPERS 3 cash balance plan became effective. Members enrolled in this plan are ones first employed in a KPERS covered position on or after January 1, 2015, or KPERS 1 or KPERS 2 members who left employment before vesting and returned to employment on or after January 1, 2015. The retirement benefit is an annuity based on the account balance at retirement.

For the state fiscal year 2017, the KP&F group had a change in benefit terms. The Legislature changed the duty-related death benefit for KP&F members to the greater of 50% of Final Average Salary and member's accrued retirement benefit under the 100% joint and survivor option, payable to the member's spouse. Including any benefits that may be due to child beneficiaries, the total monthly benefits may not exceed 90% of the member's Final Average Salary. Prior to this bill, the duty-related spousal death benefit for KP&F member was 50% of the Final Average Salary, and the maximum available to the family was 75% of the member's Final Average Salary.

For the state fiscal year 2017, the Legislature changed the working after retirement rules for members who retire on or after January 1, 2018. The key changes to the working after retirement rules were to lengthen the waiting period for KPERS members to return to work from 60 days to 180 days for members who retire before attaining age 62, remove the earnings limitation for all retirees and establish a single-employer contribution schedule for all retirees.

For the state fiscal year 2021, the Legislature provided an increased benefit for disabled members who pass away prior to retirement if the disability was service-connected. The monthly benefit is equal to 50% of the member's final average salary at disability plus 10% for each dependent child up to a maximum of 75% or the retirement benefit the member would have received if the member had retired on the date of death if there are no dependent children.

SEDGWICK COUNTY, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2022

Changes in assumptions for KPERS. As a result of the experience study completed in November 2016, there were several changes made to the actuarial assumptions and methods since the prior valuation. The changes that impact all groups were effective December 31, 2016 and include:

- The price inflation assumption was lowered from 3.00% to 2.75%.
- The investment return assumption was lowered from 8.00% to 7.75%.
- The general wage growth assumption was lowered from 4.00% to 3.50%.
- The payroll growth assumption was lowered from 4.00% to 3.00%.

Changes from the November 2016 experience study that impacted individual groups are listed below:

KPERS:

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERS groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups.
- The termination of employment assumption was increased for all three groups.
- The interest crediting rate assumption for KPERS 3 members was lowered from 6.50% to 6.25%.

KP&F:

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table with 1-year age set forward and the MP-2016, is used to anticipate future mortality improvements.
- The mortality assumption for disabled members was changed to the RP-2014 Disabled Lives Table (generational using MP-2016) with a 1-year age set forward.
- The active member mortality assumption was modified to the RP-2014 Employee Mortality Table with a 1-year age set forward with a 90% scaling factor.
- The retirement rates for Tier 1 were lowered and the ultimate assumed retirement age was changed from 63 to 65 for Tier 2.
- The termination of employment rates for Tier 2 were increased to better match the observed experience.

As a result of the experience study completed in January 2020, there were several changes made to the actuarial assumptions and methods since the prior valuation. The changes that impact all groups were effective December 31, 2019 and include:

- The investment return assumption was lowered from 7.75% to 7.50%.
- The general wage growth assumption was lowered from 3.50% to 3.25%.
- The payroll growth assumption was lowered from 3.00% to 2.75%.

December 31, 2020 assumption changes included a decrease of the investment return assumption from 7.75% to 7.25%.

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2022

Changes from the January 2020 experience study that impacted individual groups are listed below:

KPERS:

- Retirement rates were adjusted to partially reflect observed experience.
- Termination rates were increased for most KPERS groups.
- Disability rates were reduced.
- Factors for the State group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

KP&F:

- Retirement rates were adjusted to partially reflect observed experience.
- Factors for the KP&F group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

December 31, 2021, assumption changes included the following:

For all groups, the investment rate of return assumption decreased from 7.25% to 7.00%.

KPERS:

- Interest crediting rate assumption for KPERS 3 members was lowered from 6.25% to 6.00%.
- Annuity interest rate assumption for KPERS 3 members was lowered from 5.75% to 5.00%.

Postemployment Benefits Other than Pensions

Schedule of Changes in the County's Total OPEB Liability and Related Ratios					
Last Five Fiscal Years*					
<u>County OPEB Plan</u>	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 1,583,364	\$ 1,767,311	\$ 1,422,927	\$ 1,238,660	\$ 1,231,438
Interest	472,091	464,507	605,637	677,684	635,526
Differences between expected and actuarial experience	-	(1,598,264)	-	(994,321)	(180,089)
Change in assumptions	(4,591,828)	(412,529)	2,414,187	1,627,505	(944,160)
Benefit payments	(429,864)	(951,041)	(792,681)	(580,938)	(648,319)
Implicit rate subsidy	(49,434)	(109,370)	(114,423)	(199,699)	-
Net change in total OPEB liability	<u>(3,015,671)</u>	<u>(839,386)</u>	<u>3,535,647</u>	<u>1,768,891</u>	<u>94,396</u>
Total OPEB liability - beginning	<u>23,267,278</u>	<u>24,106,664</u>	<u>20,571,017</u>	<u>18,802,126</u>	<u>18,707,730</u>
Total OPEB liability - ending	<u>\$ 20,251,607</u>	<u>\$ 23,267,278</u>	<u>\$ 24,106,664</u>	<u>\$ 20,571,017</u>	<u>\$ 18,802,126</u>
Covered-employee payroll	<u>\$ 119,214,390</u>	<u>\$ 119,214,390</u>	<u>\$ 118,276,383</u>	<u>\$ 118,276,383</u>	<u>\$ 120,999,328</u>
 Total OPEB liability as a percentage of covered-employee payroll	 16.99%	 19.52%	 20.38%	 17.39%	 15.54%

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2022

* GASB 75 requires presentation of ten years. As of December 31, 2022, only four years of information is available.

There are no assets accumulated in the trust to pay related benefits.

Changes in assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period:

- The discount rate decreased from 3.68% on December 31, 2018 to 3.01% on December 31, 2019.
- The discount rate decreased from 3.01% on December 31, 2019 to 1.97% on December 31, 2020.
- The discount rate increased from 1.97% on December 31, 2020 to 2.05% on December 31, 2021.
- The discount rate increased from 1.97% on December 31, 2021 to 4.18% on December 31, 2022.

Changes in assumptions and other inputs reflect the effects of changes in mortality assumption changes:

- December 31, 2019 - updated mortality assumption to the PUBH-2010 General Employees and Public Safety Mortality Tables reflecting the MP-2019 Projection Scale.
- December 31, 2020 - mortality improvement scale changed to MP-2020 scale.
- December 31, 2021 - mortality improvement scale changed to MP-2021 scale.

Postemployment Benefits Other than Pensions (continued)

Schedule of Changes in the County's
Death & Disability Total OPEB Liability and Related Ratios

	Last Six Fiscal Years*					
	2022 June 30, 2022	2021 June 30, 2021	2020 June 30, 2020	2019 June 30, 2019	2018 June 30, 2018	2017 June 30, 2017
KPERS Death and Disability Plan						
Measurement Date						
Total OPEB liability						
Service cost	\$ 393,989	\$ 401,405	\$ 349,556	\$ 332,742	\$ 330,335	\$ 347,567
Interest	90,259	89,414	123,629	134,426	115,650	93,246
Effect of economic/demographic gains or losses	(561,941)	(104,868)	(37,336)	(191,626)	158,126	-
Effect of assumptions changes or inputs	(746,946)	8,580	262,694	57,662	(47,001)	(110,687)
Benefit payments	(250,853)	(257,695)	(215,421)	(365,577)	(268,341)	(439,378)
Net change in total OPEB liability	<u>(1,075,492)</u>	<u>136,836</u>	<u>483,122</u>	<u>(32,373)</u>	<u>288,769</u>	<u>(109,252)</u>
Total OPEB liability - beginning	3,909,445	3,772,609	3,289,487	3,321,860	3,033,091	3,142,343
Total OPEB liability - ending	<u>\$ 2,833,953</u>	<u>\$ 3,909,445</u>	<u>\$ 3,772,609</u>	<u>\$ 3,289,487</u>	<u>\$ 3,321,860</u>	<u>\$ 3,033,091</u>
Covered payroll	\$ 153,098,073	\$ 133,875,573	\$ 137,559,196	\$ 142,457,639	\$ 138,127,377	\$ 134,047,537
Total OPEB liability as a percentage of covered payroll	1.85%	2.92%	2.74%	2.31%	2.40%	2.26%

* GASB 75 requires presentation of ten years. As of December 31, 2022, only six years of information is available.

There are no assets accumulated in the trust to pay related benefits.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period:

- The discount rate increased from 2.85% on June 30, 2016 to 3.58% on June 30, 2017.
- The discount rate increased from 3.58% on June 30, 2017 to 3.87% on June 30, 2018.
- The discount rate decreased from 3.87% on June 30, 2018 to 3.50% on June 30, 2019.
- The discount rate decreased from 3.50% on June 30, 2019 to 2.21% on June 30, 2020.
- The discount rate decreased from 2.21% on June 30, 2020 to 2.16% on June 30, 2021.
- The discount rate decreased from 2.16% on June 30, 2021 to 3.54% on June 30, 2022.

2022

GOVERNMENTAL
FUNDS



SEDGWICK COUNTY, KANSAS

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022**

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
Assets:				
Cash, including investments	\$ 36,836,076	\$ 25,790	\$ 48,199,342	\$ 85,061,208
Due from other agencies	-	-	500	500
Accounts receivable	934	-	51,000	51,934
Property tax receivable	34,403,471	-	-	34,403,471
Sales tax receivable	-	-	3,473,884	3,473,884
Inventories, at cost	450,011	-	-	450,011
Total assets	\$ 71,690,492	\$ 25,790	\$ 51,724,726	\$ 123,441,008
Liabilities:				
Accounts payable	\$ 1,337,974	\$ -	\$ 772,549	\$ 2,110,523
Due to other funds	-	-	796,079	796,079
Advance payable	-	-	3,609,762	3,609,762
Due to other entities	62,500	-	-	62,500
Total liabilities	1,400,474	-	5,178,390	6,578,864
Deferred Inflows of Resources:				
Deferred property tax revenue	34,403,471	-	-	34,403,471
Total deferred inflows of resources	34,403,471	-	-	34,403,471
Fund balances:				
Nonspendable:				
Inventories	450,011	-	-	450,011
Restricted:				
General Government	4,038,162	-	-	4,038,162
Debt Service	-	25,790	-	25,790
Public Safety	15,893,404	-	-	15,893,404
Public Works	3,911,952	-	-	3,911,952
Health and Welfare	2,613,358	-	-	2,613,358
Culture and Recreation	80,308	-	-	80,308
Community Development	30,859	-	-	30,859
Capital Outlay	-	-	22,764,196	22,764,196
Committed:				
Public Safety	4,284,392	-	-	4,284,392
Capital Outlay	-	-	8,147,358	8,147,358
Assigned:				
Public Safety	3,605,665	-	-	3,605,665
Public Works	978,436	-	-	978,436
Capital Outlay	-	-	16,430,861	16,430,861
Unassigned	-	-	(796,079)	(796,079)
Total fund balance	35,886,547	25,790	46,546,336	82,458,673
Total liabilities, deferred inflows of resources and fund balances	\$ 71,690,492	\$ 25,790	\$ 51,724,726	\$ 123,441,008

SEDGWICK COUNTY, KANSAS

**Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
December 31, 2022**

	Wichita State		Emergency	
	University		Medical	
	Program	Comprehensive	Services	Aging
	Development	Community Care		Services
Assets:				
Cash, including investments	\$ 1,267,832	\$ 1,052,879	\$ 7,890,083	\$ 1,464,733
Accounts receivable	-	84	-	-
Property tax receivable	8,597,109	-	-	2,126,351
Inventories, at cost	-	-	450,011	-
Total assets	<u>\$ 9,864,941</u>	<u>\$ 1,052,963</u>	<u>\$ 8,340,094</u>	<u>\$ 3,591,084</u>
Liabilities:				
Accounts payable	\$ 1,236,973	\$ -	\$ 26	\$ 15,552
Due to other entities	-	-	-	-
Total liabilities	<u>1,236,973</u>	<u>-</u>	<u>26</u>	<u>15,552</u>
Deferred Inflows of Resources:				
Deferred property tax revenue	8,597,109	-	-	2,126,351
Total deferred inflows of resources	<u>8,597,109</u>	<u>-</u>	<u>-</u>	<u>2,126,351</u>
Fund balances:				
Nonspendable:				
Inventories	-	-	450,011	-
Restricted:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	1,052,963	-	1,449,181
Culture and Recreation	-	-	-	-
Community Development	30,859	-	-	-
Committed:				
Public Safety	-	-	4,284,392	-
Assigned:				
Public Works	-	-	-	-
Public Safety	-	-	3,605,665	-
Unassigned	-	-	-	-
Total fund balance	<u>30,859</u>	<u>1,052,963</u>	<u>8,340,068</u>	<u>1,449,181</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,864,941</u>	<u>\$ 1,052,963</u>	<u>\$ 8,340,094</u>	<u>\$ 3,591,084</u>

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 3,228,557	\$ 105,416	\$ 1,668,251	\$ 81,615	\$ 4,890,128	\$ 2,179,371
612	179	59	-	-	-
4,069,299	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 7,298,468</u>	<u>\$ 105,595</u>	<u>\$ 1,668,310</u>	<u>\$ 81,615</u>	<u>\$ 4,890,128</u>	<u>\$ 2,179,371</u>
\$ 31,264	\$ -	\$ 18,922	\$ 1,307	\$ 20,028	\$ 109
62,500	-	-	-	-	-
93,764	-	18,922	1,307	20,028	109
4,069,299	-	-	-	-	-
4,069,299	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	4,870,100	2,179,262
2,612,370	-	1,299,582	-	-	-
-	-	-	-	-	-
-	-	-	80,308	-	-
-	-	-	-	-	-
-	-	-	-	-	-
523,035	105,595	349,806	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,135,405</u>	<u>105,595</u>	<u>1,649,388</u>	<u>80,308</u>	<u>4,870,100</u>	<u>2,179,262</u>
<u>\$ 7,298,468</u>	<u>\$ 105,595</u>	<u>\$ 1,668,310</u>	<u>\$ 81,615</u>	<u>\$ 4,890,128</u>	<u>\$ 2,179,371</u>

(Continued)

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
 December 31, 2022

	Special Alcohol and Drug Programs	Auto License	Court Alcohol/Drug Safety Action Program	Prosecuting Attorney Training
Assets				
Cash, including investments	\$ 111,214	\$ 2,071,125	\$ 184,949	\$ 52,277
Accounts receivable	-	-	-	-
Property tax receivable	-	-	-	-
Inventories, at cost	-	-	-	-
Total assets	<u>\$ 111,214</u>	<u>\$ 2,071,125</u>	<u>\$ 184,949</u>	<u>\$ 52,277</u>
Liabilities:				
Accounts payable	\$ -	\$ 8,568	\$ -	\$ -
Due to other entities	-	-	-	-
Total liabilities	<u>-</u>	<u>8,568</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:				
Deferred property tax revenue	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Inventories	-	-	-	-
Restricted:				
General Government	-	2,062,557	-	-
Public Safety	-	-	184,949	52,277
Public Works	-	-	-	-
Health and Welfare	111,214	-	-	-
Culture and Recreation	-	-	-	-
Community Development	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Assigned:				
Public Works	-	-	-	-
Public Safety	-	-	-	-
Unassigned	-	-	-	-
Total fund balance	<u>111,214</u>	<u>2,062,557</u>	<u>184,949</u>	<u>52,277</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 111,214</u>	<u>\$ 2,071,125</u>	<u>\$ 184,949</u>	<u>\$ 52,277</u>

Elected Official Land Technology Fund	Fire District Operating	Fire District Research and Development	Township Dissolution	Totals
\$ 1,976,800	\$ 8,576,404	\$ 34,442	\$ -	\$ 36,836,076
-	-	-	-	934
-	19,610,712	-	-	34,403,471
-	-	-	-	450,011
<u>\$ 1,976,800</u>	<u>\$ 28,187,116</u>	<u>\$ 34,442</u>	<u>\$ -</u>	<u>\$ 71,690,492</u>
\$ 1,195	\$ 4,030	\$ -	\$ -	\$ 1,337,974
-	-	-	-	62,500
<u>1,195</u>	<u>4,030</u>	<u>-</u>	<u>-</u>	<u>1,400,474</u>
-	19,610,712	-	-	34,403,471
-	19,610,712	-	-	34,403,471
-	-	-	-	450,011
1,975,605	-	-	-	4,038,162
-	8,572,374	34,442	-	15,893,404
-	-	-	-	3,911,952
-	-	-	-	2,613,358
-	-	-	-	80,308
-	-	-	-	30,859
-	-	-	-	4,284,392
-	-	-	-	978,436
-	-	-	-	3,605,665
-	-	-	-	-
<u>1,975,605</u>	<u>8,572,374</u>	<u>34,442</u>	<u>-</u>	<u>35,886,547</u>
<u>\$ 1,976,800</u>	<u>\$ 28,187,116</u>	<u>\$ 34,442</u>	<u>\$ -</u>	<u>\$ 71,690,492</u>

SEDGWICK COUNTY, KANSAS

*Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2022*

	<u>Building and Equipment</u>	<u>Street, Bridge and Other</u>	<u>Sales Tax Road and Bridge</u>	<u>Road and Bridge Equipment</u>
Assets				
Cash, including investments	\$ -	\$ 3,240	\$ 20,062,068	\$ -
Due from other agencies	-	-	500	-
Accounts receivable	-	-	-	-
Sales tax receivable	-	-	3,473,884	-
Total assets	<u>\$ -</u>	<u>\$ 3,240</u>	<u>\$ 23,536,452</u>	<u>\$ -</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 772,256	\$ -
Due to other funds	779,470	-	-	16,609
Advance payable	-	-	-	-
Total liabilities	<u>779,470</u>	<u>-</u>	<u>772,256</u>	<u>16,609</u>
Fund balances:				
Restricted:				
Capital Outlay	-	-	22,764,196	-
Committed:				
Capital Outlay	-	3,240	-	-
Assigned:				
Capital Outlay	-	-	-	-
Unassigned	(779,470)	-	-	(16,609)
Total fund balance	<u>(779,470)</u>	<u>3,240</u>	<u>22,764,196</u>	<u>(16,609)</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 3,240</u>	<u>\$ 23,536,452</u>	<u>\$ -</u>

Highway Improvement	Capital Improvements	Equipment Reserve	Fire District Special Equipment	Totals
\$ 45,623	\$ 11,754,173	\$ 12,383,202	\$ 3,951,036	\$ 48,199,342
-	-	-	-	500
-	-	51,000	-	51,000
-	-	-	-	3,473,884
<u>\$ 45,623</u>	<u>\$ 11,754,173</u>	<u>\$ 12,434,202</u>	<u>\$ 3,951,036</u>	<u>\$ 51,724,726</u>
\$ -	\$ 293	\$ -	\$ -	\$ 772,549
-	-	-	-	796,079
-	3,609,762	-	-	3,609,762
-	3,610,055	-	-	5,178,390
-	-	-	-	22,764,196.00
-	8,144,118	-	-	8,147,358
45,623	-	12,434,202	3,951,036	16,430,861
-	-	-	-	(796,079)
<u>45,623</u>	<u>8,144,118</u>	<u>12,434,202</u>	<u>3,951,036</u>	<u>46,546,336</u>
<u>\$ 45,623</u>	<u>\$ 11,754,173</u>	<u>\$ 12,434,202</u>	<u>\$ 3,951,036</u>	<u>\$ 51,724,726</u>

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SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended December 31, 2022

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
Revenues				
Property taxes	\$ 37,939,442	\$ -	\$ -	\$ 37,939,442
Emergency telephone services taxes	3,575,468	-	-	3,575,468
Sales taxes	-	-	16,069,902	16,069,902
Special assessments	-	-	-	-
Other taxes	203,515	-	-	203,515
Intergovernmental	4,900,196	-	185,734	5,085,930
Charges for services	9,625,643	-	-	9,625,643
Uses of money and property	375,744	-	53,606	429,350
Licenses and permits	46,145	-	-	46,145
Other	212,145	-	310,727	522,872
Total revenues	<u>56,878,298</u>	<u>-</u>	<u>16,619,969</u>	<u>73,498,267</u>
Expenditures				
Current:				
General government	5,383,263	-	-	5,383,263
Public safety	21,373,505	-	-	21,373,505
Public works	11,003,443	-	-	11,003,443
Health and welfare	2,338,638	-	-	2,338,638
Culture and recreation	102,322	-	-	102,322
Community Development	9,112,788	-	-	9,112,788
Capital outlay	-	-	19,128,913	19,128,913
Debt service:				
Principal	734,132	-	-	734,132
Interest and fiscal charges	61,969	-	-	61,969
Total expenditures	<u>50,110,060</u>	<u>-</u>	<u>19,128,913</u>	<u>69,238,973</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,768,238</u>	<u>-</u>	<u>(2,508,944)</u>	<u>4,259,294</u>
Other financing sources (uses)				
Transfers from other funds	-	-	10,167,983	10,167,983
Transfers to other funds	(2,331,387)	-	-	(2,331,387)
Extraordinary items	-	-	-	-
Total other financing sources (uses)	<u>(2,331,387)</u>	<u>-</u>	<u>10,167,983</u>	<u>7,836,596</u>
Net change in fund balances	4,436,851	-	7,659,039	12,095,890
Fund balances, beginning of year	<u>31,449,696</u>	<u>25,790</u>	<u>38,887,297</u>	<u>70,362,783</u>
Fund balances, end of year	<u>\$ 35,886,547</u>	<u>\$ 25,790</u>	<u>\$ 46,546,336</u>	<u>\$ 82,458,673</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Year Ended December 31, 2022

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Revenues				
Property taxes	\$ 9,122,288	\$ -	\$ -	\$ 2,901,934
Emergency telephone services taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	16,998
Uses of money and property	-	-	-	-
Licenses and permits	-	-	-	-
Other	-	-	8,167	222
Total revenues	<u>9,122,288</u>	<u>-</u>	<u>8,167</u>	<u>2,919,154</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	2,338,638
Culture and recreation	-	-	-	-
Community Development	9,112,788	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>9,112,788</u>	<u>-</u>	<u>-</u>	<u>2,338,638</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,500</u>	<u>-</u>	<u>8,167</u>	<u>580,516</u>
Other financing (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	(181,807)
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(181,807)</u>
Net change in fund balances	9,500	-	8,167	398,709
Fund balances, beginning of year	<u>21,359</u>	<u>1,052,963</u>	<u>8,331,901</u>	<u>1,050,472</u>
Fund balances, end of year	<u>\$ 30,859</u>	<u>\$ 1,052,963</u>	<u>\$ 8,340,068</u>	<u>\$ 1,449,181</u>

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 5,984,211	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	3,575,468	-
-	-	-	83,988	-	-
4,868,871	-	-	-	-	-
-	-	2,107,687	-	189	1,085,735
-	-	-	-	63,122	-
15,600	-	20,570	-	-	-
64,310	-	70	-	83	165
<u>10,932,992</u>	<u>-</u>	<u>2,128,327</u>	<u>83,988</u>	<u>3,638,862</u>	<u>1,085,900</u>
-	-	-	-	-	-
-	-	-	-	2,010,577	1,004,822
9,473,401	703	1,529,339	-	-	-
-	-	-	-	-	-
-	-	-	102,322	-	-
-	-	-	-	-	-
-	-	-	-	98,250	-
-	-	-	-	11,660	-
<u>9,473,401</u>	<u>703</u>	<u>1,529,339</u>	<u>102,322</u>	<u>2,120,487</u>	<u>1,004,822</u>
<u>1,459,591</u>	<u>(703)</u>	<u>598,988</u>	<u>(18,334)</u>	<u>1,518,375</u>	<u>81,078</u>
-	-	-	-	-	-
-	-	-	(58,754)	(648,846)	-
-	-	-	(58,754)	(648,846)	-
1,459,591	(703)	598,988	(77,088)	869,529	81,078
<u>1,675,814</u>	<u>106,298</u>	<u>1,050,400</u>	<u>157,396</u>	<u>4,000,571</u>	<u>2,098,184</u>
<u>\$ 3,135,405</u>	<u>\$ 105,595</u>	<u>\$ 1,649,388</u>	<u>\$ 80,308</u>	<u>\$ 4,870,100</u>	<u>\$ 2,179,262</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2022

	<u>Special Alcohol and Drug Programs</u>	<u>Auto License</u>	<u>Court Alcohol/Drug Safety Action Program</u>	<u>Prosecuting Attorney Training</u>
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Emergency telephone services taxes	-	-	-	-
Other taxes	119,527	-	-	-
Intergovernmental	-	31,325	-	-
Charges for services	-	4,679,507	3,246	31,928
Uses of money and property	-	37,504	-	-
Licenses and permits	-	-	-	-
Other	-	18,482	-	-
Total revenues	<u>119,527</u>	<u>4,766,818</u>	<u>3,246</u>	<u>31,928</u>
Expenditures				
Current:				
General government	-	4,361,945	-	-
Public safety	-	-	-	28,515
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community Development	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>4,361,945</u>	<u>-</u>	<u>28,515</u>
Excess (deficiency) of revenues over (under) expenditures	<u>119,527</u>	<u>404,873</u>	<u>3,246</u>	<u>3,413</u>
Other financing (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	<u>(106,626)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing (uses)	<u>(106,626)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	12,901	404,873	3,246	3,413
Fund balances, beginning of year	<u>98,313</u>	<u>1,657,684</u>	<u>181,703</u>	<u>48,864</u>
Fund balances, end of year	<u>\$ 111,214</u>	<u>\$ 2,062,557</u>	<u>\$ 184,949</u>	<u>\$ 52,277</u>

Elected Official Land Technology Fund	Fire District Operating	Fire District Research and Development	Township Dissolution	Totals
\$ -	\$ 19,931,009	\$ -	\$ -	\$ 37,939,442
-	-	-	-	3,575,468
-	-	-	-	203,515
-	-	-	-	4,900,196
962,330	738,023	-	-	9,625,643
28,332	245,623	1,163	-	375,744
-	9,975	-	-	46,145
110,179	10,467	-	-	212,145
<u>1,100,841</u>	<u>20,935,097</u>	<u>1,163</u>	<u>-</u>	<u>56,878,298</u>
1,021,318	-	-	-	5,383,263
-	18,329,591	-	-	21,373,505
-	-	-	-	11,003,443
-	-	-	-	2,338,638
-	-	-	-	102,322
-	-	-	-	9,112,788
-	635,882	-	-	734,132
-	50,309	-	-	61,969
<u>1,021,318</u>	<u>19,015,782</u>	<u>-</u>	<u>-</u>	<u>50,110,060</u>
<u>79,523</u>	<u>1,919,315</u>	<u>1,163</u>	<u>-</u>	<u>6,768,238</u>
-	-	-	-	-
(471)	(1,334,883)	-	-	(2,331,387)
(471)	(1,334,883)	-	-	(2,331,387)
79,052	584,432	1,163	-	4,436,851
<u>1,896,553</u>	<u>7,987,942</u>	<u>33,279</u>	<u>-</u>	<u>31,449,696</u>
<u>\$ 1,975,605</u>	<u>\$ 8,572,374</u>	<u>\$ 34,442</u>	<u>\$ -</u>	<u>\$ 35,886,547</u>

SEDGWICK COUNTY, KANSAS

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2022**

	Building and Equipment	Street, Bridge and Other	Sales Tax Road and Bridge	Road and Bridge Equipment
Revenues				
Sales taxes	\$ -	\$ -	\$ 16,069,902	\$ -
Intergovernmental	-	-	185,734	-
Uses of money and property	-	-	-	-
Other revenue	12,056	-	1,079	-
Total revenues	12,056	-	16,256,715	-
Expenditures				
Capital outlay	-	-	15,042,818	69,572
Total expenditures	-	-	15,042,818	69,572
(Deficiency) of revenues (under) expenditures	12,056	-	1,213,897	(69,572)
Other financing sources (uses)				
Transfers from other funds	-	-	1,597,566	-
Total other financing sources	-	-	1,597,566	-
Net change in fund balances	12,056	-	2,811,463	(69,572)
Fund balances (deficits), beginning of year	(791,526)	3,240	19,952,733	52,963
Fund balances (deficits), end of year	\$ (779,470)	\$ 3,240	\$ 22,764,196	\$ (16,609)

Highway Improvement	Capital Improvements	Equipment Reserve	Fire District Special Equipment	Totals
\$ -	\$ -	\$ -	\$ -	\$ 16,069,902
-	-	-	-	185,734
-	-	-	53,606	53,606
-	264,837	32,755	-	310,727
-	264,837	32,755	53,606	16,619,969
-	2,562,784	1,274,934	178,805	19,128,913
-	2,562,784	1,274,934	178,805	19,128,913
-	(2,297,947)	(1,242,179)	(125,199)	(2,508,944)
-	2,786,205	4,449,329	1,334,883	10,167,983
-	2,786,205	4,449,329	1,334,883	10,167,983
-	488,258	3,207,150	1,209,684	7,659,039
45,623	7,655,860	9,227,052	2,741,352	38,887,297
<u>\$ 45,623</u>	<u>\$ 8,144,118</u>	<u>\$ 12,434,202</u>	<u>\$ 3,951,036</u>	<u>\$ 46,546,336</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Wichita State University Program Development For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 9,081,910	\$ 9,081,910	\$ 9,122,288	\$ 40,378
Other	300,000	300,000	-	(300,000)
Total revenues	<u>9,381,910</u>	<u>9,381,910</u>	<u>9,122,288</u>	<u>(259,622)</u>
Expenditures				
Current:				
Contractual services	<u>9,381,910</u>	<u>9,381,910</u>	<u>9,112,788</u>	<u>269,122</u>
Total expenditures	<u>9,381,910</u>	<u>9,381,910</u>	<u>9,112,788</u>	<u>269,122</u>
Revenues over (under) expenditures	<u>0</u>	<u>0</u>	<u>9,500</u>	<u>9,500</u>
Net change in fund balances	\$ -	\$ -	9,500	\$ 9,500
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>21,359</u>	<u>21,359</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,859</u>	<u>\$ 30,859</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Comprehensive Community Care For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
Personnel services	-	-	-	-
Contractual services	-	-	18,007	(18,007)
Commodities	-	-	1,200	(1,200)
Total expenditures	-	-	19,207	(19,207)
Revenues over (under) expenditures	-	-	(19,207)	(19,207)
Other financing uses				
Transfers from other funds	-	-	-	-
Total other financing uses	-	-	-	-
Net change in fund balances	\$ -	\$ -	(19,207)	\$ (19,207)
Fund balances, beginning of year	-	-	1,052,963	1,052,963
Fund balances, end of year	\$ -	\$ -	1,033,756	\$ 1,033,756

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Emergency Medical Services For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
Personnel services	-	-	-	-
Contractual services	-	-	32,257	(32,257)
Commodities	-	-	56,162	(56,162)
Capital Outlay	-	-	-	-
Total expenditures	-	-	88,419	(88,419)
Revenues over (under) expenditures	-	-	(88,419)	(88,419)
Net change in fund balances	\$ -	\$ -	(88,419)	\$ (88,419)
Fund balances, beginning of year	-	-	8,331,901	8,331,901
Fund balances, end of year	\$ -	\$ -	8,243,482	\$ 8,243,482.24

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Aging Services For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,887,445	\$ 2,887,445	\$ 2,901,934	\$ 14,488
Intergovernmental	-	-	16,998	16,998
Charges for Services	30,000	30,000	-	(30,000)
Other	-	-	222	222
Total revenues	<u>2,917,445</u>	<u>2,917,445</u>	<u>2,919,154</u>	<u>1,709</u>
Expenditures				
Current:				
Personnel services	750,704	750,704	740,116	10,588
Contractual services	1,804,755	1,804,755	1,601,240	203,515
Commodities	59,327	59,327	33,783	25,544
Capital Outlay	-	-	-	-
Total expenditures	<u>2,614,786</u>	<u>2,614,786</u>	<u>2,375,140</u>	<u>239,645</u>
Revenues over (under) expenditures	<u>302,660</u>	<u>302,660</u>	<u>544,015</u>	<u>241,354</u>
Other financing uses				
Transfers from other funds	-	-	-	-
Transfers to other funds	(313,794)	(313,794)	(181,807)	131,987
Total other financing uses	<u>(313,794)</u>	<u>(313,794)</u>	<u>(181,807)</u>	<u>131,987</u>
Net change in fund balances	\$ (11,134)	\$ (11,134)	\$ 362,207	\$ 373,341
Fund balances, beginning of year	<u>11,134</u>	<u>11,134</u>	<u>1,050,472</u>	<u>1,039,338</u>
Fund balances, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,412,679</u>	<u>\$ 1,412,678</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Public Works Highways For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 5,968,185	\$ 5,968,185	\$ 5,984,211	\$ 16,026
Intergovernmental	4,695,469	4,695,469	4,868,871	173,402
Licenses and permits	16,947	16,947	15,600	(1,347)
Reimbursed expenditures	37,245	37,245	29,116	(8,130)
Other	20,110	20,110	35,195	15,085
Total revenues	<u>10,737,956</u>	<u>10,737,956</u>	<u>10,932,992</u>	<u>195,036</u>
Expenditures				
Current:				
Personnel services	6,527,943	6,527,943	5,174,712	1,353,231
Contractual services	4,510,908	4,449,908	4,144,119	305,789
Commodities	445,529	506,529	377,565	128,964
Capital outlay	-	-	-	-
Total expenditures	<u>11,484,380</u>	<u>11,484,380</u>	<u>9,696,397</u>	<u>1,787,983</u>
Revenues over (under) expenditures	<u>(746,424)</u>	<u>(746,424)</u>	<u>1,236,596</u>	<u>1,983,019</u>
Other financing sources (uses)				
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	\$ (746,423)	\$ (746,423)	\$ 1,236,595	\$ 1,983,019
Fund balances, beginning of year	<u>746,423</u>	<u>746,423</u>	<u>1,675,814</u>	<u>929,391</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,912,409</u>	<u>\$ 2,912,410</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Noxious Weeds For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
Personnel services	-	-	-	-
Contractual services	-	-	-	-
Commodities	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>106,298</u>	<u>106,298</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,298</u>	<u>\$ 106,298</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Solid Waste For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 2,065,919	\$ 2,065,919	\$ 2,107,687	\$ 41,768
Licenses and permits	58,021	58,021	20,570	(37,451)
Other	873	873	70	(803)
Total revenues	2,124,813	2,124,813	2,128,327	3,514
Expenditures				
Current:				
Personnel services	912,027	912,027	894,947	17,080
Contractual services	1,302,377	1,298,277	604,980	693,297
Commodities	79,165	83,265	62,422	20,843
Total expenditures	2,293,569	2,293,569	1,562,348	731,221
Revenues over (under) expenditures	(168,756)	(168,756)	565,978	734,735
Other financing sources (uses)				
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ (168,756)	\$ (168,756)	\$ 565,978	\$ 734,734
Fund balances, beginning of year	168,756	168,756	1,050,401	881,645
Fund balances, end of year	\$ -	\$ -	\$ 1,616,379	\$ 1,616,379

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Special Parks and Recreation For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 49,799	\$ 49,799	\$ 83,988	\$ 34,189
Total revenues	<u>49,799</u>	<u>49,799</u>	<u>83,988</u>	<u>34,189</u>
Expenditures				
Current:				
Contractual services	170,511	81,797	76,292	5,505
Commodities	-	29,960	29,912	48
Total expenditures	<u>170,511</u>	<u>111,757</u>	<u>106,204</u>	<u>5,553</u>
Revenues over (under) expenditures	<u>(120,712)</u>	<u>(61,958)</u>	<u>(22,216)</u>	<u>39,741</u>
Other financing sources (uses)				
Transfers to other funds	-	(58,754)	(58,754)	-
Total other financing sources (uses)	<u>-</u>	<u>(58,754)</u>	<u>(58,754)</u>	<u>-</u>
Net change in fund balances	\$ (120,711)	\$ (120,711)	\$ (80,969)	\$ 39,741
Fund balances (deficit), beginning of year	<u>120,712</u>	<u>120,712</u>	<u>157,396</u>	<u>36,684</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,427</u>	<u>\$ 76,425</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Emergency Telephone Services For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 3,507,747	\$ 3,507,747	\$ 3,575,468	\$ 67,721
Charges for services	479	479	189	(289)
Uses of money and property	2,167	2,167	63,122	60,955
Other	15,148	15,148	83	(15,065)
Total revenues	<u>3,525,540</u>	<u>3,525,540</u>	<u>3,638,862</u>	<u>113,322</u>
Expenditures				
Current:				
Contractual services	2,608,932	2,589,432	2,314,988	274,444
Commodities	55,968	75,468	72,269	3,199
Total expenditures	<u>2,664,900</u>	<u>2,664,900</u>	<u>2,387,257</u>	<u>277,643</u>
Revenues over (under) expenditures	<u>860,640</u>	<u>860,640</u>	<u>1,251,605</u>	<u>390,965</u>
Other financing uses				
Transfers to other funds	(648,846)	(648,846)	(648,846)	-
Total other financing uses	<u>(648,846)</u>	<u>(648,846)</u>	<u>(648,846)</u>	<u>-</u>
Net change in fund balances	\$ 211,793	\$ 211,793	\$ 602,759	\$ 390,966
Fund balances (deficit), beginning of year	<u>(211,793)</u>	<u>(211,793)</u>	<u>4,000,571</u>	<u>4,212,364</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,603,330</u>	<u>\$ 4,603,329.64</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Special Alcohol and Drug Programs For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 55,000	\$ 55,000	\$ 119,527	\$ 64,527
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>119,527</u>	<u>64,527</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>55,000</u>	<u>55,000</u>	<u>119,527</u>	<u>64,527</u>
Other financing sources (uses)				
Transfers from other funds	(106,626)	(106,626)	(106,626)	-
Total other financing sources (uses)	<u>(106,626)</u>	<u>(106,626)</u>	<u>(106,626)</u>	<u>-</u>
Net change in fund balances	\$ (51,626)	\$ (51,626)	\$ 12,900	\$ 64,526
Fund balances, beginning of year	<u>51,626</u>	<u>51,626</u>	<u>98,313</u>	<u>46,687</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,213</u>	<u>\$ 111,213</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Special Revenue Fund: Fire District Operating For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 20,093,166	\$ 20,093,166	\$ 19,931,009	\$ (162,157)
Charges for services	708,152	708,152	738,023	29,871
Uses of money and property	56,581	56,581	245,623	189,042
Licenses and permits	5,568	5,568	9,975	4,407
Reimbursed expenditures	2,529	2,529	7,440	4,912
Other	98,743	98,743	3,028	(95,716)
Total revenues	<u>20,964,739</u>	<u>20,964,739</u>	<u>20,935,098</u>	<u>(29,641)</u>
Expenditures				
Current:				
Personnel services	16,052,807	16,483,840	16,483,840	-
Contractual services	2,644,588	1,867,349	1,842,869	24,480
Commodities	828,537	723,297	721,872	1,425
Capital outlay	325,000	-	-	-
Debt service:				
Principal	1,244,627	686,191	-	686,191
Capital Lease	-	-	635,882	(635,882)
Interest	-	-	50,309	(50,309)
Total expenditures	<u>21,095,559</u>	<u>19,760,676</u>	<u>19,734,771</u>	<u>25,904</u>
Revenues over (under) expenditures	<u>(130,820)</u>	<u>1,204,062</u>	<u>1,200,327</u>	<u>(3,737)</u>
Other financing uses				
Transfers to other funds	-	(1,334,883)	(1,334,883)	-
Transfers from other funds	-	-	-	-
Total other financing uses	<u>-</u>	<u>(1,334,883)</u>	<u>(1,334,883)</u>	<u>-</u>
Net change in fund balances	\$ (130,820)	\$ (130,820.37)	\$ (134,556)	\$ (3,737)
Fund balances (deficit), beginning of year	<u>130,820</u>	<u>130,820</u>	<u>7,987,941</u>	<u>7,987,941</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ (0)</u>	<u>\$ 7,853,385</u>	<u>\$ 7,984,204.13</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Debt Service Fund: County Bond and Interest For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 12,847,784	\$ 12,847,784	\$ 12,824,188	\$ (23,596)
Total revenues	<u>12,847,784</u>	<u>12,847,784</u>	<u>12,824,188</u>	<u>(23,596)</u>
Expenditures				
Current:				
Contractual services	20,000	20,000	1,650	18,350
Debt service:				
Principal	14,719,732	14,719,732	11,670,000	3,049,732
Interest and fiscal charges	-	-	2,718,808	(2,718,808)
Total expenditures	<u>14,739,732</u>	<u>14,739,732</u>	<u>14,390,458</u>	<u>349,274</u>
Revenues over (under) expenditures	<u>(1,891,947)</u>	<u>(1,891,947)</u>	<u>(1,566,270)</u>	<u>325,677</u>
Other financing sources				
Transfers from other funds	2,333,071	2,333,071	2,333,071	0
Total other financing sources	<u>2,333,071</u>	<u>2,333,071</u>	<u>2,333,071</u>	<u>0</u>
Net change in fund balances	\$ 441,123	\$ 441,124	\$ 766,801	\$ 325,677
Fund balances, beginning of year	<u>(441,123)</u>	<u>(441,123)</u>	<u>1,474,558</u>	<u>1,915,681</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ (0)</u>	<u>\$ 2,241,359</u>	<u>\$ 2,241,358</u>

SEDGWICK COUNTY, KANSAS

Schedule of Budgetary Accounts Budget and Actual - Budgetary Basis (Non-GAAP)

Debt Service Fund: Fire District Bond and Interest For the year ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>25,791</u>	<u>25,791</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 25,791</u></u>	<u><u>\$ 25,791</u></u>

2022

INTERNAL SERVICE
FUNDS



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SEDGWICK COUNTY, KANSAS

Combining Statement of Net Position Internal Service Funds December 31, 2022

	<u>Fleet Management</u>	<u>Health/Dental/ Life Insurance Reserves</u>	<u>Workers' Compensation Reserves</u>
Assets			
Current assets:			
Cash, including investments	\$ 12,464,139	\$ 13,543,380	\$ 4,958,901
Accounts receivable	1,328	-	-
Prepays	-	304,000	-
Inventories, at cost	352,506	-	-
Total current assets	<u>12,817,973</u>	<u>13,847,380</u>	<u>4,958,901</u>
Noncurrent assets:			
Capital assets:			
Land	40,580	-	-
Construction in progress	595,000	-	-
Buildings and improvements	8,319,354	-	-
Machinery and equipment	36,165,315	-	-
Less accumulated depreciation	(34,004,184)	-	-
Total capital assets (net of accumulated depreciation)	<u>11,116,065</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 23,934,038</u>	<u>\$ 13,847,380</u>	<u>\$ 4,958,901</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 203,868	\$ 2,177	\$ 3,540
Estimated claims costs payable	-	2,400,000	976,550
Total current liabilities	<u>203,868</u>	<u>2,402,177</u>	<u>980,090</u>
Noncurrent liabilities:			
Estimated claims costs payable	-	-	506,450
Total liabilities	<u>203,868</u>	<u>2,402,177</u>	<u>1,486,540</u>
Net position			
Investment in capital assets	11,116,065	-	-
Unrestricted	12,614,105	11,445,203	3,472,361
Total net position	<u>23,730,170</u>	<u>11,445,203</u>	<u>3,472,361</u>
Total liabilities and net position	<u>\$ 23,934,038</u>	<u>\$ 13,847,380</u>	<u>\$ 4,958,901</u>

Risk Management Reserves	Totals
\$ 1,240,282	\$ 32,206,702
2,177	3,505
-	304,000
-	352,506
<u>1,242,459</u>	<u>32,866,713</u>
-	40,580
-	595,000
-	8,319,354
-	36,165,315
-	(34,004,184)
<u>-</u>	<u>11,116,065</u>
<u>\$ 1,242,459</u>	<u>\$ 43,982,778</u>
\$ 5,345	\$ 214,930
-	3,376,550
<u>5,345</u>	<u>3,591,480</u>
-	506,450
<u>5,345</u>	<u>4,097,930</u>
-	11,116,065
<u>1,237,114</u>	<u>28,768,783</u>
<u>1,237,114</u>	<u>39,884,848</u>
<u>\$ 1,242,459</u>	<u>\$ 43,982,778</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenses, and Changes in Net Position Internal Service Funds

For the Year Ended December 31, 2022

	Fleet Management	Health/Dental/ Life Insurance Reserves	Workers' Compensation Reserves
Operating revenues:			
Charges for services	\$ 8,460,344	\$ 36,485,695	\$ 1,966,224
Other revenue	65,422	1,589,970	80,898
Total operating revenues	<u>8,525,766</u>	<u>38,075,665</u>	<u>2,047,122</u>
Operating expenses:			
Salaries and benefits	942,474	243,316	168,350
Contractual services	412,601	1,099,756	40,937
Utilities	62,759	-	-
Supplies and fuel	4,001,669	-	71,341
Administrative charges	230,010	-	-
Depreciation	3,128,047	-	-
Claims expense	-	34,451,313	1,252,771
Other	28,443	-	-
Total operating expenses	<u>8,806,003</u>	<u>35,794,385</u>	<u>1,533,399</u>
Operating income (loss)	<u>(280,237)</u>	<u>2,281,280</u>	<u>513,723</u>
Nonoperating revenues:			
Investment income	-	232,644	90,726
Capital Contributions	3,366,111	-	-
Gain on sale of assets	166,625	-	-
Total nonoperating revenues	<u>3,532,736</u>	<u>232,644</u>	<u>90,726</u>
Income (loss) before transfers	3,252,499	2,513,924	604,449
Transfers			
Transfers from other funds	-	-	-
Transfers to other funds	(3,344,631)	-	-
Change in net position	(92,132)	2,513,924	604,449
Net position, beginning of year	<u>23,822,302</u>	<u>8,931,279</u>	<u>2,867,912</u>
Net position, end of period	<u>\$ 23,730,170</u>	<u>\$ 11,445,203</u>	<u>\$ 3,472,361</u>

Risk Management Reserves	Totals
\$ -	\$ 46,912,263
<u>169,460</u>	<u>1,905,750</u>
<u>169,460</u>	<u>48,818,013</u>
221,297	1,575,437
4,248,853	5,802,147
-	62,759
262,212	4,335,222
-	230,010
-	3,128,047
650,033	36,354,117
-	28,443
<u>5,382,395</u>	<u>51,516,182</u>
<u>(5,212,935)</u>	<u>(2,698,169)</u>
(24,455)	298,915
-	3,366,111
-	166,625
<u>(24,455)</u>	<u>3,831,651</u>
(5,237,390)	1,133,482
3,910,357	3,910,357
-	(3,344,631)
(1,327,033)	1,699,208
<u>2,564,147</u>	<u>38,185,640</u>
<u>\$ 1,237,114</u>	<u>\$ 39,884,848</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Cash Flows Internal Service Funds For the Year Ended December 31, 2022

	Fleet Management	Health/Dental/Life Insurance Reserves	Worker's Compensation Reserves
Cash flows from operating activities			
Receipts from customers	\$ -	\$ -	\$ -
Receipts from interfund services provided	8,524,438	36,485,695	1,966,224
Other operating revenues	-	1,589,970	80,898
Payments to suppliers for goods and services	(4,616,536)	(35,852,892)	(1,410,089)
Payments to employees for services	(983,056)	(251,589)	(175,284)
Net cash provided by (used in) operating activities	<u>2,924,846</u>	<u>1,971,184</u>	<u>461,749</u>
Cash flows from noncapital financing activities			
Transfers from other funds	-	-	-
Transfers to other funds	(3,344,631)	-	-
Net cash provided by (used in) noncapital financing activities	<u>(3,344,631)</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities			
Proceeds from sale of capital assets	166,625	-	-
Purchases of capital assets	(350,770)	-	-
Net cash used in capital and related financing activities	<u>(184,145)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Interest on investments	-	232,644	90,726
Net cash provided by investing activities	<u>-</u>	<u>232,644</u>	<u>90,726</u>
Net increase (decrease) in cash and cash equivalents	(603,930)	2,203,828	552,475
Cash and cash equivalents, beginning of year	13,068,069	11,339,552	4,406,426
Cash and cash equivalents, end of year	<u>\$ 12,464,139</u>	<u>\$ 13,543,380</u>	<u>\$ 4,958,901</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (280,237)	\$ 2,281,280	\$ 513,723
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	3,128,047	-	-
(Increase) decrease in prepaid expenses	-	(304,000)	-
(Increase) decrease in accounts receivable	(1,328)	-	-
Increase (decrease) in inventories	(67,931)	-	-
Increase (decrease) in accounts payable	186,877	2,177	(11,840)
Increase (decrease) in accrued wages	(40,582)	(8,273)	(6,934)
increase (decrease) in estimated claims payable	-	-	(33,200)
Total adjustments	<u>3,205,083</u>	<u>(310,096)</u>	<u>(51,974)</u>
Net cash provided by (used in) operating activities	<u>\$ 2,924,846</u>	<u>\$ 1,971,184</u>	<u>\$ 461,749</u>

Risk Management Reserves	Totals
\$ 167,283	\$ 167,283
-	46,976,357
-	1,670,868
(5,160,731)	(47,040,248)
<u>(227,472)</u>	<u>(1,637,401)</u>
<u>(5,220,920)</u>	<u>136,859</u>
3,910,357	3,910,357
<u>-</u>	<u>(3,344,631)</u>
<u>3,910,357</u>	<u>565,726</u>
-	166,625
<u>-</u>	<u>(350,770)</u>
<u>-</u>	<u>(184,145)</u>
<u>(24,455)</u>	<u>298,915</u>
<u>(24,455)</u>	<u>298,915</u>
(1,335,018)	817,355
<u>2,575,300</u>	<u>31,389,347</u>
<u>\$ 1,240,282</u>	<u>\$ 32,206,702</u>
<u>\$ (5,212,935)</u>	<u>\$ (2,698,169)</u>
-	3,128,047
-	(304,000)
(2,177)	(3,505)
-	(67,931)
367	177,581
(6,175)	(61,964)
<u>-</u>	<u>(33,200)</u>
<u>(7,985)</u>	<u>2,835,028</u>
<u>\$ (5,220,920)</u>	<u>\$ 136,859</u>

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2022

CUSTODIAL FUNDS

Custodial Funds account for resources received and held by the County as agent which are to be expended as directed by the party for which the County is acting as agent.

COUNTY TREASURER
18TH JUDICIAL DISTRICT COURT
SHERIFF INMATE TRUST FUND



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SEDGWICK COUNTY, KANSAS

**Combining Statement of Fiduciary Net Position
Fiduciary Funds
All Custodial Funds
December 31, 2022**

	<u>County Treasurer Custodial Fund</u>	<u>18th Judicial District Court Custodial Fund</u>	<u>Sheriff Inmate Custodial Fund</u>	<u>Totals</u>
Assets				
Cash, including investments	\$ 423,824,407	\$ 7,357,352	\$ 138,528	\$ 431,320,287
Property tax levied	315,256,934	-	-	315,256,934
Total assets	<u>739,081,341</u>	<u>7,357,352</u>	<u>138,528</u>	<u>746,577,221</u>
Liabilities				
Accounts payable	52,905,172	-	-	52,905,172
Due to other governmental entities	686,176,169	7,357,352	-	693,533,521
Total liabilities	<u>739,081,341</u>	<u>7,357,352</u>	<u>-</u>	<u>746,438,693</u>
Net Position				
Restricted for Sheriff Inmates	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,528</u>	<u>\$ 138,528</u>

SEDGWICK COUNTY, KANSAS

*Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
All Custodial Funds
For the Year Ended December 31, 2022*

	County Treasurer Custodial Fund	18th Judicial District Court Custodial Fund	Sheriff Inmate Custodial Fund	Totals
Additions				
Property tax collections for other governments	\$ 1,422,292,110	\$ -	\$ -	\$ 1,422,292,110
Motor vehicle tax collections for other governments	120,085,741	-	-	120,085,741
Finance holdings	1,792,139,042	-	-	1,792,139,042
Inmate deposits	-	-	4,014,958	4,014,958
State clerk fee	-	2,622,600	-	2,622,600
Fines, penalties and forfeitures	-	2,138,192	-	2,138,192
Other fees	-	3,768,669	-	3,768,669
Other	1,047,520	25,465,172	-	26,512,692
Total additions (decreases)	<u>3,335,564,413</u>	<u>33,994,633</u>	<u>4,014,958</u>	<u>3,373,574,004</u>
Deductions				
Payment of property taxes to other governments	1,422,292,110	-	-	1,422,292,110
Motor vehicle tax to other governments	120,085,741	-	-	120,085,741
Finance holdings	1,792,139,042	-	-	1,792,139,042
State court fees	-	2,622,600	-	2,622,600
Inmate payments	-	-	4,125,958	4,125,958
Other	1,047,520	31,372,033	-	32,419,553
Total deductions	<u>3,335,564,413</u>	<u>33,994,633</u>	<u>4,125,958</u>	<u>3,373,685,003</u>
Change in net position	-	-	(111,000)	(111,000)
Net position, beginning of year	<u>-</u>	<u>-</u>	<u>249,528</u>	<u>249,528</u>
Net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,528</u>	<u>\$ 138,528</u>

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2022

STATISTICAL SECTION

The statistical section includes schedules showing ten-year financial trends as extracted from current and prior years' financial reports and other supplemental information relevant to the County. The statistical schedules reflect demographic and economic data, financial trends and the fiscal capacity of the County.



SEDGWICK COUNTY, KANSAS

STATISTICAL SECTION

This part of Sedgwick County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Table of Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	E - 3
Revenue Capacity <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	E - 8
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	E - 12
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	E - 16
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	E - 19

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

SEDGWICK COUNTY, KANSAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 298,113,489	\$ 310,035,285	\$ 320,464,675	\$ 329,243,600	\$ 309,371,709	\$ 324,991,641	\$ 326,931,145	\$ 338,986,153	\$ 345,924,285	\$ 350,253,178
Restricted	57,021,635	59,952,665	55,946,964	50,528,123	73,793,333	46,396,561	43,711,354	44,419,567	61,978,662	55,772,308
Unrestricted	85,568,811	80,894,088	(34,661,211)	(35,519,210)	(41,259,917)	(31,557,425)	(22,820,997)	7,315,725	(1,133,729)	(9,032,095)
Total governmental activities net position	\$ 440,703,935	\$ 450,882,038	\$ 341,750,428	\$ 344,252,513	\$ 341,909,125	\$ 339,830,777	\$ 347,821,502	\$ 390,701,445	\$ 406,769,218	\$ 396,993,391
Business-type activities										
Net investment in capital assets	\$ 160,701,886	\$ 155,902,064	\$ 152,003,174	\$ 148,147,767	\$ 146,047,762	\$ 142,881,673	\$ 138,939,177	\$ 137,493,341	\$ 132,454,408	\$ 132,398,626
Restricted	9,977,266	9,196,893	8,247,858	6,615,262	3,114,029	722,308	-	-	-	-
Unrestricted	3,745,044	4,340,525	5,072,058	5,904,885	7,183,527	8,029,740	7,670,554	3,220,449	4,787,106	5,225,540
Total business-type activities net position	\$ 174,424,196	\$ 169,439,482	\$ 165,323,090	\$ 160,667,914	\$ 156,345,316	\$ 151,633,721	\$ 146,609,731	\$ 140,713,790	\$ 137,241,514	\$ 137,624,166
Primary government										
Net investment in capital assets	\$ 458,815,375	\$ 465,937,349	\$ 472,467,849	\$ 477,391,367	\$ 455,419,471	\$ 467,873,314	\$ 465,870,322	\$ 476,459,494	\$ 478,378,693	\$ 482,651,804
Restricted	66,988,901	69,149,558	64,194,822	57,143,385	76,907,362	47,118,869	43,711,354	44,419,567	61,978,662	55,772,308
Unrestricted	89,313,855	85,234,613	(29,589,153)	(29,614,325)	(34,072,390)	(23,527,685)	(15,150,443)	10,536,174	3,653,377	(3,806,555)
Total primary government net position	\$ 615,128,131	\$ 620,321,520	\$ 507,073,518	\$ 504,920,427	\$ 498,254,443	\$ 491,464,498	\$ 494,431,233	\$ 531,415,235	\$ 544,010,732	\$ 534,617,557

The County's 2012 net position has been restated by \$770,961 to eliminate bond cost that was amortized in prior years.

The County's 2013 net position has been restated by \$306,499 to include premiums, discount and deferred revenue of the Public Building Commission.

The County's 2015 net position has been restated by \$128,333,166 to include net pension liability.

SEDGWICK COUNTY, KANSAS
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 46,738,513	\$ 45,631,487	\$ 44,076,129	\$ 47,430,448	\$ 52,508,805	\$ 54,849,656	\$ 56,019,543	\$ 109,933,474	\$ 124,105,807	\$ 81,530,708
Public safety	136,948,209	141,461,365	140,226,506	144,411,990	149,481,681	155,753,795	163,535,655	163,393,621	157,967,953	169,298,708
Public works	31,112,309	31,607,297	31,455,330	35,205,540	36,196,087	33,795,769	31,694,099	27,094,579	30,897,570	33,313,784
Health and welfare	56,476,803	56,346,131	55,876,955	53,319,338	52,924,647	54,714,236	56,904,126	56,349,711	53,007,670	64,919,618
Culture and recreation	10,824,309	11,024,934	16,808,103	12,378,012	12,752,767	15,624,647	15,679,767	15,268,317	15,000,255	14,077,870
Community development	15,119,439	20,937,889	17,841,996	14,210,390	16,269,689	19,385,943	11,761,470	11,933,184	12,365,262	12,438,100
Interest on long-term debt	6,607,782	7,124,165	8,914,547	7,218,937	6,956,141	6,301,245	5,234,624	4,960,515	4,056,403	3,743,799
Total governmental activities expenses	303,827,364	314,133,268	315,199,566	314,174,655	327,089,817	338,439,090	340,829,280	388,933,401	387,500,920	379,322,586
Business-type activities:										
Arena	5,672,159	5,560,194	5,087,691	5,248,238	5,472,682	5,294,694	5,933,968	6,518,660	9,349,194	6,712,932
Total business-type activities expenses	5,672,159	5,560,194	5,087,691	5,248,238	5,472,682	5,294,694	5,933,968	6,518,660	9,349,194	6,712,932
Total primary government expenses	\$ 309,499,523	\$ 319,713,462	\$ 320,287,257	\$ 319,422,893	\$ 332,562,499	\$ 343,733,784	\$ 346,763,248	\$ 395,452,061	\$ 406,850,114	\$ 386,035,518
Program Revenues										
Charges for services:										
General government	\$ 16,583,118	\$ 17,671,949	\$ 17,568,111	\$ 19,267,415	\$ 24,879,696	\$ 24,437,736	\$ 21,891,036	\$ 23,181,293	\$ 24,910,171	\$ 23,489,378
Public safety	23,253,320	25,398,717	25,207,446	22,752,389	25,057,768	23,040,607	26,972,838	24,456,481	24,778,061	25,188,257
Public works	1,883,805	2,116,756	2,012,791	2,116,982	2,037,175	1,877,994	2,055,547	2,635,643	2,562,023	2,476,003
Health and welfare	23,820,227	23,134,337	24,776,064	21,132,561	20,301,262	20,378,294	19,927,585	13,877,056	14,369,337	20,532,474
Culture and recreation	322,965	328,772	437,640	446,867	463,752	369,439	380,869	608,070	472,701	537,546
Community development	135,469	251,390	221,467	223,238	376,000	10,117	13,450	5,686	5,053	9,680
Operating grants and contributions:										
General government	5,099,931	2,107,925	2,240,299	2,818,734	168,600	194,931	1,017	81,057,493	52,669,901	16,041,087
Public safety	16,522,478	16,175,844	14,937,314	15,285,556	14,092,580	14,827,946	13,525,420	13,983,211	13,144,848	11,395,037
Public works	5,072,272	5,210,949	4,651,463	4,987,773	5,519,877	5,186,028	7,150,252	5,130,220	5,147,680	4,868,871
Health and welfare	20,679,329	21,056,655	21,595,015	20,188,655	21,438,843	23,901,512	25,554,332	27,874,213	28,214,472	32,488,507
Culture and recreation	1,399,510	12,646,001	7,776,397	1,667,328	1,156,278	90,188	90,188	738,090	67,641	114,224
Community development	480,486	133,975	6,066,050	2,994,738	2,712,271	2,853,935	2,265,434	360,305	202,828	285,969
Capital grants and contributions:	1,464,287	4,703,168	8,865,065	2,287,532	415,779	960,941	1,724,029	8,763,486	8,946,864	6,471,211
Culture and recreation	116,717,197	130,937,438	136,355,122	115,724,768	118,619,881	118,823,594	122,278,432	202,271,247	176,110,458	144,397,943
Total governmental activities program revenues	846,169	595,480	971,299	593,062	1,150,086	753,403	909,978	622,719	1,154,846	1,817,656
Business-type activities:										
Charges for services:										
Arena	846,169	595,480	971,299	593,062	1,150,086	753,403	909,978	622,719	1,154,846	1,817,656
Operating grants and contributions:										
Arena	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	\$ 117,563,366	\$ 131,532,918	\$ 137,326,421	\$ 116,317,830	\$ 119,769,967	\$ 119,576,997	\$ 123,188,410	\$ 202,893,966	\$ 181,987,376	\$ 151,493,527
Net (Expense)/Revenue	\$ (187,110,167)	\$ (183,195,830)	\$ (178,844,444)	\$ (198,449,887)	\$ (208,469,936)	\$ (219,615,496)	\$ (218,550,848)	\$ (186,662,154)	\$ (221,390,462)	\$ (234,924,643)
Governmental activities	(4,825,990)	(4,984,714)	(4,116,392)	(4,655,176)	(4,322,596)	(4,541,291)	(5,023,990)	(5,895,941)	(3,472,276)	382,652
Business-type activities	(191,936,157)	(188,180,544)	(182,960,836)	(203,105,063)	(212,792,532)	(224,156,787)	(223,574,838)	(192,558,095)	(224,862,738)	(234,541,991)
Total primary government net expense	\$ (191,936,157)	\$ (188,180,544)	\$ (182,960,836)	\$ (203,105,063)	\$ (212,792,532)	\$ (224,156,787)	\$ (223,574,838)	\$ (192,558,095)	\$ (224,862,738)	\$ (234,541,991)

SEDGWICK COUNTY, KANSAS
FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 7,041,238	\$ 9,560,858	\$ 9,272,182	\$ 8,977,327	\$ 8,676,004	\$ 7,804,065	\$ 7,254,903	\$ 6,932,379	\$ 6,368,150	\$ 1,945,118
Restricted	-	-	-	-	2,291,675	3,537,109	5,411,145	5,617,491	6,554,033	16,097,820
Committed	-	5,300,000	-	-	-	-	-	-	-	-
Assigned	12,634,724	15,540,068	16,057,287	12,265,769	15,376,618	13,048,524	13,173,708	13,182,144	25,981,957	19,810,708
Unassigned	47,164,833	38,225,843	39,680,121	41,765,023	39,828,125	42,546,605	45,864,280	68,187,847	49,382,330	62,891,663
Total general fund	\$ 66,840,795	\$ 68,626,769	\$ 65,009,590	\$ 63,008,119	\$ 66,172,422	\$ 66,936,303	\$ 71,704,036	\$ 93,919,861	\$ 88,286,470	\$ 100,745,309
All Other Governmental Funds										
Nonspendable	\$ 843,430	\$ 444,259	\$ 567,326	\$ 530,417	\$ 518,403	\$ 492,315	\$ 495,663	\$ 658,087	\$ 490,469	\$ 482,053
Restricted	75,127,288	151,771,314	132,094,838	89,417,200	78,963,001	53,166,420	56,185,687	51,471,922	61,075,992	72,115,756
Committed	9,943,967	8,193,709	8,428,869	11,134,933	6,985,035	10,619,491	14,026,259	12,241,804	13,818,357	15,009,655
Assigned	14,034,940	14,010,003	13,517,004	15,377,091	13,069,403	16,966,591	21,783,946	35,642,489	34,821,121	64,008,903
Unassigned	(2,208,780)	(6,545,056)	(622,095)	(614,396)	(655,728)	(848,699)	(791,526)	(791,526)	(791,526)	(796,079)
Total all other governmental funds	\$ 97,740,845	\$ 167,874,229	\$ 153,785,942	\$ 115,845,243	\$ 98,880,114	\$ 80,396,118	\$ 91,700,029	\$ 99,222,776	\$ 109,414,413	\$ 150,820,288

SEDGWICK COUNTY, KANSAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Dollars in Thousands)

	2013	2014	2015	2016	2017	2018	2019	2020 ²	2021	2022
Revenues										
Taxes	\$ 186,591	\$ 188,670	\$ 191,772	\$ 195,072	\$ 198,154	\$ 205,819	\$ 212,762	\$ 219,994	\$ 233,700	\$ 241,148
Special assessments	1,955	1,617	1,301	919	630	749	569	525	427	340
Intergovernmental	45,482	46,276	50,454	47,323	45,234	46,525	49,084	126,872	101,145	62,970
Charges for services	62,257	63,029	65,890	63,631	59,426	56,191	60,413	53,838	55,611	59,553
Uses of money and property	5,222	4,477	6,928	5,128	7,028	8,911	12,784	9,032	3,750	(4,683)
Fines and forfeits	678	255	212	260	167	179	261	255	391	445
Licenses and permits	156	122	138	861	7,975	8,372	8,292	8,035	8,384	9,394
Reimbursed expenditures	-	-	-	9,304	5,728	-	-	-	-	-
Other	7,186	17,396	7,434	-	-	3,977	3,556	2,889	3,889	3,760
Total revenues	309,527	321,842	322,329	324,298	324,342	330,723	347,721	421,540	407,297	372,926
Expenditures										
General government	37,953	36,329	36,367	38,834	42,790	45,276	44,275	101,091	112,153	68,898
Public safety	133,750	138,131	142,612	139,425	143,919	149,609	156,624	154,803	186,497	157,098
Public works	13,649	13,944	12,769	13,874	13,468	13,910	14,240	14,000	13,504	13,422
Health and welfare	58,328	58,261	59,844	55,094	54,659	56,514	58,563	57,128	55,941	64,319
Culture and recreation	8,301	8,771	14,482	9,282	9,446	10,037	12,198	11,839	11,944	10,366
Community development	18,869	19,391	25,961	45,471	17,651	18,283	10,615	10,725	11,287	11,204
Debt service										
Principal	20,954	16,312	22,842	24,419	15,649	40,692	16,171	14,337	13,261	13,610
Interest and fiscal charges	6,768	6,355	8,082	8,337	7,627	7,097	5,726	5,507	5,091	4,678
Debt issuance costs	195	858	280	1	-	212	-	-	-	-
Capital outlay	28,042	34,745	28,775	30,583	32,807	22,044	25,777	26,416	23,076	22,412.66
Total expenditures	326,809	333,097	353,119	364,215	338,016	363,674	344,189	395,847	402,754	366,008
Excess of revenues over (under) expenditures	(17,282)	(11,255)	(30,790)	(39,917)	(13,674)	(32,951)	3,532	25,693	4,543	6,917
Other financing sources (uses)										
Transfers from other funds	23,879	18,976	15,602	20,756	18,306	31,319	15,646	38,449	11,427	13,707
Transfers to other funds	(24,766)	(19,976)	(17,010)	(20,630)	(18,433)	(31,773)	(15,557)	(39,352)	(13,937)	(14,273)
Premium from issuance of revenue bonds	-	2,765	-	-	-	-	-	-	-	-
Premium from issuance of refunding bonds	-	3,318	1,046	-	-	-	-	179	-	203
Premium from issuance of general obligation bonds	-	-	559	-	-	935	1,056	224	-	-
Extraordinary item	-	-	-	(543)	-	-	-	-	-	-
Sale of general capital assets	-	-	1,382	-	-	1,725	-	-	-	-
Issuance of refunding bonds	-	31,875	8,060	-	-	-	-	1,600	-	-
Issuance of revenue bonds	-	44,945	-	-	-	-	-	-	-	-
Issuance of Leases	-	-	-	-	-	-	-	-	-	-
Issuance of general obligation bonds	-	-	9,230	-	-	-	-	-	-	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-	-
Proceeds from Capital Lease	-	1,271	-	391	-	13,025	1,625	-	2,525	-
Debt premium	1,214	-	-	-	-	-	-	-	-	-
Debt issuance	14,665	-	-	-	-	-	-	-	-	-
Payment to refunded bond	-	-	(5,785)	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	(6,290)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	8,702	83,174	13,084	(26)	(127)	15,231	12,540	4,045	15	4,129
Net change in fund balances	\$ (8,580)	\$ 71,919	\$ (17,706)	\$ (39,943)	\$ (13,801)	\$ (17,720)	\$ 16,072	\$ 29,738	\$ 4,558	\$ 11,046
Debt service as a percentage of noncapital expenditures	9.0%	7.5%	9.2%	9.4% ¹	7.3%	13.5%	6.7%	5.3%	4.7%	5.2%

¹ Percentage has been updated from prior year report.

² Numbers updated from prior year report.

SEDGWICK COUNTY, KANSAS
ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE TANGIBLE PROPERTY
 Including Motor Vehicles, Last Ten Fiscal Years

SEDGWICK COUNTY PRIMARY GOVERNMENT
 (Dollars in Thousands)

Fiscal Year ^{2,4}	Real Property			Personal Property ⁵			Total ¹		
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed/Actual Ratio	Assessed/Actual Ratio	Total Direct Tax Rate ³
2013	3,833,553	26,686,105	1,009,300	4,434,274	4,842,853	31,120,379	15.56%	15.56%	29.377
2014	3,913,588	27,240,503	989,209	4,463,330	4,902,796	31,703,833	15.46%	15.46%	29.478
2015	3,974,529	27,659,847	1,003,376	4,427,781	4,977,905	32,087,628	15.51%	15.51%	29.383
2016	4,096,071	28,525,984	1,019,388	4,500,910	5,115,459	33,026,895	15.49%	15.49%	29.393
2017	4,235,262	29,583,823	1,035,677	4,935,193	5,270,939	34,519,016	15.27%	15.27%	29.393
2018	4,414,311	30,914,157	1,051,492	5,020,096	5,465,803	35,934,253	15.21%	15.21%	29.383
2019	5,107,708	32,447,937	1,075,608	4,730,455	6,183,316	37,178,391	16.63%	16.63%	29.384
2020	4,878,145	34,362,160	1,059,670	4,646,615	5,937,815	39,008,775	15.22%	15.22%	29.376
2021	5,071,822	36,047,619	1,082,530	4,749,578	6,152,352	40,797,198	15.08%	15.08%	29.370
2022	5,494,350	39,187,322	1,042,373	4,573,819	6,536,723	43,761,142	14.94%	14.94%	29.368

SEDGWICK COUNTY FIRE DISTRICT 1
 (Dollars in Thousands)

Fiscal Year ^{2,4}	Real Property			Personal Property ⁵			Total ¹		
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed/Actual Ratio	Assessed/Actual Ratio	Total Direct Tax Rate ³
2013	594,565	4,344,936	301,604	1,258,648	896,171	5,603,584	15.99%	15.99%	18.348
2014	611,796	4,347,654	303,078	1,267,844	914,875	5,615,498	16.29%	16.29%	18.367
2015	618,449	4,411,878	305,207	1,270,196	923,656	5,682,074	16.26%	16.26%	18.371
2016	638,936	4,569,487	312,177	1,297,088	951,112	5,866,575	16.21%	16.21%	18.414
2017	669,773	4,789,488	321,881	1,481,541	991,654	6,271,029	15.81%	15.81%	18.392
2018	709,412	5,072,483	327,978	1,557,343	1,037,389	6,629,826	15.65%	15.65%	18.163
2019	756,281	5,409,418	332,984	1,375,988	1,089,267	6,785,407	16.05%	16.05%	17.896
2020	800,077	5,757,019	315,630	1,297,837	1,115,709	7,054,856	15.81%	15.81%	17.891
2021	835,769	6,096,256	312,444	1,291,890	1,148,214	7,388,147	15.54%	15.54%	17.817
2022	927,468	6,728,835	276,918	1,150,463	1,204,387	7,879,298	15.29%	15.29%	17.912

¹ Represents the equalized valuation of tangible property, including motor vehicles

² Taxes levied support the subsequent year's budget, e.g., 2016 taxes levied finance 2017 spending

³ Tax rates are per \$1,000 of assessed value

⁴ 2019 amounts have been updated from previous Annual Comprehensive Financial Reports

⁵ Beginning in 2015 values exclude watercraft and 16M/20M motor vehicles

Source: Sedgwick County Clerk

SEDGWICK COUNTY, KANSAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Years
(rate per \$1,000 of assessed value)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County Direct Rates										
General	\$ 21.790	\$ 21.915	\$ 22.249	\$ 22.814	\$ 22.528	\$ 22.342	\$ 23.151	\$ 22.869	\$ 24.363	\$ 24.926
Road and bridge	1.194	1.093	1.129	1.026	0.780	0.720	0.872	0.951	0.990	0.710
Mental health	0.584	0.613	0.585	0.590	0.495	0.494	1.500	1.500	-	-
Noxious weeds	0.084	0.081	0.088	0.059	0.065	0.070	0.070	0.060	-	-
Emergency medical services	0.688	0.577	0.603	0.277	0.906	1.059	0.634	0.617	-	-
Aging	0.539	0.497	0.560	0.523	0.494	0.428	0.916	0.745	0.482	0.371
WSU program development	1.500	1.500	1.500	1.500	1.500	1.500	0.468	0.441	1.500	1.500
Debt service	2.998	3.202	2.669	2.604	2.625	2.770	1.773	2.193	2.035	1.861
Total direct rate	29.377	29.478	29.383	29.393	29.393	29.383	29.384	29.376	29.370	29.368
Fire District Rates										
	18.348	18.367	18.371	18.414	18.392	18.163	17.896	17.891	17.817	17.912
City Rates										
Andale	46.893	44.016	41.862	48.575	52.218	48.274	49.739	47.653	50.639	48.693
Bentley	53.761	53.736	53.629	58.571	59.601	59.460	59.232	57.086	58.334	61.789
Cheney	57.808	57.833	60.740	60.808	60.753	59.426	61.814	60.616	60.378	59.782
Cleanwater	49.873	53.993	53.999	56.061	56.144	59.681	62.384	64.022	64.022	64.006
Colwich	41.988	46.041	47.911	52.347	56.589	58.315	57.210	56.926	57.778	50.470
Derby	47.054	47.148	47.009	48.021	48.075	48.063	48.049	48.040	47.417	46.978
Eastborough	64.597	64.597	64.664	63.637	63.637	61.934	61.298	63.495	59.989	59.989
Garden Plain	49.058	48.964	48.874	48.855	50.856	52.979	54.284	54.369	59.333	59.329
Goddard	33.057	33.085	31.164	31.228	33.230	33.230	33.223	33.226	33.204	31.309
Haysville	48.672	48.609	48.646	48.618	48.500	48.424	48.239	47.570	45.448	45.432
Kechi	33.706	33.866	33.699	36.727	36.726	36.768	36.760	35.070	36.740	36.687
Maize	43.270	43.036	43.030	43.059	43.117	42.925	43.043	43.061	43.289	43.008
Mount Hope	50.460	50.636	54.612	56.072	55.933	54.543	53.394	52.834	58.989	66.312
Mulvane	41.923	42.406	42.262	44.247	44.304	46.603	46.590	46.599	46.604	57.570
Sedgwick	63.272	63.273	62.783	67.599	74.977	74.927	74.888	74.990	74.975	74.990
Valley Center	53.630	55.443	55.446	55.640	54.951	54.977	54.955	55.012	54.848	54.856
Viola	21.360	21.202	22.181	25.526	26.185	28.060	24.980	24.935	24.430	23.447
Wichita	32.509	32.652	32.686	32.625	32.667	32.692	32.721	32.749	32.758	32.762
Bel Aire	45.695	45.730	46.246	45.726	45.719	45.725	45.774	45.798	43.565	43.462
Park City	39.890	40.051	40.111	40.224	41.325	44.560	44.641	44.643	44.534	44.459
Townships	1.677-24.077	1.663-22.726	1.722-23.243	2.088-21.321	2.075-21.632	2.054-21.495	2.059-20.828	2.162-20.115	2.597-17.718	2.959-19.533
School Districts	46.067-69.816	38.164-66.358	41.667-66.599	42.000-65.341	42.644-67.592	42.266-67.612	42.973-67.736	45.172-67.859	45.057-67.417	50.188-67.337
Cemetery Districts	0.141-2.928	0.139-2.826	0.141-2.891	0.136-2.844	0.277-2.807	0.272-2.784	0.269-2.769	0.270-2.716	0.269-3.037	0.245-3.041
Drainage Districts	0.942-2.707	0.974-2.582	1.007-2.435	0.994-2.395	0.999-2.369	0.994-2.328	0.530-1.569	0.290-1.583	0.811-1.556	0.673-1.506
Improvement Districts	0.000-17.694	0.000-17.525	0.000-17.368	0.914-11.053	0.914-12.130	0.912-15.735	0.371-17.000	1.777-18.170	1.726-18.081	1.592-17.266
Other Districts	0.489-19.151	0.483-19.073	0.451-19.032	0.000-18.647	1.253-3.327	1.237-2.792	1.159-2.719	1.152-2.650	0.699-2.566	0-2.267

Source: Sedgwick County Tax Administration System
Sedgwick County Clerks Website 2020 Ad Valorem Tax Levies

SEDGWICK COUNTY, KANSAS
PRINCIPAL PROPERTY TAX PAYERS
Current Year and Nine Years Ago

	Fiscal Year 2022			Fiscal Year 2013		
	Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Energy Kansas South INC/Energy Kansas Central INC	158,789,758	1	2.69%			
Spirit Aerosystems Inc/Mid-Western Aircraft Systems Inc.	89,250,982	2	1.51%			
Textron: Beechcraft/Cessna/Flight Safety	63,455,859	3	1.08%	26,413,880	8	0.69%
Kansas Gas Service - A Division of One Gas	41,128,936	4	0.70%			
Wal Mart Real Estate/Sam's	29,465,975	5	0.50%			
Wesley Medical Center/Wesley Endowment Foundation	27,940,661	6	0.47%	26,754,097	7	0.70%
Wichita Fulfillment DST	16,485,737	7	0.28%			
Bradley Fair Properties/Hotel Wichita Bradley Fair LP	14,810,886	8	0.25%			
Phillips 66 Carrier LLC	13,181,400	9	0.22%			
Boeing Company	12,766,285	10	0.22%	52,539,791	3	1.37%
Kansas Gas & Electric - A Westar Co.	-	-	-	75,677,455	1	1.97%
Spirit Aerosystems, Inc.	-	-	-	53,153,823	2	1.39%
Mid Western Aircraft Systems	-	-	-	48,822,186	4	1.27%
Hawker Beechcraft Corp	-	-	-	40,835,047	5	1.07%
Cessna Aircraft	-	-	-	37,306,350	6	0.97%
Simon Property Group	-	-	-	23,787,290	9	0.62%
Southwestern Bell Telephone	-	-	-	21,042,774	10	0.55%
	\$ 467,276,479		7.92%	\$ 406,332,693		10.60%

SEDGWICK COUNTY, KANSAS
GENERAL PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

SEDGWICK COUNTY PRIMARY GOVERNMENT

Tax Year ¹	Taxes Levied for the Fiscal Year (Original Levy)		Adjustments	Total		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
	(Original Levy)	(Original Levy)		Adjusted Levy	Adjusted Levy	Amount ²	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2012	129,216,721	129,325,060	108,339	129,325,060	125,129,425	96.84%	2,604,064	127,733,489	98.77%	
2013	129,639,393	129,666,083	26,690	129,666,083	125,508,033	96.81%	2,583,616	128,091,649	98.79%	
2014	130,922,296	130,706,297	(215,999)	130,706,297	127,648,264	97.50%	2,631,761	130,280,025	99.67%	
2015	131,704,711	131,509,603	(195,108)	131,509,603	128,621,614	97.66%	2,557,091	131,178,705	99.75%	
2016	135,147,416	135,052,538	(94,878)	135,052,538	132,021,791	97.69%	2,666,188	134,687,979	99.73%	
2017	139,633,113	139,524,875	(108,238)	139,524,875	136,474,410	97.74%	2,675,309	139,149,719	99.73%	
2018	144,941,192	145,021,980	80,789	145,021,980	141,872,711	97.88%	2,633,768	144,506,479	99.64%	
2019	151,812,108	152,155,340	343,232	152,155,340	148,748,424	97.98%	2,186,220	150,934,644	99.20%	
2020	158,566,117	158,871,426	305,309	158,871,426	155,790,468	98.25%	634,950	155,790,468	98.06%	
2021	164,035,216	164,255,674	220,458	164,255,674	161,031,607	98.17%	Not Applicable	161,031,607	98.04%	

SEDGWICK COUNTY FIRE DISTRICT 1

Tax Year ¹	Taxes Levied for the Fiscal Year (Original Levy)		Adjustments	Total		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
	(Original Levy)	(Original Levy)		Adjusted Levy	Adjusted Levy	Amount ²	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2012	14,721,733	14,647,532	(74,201)	14,647,532	14,382,596	97.70%	228,806	14,611,402	99.75%	
2013	14,857,310	14,761,294	(96,016)	14,761,294	14,484,501	97.49%	212,596	14,697,097	99.57%	
2014	15,134,136	15,013,404	(120,732)	15,013,404	14,739,202	97.39%	247,595	14,986,797	99.82%	
2015	15,272,821	15,195,768	(77,053)	15,195,768	14,951,500	97.90%	228,755	15,180,255	99.90%	
2016	15,766,541	15,746,168	(20,373)	15,746,168	15,488,312	98.24%	236,757	15,725,069	99.87%	
2017	16,444,620	16,408,331	(36,289)	16,408,331	16,176,028	98.37%	219,525	16,395,553	99.92%	
2018	17,023,773	16,998,233	(25,540)	16,998,233	16,750,228	98.39%	217,888	16,968,116	99.82%	
2019	17,658,012	17,341,322	(316,690)	17,341,322	17,243,673	97.65%	174,004	17,417,677	100.44%	
2020	18,087,732	18,070,563	(17,169)	18,070,563	17,783,577	98.32%	(268,045)	17,783,577	98.41%	
2021	18,505,374	18,449,654	(55,720)	18,449,654	18,177,803	98.23%	Not Applicable	18,177,803	98.53%	

¹ Taxes levied support the subsequent year's budget, e.g., 2020 taxes financed 2021 spending

² Net of refunding warrants

³ Excludes interest penalties

Source: Sedgwick County Treasurer Tax Abstract

SEDGWICK COUNTY, KANSAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities										Total Primary Government	Percentage of Personal Income ²	Per Capita ²
	General Obligation Bonds	Public Building Commission	Special Assessments	Capital Leases	Premium (Discount) ¹								
2013	75,462,051	83,670,000	3,667,949	2,264,555	5,410,248						170,474,803	0.70%	337
2014	66,957,000	153,825,000	3,343,000	2,718,464	10,865,354						237,708,818	0.91%	467
2015	64,400,000	146,290,000	2,820,000	1,996,279	11,464,461						226,970,740	0.90%	444
2016	54,548,000	133,025,000	2,192,000	1,713,961	8,509,062						199,988,023	0.81%	390
2017	46,457,000	126,290,000	1,958,000	1,124,818	7,260,566						183,090,384	0.71%	357
2018	50,941,000	94,495,000	1,999,000	727,322	6,883,527						155,045,849	0.58%	302
2019	52,920,000	88,520,000	1,746,000	1,946,437	6,784,651						151,917,088	0.55%	294
2020	47,807,000	82,370,000	1,913,000	1,504,503	6,275,132						139,869,635	0.48%	267
2021	41,920,000	75,960,000	1,585,000	3,393,502	5,364,587						128,223,089	0.42%	245
2022	38,112,000	69,350,000	2,158,000	2,757,620	4,820,562						117,198,182	Not Available	223

Details regarding the county's outstanding debt can be found in the notes to the financial statements

¹ Information added to table in 2017

² Population and personal income data can be found in Schedules E-16

These ratios are calculated using personal income for the prior calendar year
Personal income and population data has been updated since previous report

SEDGWICK COUNTY, KANSAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Bond Debt Outstanding					Percentage of Personal Income ²	Percentage of Actual Value of Taxable Property ³	Per Capita ²
	General Obligation Debt ¹	Add: Premium (Discount) ⁴	Less: Amounts Restricted to Repaying Principal ⁵	Total				
2013	159,132,051	5,410,248	(8,500,583)	150,631,468	0.62%	0.48%	297	
2014	220,782,000	10,865,354	(43,678,059)	177,103,941	0.68%	0.56%	348	
2015	210,690,000	11,464,461	(40,719,420)	146,853,580	0.58%	0.46%	287	
2016	187,573,000	8,509,062	(31,921,481)	140,825,519	0.57%	0.43%	274	
2017	172,747,000	7,260,566	(29,492,294)	115,943,706	0.45%	0.34%	226	
2018	145,436,000	6,883,527	(2,613,230)	145,710,297	0.55%	0.41%	284	
2019	141,440,000	6,784,651	(2,170,980)	134,790,671	0.49%	0.36%	261	
2020	130,177,000	6,275,132	(1,050,040)	123,105,092	0.43%	0.32%	235	
2021	117,880,000	5,364,587	(1,492,742)	111,333,845	0.37%	0.27%	213	
2022	107,462,000	4,820,562	(2,215,565)	110,066,997	<i>Not Available</i>	0.25%	209	

¹ Includes general obligation and SCPBC debt; excludes Fire District, special assessment debt, KDOT revolving loan and capital leases

² Population and personal income data can be found in Schedule E-16

These ratios are calculated using personal income for the prior calendar year

Personal income and population data has been updated since previous report

³ Property value data can be found in Schedule E-8

⁴ Information added in to table 2019

SEDGWICK COUNTY, KANSAS
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(Dollars in Thousands)

	2013 ¹	2014 ¹	2015	2016	2017	2018	2019	2020	2021	2022
Statutory debt capacity:										
Equalized assessed valuation of taxable tangible property	\$ 4,304,440	\$ 4,353,274	\$ 4,410,040	\$ 4,531,486	\$ 4,675,742	\$ 4,858,133	\$ 5,556,733	\$ 5,309,726	\$ 5,499,917	\$ 5,901,351
Estimated tangible valuation of motor vehicles	538,413	549,522	567,865	583,973	595,197	607,670	626,583	628,089	652,435	635,372
Estimated tangible valuation for computation of bonded indebtedness limitations	\$ 4,842,853	\$ 4,902,796	\$ 4,977,905	\$ 5,115,459	\$ 5,270,939	\$ 5,465,803	\$ 6,183,316	\$ 5,937,815	\$ 6,152,352	\$ 6,536,723
Debt limit (3% of total valuation)	\$ 145,286	\$ 147,084	\$ 149,337	\$ 153,464	\$ 158,128	\$ 163,974	\$ 185,499	\$ 178,134	\$ 184,571	\$ 196,102
Amount of debt applicable to limit										
Total bonded indebtedness	162,800	224,125	213,510	189,765	174,705	147,435	143,186	132,090	119,465	109,620
Less exempt issues	(128,319)	(197,118)	(186,522)	(186,900)	(157,655)	(125,439)	(117,151)	(110,059)	(100,146)	(82,824)
Total net debt applicable to limit	34,481	27,007	26,988	22,865	17,050	21,996	26,035	22,031	19,317	16,796
Legal debt margin	\$ 110,805	\$ 120,077	\$ 122,349	\$ 130,599	\$ 141,078	\$ 141,978	\$ 159,464	\$ 156,103	\$ 165,254	\$ 179,306
Total net debt applicable to the limit as a percentage of debt limit	23.73%	18.36%	18.07%	14.90%	10.78%	13.41%	14.04%	12.37%	10.47%	8.56%

**SEDGWICK COUNTY, KANSAS
PLEDGED-REVENUE COVERAGE**

**Special Assessments
Last Ten Fiscal Years
(Dollars in Thousands)**

Fiscal Year	Special Assessment Collections	Principal	Interest	Coverage
2013	1,955	655	163	2.39
2014	1,617	325	140	3.48
2015	1,108	328	131	2.42
2016	919	228	108	2.73
2017	630	234	90	1.94
2018	604	239	84	1.87
2019	569	253	83	1.69
2020	525	273	78	1.49
2021	427	328	74	1.06
2022	340	252	63	1.08

Details regarding the county's outstanding debt can be found in the notes to the financial statements

**THE SPECIAL TAX LEVY - HISTORICAL COVERAGES
Last Ten Fiscal Years**

Calendar Year	Actual Special Tax Levy Revenue ¹	Existing Bond Debt Service Requirements ²	Balance Available for University Program Expenditures ³	Debt Service Coverage Ratio ⁴
2013	7,162,443	1,580,363	5,582,080	4.53
2014	7,223,079	1,476,008	5,747,071	4.89
2015	7,322,161	1,478,125	5,844,036	4.95
2016	7,449,554	1,476,250	5,973,304	5.05
2017	7,624,392	3,766,586	3,857,806	2.02
2018	7,880,749	2,497,888	5,382,861	3.15
2019	8,163,700	2,495,375	5,668,325	3.27
2020	8,487,913	2,495,229	5,992,684	3.40
2021	8,897,485	2,497,895	6,399,590	3.56
2022	9,122,288	2,499,135	6,623,153	3.65

¹ Total Proceeds from the Special Tax Levy

² Debt service requirements for the existing bonds paid from such proceeds

³ Balance available to be distributed to the Board of Trustees of Wichita State University
for University program expenditures

⁴ Debt service coverage ratio for the existing bonds paid from such proceeds

SEDGWICK COUNTY, KANSAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Population ^{1,5}	Increase %	Personal Income ^{2,5} (thousands of dollars)	Per Capita Personal Income ^{2,5}	Public School Enrollment ^{3,6}	Unemployment Rate ⁴
2013	506,442	0.46%	24,437,491	48,113	92,988	6.4%
2014	508,968	0.50%	25,979,929	50,851	93,502	5.6%
2015	511,083	0.42%	25,112,747	48,907	93,672	4.0%
2016	513,092	0.39%	24,631,802	47,733	93,254	4.4%
2017	513,176	0.02%	25,857,285	50,057	93,748	3.4%
2018	513,484	0.06%	26,554,949	51,313	93,976	3.4%
2019	516,042	0.50%	27,733,365	53,263	93,900	3.3%
2020	523,824	1.51%	28,897,378	55,122	90,791	4.4%
2021	523,828	0.00%	30,231,865	57,713	87,846	3.2%
2022	526,535	0.52%	Not Available	Not Available	91,641	3.0%

Notes:

¹ 2021 Population is estimated. Population for 2013-2021 is from the U.S. Census Bureau.

² U.S. Bureau of Economic Analysis

³ Kansas State Department of Education

⁴ Kansas Department of Labor

⁵ Prior years amounts have been updated to reflect the most recent information from the U.S. Bureau of Economic Analysis

SEDGWICK COUNTY, KANSAS
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	Fiscal Year 2022			Fiscal Year 2013		
	Employees	Rank	Percentage of Total Wichita MSA ¹	Employees	Rank	Percentage of Total Wichita MSA ¹
Spirit AeroSystems, Inc.	10,000	1	3.12%	11,000	1	3.71%
Textron Aviation	9,500	2	2.96%	-	-	-
Wichita Public Schools USD #259	5,610	3	1.75%	5,482	4	1.85%
McConnell Air Force Base	5,021	4	1.57%	6,438	2	2.17%
Ascension Via Christi Health Inc.	3,454	5	1.08%	6,393	3	2.16%
Steven Enterprises	3,352	6	1.05%	-	-	-
Koch Industries Inc.	3,300	7	1.03%	2,900	10	0.98%
City of Wichita	2,755	8	0.86%	2,950	9	1.00%
Sedgwick County	2,460	9	0.77%	-	-	-
Wichita State University	2,230	10	0.70%	-	-	-
Cessna Aircraft Company	-	-	-	4,979	5	1.68%
State of Kansas	-	-	-	3,969	6	1.34%
Bombardier Learjet	-	-	-	3,400	7	1.15%
Beechcraft Corp.	-	-	-	3,372	8	1.14%
	<u>47,682</u>		<u>14.87%</u>	<u>50,883</u>		<u>17.18%</u>

¹ Includes Sedgwick, Butler, Harvey, Kingman and Sumner counties

Source: Wichita Business Journal and Kansas Department of Labor

SEDGWICK COUNTY, KANSAS
FULL-TIME COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	409	422	386	404	410	404	408	416	411	410
Public safety	1,438	1,406	1,413	1,404	1,429	1,419	1,463	1,418	1,321	1,265
Public works	116	116	130	129	125	127	128	121	118	110
Health and welfare	509	522	489	476	479	500	510	524	521	577
Culture and recreation	94	96	103	99	106	107	101	107	107	101
Community development	6	6	3	3	1	1	-	-	-	-
	<u>2,572</u>	<u>2,568</u>	<u>2,524</u>	<u>2,515</u>	<u>2,550</u>	<u>2,558</u>	<u>2,610</u>	<u>2,586</u>	<u>2,478</u>	<u>2,463</u>

Source: Sedgwick County finance department

SEDGWICK COUNTY, KANSAS
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020 ¹	2021	2022
General government										
Number of registered voters	271,013	275,499	274,961	294,138	292,029	303,571	301,756	322,575	321,697	333,714
Number of taxable real estate parcels	212,744	212,917	213,261	212,851	213,810	215,067	216,109	217,966	219,121	220,714
Documents filed with register of deeds	82,749	69,651	76,939	77,642	75,504	71,249	73,037	89,683	103,866	78,739
Real estate records processed	77,608	64,450	74,132	56,606	74,665	73,029	74,432	79,348	92,867	78,202
Average monthly investment portfolio (in millions)	\$ 290.0	\$ 284.1	\$ 269.5	\$ 276.4	\$ 273.4	\$ 282.1	\$ 300.4	\$ 382.6	\$ 398.0	\$ 436.1
Average number of bids per purchase	6.2	8.8	9.1	8.4	9.4	8.3	8.7	9.2	10.9	9.6
Public safety										
Average monthly number of incoming 911 calls	40,328	40,901	47,304	49,009	44,158	41,973	44,662	42,447	44,582	42,082
Average monthly number of EMS responses	4,836	5,051	5,337	5,182	5,171	5,300	5,531	5,476	5,819	5,639
Number of residential structural fires per 100,000 households	70	91	167	214	189	210	185	102	90	92
Average monthly number of medical responses by Fire	378	415	462	423	408	387	364	311	349	407
Average daily population, juveniles in detention	55	62	64	55	52	53	55	44	43	45
Average daily population in custody of Sheriff	1,418	1,359	1,406	1,373	1,448	1,421	1,529	1,503	1,422	1,442
Percent of autopsy reports filed within 90 days	75%	78%	74%	63%	86%	91%	73.50%	55.83%	38.82%	26.56%
Public works										
Miles of road improved	163	97	186	122	144	106	105	101	104	97
Miles of road maintained	600	603	603	603	597	609	609	609	604	603
Household hazardous waste tonnage disposed (in tons)	580	576	598	571	650	599	631	885	791	639
Health and welfare										
Number of mental health program clients	12,344	12,559	12,940	13,476	13,572	13,132	15,603	11,467	11,586	10,820
Number of individuals eligible for developmental disability services	2,482	2,536	2,554	2,592	2,521	2,538	2,589	2,604	2,653	2,649
Number of health clinic patient encounters	180,442	200,891	159,631	147,750	141,722	130,328	*	*	*	*
Number of Health Department patient encounters (Not Covid-19 related)	*	*	*	*	*	*	126,751	95,860	97,408	112,515
Number of Health Department Covid-19 patient encounters	*	*	*	*	*	*	*	260,099	176,191	94,722
Number of immunizations provided (Not Covid-19 related)	22,321	22,011	21,829	22,030	17,573	20,886	19,059	14,919	15,438	11,170
Number of Covid-19 immunizations provided	*	*	*	*	*	*	*	1,890	272,987	19,946
Number of tuberculosis encounters	2,806	2,741	3,819	3,050	3,033	1,986	*	*	*	*
Culture and recreation										
Number of events per year at INTRUST Bank Arena	80	100	107	102	87	84	93	29	71	71
Annual attendance at INTRUST Bank Arena events	411,121	298,825	439,767	371,280	338,190	352,285	348,357	140,126	133,561	280,075
Annual attendance at Sedgwick County Zoo	511,306	527,981	581,773	710,629	581,227	504,118	518,446	302,901	634,267	637,411
Annual attendance at Sedgwick County Park	922,713	959,101	944,320	1,000,806	1,021,314	995,375	997,945	1,073,618	1,110,019	1,001,942
Economic development										
Total value of merchandise moving through foreign trade zone (in millions)	\$ 297.4	\$ 226.0	\$ 91.9	\$ 103.4	\$ 79.3	\$ 72.2	\$ 42.9	\$ *	\$ *	\$ 15.8
Average monthly number of Sec. 8 housing clients	230	214	193	155	144	*	*	*	*	*

* Information not available.

¹ Numbers updated from prior year report

Source: County operating department

SEDGWICK COUNTY, KANSAS
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
Auto License buildings	4	4	4	4	4	4	2	2	2	2
Total fleet vehicles	466	462	462	464	468	472	477	477	414	443
Public safety										
Adult detention facility capacity	1,158	1,158	1,158	1,158	1,158	1,158	1,158	1,226	1,226	1,226
Fire stations	9	9	9	9	9	9	9	9	9	9
EMS posts	15	15	15	15	15	15	17	18	18	18
Public Safety vehicles	274	278	279	279	280	281	283	286	300	303
Public works										
Bridges maintained	583	582	593	598	598	600	600	600	600	600
Miles of roads maintained	600	603	603	601	600	600	600	600	600	600
Culture and recreation										
Sedgwick County Park acreage	400	400	400	400	400	400	400	400	400	400
Lake Afton Park acreage	720	720	720	720	720	720	720	720	720	720

Source: County budget department and individual county departments

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2022

SINGLE AUDIT SECTION

The Single Audit Section contains reports of the Independent Auditor's, schedules and exhibits reflecting Federal, State and local matching participation in various projects and programs of the County.



Sedgwick County, Kansas

Single Audit Reports

December 31, 2022

Sedgwick County, Kansas
December 31, 2022

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Sedgwick County, Kansas

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2022

Agency/Program	Clusters	ALN	Award/Contract Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture:					
Pass-Through Program From:					
Kansas Department of Education					
National School Breakfast Program	1	10.553	2011N109943		\$ 50,713
National School Lunch Program	1	10.555	2011N109943		120,554
Kansas Department of Health & Environment					
WIC - Women Infants & Children FY21		*10.557			(144)
WIC - Women Infants & Children FY22		*10.557			1,380,953
WIC - Women Infants & Children FY23		*10.557			466,907
Total WIC - Women Infants & Children					<u>1,847,716</u>
Total U.S. Department of Agriculture					<u>2,018,983</u>
U.S. Department of Housing & Urban Development:					
Continuum of Care Program (SPC-Consolidated) FY '22					
		14.267	KS0012L7P022013		141,819
Continuum of Care Program (SPC-Consolidated) FY '23					
		14.267	KS0012L7P022114		387,881
Subtotal Direct Programs					<u>529,700</u>
Total U.S. Department of Housing & Urban Development					<u>529,700</u>
U.S. Department of Interior:					
Payment in Lieu of Taxes					
		15.226			3,029
Refuge Revenue Sharing Act					
		15.659			1,446
Subtotal Direct Programs					<u>4,475</u>
Pass-Through Program From:					
Kansas Department of Wildlife, Parks and Tourism -					
Sport Fish Restoration - Community Fisheries Assistance Program	4	15.605			<u>112,734</u>
Subtotal Indirect Programs					<u>112,734</u>
Total U.S. Department of Interior					<u>117,209</u>
U.S. Department of Justice:					
Internet Crimes Against Children (Title IV, JJDP) '19-'21					
		16.543	2019-MC-FX-K054	152,758	433,204
Internet Crimes Against Children (Title IV, JJDP) '20					
		16.543	15PJDP-22-GK-04873-MECP		34,874
State Criminal Alien Assistance Program '20					
		16.606	15PBJA-20-RR-00238-SCAA		86,195
State Criminal Alien Assistance Program '21					
		16.606	15PBJA-21-RR-05206-SCAA		113,367
COPS Office Law Enforcement Mental Health and Wellness Act					
		16.710	2020-MHWXK-030		31,030
Byrne Justice Assistance Grant '17 (JAG)					
		16.738	2017-DJ-BX-0136		(1,182)
Byrne Justice Assistance Grant '19 (JAG)					
		16.738	2019-DJ-BX-0523	41,186	84,319
Byrne Justice Assistance Grant '20 (JAG)					
		16.738	2020-DJ-BX-0927	4,968	46,699
Byrne Justice Assistance Grant '21 (JAG)					
		16.738	15PBJA-21-GG-01490-JAGX	46,384	184,442
Byrne Justice Assistance Grant '22 (JAG)					
		16.738	15PBJA-22-GG-02077-JAGX		46,647
Local Law Enforcement Crime Gun Intelligence Center Integration Initiative (CGIC)					
		16.738	2019-DG-BX-0006		<u>16,250</u>
Total Byrne Justice Assistance Grant					
				<u>92,538</u>	<u>377,175</u>
DNA Backlog Reduction Program '20 (NIJ)					
		16.741	2020-DN-BX-0114		158,616
DNA Backlog Reduction Program '21 (NIJ)					
		16.741	15PBJA-21-GG-03125-DNAX		142,947
DNA Backlog Reduction Program '22 (NIJ)					
		16.741	15PBJA-22-GG-01652-DNAX		<u>3,923</u>
Total DNA Backlog Reduction Program					
					<u>305,486</u>
Paul Coverdell National Forensic Science Improvement Act Competitive FY '25					
		17.742	15PBJA-22-GG-03639-COVE		291,724
Equitable Sharing Program USMS					
		16.922			<u>15,789</u>
Subtotal Direct Programs				<u>245,296</u>	<u>1,688,844</u>
Pass-Through Program From:					
Kansas Governor Federal Grants Program					
Federal Victims of Crime Act Asst Program (VOCA) '22					
		16.575	22-VOCA-49		39,614
Federal Victims of Crime Act Asst Program (VOCA) '23					
		16.575	23-VOCA-49		<u>10,947</u>
Total Federal Victims of Crime Act Asst Program					
					<u>50,561</u>
Paul Coverdell National Forensic Science Improvement Act FY '21					
		16.742	2020-CD-BX-0033 (21-NFSIA-02)		34,263
Paul Coverdell National Forensic Science Improvement Act FY '22					
		16.742	15PBJA-21-GG-02905-COVE (22-NFSIA-02)		<u>34,234</u>
Subtotal Indirect Programs					<u>119,058</u>
Total U.S. Department of Justice				<u>245,296</u>	<u>1,807,902</u>
U.S. Department of Transportation:					
Pass-Through Program From:					
Kansas Dept. of Transportation					
COVID-19 Formula Grants for Rural Areas Section 5311 - FY22					
		20.509	KS202000901	165,920	191,923
Formula Grants for Rural Areas Section 5311 - FY22					
		20.509	KS201601405 & KS201901201	305,940	361,590
Formula Grants for Rural Areas Section 5311 - FY23					
		20.509	KS2016014, KS2019012, KS2022013 (PT-1109-)	<u>242,367</u>	<u>324,729</u>
Total Formula Grants for Rural Areas				<u>714,227</u>	<u>878,242</u>

Sedgwick County, Kansas

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2022

Agency/Program	Clusters	ALN	Award/Contract Number	Passed Through to Subrecipients	Federal Expenditures
Highway Safety Project - Radars	3	20.600	69A37521300004020KS0		\$ 89,940
Highway Safety Project - Click Step	3	20.600	69A37521300004020KS0 (SP-1300-22)		1,960
City of Wichita -					
Enhanced Mobility of Seniors & Disabled Section 5310- FY22 - CARES	5	20.513	KS-2021-011-00		38,140
The Adjutant General's Department State of Kansas					
Hazardous Materials Emergency Preparedness '19		20.703	693JK31940016HMEP		140
Hazardous Materials Emergency Preparedness '22		20.703	693JK31940016HMEP		57,700
Subtotal Indirect Programs				<u>714,227</u>	<u>1,066,122</u>
Total U.S. Department of Transportation				<u>714,227</u>	<u>1,066,122</u>
U.S. Department of the Treasury					
COVID-19 Coronavirus Relief Fund - Direct Allocation		21.019	STL0166	-	359,837
COVID-19 Coronavirus State and Local Fiscal Recovery Program - Direct Allocation		*21.027	SLFRP2098	170,779	15,068,699
Subtotal Direct Programs				<u>170,779</u>	<u>15,428,536</u>
Total U.S. Department of the Treasury				<u>170,779</u>	<u>15,428,536</u>
Small Business Administration					
COVID-19 Shuttered Venue Operators Grant Program - Direct Payment		59.075	SBAHQ21SV016314 SBAHQ21SV016314S1	1,476,069	5,312,631
Subtotal Direct Programs				<u>1,476,069</u>	<u>5,312,631</u>
Total Small business Administration				<u>1,476,069</u>	<u>5,312,631</u>
U.S. Department of Health & Human Services:					
Certified Community Behavioral Health Clinics ICT IA - FY23-26		93.696	1H79SM086992-01		31,939
Section 223 Demonstration Programs to Improve Community Mental Health Services		*93.829	1H79SM083120-01		2,803,133
Healthy Start Initiative FFY22		93.926	5 H49MC 11254-14-00		305,713
Healthy Start Initiative FFY23		93.926	6 H49MC 11254-15-01		517,836
Total Healthy Start Initiative					<u>823,549</u>
Subtotal Direct Programs					<u>3,658,621</u>
Pass-Through Program From:					
Kansas Department For Aging And Disability Services					
Title III, Part D - Disease Prevention & Health Promotion - FY21		93.043	21-02-1D	1,800	9,478
Title III, Part D - Disease Prevention & Health Promotion - FY22		93.043	22-02-1D	2,475	15,180
Title III, Part D - Disease Prevention & Health Promotion - FY23		93.043	23-02-1D	765	6,430
Total Title III, Part D - Disease Prevention & Health Promotion				<u>5,040</u>	<u>31,088</u>
Title III, Part B - Support Services - FY21	2	*93.044	21-02-1B	35,931	95,779
Title III, Part B - Support Services - FY22	2	*93.044	22-02-1B	82,402	190,953
Title III, Part B - Support Services - FY23	2	*93.044	23-02-1B	8,385	29,230
COVID-19 Title III, Part B - Support Services CARES	2	*93.044	20-CARES-02-1B	-	4,927
Expanding Access to COVID-19 Vaccines via the Aging Network Grant Agree	2	*93.044	2101KSVAC5-00		53,478
Title III, Part C(1) - Administration - FY22	2	*93.045	22-02-1A		75,746
Title III, Part C(1) - Administration - FY23	2	*93.045	23-02-1A		27,521
Title III, Part C(1) - Congregate Meals - FY21	2	*93.045	21-02-1C(1)	91,990	91,990
Title III, Part C(1) - Congregate Meals - FY22	2	*93.045	22-02-1C(1)	346,651	346,651
Title III, Part C(2) - Home Delivered Meals - FY21	2	*93.045	21-02-1C(2)	567,576	567,576
Title III, Part C(2) - Home Delivered Meals - FY22	2	*93.045	22-02-1C(2)	434,781	434,781
Senior Medicare Patrol FY22		93.048	90MPPG0037-02-00		16,057
COVID-19 Aging & Disability Resource Center		93.048	90NWC30044-01-00		49,124
Total Senior Medicare Patrol					<u>65,181</u>
Title III, Part E - National Family Caregiver Support Program FY21		93.052	21-02-1E	7,068	100,950
Title III, Part E - National Family Caregiver Support Program FY22		93.052	22-02-1E	25,660	166,242
Title III, Part E - National Family Caregiver Support Program FY23		93.052	23-02-1E		72,311
COVID-19 Title III, Part E - National Family Caregiver Support Program		93.052	20-CARES-02-2E		14,672
Title III, Part E - Administration - FY22		93.052	22-02-1A		26,925
Total Title III, Part E - National Family Caregiver Support Program				<u>32,728</u>	<u>381,100</u>
Home Delivered & Congregate Meals NSIP	2	*93.053	20-02-1C(1) & 20-02-1C(2); 21-02-1C(1) & 21-02-1C(2)	292,315	292,315
Medicare Improvements for Patients & Providers '22		93.071	2101KSMIAA, 2101KSMISH, 2101KSMIDR		6,012
Projects for Assistance in Transition from Homelessness FY19		93.150			(16)
Projects for Assistance in Transition from Homelessness FY22		93.150			82,227
Projects for Assistance in Transition from Homelessness FY23		93.150			48,465
Total Projects for Assistance in Transition from Homelessness					<u>130,676</u>
Senior Health Insurance Counseling FY22		93.324	90SAPG0093		4,030
Senior Health Insurance Counseling FY23		93.324	90SAPG0093		2,587
Total Senior Health Insurance Counseling					<u>6,617</u>
Senior Care Act FY22		93.667			217,136
Senior Care Act FY23		93.667			588,826
Total Senior Care Act					<u>805,962</u>

Sedgwick County, Kansas

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2022

Agency/Program	Clusters	ALN	Award/Contract Number	Passed Through to Subrecipients	Federal Expenditures
Block Grants for Community Mental Health Services FY18		93.958			\$ (16)
Block Grants for Community Mental Health Services FY22		93.958	1B09SM082601-01		29,527
Block Grants for Community Mental Health Services FY23		93.958	6B09SM086008-01		39,428
Total Block Grant for Community Mental Health Services					<u>68,939</u>
Substance Abuse (Beacon Health) Contract - SFY22		93.959			77,644
Substance Abuse (Beacon Health) Contract - SFY23		93.959			67,182
Total Substance Abuse (Beacon Health)					<u>144,826</u>
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)		93.323			1,541,490
Kansas Department of Health & Environment					
Public Health Emergency Preparedness (PHEP) '22		93.069	NU90TP922049-03		177,298
Public Health Emergency Preparedness (PHEP) '23		93.069	NU90TP922049-04		116,554
Total Public Health Emergency Preparedness (PHEP)					<u>293,852</u>
Tuberculosis Control Grant '16		93.116			(36)
Tuberculosis Control Grant '20		93.116			7
Tuberculosis Control Grant '22		93.116			8,903
Tuberculosis Control Grant '23		93.116			5,479
Total Tuberculosis Control Grant					<u>14,353</u>
Kansas Overdose Data to Action Program '21		93.136	1NU17CE9249980200		33,688
Kansas Overdose Data to Action Program '22		93.136	NU17CE9249980200		33,906
Total Kansas Overdose Data to Action Program					<u>67,594</u>
Family Planning Services '17		93.217	FPHPA006448-04		(21)
Family Planning Services '22		93.217	FPHPA006448-04		57
Total Family Planning Services					<u>36</u>
COVID-19 IAP Supplemental 4 - Vaccine Equity		93.268			128,959
IAP Immunization Cooperation FY15		93.268			(2)
IAP Immunization Cooperation FY22		93.268	NH23IP922627-03		10,880
IAP Immunization Cooperation FY23		93.268	NH23IP922627-04		1,227
Total Maternal and Child Health IAP Immunization Cooperation					<u>141,064</u>
STI/HIV Control Programs - Disease Intervention / Prevention FY22		93.977	NH25PS005173-03 & NH25PS005173-04		124,399
STI/HIV Control Programs - Disease Intervention / Prevention FY23		93.977	NH25PS005173-04 & NH25PS005173-05		107,381
Total STI/HIV Control Programs					<u>231,780</u>
Maternal and Child Health Services Block Grant FY22		93.994	B04MC40135-01		87,513
Maternal and Child Health Services Block Grant FY23		93.994	B04MC40135-01 & B04MC45217-01		81,217
Total Maternal and Child Health Services Block Grant					<u>168,730</u>
Health ICT (Medical Society of Sedgwick County)					
Innovative Public Health Strategies		93.435			360
Subtotal Indirect Programs				<u>1,897,799</u>	<u>6,310,607</u>
Total U.S. Department of Health & Human Services				<u>1,897,799</u>	<u>9,969,228</u>
Corporation For National And Community Service:					
Retired and Senior Volunteer Program					
Retired and Senior Volunteer Program FY21		94.002	19SRWKS005		13,588
Retired and Senior Volunteer Program FY22		94.002	22SREKS006		37,413
Total					<u>51,001</u>
Subtotal Direct Programs					<u>51,001</u>
Total Corporation For National And Community Service					<u>51,001</u>
Executive Office of the President					
Kansas Bureau of Investigation					
High Intensity Drug Trafficking Areas Program		95.001	G20MW0003A		5
High Intensity Drug Trafficking Areas Program		95.001	G21MW0003A		36,244
Total					<u>36,249</u>
Total Executive Office of the President					<u>36,249</u>
U.S. Department of Homeland Security					
Pass-Through Program From:					
Kansas Adjutant General - Division of Emergency Management					
Emergency Mgmt Performance Grant -Salary Reimbursement		97.042			158,785
Subtotal Indirect Programs					<u>158,785</u>
Total Department of Homeland Security					<u>158,785</u>
Total Expenditures of Federal Awards				<u>4,504,170</u>	<u>\$ 36,496,346</u>

Clusters:	Totals
1 - Child Nutrition Cluster =	171,267
2 - Aging Cluster =	2,210,947
3 - Highway Safety Cluster =	91,900
4 - Fish and Wildlife Cluster =	112,734
5 - Transit Services Program Cluster =	38,140

* Major Programs

Sedgwick County, Kansas
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the County under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Model Single Audit Client, it is not intended to and does not present the financial position, changes in net assets or cash flows of the County.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Federal Loan Programs

The County does not administer any loan programs.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of County Commissioners
Sedgwick County
Wichita, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sedgwick County, Kansas (the County) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 14, 2023, which contained an emphasis of matter paragraph for a change in accounting principle.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Sedgwick County
Wichita, Kansas

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORVIS, LLP

Wichita, Kansas
June 14, 2023

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Board of County Commissioners
Sedgwick County
Wichita, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Sedgwick County, Kansas' (the County)'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of County's major federal programs for the year ended December 31, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Sedgwick County
Wichita, Kansas

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sedgwick County, Kansas (the County) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements. We issued our report thereon dated June 14, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS,LLP

Wichita, Kansas
June 14, 2023

Sedgwick County, Kansas
Schedule of Findings and Questioned Costs
Year Ended December 31, 2022

Section I – Summary of Auditor’s Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP was:

Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over compliance for major federal awards programs:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

5. Type of auditor’s report issued on compliance for major federal award programs:

Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Sedgwick County, Kansas
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2022

7. Identification of major programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.044, 93.045, 93.053	Aging Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
21.027	Coronavirus State and Local Recovery Funds
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
93.829	Section 223 Demonstration Programs to Improve Community Mental Health Services

8. Dollar threshold used to distinguish between Type A and Type B programs: \$1,094,890.

9. Auditee qualified as a low-risk auditee? Yes No

Section II – Financial Statement Findings

<u>Reference Number</u>	<u>Finding</u>
	No matters reportable.

Section III – Federal Awards Findings and Questioned Costs

<u>Reference Number</u>	<u>Finding</u>
	No matters reportable.

Sedgwick County, Kansas
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2022

**Reference
Number**

Finding

No matters reportable.

