

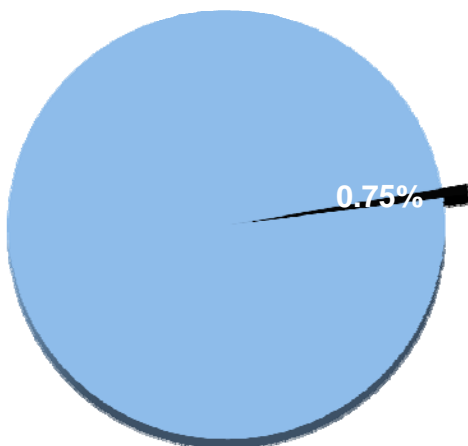
Employee Compensation Pool

Inside:

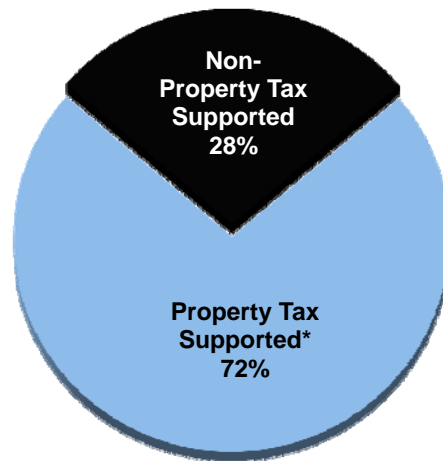
Page	Department	2011 Budget All Operating Funds	2011 Budget By Operating Fund Type				
			General Fund	Debt Service Funds	Special Revenue Funds		Enterprise/ Internal Serv.
			Property Tax Supported	Non-Property Tax Supported			
216	All County Departments*	3,093,337	1,847,232	-	392,002	814,074	40,029
Total		3,093,337	1,847,232	-	392,002	814,074	40,029

* Excludes Fire District No. 1. The employee compensation pool for Fire District No. 1 is funded directly within the District's 2011 budget.

% of Total Operating Budget



Operating Expenditures by Fund Type



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



COMPENSATION POOL

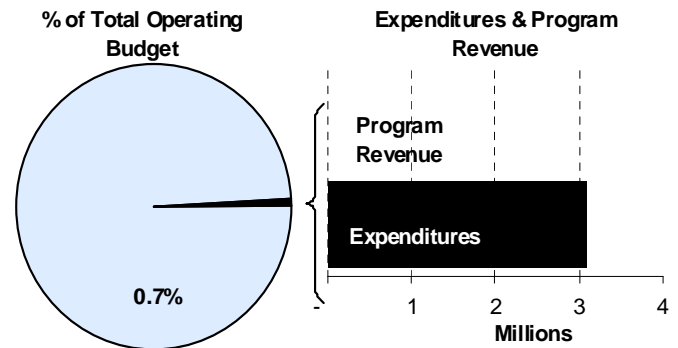
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Mission:

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

Program Information

Sedgwick County will budget a 2.0 percent salary pool in conjunction with a Performance-Based Merit Pay Plan for 2011 and the Board of County Commissioners will decide, no earlier than the fall of 2010, how much and when the 2.0 percent salary pool will be authorized to increase employee wages. This option gives the County flexibility to respond to changes in local economic conditions and changes in the County's revenue and expenditure patterns prior to the adoption of the actual compensation performance pool that will be distributed to employees in 2011.



Significant Adjustments From Previous Budget Year

	<u>Expenditures</u>	<u>Revenue</u>	<u>FTEs</u>
Total	-	-	-

Budget Summary by Category

Budget Summary by Fund

	2009 <u>Actual</u>	2010 <u>Adopted</u>	2010 <u>Revised</u>	2011 <u>Budget</u>	% Chg. <u>'10-'11</u>		2010 <u>Revised</u>	2011 <u>Budget</u>
Expenditures						Expenditures		
Personnel	-	-	-	3,088,910		Multiple Funds	-	3,088,910
Contractual Services	-	-	-	-				
Debt Service	-	-	-	-				
Commodities	-	-	-	-				
Capital Improvements	-	-	-	-				
Capital Equipment	-	-	-	-				
Interfund Transfers	-	-	-	-				
Total Expenditures	-	-	-	3,088,910		Total Expenditures	-	3,088,910
Revenue								
Taxes	-	-	-	-				
Intergovernmental	-	-	-	-				
Charges For Service	-	-	-	-				
Other Revenue	-	-	-	-				
Total Revenue	-	-	-	-				
Full-Time Equivalents (FTEs)	-	-	-	-				

Budget Summary by Program

Program	Fund	Expenditures				2011 Budget	% Chg. '10-'11	Full-Time Equivalents (FTEs)		
		2009 Actual	2010 Adopted	2010 Revised	2010 Adopted			2010 Revised	2011 Budget	
General Fund	110	-	-	-	1,847,232		-	-	-	
COMCARE	202	-	-	-	38,777		-	-	-	
EMS	203	-	-	-	221,390		-	-	-	
Aging Services	205	-	-	-	12,212		-	-	-	
Highway Fund	206	-	-	-	114,535		-	-	-	
Noxious Weeds	207	-	-	-	5,088		-	-	-	
Solid Waste	208	-	-	-	12,195		-	-	-	
Court Trustee	211	-	-	-	52,921		-	-	-	
Auto License	213	-	-	-	42,814		-	-	-	
Court A/D Safety Program	214	-	-	-	673		-	-	-	
Land Tech Fund	236	-	-	-	4,426		-	-	-	
CDDO - Grants	251	-	-	-	20,096		-	-	-	
COMCARE - Grants	252	-	-	-	369,218		-	-	-	
Corrections - Grants	253	-	-	-	123,647		-	-	-	
Aging - Grants	254	-	-	-	25,027		-	-	-	
Emergency Management - C	257	-	-	-	1,061		-	-	-	
District Attorney - Grants	259	-	-	-	9,907		-	-	-	
Sheriff - Grants	260	-	-	-	4,595		-	-	-	
HUD - Grants	272	-	-	-	2,484		-	-	-	
Health Department - Grants	274	-	-	-	86,953		-	-	-	
Misc. Grants	279	-	-	-	1,345		-	-	-	
Stimulus Grants	277	-	-	-	52,285		-	-	-	
Kansas Pavilions	502	-	-	-	8,091		-	-	-	
Fleet Management	602	-	-	-	24,444		-	-	-	
Health/Dental Ins Res	611	-	-	-	1,718		-	-	-	
Risk Mgmt Reserve	612	-	-	-	3,630		-	-	-	
Workers' Comp Res	613	-	-	-	2,146		-	-	-	
Total		-	-	-	3,088,910		-	-	-	



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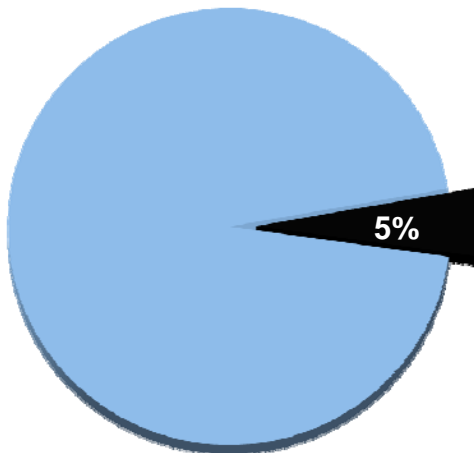
Bond & Interest

Inside:

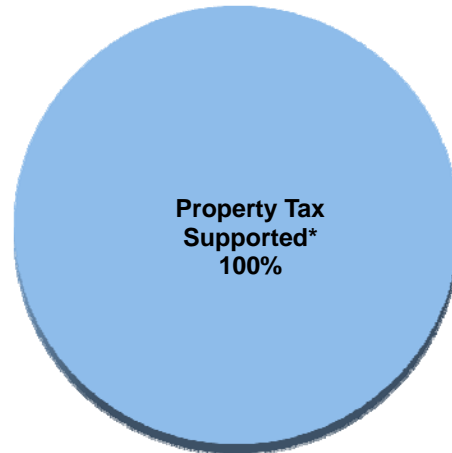
Page	Department	2011 Budget All Operating Funds	2011 Budget By Operating Fund Type				
			General Fund	Debt Service Funds	Special Revenue Funds		Enterprise/ Internal Serv.
			Property Tax Supported	Non-Property Tax Supported			
220	Bond & Interest	20,493,736	-	20,493,736	-	-	-
Total		20,493,736	-	20,493,736	-	-	-



% of Total Operating Budget



Operating Expenditures by Fund Type



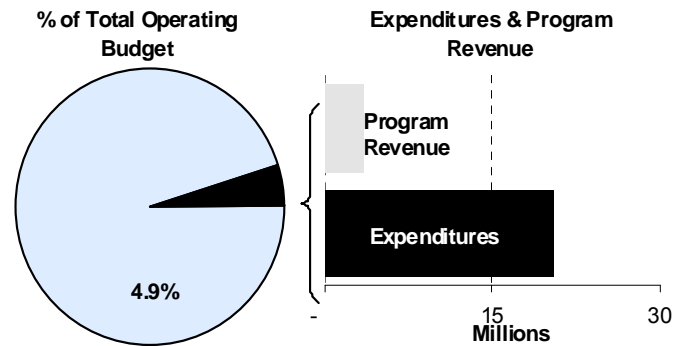
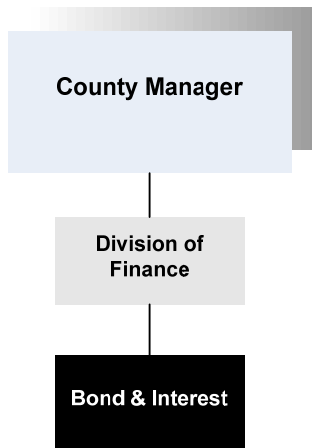
* Includes the General, Debt Service, and Property Tax Supported Special Revenue Funds



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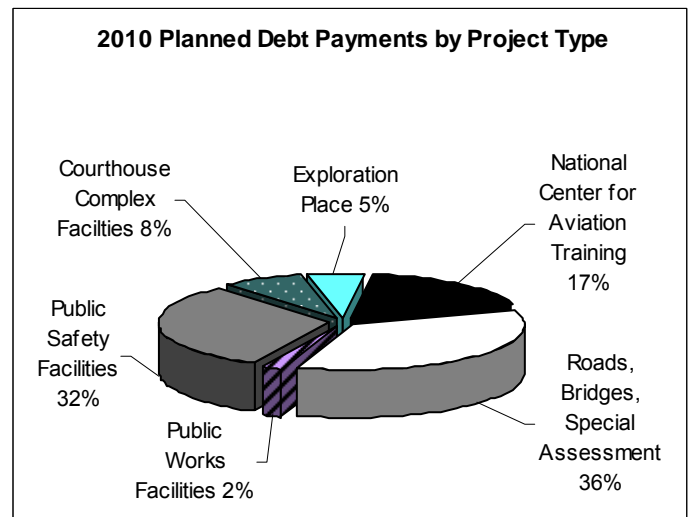
Program Information

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.

In October 2009, the Board of County Commissioners approved a revised debt financing policy, which provides clear guidance on 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 be as efficient as possible; the most favorable interest rate and other related costs be 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.
- 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 three of the five benchmarks listed.
- As a benchmark, the County strives to repay at least 30 percent of the principal amount of its bonded debt within five years and 60 percent within 10 years.

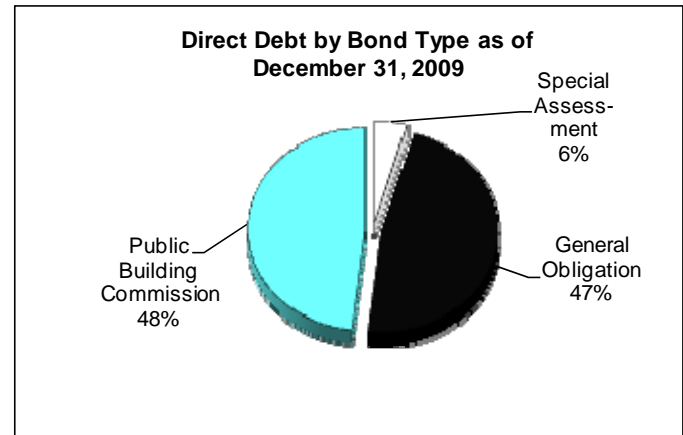
Sedgwick County issues debt primarily to finance major capital projects such as roads, bridges, buildings, or other facilities. The instruments used to finance these projects are typically general obligation bonds or Public Building Commission (PBC) revenue bonds. General obligation bonds are issued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

The other type of debt commonly issued by Sedgwick County is special assessment bonds. Special assessment bonds are issued to develop facilities and basic infrastructure for the benefit of properties within a benefit district. County policy allows the payment of up to 50 percent of the proposed costs related to benefit district improvements such as roads, sewers, curbs and gutters. Special assessment taxes are then levied on property within the benefit district, for up to 15 years, to repay the principal and interest on these bonds.

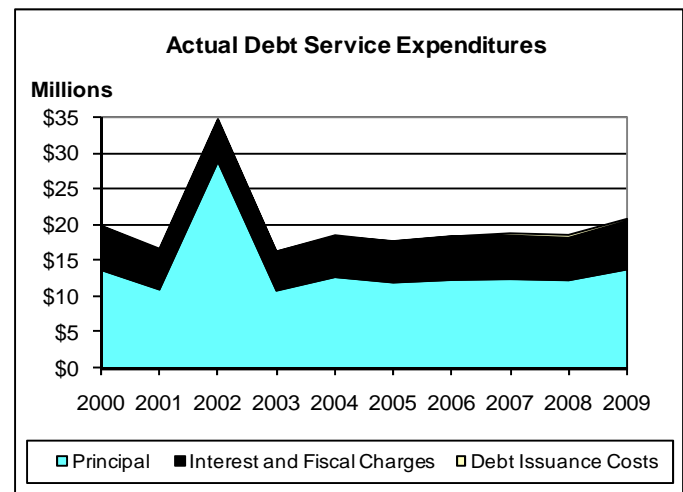
When a jurisdiction issues debt, it has the option of obtaining a credit rating, or evaluation of its credit worthiness, by an independent rating service. Sedgwick County has strong credit ratings and in the most recent bond sale, the County’s bonds were rated “AAA” by Fitch Rating Service, “AAA” by Standard & Poor’s, and “AAA” by Moody’s Investment Service. The highest rating granted by any of the rating agencies is “AAA”.

The County’s debt policy sets the minimum rating requirement for its direct, long-term, debt obligations at “AA” or higher. If a given debt cannot meet this requirement, credit enhancement may be sought or the obligations sold without a rating.

Sedgwick County has issued debt for various large projects including detention facilities, courthouse improvements, a juvenile court building, and a public safety center. The debt for these projects, in addition to special assessment debt, leaves the County with total outstanding direct debt of \$174.1 million as of December 31, 2009.

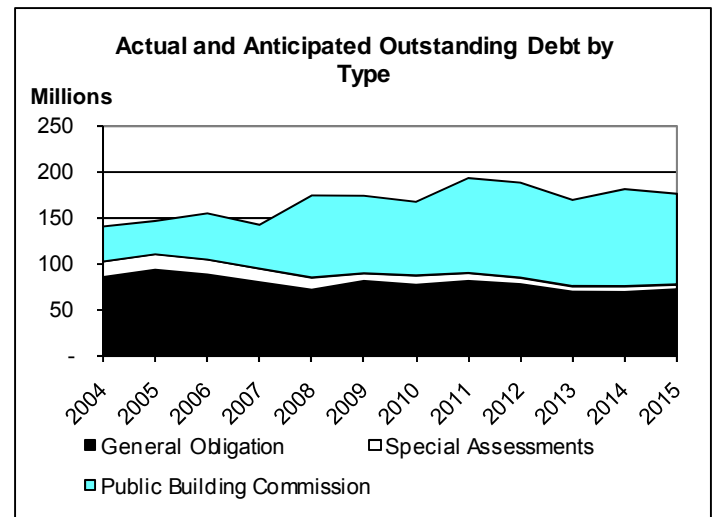


Historically, Sedgwick County’s debt service expenditures have remained between \$15 and \$20 million per year. The highest point between 2000 and 2009 was in 2002, when a large portion of bond principal was paid by issuing refunding bonds. The annual amount paid for debt service is expected to increase with issuances planned for 2010 through 2015.



The following table shows the debt service requirements on debt existing as of December 31, 2009. If no additional bonds were issued, Sedgwick County would pay its debt in full by 2029. During this time period, yearly principal and interest payments would decrease from \$20.7 million in 2009 to \$0.6 million in 2029. When Sedgwick County issues additional bonds, debt service requirements will be extended into the future.

Schedule of Existing Debt Service Requirements as of December 31, 2009				
Budget Year	Bonds Outstanding	Principal	Interest	Total
2010	174,060,584	13,680,339	6,986,611	20,666,951
2011	160,380,245	12,916,461	6,856,008	19,772,468
2012	147,463,784	12,778,960	6,401,009	19,179,968
2013	134,684,825	12,601,952	5,917,889	18,519,841
2014	122,082,872	12,170,458	5,431,310	17,601,768
2015	109,912,414	12,024,498	4,929,961	16,954,458
2016	97,887,916	11,664,092	4,426,926	16,091,018
2017	86,223,824	11,324,264	3,932,756	15,257,020
2018	74,899,560	11,450,034	3,445,285	14,895,320
2019	63,449,526	8,591,428	2,962,846	11,554,275
2020	54,858,097	8,648,470	2,582,779	11,231,250
2021	46,209,627	8,916,185	2,200,452	11,116,637
2022	37,293,442	8,519,601	1,790,816	10,310,417
2023	28,773,841	6,258,744	1,399,563	7,658,307
2024	22,515,097	4,916,670	1,110,395	6,027,065
2025	17,598,426	4,884,649	881,178	5,765,827
2026	12,713,777	4,463,501	651,074	5,114,576
2027	8,250,276	3,707,710	429,657	4,137,367
2028	4,542,566	3,902,290	236,302	4,138,592
2029	640,277	640,277	32,769	673,046



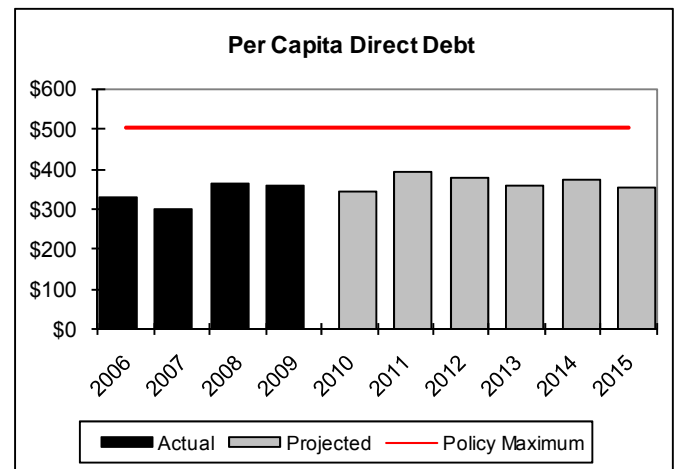
With these anticipated debt issuances and debt issuances planned between 2011 and 2015 (displayed on the last page of this section) Sedgwick County’s debt limits, which are set in the Sedgwick County Debt Policy and discussed above, will likely change. Each is discussed below.

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 2005 and 2008, Sedgwick County remained below this level, by approximately \$150. Even the anticipated debt issuances between 2010 and 2015, the County will remain below the per capita direct debt limit. The County will be closest to the limit in 2011, when per capita debt reaches \$394. This is driven by the issuance of nearly \$25.4 million in debt to upgrade the County’s analog radio system to digital and expand the 800 MHz radio system.

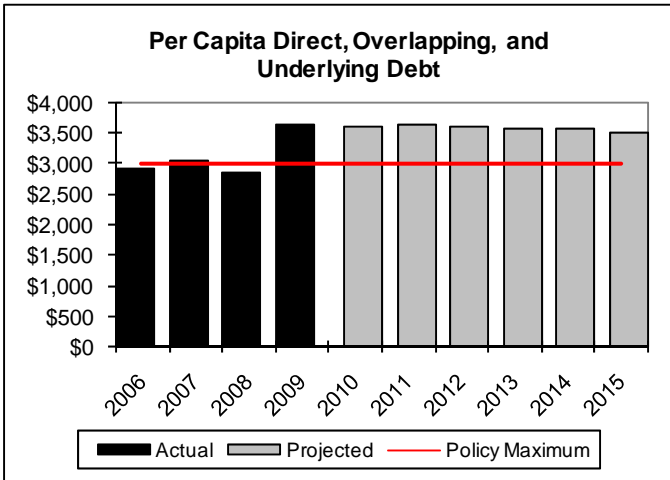
Sedgwick County anticipates issuing \$7.1 million of GO debt in 2010, to fund various road and bridge projects and special assessments. Issuance of this debt is expected in December 2010. Expected year-end bonded debt outstanding is expected to be \$167.5 million.

Between 2011 and 2015, Sedgwick County anticipates issuing an additional \$79.8 million of debt. In addition to funding Courthouse Improvements, road and bridge improvements, and special assessments, the County will issue debt for repairs to the Lake Afton Spillway, converting the County’s analog radio system to digital, and construction of the Heartland Preparedness Center Law Addition.



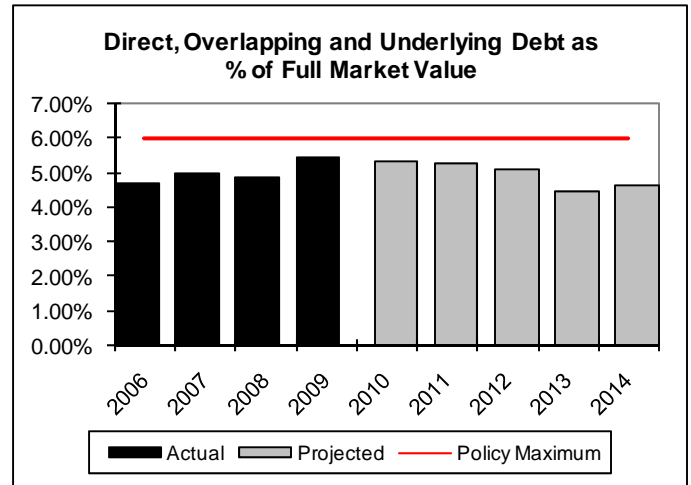
Per Capita Direct, Overlapping & Underlying Debt

This per capita ratio includes overlapping and underlying debt which is the debt issued by cities, school districts, and special districts within Sedgwick County. In turn, this ratio measures that total amount of debt borne by each resident in the County. The debt policy sets a limit of \$3,000 per capita. In 2007, 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 2015.



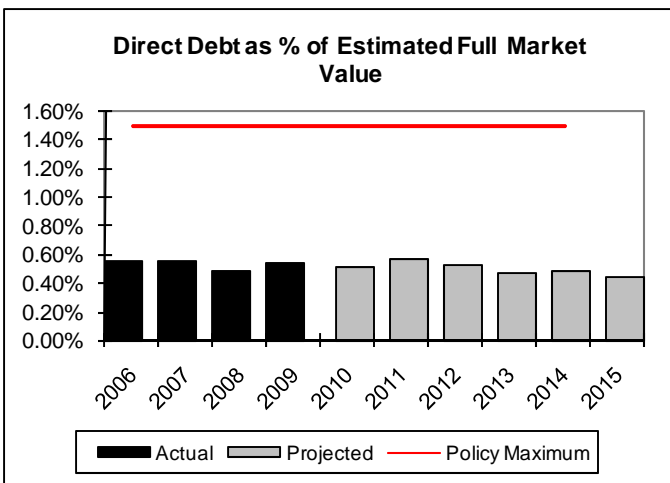
Direct, Overlapping & Underlying Debt as % of Full Market Value

This ratio shows the impact of direct debt, overlapping and underlying debt on Sedgwick County’s property tax base, for which the debt policy sets a limit of 6.0 percent. Between 2006 and 2009 the ratio increased to nearly 5.5 percent but is projected to decrease between 2011 and 2015, which is due to the anticipated growth in full market property value.



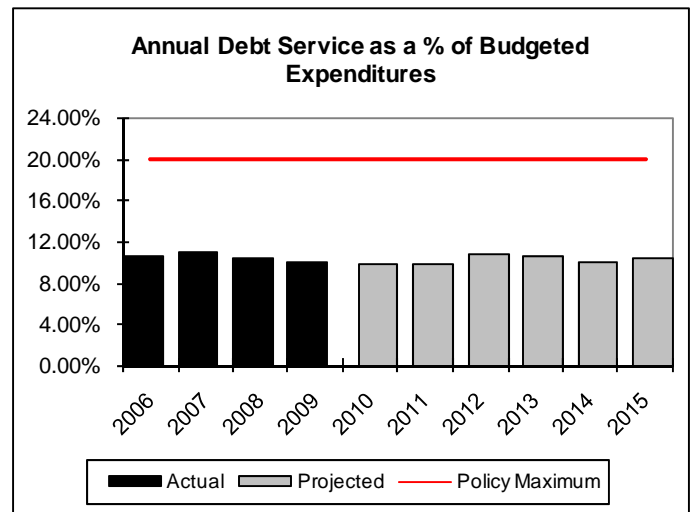
Direct Debt as % of Estimated Full Market Value

This ratio shows the impact of direct debt on Sedgwick County’s property tax base. The policy limit is 1.5 percent for this measure. From 2006 to 2009, the County was well below the policy limit holding under 0.56 percent. The ratio is projected to remain well below the limits and under 0.6 percent of the estimated full market value through 2015.



Annual Debt Service as a % of Budgeted Expenditures

This measure shows the percent of budgeted expenditures dedicated to annual debt service. Sedgwick County’s debt policy sets a limit of 20.0 percent. The County’s debt service stayed at or below 11.0 percent between 2006 and 2009, and is anticipated to decrease through 2011. At that time, annual debt service will increase to approach 12.0 percent of budgeted expenditures, still below the policy maximum.



Direct Debt

As of December 31, 2009

Series	Use	Issue Date	Maturity Date	Principal	
				Original	Outstanding
Special Assessments					
1997A	Road/Sewer/Drainage Improvements	8/1/1997	2012	4,781,803	1,275,000
1998B	Road/Sewer Improvements	8/1/1998	2013	3,425,000	1,190,000
2000A	Road/Sewer Improvements	8/1/2000	2015	3,970,000	2,015,000
2001A	Road/Sewer Improvements	8/1/2001	2016	2,100,700	1,140,000
2002A	Road Improvements	8/15/2002	2017	265,000	160,000
2003A	Road Improvements	8/15/2003	2018	180,000	125,000
2005A	Road/Sewer/Drainage Improvements	6/1/2005	2020	1,475,000	1,125,000
2006A	Road Improvements	12/1/2006	2021	1,000,000	825,000
				17,197,503	7,855,000
General Obligation					
2001A	Road & Bridge Projects, Household Hazardous Waste Facility, Stormwater Drainage	8/1/2001	2021	9,119,300	6,360,000
2002A	Refunding and Road Projects	8/15/2002	2022	43,440,000	17,530,000
2003A	Road & Bridge Projects/Courthouse Complex Improvements	8/15/2003	2018	16,415,000	10,490,000
2005A	Public Safety Center	6/1/2005	2025	14,515,000	9,960,000
2006A	Road Project	12/1/2006	2026	4,065,000	3,355,000
2009A	Road & Bridge Projects/Courthouse Complex Improvements	12/1/2009	2029	9,965,000	9,965,000
2009B	General Obligation Refunding bonds	12/1/2009	2018	17,520,000	17,520,000
Revolving Loan Note	Road & Bridge Projects	1/5/2005	2024	3,412,564	2,799,089
Revolving Loan Note	Road & Bridge Projects	8/1/2009	2029	4,376,496	4,376,496
				122,828,360	82,355,585
Public Building Commission					
2003-1	Juvenile Justice Complex	12/1/2003	2023	21,400,000	16,185,000
2003-2	Advance Refunding of 1997A Exploration Place	12/1/2003	2022	14,940,000	11,190,000
2003-3	Advance Refunding of 1997B Public Works Administration Building	12/1/2003	2017	3,385,000	2,105,000
2007-1	Juvenile Court Complex	1/1/2007	2026	15,445,000	12,730,000
2008-1	National Center for Aviation Training	12/15/2008	2028	43,830,000	41,640,000
				99,000,000	83,850,000
Total Direct Debt:				174,060,585	

Sedgwick County Anticipated Debt with Issuance Costs

Project	2010	2011	2012	2013	2014	2015
Road/Bridge Improvements	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000
Special Assessments	3,045,000				1,218,000	
Courthouse Improvements		7,400,000		1,070,000	4,000,000	
Lake Afton Spillway			3,380,000			
Digital Radio System		25,375,000				
EMS Post Replacement/Remodel		2,075,000				
Heartland Fire/Law Improvements					15,000,000	
Totals	\$7,105,000	\$38,910,000	\$7,440,000	\$5,130,000	\$24,278,000	\$4,060,000



Significant Adjustments From Previous Budget Year

- Recovery Act Build America Bonds Program interest refund for courthouse, road, and bridge projects

Expenditures	Revenue	FTEs
	127,992	

Total	-	127,992	-
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Budget Summary by Category

	2009 Actual	2010 Adopted	2010 Revised	2011 Budget	% Chg. '10-'11
Expenditures					
Personnel	-	-	-	-	
Contractual Services	10,265	8,815	8,815	10,510	19.2%
Debt Service	20,673,243	20,909,915	20,909,915	20,483,226	-2.0%
Commodities	-	-	-	-	
Capital Improvements	-	-	-	-	
Capital Equipment	-	-	-	-	
Interfund Transfers	-	-	-	-	
Total Expenditures	20,683,508	20,918,730	20,918,730	20,493,736	-2.0%
Revenue					
Taxes	19,007,857	9,915,987	9,915,987	14,891,731	50.2%
Intergovernmental	-	-	-	127,992	
Charges For Service	81,667	880,000	880,000	882,483	0.3%
Other Revenue	2,146,158	2,146,123	2,146,123	2,092,998	-2.5%
Total Revenue	21,235,681	12,942,110	12,942,110	17,995,204	39.0%
Full-Time Equivalents (FTEs)	-	-	-	-	

Budget Summary by Fund

Expenditures	2010 Revised	2011 Budget
Bond & Interest-301	20,918,730	20,493,736
Total Expenditures	20,918,730	20,493,736

Budget Summary by Program

Program	Fund	Expenditures				2011 Budget	% Chg. '10-'11	Full-Time Equivalents (FTEs)		
		2009 Actual	2010 Adopted	2010 Revised	2010 Adopted			2010 Revised	2011 Budget	
Bond & Interest	301	20,683,508	20,918,730	20,918,730	20,493,736	-2.0%	-	-	-	
Total		20,683,508	20,918,730	20,918,730	20,493,736	-2.0%	-	-	-	



