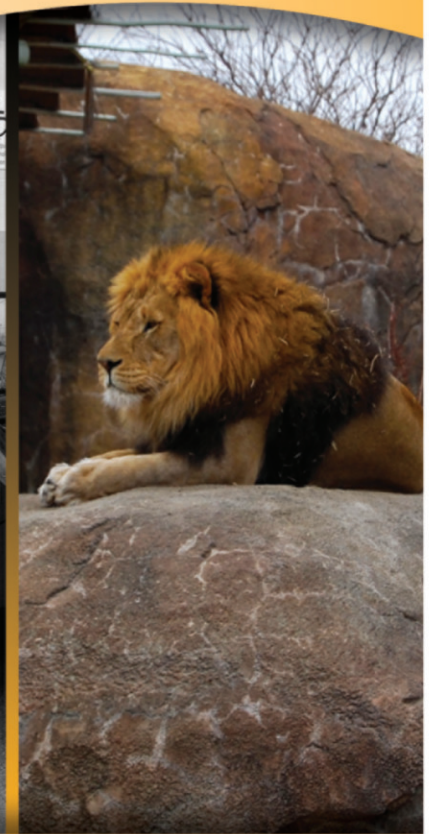




*Sedgwick County...
working for you*



Bond & Interest



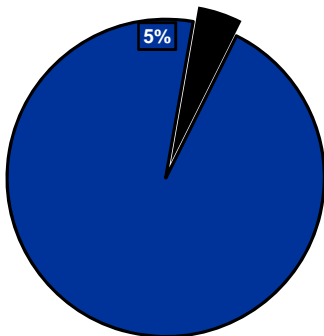
2016 Adopted Budget

Bond and Interest

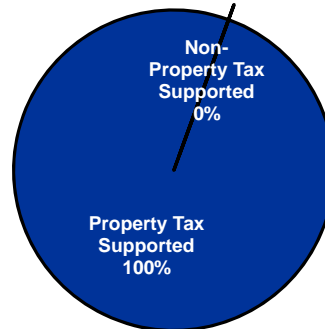
Inside:

Page	Department	2016 Budget All Operating Funds	2016 Budget by Operating Fund Type				
			General Fund	Debt Service Funds	Special Revenue Funds		Enterprise/ Internal Serv.
			Property Tax Supported	Non-Property Tax Supported			
238	Bond and Interest	18,863,980	-	18,863,980	-	-	-
	Total	18,863,980	-	18,863,980	-	-	-

% of Total Operating Budget



Operating Expenditures by Fund Type



* Includes the General, Debt Service and Property Tax Supported Special Revenue Funds

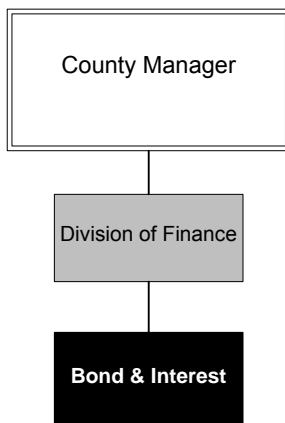




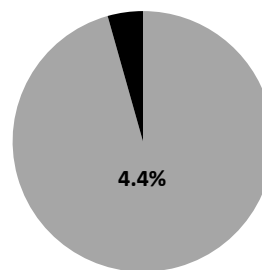
Sara Jantz
 Accounting Director
 525 N Main, Suite 823
 Wichita, Kansas 67203
 316-660-7136
sara.jantz@sedgwick.gov

Mission:

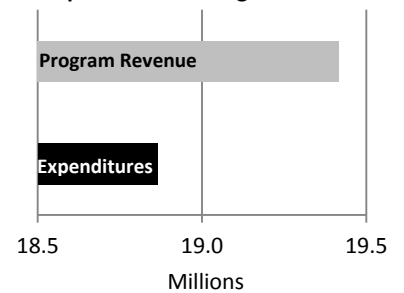
- To assure Sedgwick County government and citizens of proper use of County resources and informed financial decision-making.



% of Total Operating Budget



Expenditures & Program Revenue



Description of Major Services

The Bond and Interest Fund provides for the retirement of general obligation, Public Building Commission (PBC) revenue bonds and special assessment bonds of Sedgwick County. Each year, the County levies taxes that, together with special assessments credited to the Fund, are sufficient to pay the principal and interest payments due throughout the year.

The County’s Debt Policy establishes guidelines pertaining to the County’s use of debt. The objectives of the policy are to ensure financing is obtained only when necessary; the process for identifying the timing and amount of debt or other financing is as efficient as possible; the most favorable interest rate and other related costs are obtained; and future financial flexibility is maintained.

A summary of key points from the Sedgwick County Debt Policy is presented here:

- Debt management committee is formed to ensure compliance with debt policy.
- Pay-as-you-go financing is favored when the project can be funded from available current revenue and

fund balances, the project can be completed in an acceptable timeframe given available resources, additional debt could affect the County credit rating, or when repayment sources or market conditions are considered unstable or suggest difficulty in marketing the debt.

- Debt financing is favored when market conditions are favorable, a project is mandated and current revenue or fund balances are insufficient, or a project is immediately required to meet capacity needs. The useful life of each project must equal or exceed the term of the financing.
- Total outstanding debt is capped. The policy limits direct debt per capita (\$500), overlapping and underlying debt per capita (\$3,000), direct and overall debt as a percentage of estimated full market value (1.5 percent and 6 percent, respectively), and debt service is limited to 20 percent of general and debt service fund budgeted expenditures. Debt ratios throughout the life of the proposed obligation must be lower than at least three of the five benchmarks listed.
- Debt repayment is expedited. Debt issues are to be structured so that at least 30 percent of the aggregate outstanding principal amount is repaid within five years and 60 percent within 10 years.

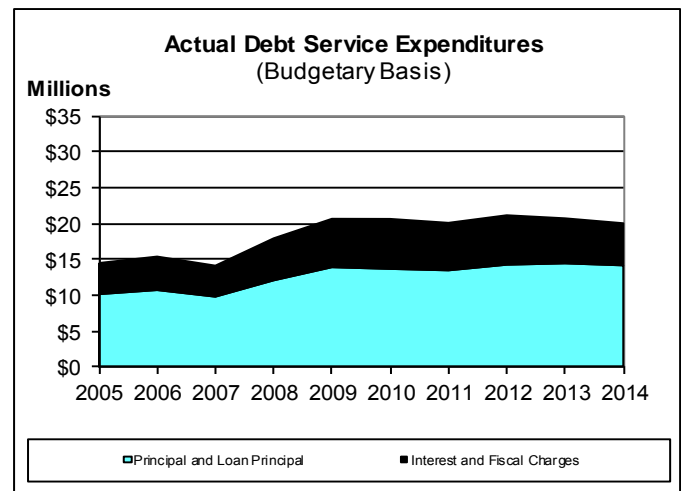
Sedgwick County issues debt primarily to finance major capital projects such as roads, bridges, buildings, or other facilities. The instruments used to finance these projects are typically general obligation bonds or Public Building Commission (PBC) revenue bonds. General obligation bonds are issued by Sedgwick County and backed by the County's full faith and taxing power, meaning that bondholders have the power to compel the County to levy property taxes to repay the bonds. When a project meets a specific set of criteria described in Kansas law, the County can ask the PBC to issue revenue bonds on its behalf. These bonds are secured by lease revenues paid to the Public Building Commission by the County. The lease payments to the PBC are also backed by the full faith and taxing power of Sedgwick County.

Another type of debt occasionally issued by Sedgwick County is special assessment bonds. Special assessment bonds are issued to develop basic infrastructure for the benefit of properties within a defined district. Typically such projects are requested by property owners within the district, and as part of their petition for specified improvements, they agree to pay the project costs through specially assessed taxes. Special assessment taxes are then levied on property within the benefit district for up to 15 years to repay the principal and interest on the bonds sold by the County to finance the cost of the improvements.

When a jurisdiction issues debt, it has the option of obtaining a debt rating -- an evaluation of its credit worthiness -- by an independent rating service. Sedgwick County currently has the highest debt rating possible from each of three credit rating agencies: "AAA" from Fitch Rating Service, "AAA" from Standard & Poor's, and "Aaa" from Moody's Investors Service.

Sedgwick County and its PBC have issued debt for various large projects including adult and juvenile detention facilities, roads and bridges, courthouse improvements, a juvenile court building, a public safety center, Exploration Place (an interactive science center), and the National Center for Aviation Training (a technical education facility). The debt for these projects, in addition to special assessment debt, leaves the County with total outstanding direct debt of \$140.3 million as of November 4, 2015.

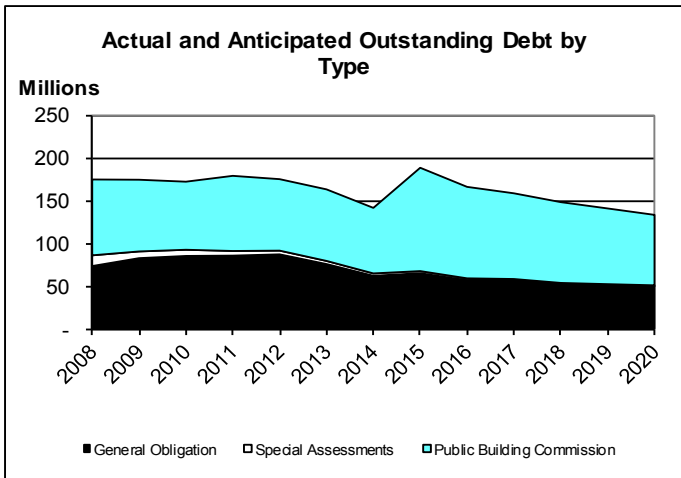
In recent years the County's annual debt service, including both the repayment of principal and interest on outstanding bonds has been approximately \$20 million.



The following table shows the debt service requirements on debt existing as of November 4, 2015. If no additional bonds were issued, Sedgwick County would pay its debt in full by 2035. During this time period, yearly principal and interest payments would decrease from \$19.5 million in 2015 until they were paid off in 2035. When Sedgwick County issues additional bonds, debt service requirements will be extended into the future.

Schedule of Existing Debt Service Requirements as of 11/4/2015				
Budget Year	Bonds Outstanding	Principal	Interest	Total
2015	140,325,000	14,005,000	5,454,126	19,459,126
2016	126,145,000	14,180,000	5,089,756	19,269,756
2017	112,525,000	13,620,000	4,677,206	18,297,206
2018	98,860,000	13,665,000	4,202,904	17,867,904
2019	88,255,000	10,605,000	3,331,311	13,936,311
2020	77,700,000	10,555,000	2,982,753	13,537,753
2021	66,960,000	10,740,000	2,535,175	13,275,175
2022	56,600,000	10,360,000	2,100,298	12,460,298
2023	48,255,000	8,345,000	1,649,769	9,994,769
2024	41,265,000	6,990,000	1,327,100	8,317,100
2025	34,265,000	7,000,000	1,058,289	8,058,289
2026	28,175,000	6,090,000	854,026	6,944,026
2027	22,820,000	5,355,000	674,314	6,029,314
2028	17,315,000	5,505,000	506,204	6,011,204
2029	14,765,000	2,550,000	318,069	2,868,069
2030	12,775,000	1,990,000	212,324	2,202,324
2031	10,910,000	1,865,000	136,719	2,001,719
2032	10,205,000	705,000	68,900	773,900
2033	9,650,000	555,000	45,688	600,688

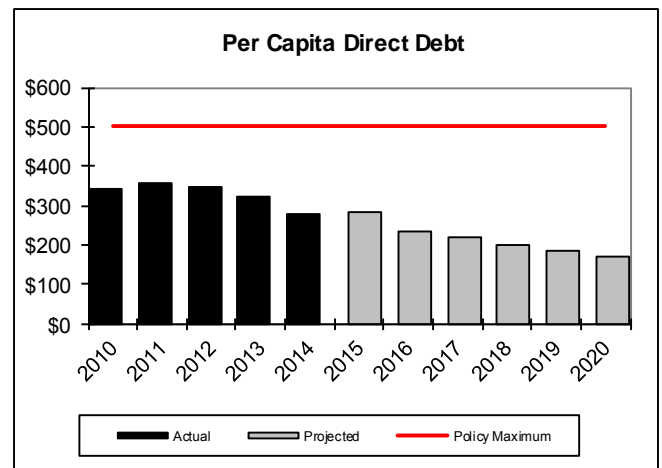
The County's adopted 2016-2020 plan includes no anticipated bond issues in 2016 and anticipated bond issues of \$4.0 million in 2017 through 2020 for roads and bridges. Other significant projects include the repair of EMS Post 8, the replacement of the security system PCs at Juvenile Detention and Phase I of the Interchange at I-235 and US-54. Based on this plan the County will repay more debt than is issued each year, and both the annual debt service and the total outstanding debt will decrease each year.



With these anticipated debt issuances (displayed on the last page of this section), Sedgwick County's debt limits, which are set in the Sedgwick County Debt Policy and discussed above, likely will change. Each is discussed below.

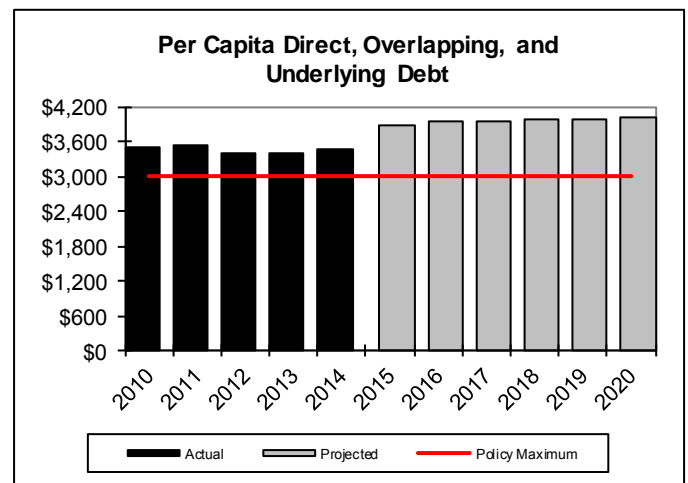
Per Capita Direct Debt

This ratio, which is figured by dividing total direct debt by the population of Sedgwick County, measures the amount of debt per resident. The debt policy sets \$500 per capita as the maximum limit. Between 2010 and 2013, Sedgwick County remained below this level by approximately \$150. The margin between County per capita direct debt and the policy maximum will decline in 2015-2020. At the end of 2020 per capita direct debt is estimated to be at \$172.



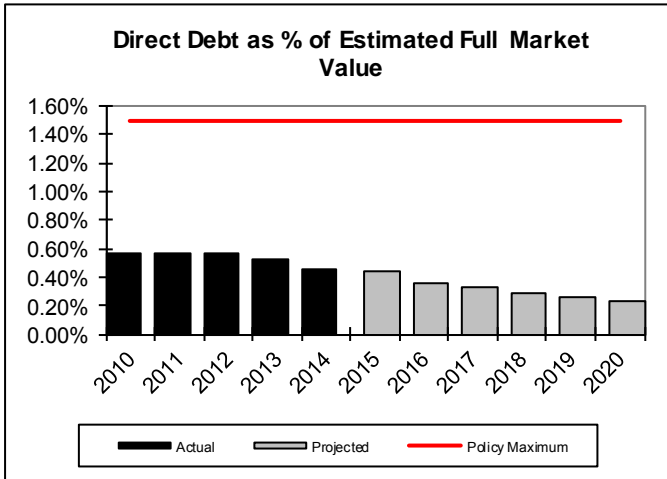
Per Capita Direct, Overlapping & Underlying Debt

This per capita ratio adds overlapping and underlying debt, which is the debt issued by cities, school districts, and special districts within Sedgwick County and backed by Sedgwick County taxpayers. Thus, this ratio measures that total amount of local government debt borne by each resident in the County. The debt policy sets a limit of \$3,000 per capita. In 2008, due to multiple bond issuances by cities and school districts, the policy limit was exceeded. Based on anticipated debt issuances this measure will remain above the policy maximum through 2020, and is expected to stay at around \$4,000 per year through that time.



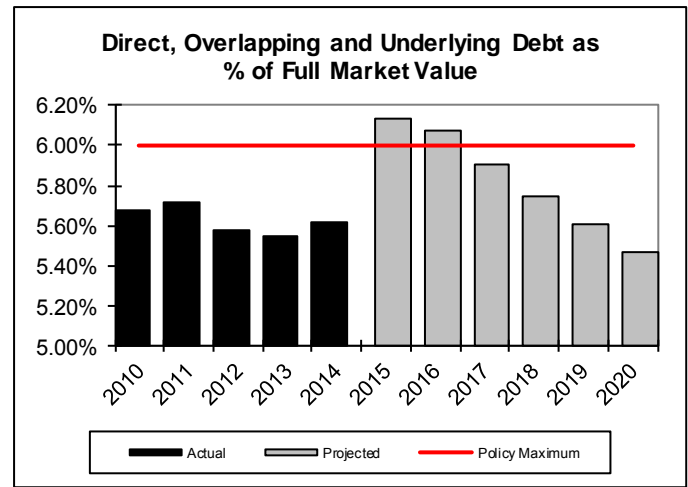
Direct Debt as Percent of Estimated Full Market Value

This ratio shows the impact of debt issued by Sedgwick County or its PBC on the property tax base. The policy limit is 1.5 percent for this measure. From 2010 through 2014, the County was well below the policy limit holding under 0.58 percent. The ratio is projected to decrease to 0.23 percent of the estimated full market value by the end of 2020.



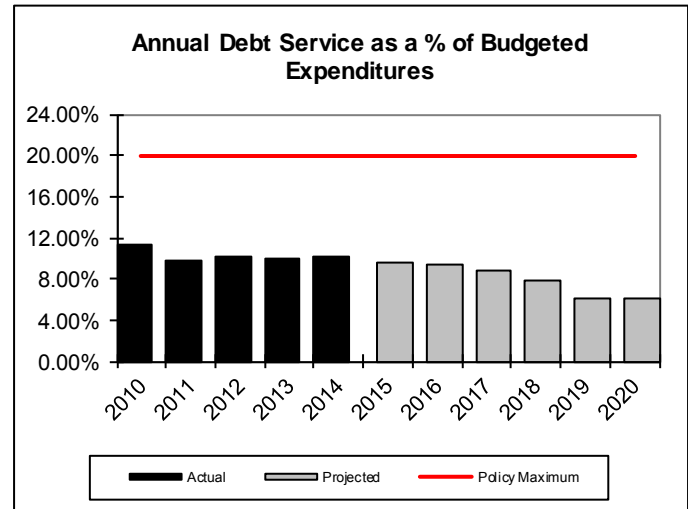
Direct, Overlapping & Underlying Debt as Percent of Full Market Value

This ratio shows the impact of all local government debt, without regard to the governmental issuer within the County, on Sedgwick County's property tax base. The policy sets a maximum target of 6.0 percent. This ratio is projected to increase to above the maximum target in 2015 and 2016. The ratio is then projected to decrease until 2020, when it is projected to be 5.47 percent.



Annual Debt Service as a Percent of Budgeted Expenditures

This measure shows the extent to which debt service obligations consume resources that otherwise might be used to deliver County services. Sedgwick County's debt policy sets a limit of 20.0 percent. The County's debt service stayed below 10.2 percent of budgeted expenditures between 2011 and 2014, and is expected to drop to 6.01 percent of budgeted expenditures by the end of 2020.

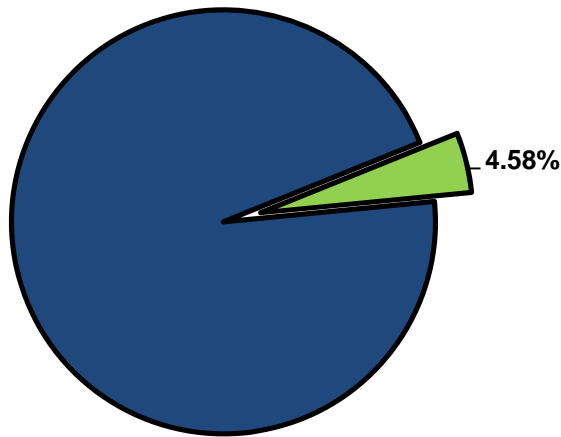


Sedgwick County Anticipated Debt with Issuance Costs					
Project	2016	2017	2018	2019	2020
Road/Bridge Improvements	0	4,060,000	4,060,000	4,060,000	4,060,000
Totals	\$0	\$4,060,000	\$4,060,000	\$4,060,000	\$4,060,000

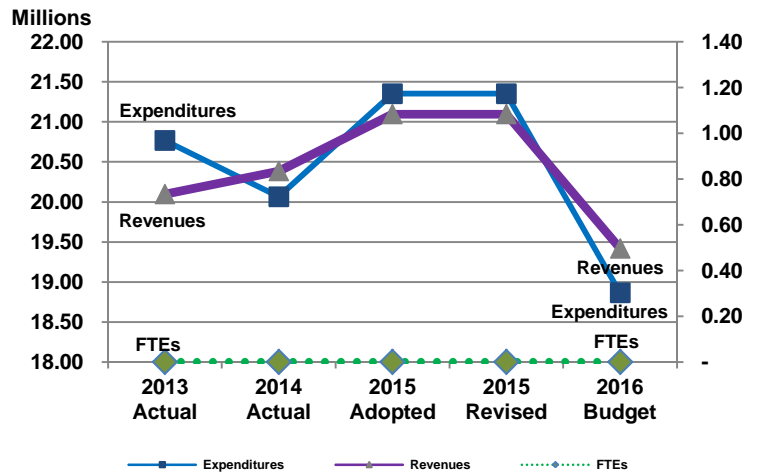


Departmental Graphical Summary

Bond & Interest
Percent of Total County Operating Budget



Expenditures, Program Revenue & FTEs
All Operating Funds



Budget Summary by Category

	2013 Actual	2014 Actual	2015 Adopted	2015 Revised	2016 Budget	Amount Chg '15 Rev.-'16	% Chg '15 Rev.-'16
Expenditures							
Personnel	-	-	-	-	-	-	-
Contractual Services	17,630	1,825	20,000	20,000	20,000	-	0.00%
Debt Service	20,749,043	20,062,805	21,331,418	21,331,418	18,843,980	(2,487,438)	-11.66%
Commodities	-	-	-	-	-	-	-
Capital Improvements	-	-	-	-	-	-	-
Capital Equipment	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-
Total Expenditures	20,766,673	20,064,630	21,351,418	21,351,418	18,863,980	(2,487,438)	-11.65%
Revenues							
Tax Revenues	15,170,125	15,871,346	16,791,941	16,791,941	14,968,915	(1,823,026)	-10.86%
Licenses and Permits	-	-	-	-	-	-	-
Intergovernmental	190,666	178,437	192,281	192,281	172,999	(19,282)	-10.03%
Charges for Services	692,768	719,854	498,479	498,479	664,936	166,457	33.39%
All Other Revenue	4,041,207	3,615,689	3,612,646	3,612,646	3,609,321	(3,325)	-0.09%
Total Revenues	20,094,766	20,385,325	21,095,347	21,095,347	19,416,171	(1,679,176)	-7.96%
Full-Time Equivalents (FTEs)							
Property Tax Funded	-	-	-	-	-	-	-
Non-Property Tax Funded	-	-	-	-	-	-	-
Total FTEs	-	-	-	-	-	-	-

Budget Summary by Fund

Fund	2013 Actual	2014 Actual	2015 Adopted	2015 Revised	2016 Budget	Amount Chg '15 Rev.-'16	% Chg '15 Rev.-'16
Bond & Interest	20,766,673	20,064,630	21,351,418	21,351,418	18,863,980	(2,487,438)	-11.65%
Total Expenditures	20,766,673	20,064,630	21,351,418	21,351,418	18,863,980	(2,487,438)	-11.65%

Significant Budget Adjustments from Prior Year Revised Budget

	Expenditures	Revenues	FTEs
Reduce budget to anticipated 2016 principal and interest costs.	(2,487,438)		

Total (2,487,438) - -

Budget Summary by Program

Program	Fund	2013 Actual	2014 Actual	2015 Adopted	2015 Revised	2016 Budget	% Chg '15 Rev.-'16	2016 FTEs
Bond & Interest	301	20,766,673	20,064,630	21,351,418	21,351,418	18,863,980	-11.65%	-
Total		20,766,673	20,064,630	21,351,418	21,351,418	18,863,980	-11.65%	-