



2012



Sedgwick County

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of
**THE COUNTY OF
SEDGWICK, KANSAS**
for the
Year Ended December 31, 2012



*Sedgwick County...
working for you*

Prepared by:
DIVISION OF FINANCE
Chris Chronis, Chief Financial Officer
Troy Bruun, Deputy Chief Financial Officer
Sara Jantz, Director of Accounting



COUNTY OF SEDGWICK, KANSAS BOARD OF COUNTY COMMISSIONERS

2012

Chairman
Tim R. Norton

Chair Pro-Tem
James Skelton

Commissioner
Karl Peterjohn

Commissioner
Richard Ranzau

Commissioner
David M. Unruh

COUNTY MANAGER
William P. Buchanan

2013

Chairman
James Skelton

Chair Pro-Tem
David M. Unruh

Commissioner
Tim R. Norton

Commissioner
Karl Peterjohn

Commissioner
Richard Ranzau

COUNTY MANAGER
William P. Buchanan

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, Wichita, Kansas, 67203. Phone (316) 660-7058.

SEDGWICK COUNTY, KANSAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2012

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SEDGWICK COUNTY, KANSAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2012

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2012



Sedgwick County

INTRODUCTORY SECTION



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County Manager's Office

525 N. Main, Suite 343, Wichita, KS 67203 - www.sedgwickcounty.org - TEL: 316-660-9393 - FAX: 316-383-7946

William P. Buchanan
County Manager

March 27, 2013

Board of County Commissioners
Sedgwick County Courthouse
525 N. Main
Wichita, KS 67203-2703

Dear Commissioners:

The administration is pleased to present to you the Comprehensive Annual Financial Report of the County of Sedgwick, Kansas for the fiscal year ended December 31, 2012. 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 Chris Chronis, Deputy Chief Financial Officer Troy Bruun, Accounting Director Sara Jantz, and the accounting team of Ginger Radley, Marty Hughes, Brandi Baily, and Sarah Shaffer.

Sincerely,

William P. Buchanan
County Manager



Sedgwick County...
working for you

Division of Finance

525 North Main, Suite 823, Wichita, KS 67203 - www.sedgwickcounty.org - TEL: 316-660-7591 - FAX: 316-383-7729

Chris Chronis
Chief Financial Officer

March 27, 2013

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 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 comprehensive annual financial report of Sedgwick County for the fiscal year ended December 31, 2012. 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.

Management has established an internal control structure designed to ensure that assets of the County are protected from loss, theft, or misuse and to compile adequate information to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The cost of the internal controls should not outweigh their benefits. Thus, Sedgwick County's internal controls are designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

The firm of Allen, Gibbs & Houlik, L.C. 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. 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 unqualified opinions that the statements are presented in conformity with 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

Sedgwick County is located in south central Kansas and encompasses 1,008 square miles. The County was organized under the territorial laws of the State of Kansas and the Constitution of the State of Kansas in 1870. The County is the second most populous of the 105 counties in Kansas, with 504,082 residents. The County seat is Wichita, the largest city in the State of Kansas. Wichita is known as the "Air Capital of the World" for its internationally recognized concentration of commercial and military airplane production and aviation services.

The County is governed by a five-member Board of County Commissioners. The Commissioners serve as full-time County officials and meet in regular session Wednesday mornings. The Board, which performs both executive and legislative functions, is responsible for all policy and executive decisions. A County Manager, appointed by the Board, is responsible for administrative matters. One Assistant County Manager and six Division Directors aid him in his duties. The County has 2,595 full-time employees.

Sedgwick County provides a full range of services to the community. These include public safety (sheriff, emergency medical services, emergency dispatch, emergency management, corrections, and the Regional Forensic Science Center), public works (construction and maintenance of roads, bridges and stormwater drainage systems, noxious weed control, and household hazardous waste disposal), human services (physical and mental health services, support for developmentally and physically disabled populations, and aging assistance), cultural and recreational services (parks, the Sedgwick County Zoo, the INTRUST Bank Arena, and Exploration Place, an interactive science and discovery center), economic development (the National Center for Aviation Training), public improvements, planning and zoning, judicial support, youth facilities, and general administrative services. In addition to these activities, the governing body has operating and financial relationships with the Sedgwick County Fire District #1 and the Sedgwick County Public Building Commission.

The annual budget process begins 15 months before the start of each fiscal year, when the Budget Department prepares a revised 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 also receives input from the Technology Review Committee, which evaluates division technology enhancement plans based on established criteria. The goals of the Technology Review Committee are to provide peer review of departmental technology enhancement plans and to evaluate and coordinate technology acquisitions to provide efficient access to County information. The Budget Department also receives input from the Capital Improvement Program Committee. This committee ranks projects with significant multi-year benefits, such as buildings and infrastructure. Nine months before the start of the new fiscal year, the Budget Department prepares and distributes a base budget for all County Divisions. Division managers identify the service implications of the base budget and, if necessary, submit requests for additional funding or staff. Two months later, the Board of County Commissioners holds budget review sessions to discuss service levels, resource allocations, and funding strategies for the upcoming year. The Budget Department then submits a proposed budget to the County Manager. The County Manager reviews and, as appropriate, revises the proposed budget and then, six months before the new year, submits a recommended budget to the Board of County Commissioners. The Commissioners hold public hearings to receive input from citizens. The budget is adopted approximately five months before the start of the new fiscal year and is submitted to the State of Kansas 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. Legal appropriated annual budgets are statutorily required for most, but not all, operations. County practice is to adopt budgets for all funds. 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-67 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-16.

ECONOMIC CONDITION AND OUTLOOK

Sedgwick County is a regional economic center with aircraft 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 and Sumner counties in Kansas.

The CEDBR projects that the Wichita MSA economy will continue to slowly grow during 2013. The Wichita MSA unemployment rate decreased from 7.1% in December 2011 to 6.0% in December 2012. In comparison, the December 2012 national rate stood at 7.8%. Wage and salary employment increased 1.3% from December 2011 to December 2012. For 2012, the value of new residential construction permits increased 36.1%; the value of new non-residential construction permits decreased 54%; home sales increased 9.4%. The number of outbound airline passengers increased 0.5%, and the outbound airfreight shipments decreased 4.8%. The Wichita MSA's hotel occupancy rates increased 0.6%.

Manufacturing

In the Wichita MSA, manufacturing employment accounts for 18.5% of all jobs. The aircraft manufacturing industry continues to turn around after several difficult years: in 2012, the value of new orders for aircraft and parts increased 4.7%.

Highlights of the manufacturing sector are as follows:

- On January 4, 2012, The Boeing Co. announced it would close its Wichita facilities by the end of 2013. This decision will affect 2,160 workers currently employed by the company in Sedgwick County.
- Koch Industries began a \$2.2 million renovation project. This will allow them to increase employment by 300 in Wichita.
- B&B Airparts will begin to manufacture parts for Honda Aircraft. This has allowed the company to expand and additional expansions are expected.
- Cessna and Bombardier received an order from NetJets for up to 425 new airplanes. The order is valued at \$9.6 billion. Due to this order and other production increases, Cessna announced in April that it would recall and hire approximately 150 people.
- In May, Hawker Beechcraft filed for Chapter 11 bankruptcy. The plan was expected to eliminate \$2.5 billion in debt and \$125 million of annual cash interest expense. The company emerged from bankruptcy as Beechcraft in February, 2013. Beechcraft will no longer build business jets; instead the company will concentrate on propeller-driven and military aircraft.
- In April, Spirit Aerosystems was hit by an EF-3 tornado. It brought in approximately \$400 million in insurance claims. They also received \$59.5 million in industrial revenue bonds to expand production and repair damage.
- Bombardier Lear received an order for 56 Bombardier Global jets from VisaJet holding SA. The value of the order is \$3.1 billion. There is also potential that an additional 86 jets will be added to the order.

Other Sectors

Education and health services employment accounted for 44,833 jobs in 2012, about 15.4 percent of all jobs in the Wichita MSA. Jobs in this sector increased 3.5 percent, this year.

Highlights of the education and health services sector are as follows:

- Physicians Development Group began a \$13 million skilled nursing facility. The project will include four houses, each with 20 beds.
- Wichita State University entered into a 10 year lease to lease the Britt Brown Arena. The arena will be used by WSU's National Institute for Aviation Research to test aircraft components.
- Wesley Medical Center announced that in spring 2013 it will begin a \$36 million renovation of its women's care facility.

Additional information regarding other employment sectors follows:

- Several new retail chains opened in the Wichita during the year. These stores include Cabela's, Fresh Market, Marshalls and Academy Sports & Outdoors. It is also expected that CVS will open three stores in 2013.
- The City of Wichita broke ground on a new \$101.5 million Wichita Mid-Continent Airport terminal project during 2012. The 12-gate facility is projected to open in February 2015.
- NetApp, a data storage company, is planning a major expansion to its facilities. It plans to hire 400 employees over the next five years. The average salary is expected to be \$73,000.
- In January 2012, the Kansas Star Casino began 24-hour operations.

COUNTY BUSINESS AND FINANCIAL FORECAST

Financial Plan

Sedgwick County continues to demonstrate a strong financial position. The County's mission is to assure quality public services that provide for the present and future well-being of the citizens of Sedgwick County. We accomplish this by establishing and maintaining partnerships, encouraging innovation, ensuring informed decisions and allocating resources to meet changing needs.

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.

Over the next five years, the County faces a number of challenges. The financial forecast shows that some combination of reduced expenditures and increased revenues will be required to avoid operating deficits in funds receiving statutorily authorized tax support for the 2014 – 2017 fiscal years. Other funds, particularly grant funds, are also projected to experience operating deficits. The financial forecast is a tool used by the Board of County Commissioners to make policy changes to avoid future deficits. The projections in the financial forecast reflect the economic contraction and recovery experienced currently in the Wichita area.

Major initiatives of the County include the following:

- The Board of County Commissioners set three goals in 2011: zero deficit by 2013, focused government, and less debt. County management reviewed over 900 services and programs to determine priorities and decide what services Sedgwick County will stop providing by the end of 2013. During 2012, the County continued to work to meet these goals. The County reviewed processes for duplication; focused on programs that were critical to primary missions; and identified services that perhaps had expanded scope beyond the core. The County met the zero deficit goal by the end of 2012. Unfortunately, the financial forecast shows the County to have a deficit again by 2014 unless further cost reductions or revenue enhancements are implemented.

- The County is implementing new purchasing and budgeting software. The County is also implementing a workforce time management system and has implemented a paperless accounts payable process. All of this will help Sedgwick County become efficient in administration, so that scarce resources may be used to provide core services to citizens. Additional value will be obtained as data becomes more visible to taxpayers so they can more easily understand how their taxes are used by Sedgwick County to make the community a better place to live.
- As part of the ongoing focus of services that the County provides, the City of Wichita and the County came together to review shared services. The City and County combined their individual code departments into one central department, called the Metropolitan Area Building and Construction Department (MABCD). The MABCD began functioning in January 2013.
- Fire District #1's ongoing station relocation projects assure optimum response to the citizens of Sedgwick County and facilitate a substantial reduction of fire insurance premiums for rural residents. The District has completed four of five stations. Station 33 was relocated to Maize in 2007 and Station 32, which includes fire administration and fire prevention offices, was relocated in Park City in 2008. Station 39, in western Sedgwick County, was completed in 2009. Construction on Station 35 near Goddard was completed in late 2010 and opened in 2011. Station 36, located near Derby, is expected to be completed in 2013. Fire Station 34, in Haysville, is expected to be completed in 2014.

Financial Management

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 2012 budget year and projects it for 2013 through 2017, the planning years of the program. Planned capital spending for 2012 totaled \$33,149,666, including projects for road improvements, levee repairs, infrastructure, and continued upgrades to County owned and leased buildings. The most expensive projects of the five year CIP are a new \$32-million County administration building and a \$30-million law enforcement training center. The training facility is being developed as a partnership between the County and the City of Wichita. The County will finance, construct own, and operate the center, and Wichita will, through lease payments, fund half of the County's costs. 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 2012, 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 as of December 31, 2012. The weighted average maturity was 221 days and the average yield to maturity was 0.25%. The fair value of investments totaled \$488,791,324 at December 31, 2012.

Sedgwick County maintains a debt management policy designed to set guidelines for management and control of debt financing by the County. As the County continues to grow, many different demands are placed upon the services the County provides; therefore, it is necessary to ensure the demand for debt-financed projects does not outrun the County's legal and fiscal capability to fund projects.

Sedgwick County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of State and Local Governments. 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. 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 (CAFR) for the fiscal year ended December 31, 2011. This was the 31st 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 2012 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 28 consecutive years (fiscal years 1985-2012).

For the seventh time Sedgwick County received GFOA's Popular Annual Financial Reporting (PAFR) Award for 2011. 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, Allen, Gibbs & Houlik, L.C. 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 Sara Jantz, the Director of Accounting, whose service to the County is invaluable. I express special appreciation to the Board of County Commissioners and County Manager Bill Buchanan for their unfailing support for maintaining the highest standards of professionalism in the management of Sedgwick County's finances.

Respectfully,



Chris Chronis
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sedgwick County
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Moynell

President

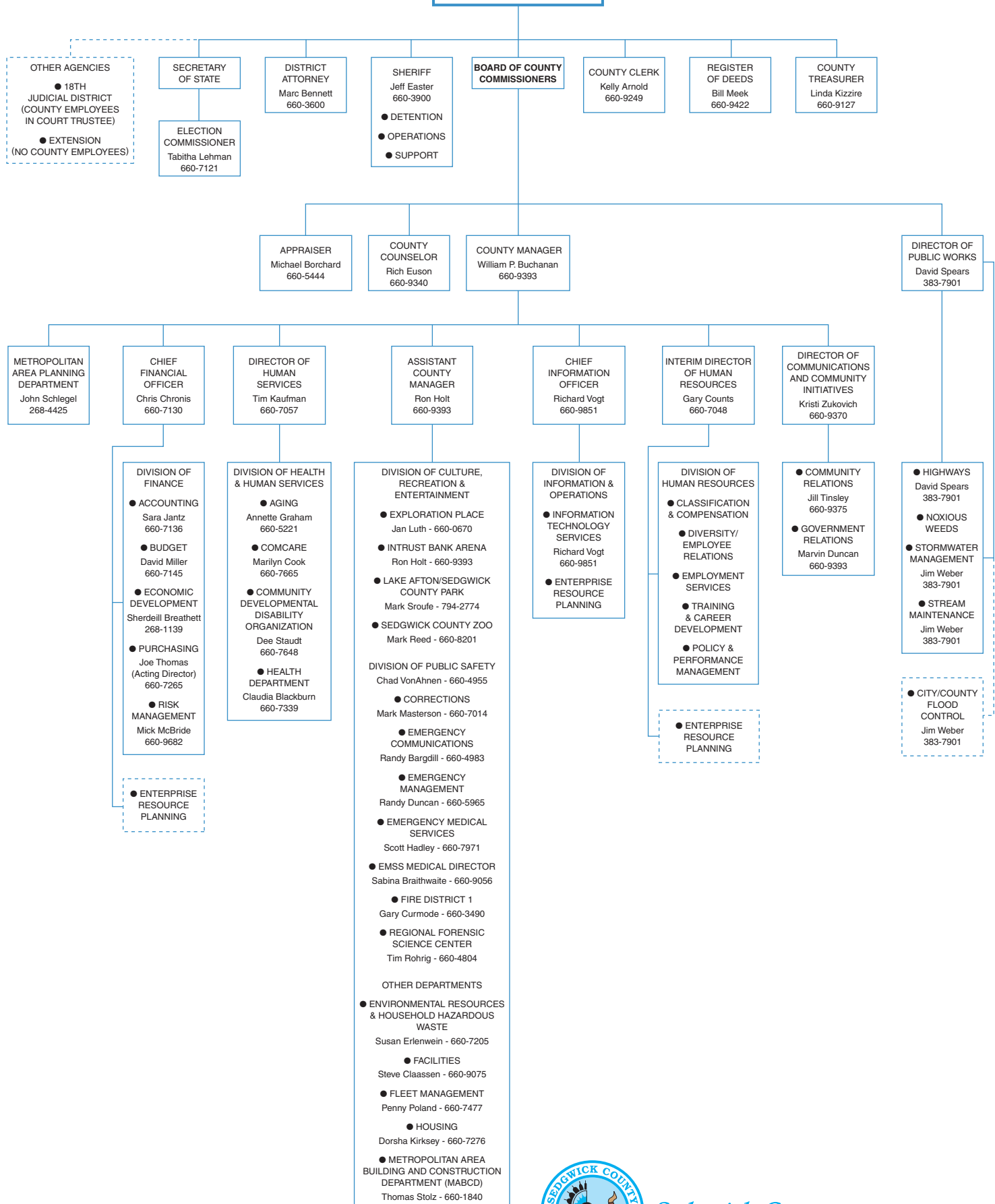
Jeffrey R. Emer

Executive Director

SEDGWICK COUNTY, KANSAS
PRINCIPAL OFFICIALS
January 13, 2013

Elected Positions	Name	Date of Appointment
Commissioner, 1 st District	David M. Unruh	January 13, 2003
Commissioner, 2 nd District	Tim R. Norton	January 8, 2001
Commissioner, 3 rd District	Karl Peterjohn	January 11, 2009
Commissioner, 4 th District	Richard Ranzau	January 9, 2011
Commissioner, 5 th District	James Skelton	January 9, 2011
Administrative Judge, 18 th Judicial District	James Fleetwood	January 12, 2009
District Attorney	Marc Bennett	January 13, 2013
County Clerk	Kelly B. Arnold	January 11, 2009
Register of Deeds	Bill Meek	April 20, 1998
County Sheriff	Jeffrey Easter	December 16, 2012
County Treasurer	Linda Kizzire	January 9, 2011

Appointed Positions	Name	Date of Appointment
County Manager	William P. Buchanan	March 18, 1991
Assistant County Manager	Ron Holt	February 20, 2005
Chief Financial Officer	Chris Chronis	January 4, 1999
County Counselor	Richard A. Euson	March 5, 1997
County Appraiser	Mike Borchard	December 15, 2004
Director, Public Works / County Engineer	David Spears	July 1, 1985
Director, Division of Human Services	Tim Kaufman	January 16, 2013
Director, Division of Public Safety	Chad Von Ahnen	July 9, 2012
Director, Division of Information & Operations	Richard Vogt	July 31, 2011
Director, Division of Culture, Recreation & Entertainment	Ron Holt	February 20, 2005
Director of Health Department	Claudia Blackburn	May 31, 2005
Director of Human Resources	Gary Counts, interim	January 13, 2013
Director of Communications	Kristi Zukovich	January 1, 2001
Director, Metropolitan Area Planning Department	John L. Schlegel	June 30, 2003



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2012



Sedgwick County

FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Sedgwick County, Kansas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Sedgwick County, Kansas (County) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Sedgwick County, Kansas, as of December 31, 2012, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed on the table of contents be presented to supplement the basic financial statements. Such information, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing 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 and Other 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 nonmajor fund financial statements and schedules and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2013 on our consideration of the 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 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 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.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

March 27, 2013
Wichita, Kansas

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, 2012. 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

- Total net position of Sedgwick County decreased 1.0% or \$6.3 million to \$615.3 million. \$5.8 million of the decrease is in the Arena fund.
- Of this total, \$88.0 million is reported as unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.
- During 2012 Sedgwick County worked to reduce its projected deficit and government-wide expenses. Public safety expenses decreased \$1.8 million, and health and welfare expenses decreased \$7.4 million. These reductions combined with increases in public works and general government expenses produced a \$7 million, or 2.2%, reduction of total expenses.
- Program revenues decreased \$5.5 million, resulting in more reliance on general revenues to pay for expenses.
- Investment earnings were down \$979,000 or 17.3%.

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 more fully explain 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-31 through A-66 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.

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, culture and recreation, and economic 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 and the Sedgwick County Pavilions.

The government-wide financial statements include not only the primary government (Sedgwick County and its blended component unit, Sedgwick County Fire District) but also a legally separate entity, the Sedgwick County Public Building Commission, for which the County is financially accountable. Financial information for this component unit is reported separately from the financial information for the primary government itself.

The government-wide financial statements can be found on pages A-14 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 thirty-one 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, Debt Service Fund, and Debt Proceeds Fund, all of which are reported as major funds. Information on the remaining non-major 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-18 through A-24 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 Kansas Pavilions and Arena complex. Additional information regarding the Kansas Pavilions and the INTRUST Bank Arena subfunds is provided in the form of a combining schedule in the Enterprise Fund subsection.

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-26 through A-28 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's fiduciary funds are classified as agency funds. These two 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 Agency Funds subsection.

The basic fiduciary fund financial statement can be found on page A-29 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-31 of this report.

Other Required Supplementary Information

This section is found on pages A-67 through A-69 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 funding for 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, as well as the County's discretely presented component unit. Combining and individual fund statements and schedules can be found on pages B-1 through F-1 of this report.

Government-wide Financial Analysis

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets of the primary government exceeded liabilities by \$615.3 million at the end of 2012.

Sedgwick County, Kansas
Net Position
As of December 31, 2012
With Comparatives as of December 31, 2011
(millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Assets:						
Current and other assets	\$354.5	\$356.7	\$ 13.2	\$11.9	\$367.7	\$368.6
Capital assets	438.6	442.0	165.9	173.1	604.5	615.1
Total assets	793.1	798.7	179.1	185.0	972.2	983.7
Deferred Outflows:						
Deferred refunding	1.0	-	-	-	1.0	-
Total deferred outflows	1.0	-	-	-	1.0	-
Liabilities:						
Long-term liabilities	205.2	208.1	-	-	205.2	208.1
Other liabilities	16.7	18.3	-	0.1	16.7	18.4
Total liabilities	221.9	226.4	-	0.1	221.9	226.5
Deferred Inflows:						
Deferred revenues	136.0	135.7	-	-	136.0	135.7
Total deferred inflows	136.0	135.7	-	-	136.0	135.7
Net position:						
Net investment in capital assets	294.7	282.5	165.9	173.1	460.6	455.6
Restricted	56.1	61.0	10.6	11.6	66.7	72.6
Unrestricted	85.4	93.1	2.6	0.2	88.0	93.3
Total net position	\$436.2	\$436.6	\$ 179.1	\$184.9	\$615.3	\$621.5

The largest portion of the County's net position (74.9 percent) 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 10.8% of net position and are resources that are subject to external restrictions on how they may be used. The remaining balance of \$88.0 million is *unrestricted net position* and may be used to meet the government's ongoing obligations to citizens and creditors.

Change in Net Position

The County's net position for governmental activities decreased \$0.4 million or 0.1 percent. Net position of the County's business-type activities decreased \$5.8 million representing a decrease of 3.1 percent during 2012. Overall, net position decreased \$6.2 million. Changes in net position were as follows:

Sedgwick County, Kansas
Change in Net Position
Fiscal Year Ended December 31, 2012
With Comparatives for the Year Ended December 31, 2011
(millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues:						
Charges for services	\$ 75.8	\$ 79.4	\$ 1.2	\$ 1.9	\$ 77.0	\$ 81.3
Operating grants and contributions	44.8	47.0	-	-	44.8	47.0
Capital grants and contributions	1.0	-	-	-	1.0	-
General revenues:						
Property taxes	155.4	153.1	-	-	155.4	153.1
Sales taxes	25.9	24.9	-	-	25.9	24.9
Other taxes	3.1	2.9	-	-	3.1	2.9
Investment earnings	4.7	5.7	-	-	4.7	5.7
Total revenues	<u>310.7</u>	<u>313.0</u>	<u>1.2</u>	<u>1.9</u>	<u>311.9</u>	<u>314.9</u>
Expenses						
General government	52.9	51.2	-	-	52.9	51.2
Public safety	134.8	136.6	-	-	134.8	136.6
Public works	30.0	28.6	-	-	30.0	28.6
Health and welfare	58.6	66.0	-	-	58.6	66.0
Culture and recreation	11.1	11.2	-	-	11.1	11.2
Economic development	15.5	15.0	-	-	15.5	15.0
Interest on long-term debt	7.5	7.1	-	-	7.5	7.1
Arena	-	-	7.0	8.8	7.0	8.8
Total expenses	<u>310.4</u>	<u>315.7</u>	<u>7.0</u>	<u>8.8</u>	<u>317.4</u>	<u>324.5</u>
Increase (decrease) in net assets before transfers and special items	0.3	(2.7)	(5.8)	(6.9)	(5.5)	(9.6)
Special items						
Pavilions impairment	-	-	-	(5.4)	-	(5.4)
Increase (decrease) in net position	0.3	(2.7)	(5.8)	(12.3)	(5.5)	(15.0)
Net position, beginning	436.6	439.3	184.9	197.2	621.5	636.5
Prior period adjustment	(0.7)	-	-	-	(0.7)	-
Net position, ending	<u>\$436.2</u>	<u>\$436.6</u>	<u>\$179.1</u>	<u>\$184.9</u>	<u>\$615.3</u>	<u>\$621.5</u>

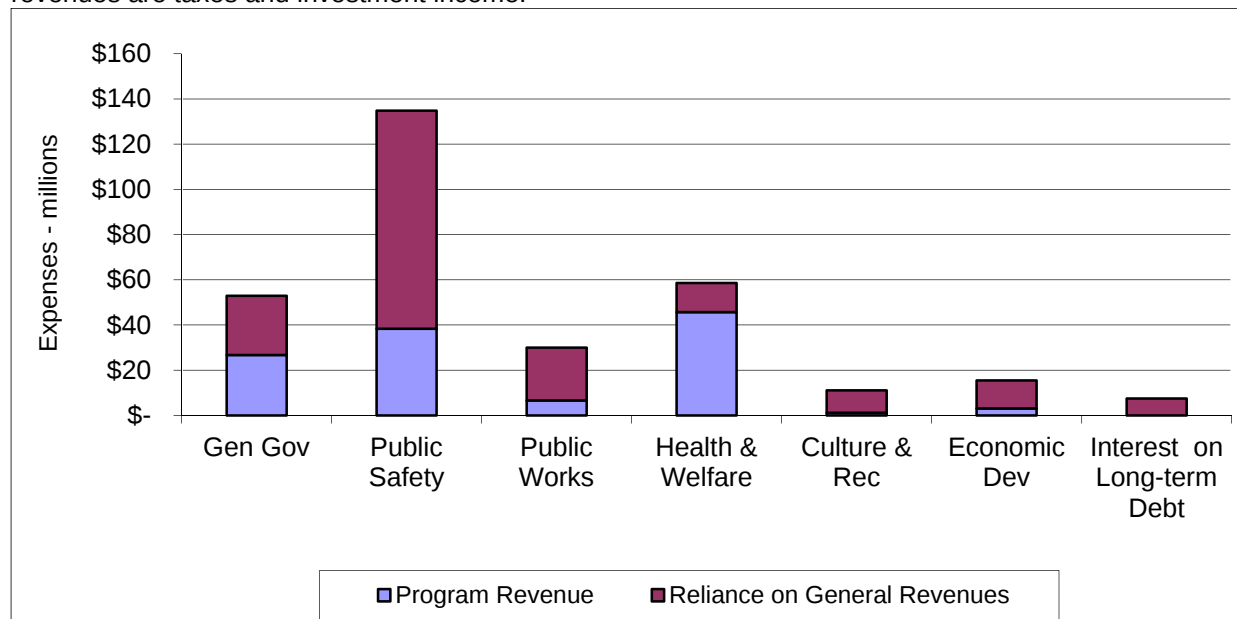
Charges for services in governmental activities decreased by \$3.6 million in 2012, principally the result of a \$5.2 million decrease of Medicaid revenues for health and welfare coupled with a \$3.1 million increase of general government revenues, mostly attributable to mortgage registration fees. Capital grants and contributions were up \$1 million. Special assessments accrual in 2011 had been adjusted to zero due to the accrual in 2010 being overstated. The Zoo also contributed \$851,451 in capital assets. Operating grants and contributions decreased \$2.2 million from 2011 to 2012. This is due to State revenue reductions and the scheduled reduction of federal stimulus funds. Property tax collections were up \$2.3 million. Property tax collection rates were up from 95.8% in 2011 to 96.2% in 2012.

Expenses of governmental activities decreased \$5.3 million. Health and Welfare expenses decreased \$7.4 million, 11.2 percent. Public works expenses increased 4.8 percent due to a \$1.4 million increase in road maintenance. Public Safety expenses decreased \$1.8 million, 1.3 percent. Decreased expenses for most functions resulted from planned budget cuts.

In 2012, there was a prior period adjustment in the amount of \$770,961 to expense the prior year's bond cost that had been amortized. This is in accordance with GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, which has been implemented for the first time in 2012.

Governmental Activities

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 taxes and investment income.



As reflected in the chart above, no function of government is self-supporting, thus the 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 used to fund the function:

o Interest on long-term debt	100.0%	\$ 7,503,342
o Culture and recreation	89.3%	9,883,363
o Economic development	80.1%	12,386,164
o Public works	77.8%	23,324,047
o Public safety	71.6%	96,547,903
o General government	49.5%	26,222,083
o Health and welfare	22.0%	12,888,770
Total reliance on general revenues		<u>\$188,755,672</u>

Governmental activities incurred \$310,393,378 in expenses during 2012. The following list breaks this expense down into percentage by function with the corresponding dollar amount:

o Public safety	43.4%	\$134,847,877
o Health and welfare	18.9%	58,600,471
o General government	17.0%	52,946,017
o Public works	9.7%	29,963,817
o Economic development	5.0%	15,462,057
o Culture and recreation	3.6%	11,069,797
o Interest on long-term debt	2.4%	<u>7,503,342</u>
Total governmental activities expenses		<u>\$310,393,378</u>

Business-type Activity

Sedgwick County has one business-type activity, the Arena fund. Net position for fiscal year 2012 decreased by \$5.8 million to \$179.1 million. In 2012, the Kansas Pavilions were sold and the remaining land was transferred to the General Government. The Arena had an operating loss of \$4.8 million. The loss is attributed to \$5.3 million in depreciation expense.

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 \$173.2 million, an increase of \$1.8 million 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	Ending Fund Balance	Change in Fund Balance
General	\$ 66,229,848	\$ 66,052,436	\$(177,412)
Federal/State Assistance	20,201,627	18,926,968	(1,274,659)
Debt Service	1,057,795	1,995,981	938,186
Debt Proceeds	31,683,361	36,697,719	5,014,358
Other Governmental	52,189,670	49,488,229	(2,701,441)
Total Governmental Funds	<u>\$ 171,362,301</u>	<u>\$ 173,161,333</u>	<u>\$1,799,032</u>

The General Fund is the chief operating fund of Sedgwick County. Ending fund balance in the General Fund decreased \$0.2 million, compared to a decrease of \$0.1 million a year ago.

Revenues of the General Fund decreased by \$12.1 million. A majority of the decrease comes from a decrease of \$12.6 million in sales tax. Prior to 2012, all sales tax revenues were reported in the general fund, half would then be transferred to the sales tax road and bridge fund for GAAP basis statements. In 2012, the sales tax road and bridge portion was directly recorded in that fund due to an accounting procedure change. Transfer outs were also reduced by \$9.6 million. Property tax decreased \$1.3 million due to a shift to the debt service fund. On a positive note, charges for service increased \$1.4 million.

With low interest rates contributing to a recovery in the banking and real estate sector mortgage registrations fees increased \$2 million over last year.

General Fund expenditures decreased \$3.6 million, primarily due to a reduction in force that was implemented in response to budget constraints. Further, expenditures of each function other than general government decreased because facility maintenance personnel, who in 2011 were embedded in the various operating departments occupying county facilities, were transferred in 2012 to a centralized facility management department and recorded as a general government function.

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 35.0% of total General Fund expenditures, while total fund balance represents 47.8%. In other words, readily available resources as of December 31 were sufficient to pay for services for more than four 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 \$18.9 million which is \$1.3 million less than 2011. Revenues decreased \$5.8 million over the prior year. The reduction in revenues can be attributed to state revenue cuts and reduction in federal stimulus funds. Expenditures in the Federal/State Assistance Fund decreased \$5.8 million compared to 2011.

Debt Service fund balance increased by \$0.9 million due to an increased allocation of property taxes.

The Debt Proceeds fund is a capital projects fund that receives proceeds from general obligation bond issues and other long-term financing sources. During 2012 the fund received \$23.8 million in proceeds from debt issuance. \$19.8 million was used to refund outstanding debt. \$5 million was transferred to capital projects funds to pay for current projects. A significant portion of transfers out to capital projects funds included \$1.7 million for the emergency communication radio upgrades and public safety facilities, and \$2.7 million for road and bridge projects.

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 is a combination of the Kansas Pavilions and the INTRUST Bank Arena that opened on January 9, 2010. In January, 2012, the Kansas Pavilions was sold for \$1.5 million. After sale expenses totaled \$0.4 million. Remaining assets, totaling \$708,000 were transferred to the General Government. Net position in the fund decreased \$1.1 million to \$1.0 million in 2012. The Arena had an operating loss of \$4.8 million. The loss can be attributed to \$5.3 million in depreciation expense.

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 an operating decrease in 2012 of \$7,487. The workers' compensation charges exceeded expenses and the fund ended the year with an operating income of \$40,165. Sedgwick County expended almost \$735,000 for property and liability insurance during 2012 and also paid \$186,000 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. Employee health insurance is fully insured and dental insurance is self funded. The fund had operating loss of \$261,834 during 2012 decreasing net assets to \$4.3 million at the end of the year.

General Fund Budgetary Highlights

The County did not amend the budget during fiscal year 2012, although appropriations were shifted between line items in the General Fund.

Actual revenue was \$5.1 million above both the original and final budgets. Seven of ten major revenue sources ended the year above budget. Property tax collections were \$1.5 million above budget due to the collection rate increasing from 95.8 percent in 2011 to 96.2 percent in 2012. Other revenue was \$2.9 million over budget. The main increase was gaming revenues. The Kansas Star Casino opened its doors in December 2011. The County receives a percent of the revenue. In 2012, the County received \$1.7 million. Charges for services were \$732,000 more than budgeted; this is due to an increase in mortgage filings. As the economy slowly improved sales tax revenue was \$570,000 more than budgeted; uses of money and property was \$182,000 more than budgeted.

Expenditures for personnel services were less than the original and final budgets by \$5.3 million and \$5.1 million, respectively. Contractual services ended the year \$19.3 million lower than the final budget. The County budgets a contingency for disaster recovery each year, which is included in contractual services. On April 14, 2012, a tornado swept through southern portions of the City of Wichita. Approximately \$145,000 of disaster contingency was used in clean up. Overall budgetary fund balance in the General Fund increased 2.1 million in 2012.

Capital Asset and Debt Administration

Sedgwick County's investment in capital assets for its governmental and business-type activities as of December 31, 2012, totaled \$604,482,739 (net of accumulated depreciation). This investment in capital assets includes land, buildings, roads, bridges, improvements, machinery and equipment, and park facilities.

Major capital asset events during the 2012 fiscal year included the following:

- Construction in progress increased from \$25.7 at the end of 2011 to \$31.1 at the end of 2012.
- In 2012, the County continued the process of upgrading the Emergency Communication radio system from analog to digital. The project is expected to cost approximately \$10.4 million.

Capital Assets December 31, 2012 (net of depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	\$ 21,156,054	\$ 13,163,978	\$ 34,320,032
Buildings and improvements	207,270,006	150,410,008	357,680,014
Improvements other than buildings	7,039,637	-	7,039,637
Machinery and equipment	23,001,159	2,283,670	25,284,829
Infrastructure	149,087,787	-	149,087,787
Construction in progress	31,070,440	-	31,070,440
Total	\$ 438,625,083	\$ 165,857,656	\$ 604,482,739

Additional information regarding capital assets can be found in Note III. B, beginning on page A-38.

Long-term Debt

At the end of 2012, Sedgwick County had total general obligation bonds outstanding of \$84,960,000. This amount includes \$4,345,000 of special assessment bonds. The County's long-term obligations also include direct financing leases with the Sedgwick County Public Building Commission, a discretely presented component unit of the County, totaling \$83,575,000 and two loans from the Kansas Department of Transportation with a 2012 ending balance of \$6,199,824. 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.

On August 15, 2012, Sedgwick County issued \$5,840,000 in crossover refunding bonds at a premium of \$470,000 to refund \$5,785,000 of Series A 2005 bonds. The refunding will reduce Sedgwick County's debt payments by \$396,098 over a period of 13 years. The crossover date is August 1, 2015. The County also issued \$4,000,000 in general obligation bonds. These bonds were issued for road projects. During 2012, the Sedgwick County Public Building Commission issued \$14,065,000 in refunding bonds at a premium of \$567,009 to refund \$13,415,000 of outstanding PBC Series 2003-1 bonds. The refunding will reduce Sedgwick County's debt payments by \$1,267,000 over a period of ten years.

Outstanding general obligation bonds of the County are rated "AAA" by Fitch Ratings ("Fitch"), "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").

State statutes limit the amount of general obligation debt a county government may issue to three percent of its total valuation. After subtracting deductions allowed by the statutes, Sedgwick County's legal debt margin is \$111,483,000.

Additional information about the County's long-term debt can be found in Note III. D, beginning on page A-48 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate in the Wichita MSA stood at 6.0% at the end of 2012, as compared to 7.1% at the end of 2011.
- The 2012 County mill levy funds the 2013 budget. The 2012 mill levy rate is 29.446.
- Wichita is known as the air capital of the world because it houses major facilities of five leading aircraft manufacturers. Cessna, Spirit Aerosystems, Beechcraft, Lear, and Boeing. The value of new orders for aircraft and parts increased 4.7 percent from 2011 to 2012.
- For 2012, the value of new residential construction permits increased 36.1%; the value of new non-residential construction permits decreased 54%.
- The cost of living in Wichita is a moderate 90.9, roughly 9% below the national urban area average.

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, 525 N. Main, Suite 823, Wichita, Kansas 67203.



2012



Sedgwick County

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*Sedgwick County...
working for you*



SEDGWICK COUNTY, KANSAS

Statement of Net Position

December 31, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	SCPBC
Assets				
Cash, including investments	\$ 177,031,376	\$ 2,346,671	\$ 179,378,047	\$ -
Receivables, net	158,091,276	253,000	158,344,276	-
Due from other agencies	2,458,755	-	2,458,755	-
Inventories, at cost	1,494,566	-	1,494,566	-
Prepaid items	2,735,752	-	2,735,752	-
Restricted assets:				
Cash, including investments	12,655,955	10,619,276	23,275,231	-
Accounts receivable	-	-	-	-
Net investment in direct financing lease	-	-	-	85,151,930
Capital assets:				
Land and construction in progress	52,226,494	13,163,978	65,390,472	-
Other capital assets, net of depreciation	386,398,589	152,693,678	539,092,267	-
Total assets	793,092,763	179,076,603	972,169,366	85,151,930
Deferred Outflows of Resources				
Deferred refunding	988,482	-	988,482	1,369,672
Total deferred outflows of resources	988,482	-	988,482	1,369,672
Liabilities				
Accounts payable and other current liabilities	7,661,645	-	7,661,645	-
Accrued wages	5,778,121	-	5,778,121	-
Accrued interest payable	2,731,647	-	2,731,647	1,342,139
Advance - grants	538,869	-	538,869	-
Noncurrent liabilities:				
Due within one year	22,310,774	-	22,310,774	5,280,000
Due in more than one year	182,888,318	-	182,888,318	79,899,463
Total liabilities	221,909,374	-	221,909,374	86,521,602
Deferred Inflows of Resources				
Deferred property tax receivable	135,986,811	-	135,986,811	-
Total deferred inflows of resources	135,986,811	-	135,986,811	-
Net Position				
Net investment in capital assets	294,690,938	-	294,690,938	-
Invested in capital assets	-	165,857,656	165,857,656	-
Restricted for:				
Capital improvements	18,135,112	-	18,135,112	-
Capital improvements and operations	-	10,619,276	10,619,276	-
Debt service	9,254,414	-	9,254,414	-
Federal/State assistance	12,628,523	-	12,628,523	-
Equipment and technology improvements	1,104,233	-	1,104,233	-
Fire protection	3,461,051	-	3,461,051	-
Court operations	3,549,761	-	3,549,761	-
Other purposes	7,989,969	-	7,989,969	-
Unrestricted	85,371,059	2,599,671	87,970,730	-
Total net position	\$ 436,185,060	\$ 179,076,603	\$ 615,261,663	\$ -

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



2012



Sedgwick County

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SEDGWICK COUNTY, KANSAS

Statement of Activities

For the Year Ended December 31, 2012

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 52,946,017	\$ 25,248,415	\$ 1,475,519	\$ -
Public safety	134,847,877	23,064,255	15,235,719	-
Public works	29,963,817	1,803,395	4,655,174	181,201
Health and welfare	58,600,471	24,989,604	20,722,097	-
Culture and recreation	11,069,797	299,983	35,000	851,451
Economic development	15,462,057	394,528	2,681,365	-
Interest on long-term debt	7,503,342	-	-	-
Total governmental activities	<u>310,393,378</u>	<u>75,800,180</u>	<u>44,804,874</u>	<u>1,032,652</u>
Business-type activities:				
Arena	7,072,571	1,211,656	-	-
Total business-type activities	<u>7,072,571</u>	<u>1,211,656</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 317,465,949</u>	<u>\$ 77,011,836</u>	<u>\$ 44,804,874</u>	<u>\$ 1,032,652</u>
Component unit:				
SCPBC	\$ -	\$ -	\$ -	\$ -
Total component unit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

Property taxes

Sales taxes

Other taxes

Investment earnings

Total general revenue and transfers

Change in net position

Net position, beginning of year

Prior period adjustment

Net position, end of period

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component
Governmental Activities	Business-Type Activities	Total	Unit SCPBC
\$ (26,222,083)	\$ -	\$ (26,222,083)	\$ -
(96,547,903)	-	(96,547,903)	-
(23,324,047)	-	(23,324,047)	-
(12,888,770)	-	(12,888,770)	-
(9,883,363)	-	(9,883,363)	-
(12,386,164)	-	(12,386,164)	-
(7,503,342)	-	(7,503,342)	-
(188,755,672)	-	(188,755,672)	-
-	(5,860,915)	(5,860,915)	-
-	(5,860,915)	(5,860,915)	-
(188,755,672)	(5,860,915)	(194,616,587)	-
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
155,437,762	-	155,437,762	-
25,907,161	-	25,907,161	-
3,075,138	-	3,075,138	-
4,677,886	-	4,677,886	-
189,097,947	-	189,097,947	-
342,275	(5,860,915)	(5,518,640)	-
436,613,746	184,937,518	621,551,264	-
(770,961)	-	(770,961)	-
\$ 436,185,060	\$ 179,076,603	\$ 615,261,663	\$ -

SEDGWICK COUNTY, KANSAS

**Balance Sheet
Governmental Funds
December 31, 2012**

	General Fund	Federal/State Assistance Fund	Debt Service Fund
Assets			
Cash, including investments	\$ 62,823,826	\$ 22,176,068	\$ 1,995,981
Restricted investment	-	-	-
Advance receivable	563,855	-	-
Due from other funds	-	-	-
Due from other agencies	35,675	2,265,546	-
Accounts receivable	698,627	780,815	-
Property tax receivable	90,935,579	-	10,996,242
Sales tax receivable	2,378,415	-	-
Interest receivable	833,414	-	-
Prepaid items	2,735,752	-	-
Note receivable	1,170,056	-	-
Special assessments receivable:			
Noncurrent	-	-	7,964,416
Delinquent (including interest)	-	-	1,999,876
Inventories, at cost	-	92,064	-
Total assets	\$ 162,175,199	\$ 25,314,493	\$ 22,956,515
Liabilities:			
Accounts payable	\$ 1,985,954	\$ 4,020,671	\$ -
Accrued wages	3,201,230	1,150,261	-
Advance - grants	-	538,869	-
Due to other funds	-	-	-
Advance payable	-	-	-
Total liabilities	5,187,184	5,709,801	-
Deferred Inflows of Resources:			
Deferred property tax receivable	90,935,579	-	10,996,242
Unavailable revenue - accounts receivable	-	677,724	-
Unavailable revenue - special assessments	-	-	9,964,292
Total deferred inflows of resources	90,935,579	677,724	20,960,534
Fund balances:			
Nonspendable:			
Inventories	-	92,064	-
Advance receivable	563,855	-	-
Note receivable	1,170,056	-	-
Prepaid items	2,735,752	-	-
Restricted:			
General Government	-	-	-
Debt Service	-	-	1,995,981
Public Safety	-	2,546,039	-
Public Works	-	-	-
Health and Welfare	-	9,312,696	-
Culture and Recreation	-	-	-
Economic Development	-	-	-
Capital Outlay	-	-	-
Committed:			
Public Safety	-	-	-
Capital Outlay	-	-	-
Assigned:			
General Government	12,831,046	-	-
Public Safety	292,096	443,159	-
Public Works	91,801	-	-
Health and Welfare	1,600	6,533,010	-
Capital Outlay	-	-	-
Unassigned	48,366,230	-	-
Total fund balance	66,052,436	18,926,968	1,995,981
Total liabilities, deferred inflows of resources and fund balances	\$ 162,175,199	\$ 25,314,493	\$ 22,956,515

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

Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
\$ 21,367,188	\$ 51,636,315	\$ 159,999,378
12,655,955	-	12,655,955
-	-	563,855
2,674,576	-	2,674,576
-	157,534	2,458,755
-	3,900,430	5,379,872
-	34,054,990	135,986,811
-	2,378,416	4,756,831
-	-	833,414
-	-	2,735,752
-	-	1,170,056
-	-	7,964,416
-	-	1,999,876
-	927,950	1,020,014
<u>\$ 36,697,719</u>	<u>\$ 93,055,635</u>	<u>\$ 340,199,561</u>
\$ -	\$ 839,007	\$ 6,845,632
-	1,377,014	5,728,505
-	-	538,869
-	2,674,576	2,674,576
-	563,855	563,855
-	5,454,452	16,351,437
-	34,054,990	135,986,811
-	4,057,964	4,735,688
-	-	9,964,292
-	38,112,954	150,686,791
-	927,950	1,020,014
-	-	563,855
-	-	1,170,056
-	-	2,735,752
-	1,599,219	1,599,219
12,655,955	25,789	14,677,725
-	9,403,476	11,949,515
-	2,841,580	2,841,580
-	1,516,518	10,829,214
-	6,001	6,001
-	9,500	9,500
24,041,764	18,135,112	42,176,876
-	3,419,542	3,419,542
-	7,443,910	7,443,910
-	2,652	12,833,698
-	-	735,255
-	104,806	196,607
-	79	6,534,689
-	6,740,830	6,740,830
-	(2,688,735)	45,677,495
<u>36,697,719</u>	<u>49,488,229</u>	<u>173,161,333</u>
<u>\$ 36,697,719</u>	<u>\$ 93,055,635</u>	<u>\$ 340,199,561</u>

SEDGWICK COUNTY, KANSAS

Reconciliation of the Statement of Net Position to the Balance Sheet for Governmental Funds

December 31, 2012

Total fund balances of governmental funds **\$ 173,161,333**

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$669,282,439 and the accumulated depreciation is \$245,201,602. 424,080,837

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. 29,981,167

Special assessments and certain accounts receivable resulting from charges for services are not considered available to liquidate liabilities of the current period, and are therefore deferred in the funds. However, they are recognized as revenue in the entity-wide statements as soon as the related improvement has been completed or the related service has been provided. 14,699,980

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:

Bonds payable	\$ (84,960,000)	
Bond premium	(3,977,145)	
Deferred refunding	988,482	
Direct financing lease payable	(83,575,000)	
Revolving loan payable	(6,199,824)	
Capital lease payable	(2,908,377)	
Compensated absences	(6,600,000)	
Other postemployment benefits other than pensions	(15,774,746)	
Accrued interest payable	<u>(2,731,647)</u>	<u>(205,738,257)</u>

Net position of governmental activities **\$ 436,185,060**

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



2012



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SEDGWICK COUNTY, KANSAS

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Twelve Months Ended December 31, 2012

	General Fund	Federal/State Assistance Fund	Debt Service Fund
Revenues			
Property taxes	\$ 102,380,226	\$ -	\$ 16,484,293
Emergency telephone services taxes	-	-	-
Sales taxes	12,258,940	-	-
Special assessments	-	-	2,375,128
Other taxes	244,519	19,493	-
Intergovernmental	4,354,163	32,490,860	205,277
Charges for services	17,294,721	24,415,323	720,651
Uses of money and property	4,324,277	8,704	-
Fines and forfeits	84,380	1,263,150	-
Licenses and permits	400,195	-	-
Other	4,379,853	7,276,445	-
Total revenues	<u>145,721,274</u>	<u>65,473,975</u>	<u>19,785,349</u>
Expenditures			
Current:			
General government	32,493,289	7,709,197	-
Public safety	82,876,286	11,650,782	-
Public works	1,678,765	-	-
Health and welfare	8,700,232	45,897,713	-
Cultural and recreation	8,620,365	-	-
Economic development	3,886,001	2,829,682	-
Debt service:			
Principal	-	-	14,263,960
Interest and fiscal charges	-	-	6,931,431
Debt issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>138,254,938</u>	<u>68,087,374</u>	<u>21,195,391</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,466,336</u>	<u>(2,613,399)</u>	<u>(1,410,042)</u>
Other financing sources (uses)			
Transfers from other funds	220,674	1,338,740	2,348,228
Transfers to other funds	(7,864,422)	-	-
Premium from issuance of general obligation bonds	-	-	-
Issuance of general obligation bonds	-	-	-
Issuance of refunding bonds	-	-	-
Payment to refunded bond escrow	-	-	-
Total other financing sources (uses)	<u>(7,643,748)</u>	<u>1,338,740</u>	<u>2,348,228</u>
Net change in fund balance	(177,412)	(1,274,659)	938,186
Fund balances, beginning of year	<u>66,229,848</u>	<u>20,201,627</u>	<u>1,057,795</u>
Fund balances, end of period	<u>\$ 66,052,436</u>	<u>\$ 18,926,968</u>	<u>\$ 1,995,981</u>

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

Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 36,573,243	\$ 155,437,762
-	2,730,276	2,730,276
-	13,648,221	25,907,161
-	-	2,375,128
-	80,850	344,862
-	7,597,040	44,647,340
-	20,168,252	62,598,947
12,560	6,579	4,352,120
-	-	1,347,530
-	70,696	470,891
-	71,742	11,728,040
<u>12,560</u>	<u>80,946,899</u>	<u>311,940,057</u>
-	4,361,813	44,564,299
-	35,950,492	130,477,560
-	11,762,941	13,441,706
-	5,553,383	60,151,328
-	203	8,620,568
-	7,120,438	13,836,121
-	724,941	14,988,901
153,500	123,094	7,208,025
339,683	-	339,683
-	26,081,038	26,081,038
<u>493,183</u>	<u>91,678,343</u>	<u>319,709,229</u>
<u>(480,623)</u>	<u>(10,731,444)</u>	<u>(7,769,172)</u>
-	10,047,145	13,954,787
(5,055,183)	(2,017,142)	(14,936,747)
1,223,917	-	1,223,917
4,000,000	-	4,000,000
19,795,000	-	19,795,000
<u>(14,468,753)</u>	<u>-</u>	<u>(14,468,753)</u>
<u>5,494,981</u>	<u>8,030,003</u>	<u>9,568,204</u>
5,014,358	(2,701,441)	1,799,032
<u>31,683,361</u>	<u>52,189,670</u>	<u>171,362,301</u>
<u>\$ 36,697,719</u>	<u>\$ 49,488,229</u>	<u>\$ 173,161,333</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, 2012

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

Net change in fund balances - total governmental funds		\$	1,799,032
Governmental funds report capital asset acquisitions as expenditures. However, in the statement of activities the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized assets exceeded depreciation in the current period.			
Capitalized assets	\$ 18,383,913		
Depreciation expense	<u>(20,841,222)</u>		
			(2,457,309)
Revenues reported in the funds that do not provide current financial resources are reported as revenues in the statement of activities.			(2,381,624)
The net effect of various transactions involving capital assets (i.e., annexations, sales, and trade-ins) is to decrease net position.			(225,506)
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	\$ 8,985,000		
Direct financing lease payable	18,365,000		
Revolving loan payable	328,960		
Capital lease payable	<u>724,941</u>		
			28,403,901
Bond, direct financing lease and capital lease proceeds provide current financial resources to government funds, but represent an increase in long-term liabilities in the statement of net position.			(23,795,000)
Bond costs - governmental funds report the effect of premiums, discounts and similar items when the debt is issued, where as these amounts are deferred and amortized in the statement of activities			83,014
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditures are not reported until due.			109,637
In the statement of activities, compensated absences are measured by the amounts earned during the year, instead of by the amount paid.			100,000
In the statement of activities, other postemployment benefits is measured by the amount due during the year, instead of by the amount paid.			(1,001,035)
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.			<u>(292,837)</u>
Change in net position of governmental activities:		\$	<u><u>342,273</u></u>

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, 2012

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
<u>Assets</u>		
Current assets:		
Cash, including investments	\$ 2,346,671	\$ 17,031,998
Accounts receivable, net	253,000	-
Inventories, at cost	-	474,552
Restricted assets:		
Cash, including investments	10,619,276	-
Total current assets	13,218,947	17,506,550
Noncurrent assets:		
Capital assets:		
Land	13,163,978	-
Buildings and improvements	162,749,057	8,303,571
Machinery and equipment	5,839,486	29,175,239
Less accumulated depreciation	(15,894,865)	(22,934,564)
Total capital assets (net of accumulated depreciation)	165,857,656	14,544,246
Total assets	\$ 179,076,603	\$ 32,050,796
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	\$ -	\$ 816,013
Accrued wages	-	49,616
Estimated claims costs payable	-	915,000
Total current liabilities	-	1,780,629
Noncurrent liabilities:		
Estimated claims costs payable	-	289,000
Total liabilities	-	2,069,629
<u>Net position</u>		
Investment in capital assets	165,857,656	14,544,246
Restricted for capital improvements and operations	10,619,276	-
Unrestricted	2,599,671	15,436,921
Total net position	179,076,603	29,981,167
Total liabilities and net position	\$ 179,076,603	\$ 32,050,796

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

SEDGWICK COUNTY, KANSAS

Statement of Revenues, Expenses, and Changes in Fund Net Position Proprietary Funds For the Twelve Months Ended December 31, 2012

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
Operating revenues:		
Charges for services	\$ 946,570	\$ 38,517,024
Other revenue	225,000	158,066
Total operating revenues	<u>1,171,570</u>	<u>38,675,090</u>
Operating expenses:		
Salaries and benefits	92,512	1,667,440
Contractual services	478,968	1,997,841
Utilities	28,192	57,425
Supplies and fuel	9,106	3,288,762
Administrative charges	-	137,888
Depreciation expense	5,296,658	2,893,508
Claims expense	-	30,541,860
Other expense	459,047	13,347
Total operating expenses	<u>6,364,483</u>	<u>40,598,071</u>
Operating income (loss)	<u>(5,192,913)</u>	<u>(1,922,981)</u>
Nonoperating revenues:		
Investment Income	-	7,317
Proceeds from disposal of assets	40,086	640,867
Total nonoperating revenues	<u>40,086</u>	<u>648,184</u>
Nonoperating expenses:		
Loss on disposal of assets	(708,088)	-
Total nonoperating expenses	<u>(708,088)</u>	<u>-</u>
Income (loss) before transfers	(5,860,915)	(1,274,797)
Transfers:		
Transfers from other funds	<u>-</u>	<u>981,960</u>
Change in net position	(5,860,915)	(292,837)
Net position, beginning of year	<u>184,937,518</u>	<u>30,274,004</u>
Net position, end of period	<u>\$ 179,076,603</u>	<u>\$ 29,981,167</u>

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, 2012

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
Cash flows from operating activities		
Receipts from customers and users	\$ 1,086,928	\$ 38,667,684
Other operating revenues	-	7,406
Payments to suppliers for goods and services	(1,047,807)	(36,580,440)
Payments to employees for services	(92,512)	(1,667,440)
Net cash provided by (used in) operating activities	(53,391)	427,210
Cash flows from noncapital financing activities		
Transfers from other funds	-	981,960
Net cash provided by (used in) noncapital financing activities	-	981,960
Cash flows from capital and related financing activities		
Proceeds from sale of capital assets	1,790,277	647,730
Purchases and construction of capital assets	(472,686)	(2,254,968)
Net cash provided by (used in) capital and related financing activities	1,317,591	(1,607,238)
Cash flows from investing activities		
Interest on investments	-	7,317
Net cash provided by investing activities	-	7,317
Net increase in cash and cash equivalents	1,264,200	(190,751)
Cash and cash equivalents, beginning of the year	11,701,747	17,222,749
Cash and cash equivalents, end of the year	\$ 12,965,947	\$ 17,031,998
Reconciliation of operating loss to net cash provided by operating activities		
Operating income (loss)	\$ (5,192,913)	\$ (1,922,981)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:		
Depreciation expense	5,296,658	2,893,508
Decrease (increase) in accounts receivable	(84,642)	-
Decrease (increase) in inventory	-	(15,300)
Increase (decrease) in accounts payable	(72,494)	(436,152)
Increase in estimated claims payable	-	(91,865)
Net cash provided by (used in) operating activities	\$ (53,391)	\$ 427,210

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

SEDGWICK COUNTY, KANSAS

Statement of Net Position Agency Funds December 31, 2012

	<u>Agency Funds</u>
Assets	
Cash, including investments	\$ 315,720,306
Accounts receivable	449
Property tax levied	<u>219,333,625</u>
Total assets	<u><u>\$ 535,054,380</u></u>
Liabilities	
Accrued liabilities	\$ 13,832,597
Due to other governmental units	<u>521,221,783</u>
Total liabilities	<u><u>\$ 535,054,380</u></u>

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



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SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

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SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

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. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

Blended Component Unit – The Sedgwick County Fire District (Fire District) is governed by the Sedgwick County Board of County Commissioners, 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 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 project funds within the County's financial statements.

Discretely Presented Component Unit – 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 Sedgwick County Board of County Commissioners 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 by leasing the land and facilities to the governmental entity that operates it. The operating governmental entity guarantees the rentals under the SCPBC lease. 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.

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

Related Organizations - The County Manager and Board of County Commissioners are also responsible for appointing ten of the eleven members of the board of the Sedgwick County Technical Education and Training Authority. However, the County's accountability for this organization does not extend beyond making the appointments. The Sedgwick County Technical Education and Training Authority is the official governing body of the Wichita Area Technical College.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

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. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are 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, except for agency funds, which have no measurement focus. 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 to be 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

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 agency funds. Agency funds, unlike all other types of funds, report only assets and liabilities and use the accrual basis of accounting to recognize receivables and payables.

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

Additionally, the County reports the following fund types:

- ❑ *Special revenue funds* account for the proceeds of specific revenue sources (other than for major capital projects) that legally restrict expenditures for specified purposes.
- ❑ *Capital projects funds* account for financial resources to be used for the acquisition or construction of major capital facilities or improvements (other than those financed by proprietary funds).
- ❑ *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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

I. Summary of Significant Accounting Policies (continued)

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

- ❑ *Agency funds* are used to report resources held by the County in a custodial capacity for tax collections and related distributions to other governments, as well as amounts held as fiduciary resources for remittance to individuals, private organizations or other governments through established clearing/other fee collection accounts.

Expenditures are grouped by function. 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, EMS, 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.
- ❑ *Economic development* includes education, economic development, economic opportunity, and urban redevelopment & housing functions.
- ❑ *Debt service* includes payment of principal, interest and debt issuance cost.
- ❑ *Capital Outlay* includes construction of buildings, roads and major asset purchase.

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 and internal service funds are charges to customers for services. Operating expenses for the enterprise fund and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

I. Summary of Significant Accounting Policies (continued)

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 and the SCPBC. The pool has the general characteristics of demand deposit accounts, in that each fund may deposit additional cash at any time and also, effectively, 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 and component unit'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 all cash of the proprietary fund types and the SCPBC to be cash equivalents.

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 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;
- 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

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)

During 2012, the County invested in certificates of deposit, repurchase agreements, the Kansas Municipal Investment Pool, U.S. government and agency obligations, and mutual funds whose portfolio consists entirely of obligations of the U.S. government.

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 non-current 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 fund balance reserve account 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 the 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 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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

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)

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.

Note receivable – Sedgwick County agreed to loan the Sedgwick County Zoological Society, Inc. up to \$2,400,000 for a 10-year term beginning April 1, 2007. The loan funds capital improvements for the Zoo at an initial rate of 5.23%, adjusted annually. At December 31, 2012 the note balance was \$1,170,056, with the rate changing to .43% at April 1, 2012.

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 fund balance reserve, 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

Effective January 1, 2007, the County, through the SCPBC, entered into a 50-year lease with the Wichita Airport Authority of the City of Wichita, Kansas for land at Jabara Airport for construction of the aviation technical education campus. The County originally paid \$3,263,206 in advance rental payments, of which \$2,735,752 remains at December 31, 2012.

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.

Donated capital assets are recorded at estimated fair market 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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

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)

construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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
Office furniture and equipment	5
Operating equipment	3-5
Software	5
Vehicles	3

6. Compensated Absences

It is the County's policy to permit employees to accumulate a maximum of 160 hours of vacation. Upon termination or resignation from service to the County, employees 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 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.

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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

I. Summary of Significant Accounting Policies (continued)

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

8. Equity Classifications

In the government-wide statements, equity is shown as net position and classified into three components:

- o 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.
- o 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.
- o Unrestricted net position – All other net position that do 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.

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

- o Non-spendable: Assets 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.
- o Restricted: Assets 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.
- o Committed: Assets with a purpose formally imposed by resolution by the Board of County Commissioners, binding unless modified or rescinded by the Board of County Commissioners.
- o 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 County's Board or (2) a body or official to whom the County's Board has delegated the authority to assign amounts to be used for specific purposes as prescribed by the County's Fund Balance and Cash policy.
- o 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 other governmental funds may report negative unassigned fund balance.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

I. Summary of Significant Accounting Policies (continued)

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

8. Equity Classifications (continued)

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 twenty percent of budgeted annual expenditures and transfers out.

9. Deferred Inflows of Resources/Deferred Outflows of Resources

Effective January 1, 2012, the County implemented the provisions of GASB Statement No. 63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and GASB Statement No. 65 Items Previously Reported As Assets and Liabilities. GASB 63 provides guidance for reporting deferred outflows and deferred inflows of resources and GASB 65 provides additional guidance on reclassifying, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. A deferred outflow of resources is the consumption of net position that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position applicable to a future reporting period. The County identified certain financial statement balances that met the definition of a deferred outflow of resources or a deferred inflow of resources. These items were reclassified as deferred outflows of resources or deferred inflows of resources, as applicable. Additionally, the term "net assets" was replaced with the term "net position".

Prior Period Adjustment. In addition to the reclassifications described above, GASB 65 requires bond issuance costs to be expensed when incurred rather than being reported as deferred charges and amortized over the term of the related debt. This adjustment resulted in a \$770,961 decrease to net position as of January 1, 2012 and \$339,683 of debt issuance costs incurred for the year ended December 31, 2012 were recorded as expense rather than being deferred.

10. Estimates

Preparation of financial statements in conformity with GAAP requires making estimates and assumptions that affect [1] the reported amounts of assets and liabilities, [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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

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:

- Preparation of the budget for the succeeding calendar year on or before August 1.
- Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
- Public hearing on or before August 15, but at least 10 days after publication of notice of hearing.
- Adoption of the final budget on or before August 25.

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., personal 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.

There were no budget amendments in 2012.

All unencumbered appropriations (legal budget expenditure authority) lapse at year-end, except for capital project funds appropriations, which are carried forward until such time as the project is completed or terminated. Encumbered appropriations are not reappropriated 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 and State Assistance Programs
Fire District Research and Development
Auto License
Prosecuting Attorney Training
Register of Deeds Technology
Court Alcohol/Drug Safety Action Program
District Court Trustee Operations
Township Dissolution

Non-Budgeted Internal Service Funds

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

II. Stewardship, Compliance and Accountability (continued)

B. Deficit Fund Equity

The Street, Bridge and Other Fund had a fund balance deficit of \$540,060 and the Building and Equipment Fund had a fund balance deficit of \$2,148,675 as of December 31, 2012. These deficits 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."

At December 31, 2012, the County (including the SCPBC) had the following investments:

Investment Type	Fair Value	Modified Duration (in years)	Percent of Total Pooled Funds
U.S. treasury coupon securities	\$ 9,017,031	0.514	1.84
U.S. agency coupon securities	116,092,816	2.373	23.75
Repurchase agreements	135,090,761	-	27.64
Kansas Municipal Investment Pool ¹	105,977,107	-	21.68
State & Local Government Securities	12,655,955	-	2.59
Mutual funds	18,175,685	-	3.72
Collateralized deposits	91,781,969	-	18.78
Total value	<u>\$ 488,791,324</u>		<u>100.00</u>
Portfolio modified duration		<u>.555</u>	

¹Interest rate risk for the Kansas Municipal Investment Pool is based on the weighted average maturity of the pool. As of December 31, 2012 the weighted average maturity of the pool was 59 days.

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 has \$14,102,100 of agency coupons securities and \$4,998,438 of U.S. Treasury securities that are held by the investment counterparty.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

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.

Peak period collateral agreements are not accepted by the County. 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. As of December 31, 2012, the market value of assets pledged to the County as collateral complied with the investment policy.

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, 2012, 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 AA+ by Standard & Poor's. The County also holds investments with the Kansas Municipal Investment Pool, which is rated AA+/S1+ by Standard & Poor's. Mutual funds utilized by the County were rated AAAM by Standard & Poor's at December 31, 2012.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

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.

At December 31, the County held \$56.3 million, or 11.4%, of its portfolio in investments issued by Federal Home Loan Mortgage Loan Corp., and investments totaling \$38.1 million, or 7.7%, were held 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	\$ 179,378,047
Restricted cash, including investments, Statement of Net Position	23,275,231
Cash, including investments, Statement of Fiduciary Net Position	<u>315,720,306</u>
Total	<u>\$ 518,373,584</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

B. Capital Assets

Capital assets activity of the primary government, which includes the internal service funds, for the year ended December 31, 2012, was as follows:

	December 31, 2011	Increases	Decreases	December 31, 2012
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 19,999,228	\$ 1,323,024	\$ (166,198)	\$ 21,156,054
Construction in progress	25,742,833	12,011,384	(6,683,777)	31,070,440
Total capital assets, not being depreciated	<u>45,742,061</u>	<u>13,334,408</u>	<u>(6,849,975)</u>	<u>52,226,494</u>
Capital assets, being depreciated:				
Buildings and improvements	300,261,846	3,769,279	-	304,031,125
Leasehold improvements	2,234,871	-	-	2,234,871
Improvements other than buildings	22,376,588	842,494	(1,048,161)	22,170,921
Machinery and equipment	77,091,870	5,761,728	(1,767,766)	81,085,832
Infrastructure	241,681,277	3,614,748	(284,020)	245,012,005
Total capital assets being depreciated	<u>643,646,452</u>	<u>13,988,249</u>	<u>(3,099,947)</u>	<u>654,534,754</u>
Less accumulated depreciation for:				
Buildings	(88,655,400)	(8,105,719)	-	(96,761,119)
Leasehold improvements	(2,226,964)	(7,907)	-	(2,234,871)
Improvements other than buildings	(14,697,152)	(1,483,197)	1,049,065	(15,131,284)
Machinery and equipment	(53,049,722)	(6,785,286)	1,750,335	(58,084,673)
Infrastructure	(88,805,975)	(7,353,203)	234,960	(95,924,218)
Total accumulated depreciation	<u>(247,435,213)</u>	<u>(23,735,312)</u>	<u>3,034,360</u>	<u>(268,136,165)</u>
Total capital assets being depreciated, net	<u>396,211,239</u>	<u>(9,747,063)</u>	<u>(65,587)</u>	<u>386,398,589</u>
Governmental activities capital assets, net	<u>\$ 441,953,300</u>	<u>\$ 3,587,345</u>	<u>\$ (6,915,562)</u>	<u>\$ 438,625,083</u>
	December 31, 2011	Increases	Decreases	December 31, 2012
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 14,926,522	\$ -	\$ (1,762,544)	\$ 13,163,978
Construction in progress	1,513,802	-	(1,513,802)	-
Total capital assets, not being depreciated	<u>16,440,324</u>	<u>-</u>	<u>(3,276,346)</u>	<u>13,163,978</u>
Capital assets, being depreciated:				
Buildings and improvements	161,982,514	1,881,952	(1,115,408)	162,749,058
Machinery and equipment	5,743,100	104,537	(8,151)	5,839,486
Total capital assets being depreciated	<u>167,725,614</u>	<u>1,986,489</u>	<u>(1,123,559)</u>	<u>168,588,544</u>
Less accumulated depreciation for:				
Buildings and improvements	(8,722,274)	(4,038,939)	422,163	(12,339,050)
Machinery and equipment	(2,303,757)	(1,257,719)	5,660	(3,555,816)
Total accumulated depreciation	<u>(11,026,031)</u>	<u>(5,296,658)</u>	<u>427,823</u>	<u>(15,894,866)</u>
Total capital assets being depreciated, net	<u>156,699,583</u>	<u>(3,310,169)</u>	<u>(695,736)</u>	<u>152,693,678</u>
Business-type activities capital assets, net	<u>\$ 173,139,907</u>	<u>\$ (3,310,169)</u>	<u>\$ (3,972,082)</u>	<u>\$ 165,857,656</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

B. Capital Assets (continued)

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

Governmental activities:	
General government	\$ 2,935,443
Public safety	5,215,119
Public works, including depreciation of general infrastructure assets	8,528,842
Health and welfare	124,978
Culture and recreation	2,420,269
Economic Development, conserve./natural resources	1,617,153
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	2,893,508
Total depreciation expense – governmental activities	<u>\$ 23,735,312</u>
Business-type activities:	
Arena fund	\$ 5,296,658
Total depreciation expense – business-type activities	<u>\$ 5,296,658</u>

Construction Commitments

The County had outstanding construction commitments for various capital projects and improvements totaling \$10,876,911 at December 31, 2012. 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.

C. Operating Leases

The County has entered into a lease agreement with Wichita State University for space at National Center for Aviation Training. The future minimum rental income on this lease is as follows:

Year ending December 31	Governmental Activities
2013	\$800,000
2014	800,000
2015	800,000
2016	800,000
2017	800,000
2018 – 2022	4,000,000
2023 - 2027	4,000,000
2028 - 2030	2,400,000
Totals	<u>\$ 14,400,000</u>

The lease has a term of 20 years. The County is responsible for a majority of utility payments and the lessee is responsible for insurance expenses associated with the property.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. 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 also 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.

Current and Crossover Refunding Bonds

Crossover Refunding - For reporting purposes, under a crossover advance refunding bond issue, the original issue (refunded bonds) is not considered defeased until they are retired. As with advance refunding bond issues, the proceeds of the crossover advance refunding bonds are placed into an escrow account. However, unlike other types of advance refunding, the escrow account in a crossover advance refunding transaction is not immediately dedicated to debt service principal and interest payments on the refunded debt. Instead, the resources in the escrow account are used temporarily to meet debt service requirements on the refunding bonds. Only at a later date, known as the "crossover date" are the resources in the escrow account dedicated exclusively to the payment of principal and interest on the refunded debt. Crossover refundings do not result in the defeasance of debt prior to the crossover date. The County has recorded in the appropriate financial statements the outstanding debt of both the refunding and the refunded issues which are not considered defeased.

On October 1, 2011, the County issued \$6.14 million in General Obligation Bonds at a premium of \$.55 million for a crossover refunding. The bonds have a true interest cost of 1.2 percent. The crossover refunding portion includes \$6.29 million of Series A 2003 Bonds with an average interest rate of 4.4 percent.

The crossover date on this refunding issue is August 1, 2013.

The County refunded these bonds to reduce its total debt service payments over a period of 5 years and will realize a net savings of \$459,349 with a present value savings of \$413,738.

On August 15, 2012, the County issued \$5.84 million in General Obligation Bonds at a premium of \$0.47 million for a crossover refunding. The bonds have a true interest cost of 1.8 percent. The crossover refunding portion includes \$5.785 million of Series A 2005 Bonds with an average interest rate of 4.0 percent.

The crossover date on this refunding issue is August 1, 2015.

The County refunded these bonds to reduce its total debt service payments over a period of 13 years and will realize a net savings of \$396,098 with a present value savings of \$341,415.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

At December 31, 2012 the following crossover advance refunding bonds are recorded as liabilities on the entity-wide statement of net position:

<u>Issue</u>	<u>Issue Amount</u>	<u>Balance Outstanding</u>
Series A 2003	\$16,595,000	\$7,425,000
Series A 2005	\$14,515,000	\$8,500,000

Current Refunding - On August 15, 2012, Sedgwick County issued \$14.065 million PBC Series 2012-1 refunding bonds at a premium of \$0.567 million. The average interest rate of the new bonds is 2.16 percent. Total proceeds of the issuance were \$14.632 million. These proceeds were used to refund \$13.415 million of outstanding PBC Series 2003-1 bonds with an average interest rate of 4.4 percent. As a result, the Series 2003-1 bonds are defeased and the liabilities for these bonds have been removed from the County's financial statements.

Sedgwick County refunded these bonds to reduce total debt payments over the next ten years by \$1.267 million. The economic gain (difference between the present value of the old and new debt service payments) is \$1.17 million.

General obligation bonds outstanding at December 31, 2012 are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Amount</u>
Governmental Activities – Road and Bridge	1.25 – 5.65%	\$ 20,978,354
Governmental Activities – Facilities	1.25 – 5.65%	19,351,646
Governmental Activities – Refunding	2.00 – 5.00%	<u>40,285,000</u>
Total general obligation bonds outstanding		<u>\$ 80,615,000</u>

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

<u>Year ending December 31</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2013	\$ 8,175,000	\$ 2,968,228	\$ 11,143,228
2014	9,085,000	2,732,937	11,817,937
2015	8,725,000	2,414,689	11,139,689
2016	8,730,000	2,106,614	10,836,614
2017	8,680,000	1,799,655	10,479,655
2018 – 2022	24,620,000	5,069,496	29,689,496
2023 – 2027	9,065,000	1,688,809	10,753,809
2028 - 2032	<u>3,535,000</u>	<u>323,215</u>	<u>3,858,215</u>
Totals	<u>\$ 80,615,000</u>	<u>\$ 19,103,643</u>	<u>\$ 99,718,643</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

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 serial bonds with a level repayment schedule. Special assessment bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount
Governmental activities – Street and Sewer	.95 – 5.20%	4,345,000

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

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2013	\$ 655,000	\$ 163,102	\$ 818,102
2014	335,000	141,173	476,173
2015	340,000	131,441	471,441
2016	345,000	120,729	465,729
2017	360,000	109,291	469,291
2018 - 2022	1,625,000	343,545	1,968,545
2023 - 2026	685,000	67,889	752,889
Totals	\$ 4,345,000	\$ 1,077,170	\$ 5,422,170

Sedgwick County Public Building Commission Revenue Bonds

The Sedgwick County Public Building Commission (SCPBC) is a 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 by leasing the land and facilities to the governmental entity, which operates it. The operating governmental entity guarantees the rentals under the SCPBC lease. 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. Six issues are outstanding with repayment schedules ranging from 5 to 19 years. The current bonds outstanding are as follows:

Purpose	Interest Rate	Amount
Public Services Administration Building	3.80 – 4.00%	\$ 1,395,000
Exploration Place	3.85 – 4.50%	9,135,000
Juvenile Justice Complex 2007-1	4.00 – 4.125%	9,950,000
Technical Education Complex 2008-1	4.00 – 5.25%	36,955,000
Public Safety Facilities & Equipment	2.00 – 4.00%	12,075,000
Juvenile Justice 2003-1 Refunding	1.00 – 3.00%	14,065,000
Total		\$ 83,575,000

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

Future minimum lease rentals to be received under the direct financing leases are equal to the annual debt service requirements to maturity for the revenue bonds, as follows:

Year ending December 31	Component Unit - SCPBC		
	Principal	Interest	Totals
2013	\$ 5,280,000	\$ 3,265,450	\$ 8,545,450
2014	5,405,000	3,098,470	8,503,470
2015	5,565,000	2,914,553	8,479,553
2016	5,745,000	2,717,060	8,462,060
2017	5,415,000	2,510,410	7,925,410
2018 – 2022	28,360,000	9,660,495	38,020,495
2023 - 2027	21,430,000	4,342,031	25,772,031
2028 - 2031	6,375,000	486,137	6,861,137
Totals	<u>\$ 83,575,000</u>	<u>\$ 28,994,606</u>	<u>\$ 112,569,606</u>

SCPBC Revenue Bonds – Public Services Administration Building.

During 1997, the SCPBC issued revenue bonds to finance all or a portion of the costs to acquire a site and construct and equip thereon a facility for the Division of Public Works of the County, consisting of approximately 32,000 square feet, containing offices and working spaces for the County's engineering, public works, zoning, and code enforcement operations. The financing of this facility by the SCPBC represents a direct financing lease, and accordingly, the net investment in the lease is recorded in the SCPBC's balance sheet on the government-wide financial statements. The following lists the components of the net investment in the direct financing lease as of December 31, 2012:

Minimum lease payments receivable	\$ 1,562,720
Less unearned income	200,049
Net investment in direct financing lease	<u>\$ 1,362,671</u>

Future minimum lease rentals to be received under the direct financing lease are equal to the annual debt service requirements to maturity for the revenue bonds, as follows:

Year ended December 31	Principal	Interest	Total
2013	\$ 260,000	\$ 53,415	\$ 313,415
2014	265,000	44,055	309,055
2015	275,000	34,250	309,250
2016	290,000	23,800	313,800
2017	305,000	12,200	317,200
Total	<u>\$ 1,395,000</u>	<u>\$ 167,720</u>	<u>\$ 1,562,720</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

SCPBC Revenue Bonds – Exploration Place.

During 1997, the SCPBC issued revenue bonds to finance a portion of the costs of developing, constructing, and equipping a children's museum and science center known as Exploration Place, located in Wichita, Kansas, and consisting of a 90,000 square foot structure, attendant parking, landscaping, and related appurtenances thereto. The financing of this facility by the SCPBC represents a direct financing lease, and accordingly, the net investment in the lease is recorded in the SCPBC's balance sheet and as part of the long-term obligations of the County. The following lists the components of the net investment in the direct financing lease as of December 31, 2012:

Minimum lease payments receivable	\$ 11,422,918
Less unearned income	2,494,509
Net investment in direct financing lease	<u>\$ 8,928,409</u>

The County entered into an operating agreement with a not-for-profit corporation to operate the facility. The \$62 million project is funded through a public partnership that includes the County, the City of Wichita, and numerous private sector donors. The land on which the project is located is owned by the City of Wichita and is being leased to the SCPBC for 50 years.

Future minimum lease rentals to be paid by the County to the SCPBC under the direct financing lease will be equal to the annual debt service requirements to maturity for the revenue bonds, as follows:

Year ended December 31	Principal	Interest	Total
2013	\$ 745,000	\$ 377,348	\$ 1,122,348
2014	775,000	350,528	1,125,528
2015	805,000	321,465	1,126,465
2016	845,000	290,472	1,135,472
2017	885,000	256,673	1,141,673
2018 - 2022	5,080,000	691,432	5,771,432
Total	<u>\$ 9,135,000</u>	<u>\$ 2,287,918</u>	<u>11,422,918</u>

SCPBC Revenue Bonds - Juvenile Justice Complex

During 2007, the SCPBC issued revenue bonds to finance the costs of designing, constructing, furnishing, and equipping a juvenile court building and completing other improvements to the Juvenile Justice Complex located in Wichita, Kansas. The financing of this facility by the SCPBC represents a direct financing lease, and accordingly, the net investment of the lease is recorded in the SCPBC's balance sheet and as part of the long-term obligations of the County. The following lists the components of the net investment in the direct financing lease as of December 31, 2012:

Minimum lease payments receivable	\$ 12,796,719
Less unearned income	2,553,042
Net investment in direct financing lease	<u>\$ 10,243,677</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

Future minimum lease rentals to be paid by the County to the SCPBC under the direct financing lease will be equal to the annual debt service requirements to maturity for the revenue bonds, as follows:

Year ended December 31	Principal	Interest	Total
2013	\$ 890,000	\$ 400,650	\$ 1,290,650
2014	925,000	365,050	1,290,050
2015	960,000	328,050	1,288,050
2016	1,000,000	289,650	1,289,650
2017	515,000	249,650	764,650
2018 - 2022	2,890,000	923,050	3,813,050
2023 - 2026	2,770,000	290,619	3,060,619
Total	<u>\$ 9,950,000</u>	<u>\$ 2,846,719</u>	<u>\$ 12,796,719</u>

SCPBC Revenue Bonds – Technical Education Complex – National Center for Aviation Training

During 2008, the SCPBC issued revenue bonds to finance a portion of the costs of designing, constructing, and equipping the National Center for Aviation Training located within Sedgwick County adjacent to the Jabara Airport. The financing of this facility by the SCPBC represents a direct financing lease, and accordingly, the net investment of the lease is recorded in the SCPBC's balance sheet and as part of the long-term obligations of the County. The following lists the components of the net investment in the direct financing lease as of December 31, 2012:

Minimum lease payments receivable	\$ 54,539,375
Less unearned income	<u>16,221,715</u>
Net investment in direct financing lease	<u>\$ 38,317,660</u>

Future minimum lease rentals to be paid by the County to the SCPBC under the direct financing lease will be equal to the annual debt service requirements to maturity for the revenue bonds, as follows:

Year ended December 31	Principal	Interest	Total
2013	\$ 1,655,000	\$ 1,834,788	\$ 3,489,788
2014	1,710,000	1,752,037	3,462,037
2015	1,775,000	1,666,538	3,441,538
2016	1,840,000	1,577,788	3,417,788
2017	1,915,000	1,485,787	3,400,787
2018 - 2022	10,920,000	6,024,838	16,944,838
2023 - 2027	13,905,000	3,072,762	16,977,762
2028	3,235,000	169,837	3,404,837
Total	<u>\$ 36,955,000</u>	<u>\$ 17,584,375</u>	<u>54,539,375</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

SCPBC Revenue Bonds – Public Safety Facilities – Radio Equipment

During 2011, the SCPBC issued revenue bonds to finance a portion of the costs of designing, constructing, and equipping Emergency Medical Services facilities and a radio communications network. The financing of these facilities and equipment by the SCPBC represents a direct financing lease, and accordingly, the net investment of the lease is recorded in the SCPBC's balance sheet and as part of the long-term obligations of the County. The following lists the components of the net investment in the direct financing lease as of December 31, 2012:

Minimum lease payments receivable	\$ 16,324,075
Less unearned income	3,753,633
Net investment in direct financing lease	<u>\$ 12,570,442</u>

Future minimum lease rentals to be paid by the County to the SCPBC under the direct financing lease will be equal to the annual debt service requirements to maturity for the revenue bonds, as follows:

<u>Year ended</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 525,000	\$ 349,625	\$ 874,625
2014	525,000	339,125	864,125
2015	530,000	328,625	858,625
2016	540,000	318,025	858,025
2017	545,000	307,225	852,225
2018 - 2022	2,910,000	1,353,350	4,263,350
2023 - 2027	3,360,000	936,800	4,296,800
2028 - 2031	<u>3,140,000</u>	<u>316,300</u>	<u>3,456,300</u>
Total	<u>\$12,075,000</u>	<u>\$ 4,249,075</u>	<u>\$ 16,324,075</u>

SCPBC Revenue Bonds – Juvenile Justice Complex – Refunding 2003-1

During 2012, the SCPBC issued revenue bonds to refinance the 2003-1 Juvenile Justice Complex bonds which were issued to finance the costs of developing, constructing and equipping the Juvenile Justice Complex, located in Wichita, Kansas. The financing of this facility by the SCPBC represents a direct financing lease, and accordingly, the net investment of the lease is recorded in the SCPBC's balance sheet and as part of the long-term obligations of the County. The following lists the components of the net investment in the direct financing lease as of December 31, 2012:

Minimum lease payments receivable	\$ 15,923,800
Less unearned income	2,194,729
Net investment in direct financing lease	<u>\$ 13,729,071</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

Future minimum lease rentals to be paid by the County to the SCPBC under the direct financing lease will be equal to the annual debt service requirements to maturity for the revenue bonds, as follows:

Year ended December 31	Principal	Interest	Total
2013	\$ 1,205,000	\$ 249,625	\$ 1,454,625
2014	1,205,000	247,675	1,452,675
2015	1,220,000	235,625	1,455,625
2016	1,230,000	217,325	1,447,325
2017	1,250,000	198,875	1,448,875
2018 - 2022	6,560,000	667,825	7,227,825
2023	1,395,000	41,850	1,436,850
Total	<u>\$ 14,065,000</u>	<u>\$ 1,858,800</u>	<u>\$ 15,923,800</u>

Kansas Transportation Project Loan 2004

In January 2005, the County entered into a loan agreement with the State of Kansas through the Kansas Department of Transportation to obtain funding of \$3,412,564 from the Kansas

Transportation Revolving Fund to finance certain qualified transportation projects. This liability is considered a general obligation of the County and is payable over a 20-year term at an interest rate of 3.86%. Debt service requirements to maturity for the Kansas Transportation Project Loan are as follows:

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2013	\$ 161,564	\$ 90,692	\$ 252,256
2014	167,800	84,456	252,256
2015	174,277	77,979	252,256
2016	181,004	71,252	252,256
2017	187,991	64,265	252,256
2018 - 2022	1,054,569	206,711	1,261,280
2023 - 2024	422,335	23,496	445,831
Totals	<u>\$ 2,349,540</u>	<u>\$ 618,851</u>	<u>\$ 2,968,391</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

Kansas Transportation Project Loan 2009

In July 2009, the County entered into a loan agreement with the State of Kansas through the Kansas Department of Transportation to obtain additional funding in the amount of \$4,376,496 from the Kansas Transportation Revolving Fund to finance certain qualified transportation projects. This liability is considered a general obligation of the County and is payable over a 20-year term at an interest rate of 4.03%. Debt service requirements to maturity for the Kansas Transportation Project Loan are as follows:

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2013	\$ 180,388	\$ 155,166	\$ 335,554
2014	187,658	147,897	335,555
2015	195,221	140,334	335,555
2016	203,088	132,467	335,555
2017	211,273	124,282	335,555
2018 - 2022	1,191,151	486,624	1,677,775
2023 - 2027	1,223,939	236,065	1,460,004
2028 - 2029	457,566	26,914	484,480
Totals	<u>\$ 3,850,284</u>	<u>\$ 1,449,749</u>	<u>\$ 5,300,033</u>

In 2007, 2010 and 2011 the County entered into four lease agreements as lessee for financing the acquisition of major equipment for the Fire District. These lease agreements qualify as capital leases for accounting purposes, and therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. The assets acquired through the capital leases are as follows:

	Governmental Activities
Asset:	
Machinery and equipment	\$ 4,723,602
Less: accumulated depreciation	1,520,310
Total	<u>\$ 3,203,292</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2012, were as follows:

Year ended December 31	Governmental Activities
2013	\$ 741,147
2014	741,147
2015	618,793
2016	496,439
2017	392,724
2018	187,027
Total minimum lease payments	3,177,277
Less: amount representing interest	268,900
Total	<u>\$ 2,908,377</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

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 \$1,204,000 are included in the amounts below. Claims are generally liquidated by the appropriate Internal Service Fund. Generally, compensated absences are liquidated by the General Fund. Noncurrent liability activity for the year ended December 31, 2012, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 78,800,000	\$ 9,730,000	\$ 7,915,000	\$ 80,615,000	\$ 8,175,000
Special assessment debt with government commitment	5,415,000	-	1,070,000	4,345,000	655,000
Total bonds payable	84,215,000	9,730,000	8,985,000	84,960,000	8,830,000
KDOT Revolving Loans	6,528,784	-	328,960	6,199,824	341,952
Direct financing lease	87,875,000	14,065,000	18,365,000	83,575,000	5,280,000
Capital lease payable	3,633,318	-	724,941	2,908,377	643,822
Claims payable	1,295,865	1,218,760	1,310,625	1,204,000	915,000
Other postemployment benefits	14,773,711	2,365,362	1,364,327	15,774,746	-
Compensated absences	6,700,000	6,542,436	6,642,436	6,600,000	6,300,000
Governmental activities	205,021,678	33,921,558	37,721,289	201,221,947	22,310,774
Add bond premium	3,071,677	1,223,917	318,449	3,977,145	-
Noncurrent liabilities	<u>\$ 208,093,355</u>	<u>\$ 35,145,475</u>	<u>\$ 38,039,738</u>	<u>\$ 205,199,092</u>	<u>\$ 23,310,774</u>
Component unit: SCPBC					
Bonds payable:					
Revenue bonds	\$ 87,875,000	\$ 14,065,000	\$ 18,375,000	\$ 83,575,000	\$ 5,280,000
Premium/(discount) on revenue bonds	1,137,337	567,009	99,883	1,604,463	-
SCPBC noncurrent liabilities	<u>\$ 89,012,337</u>	<u>\$ 14,632,009</u>	<u>\$ 18,474,883</u>	<u>\$ 85,179,463</u>	<u>\$ 5,280,000</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

Conduit Debt

The County has issued Economic Development revenue bonds not directly obligated by the County. The County has issued these bonds individually and jointly with surrounding counties. The total amount outstanding at December 31, 2012 was \$269,092,406 for the Industrial Revenue Bonds and \$134,024,299 for the Single Family Mortgage Revenue Bonds. These bonds do not constitute an indebtedness or pledge of the faith and credit of the responsible entities or the County.

E. Interfund Transfers

A summary of interfund transfers is as follows:

	General Fund	Federal/State Assistance Funds	Debt Service Fund	Nonmajor Governmental Funds	Internal Service Funds	Totals
Transfers out:						
General Fund	\$ -	\$1,113,570	\$ 1,597,566	\$ 4,171,326	\$ 981,960	\$ 7,864,422
Debt Proceeds Fund	-	-	-	5,055,183	-	5,055,183
Nonmajor Governmental Funds	220,674	225,170	750,662	820,636	-	2,017,142
Total	<u>\$ 220,674</u>	<u>\$ 1,338,740</u>	<u>\$ 2,348,228</u>	<u>10,047,145</u>	<u>\$ 981,960</u>	<u>\$ 14,936,747</u>

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.

F. 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 the special revenue equipment and capital projects funds that have yet to be repaid from long-term financing from the Debt Proceeds Fund.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

III. Detailed Notes on All Funds (continued)

F. Interfund Receivables and Payables (continued)

A summary of interfund receivables and payables at December 31, 2012 is as follows:

	Interfund Receivable	Interfund Payable
Debt Proceeds Fund	\$ 2,674,576	\$ -
Nonmajor Capital Projects Funds:		
Building and Equipment Fund	-	2,134,516
Street, Bridge and Other Fund	-	540,060
	<u>\$ 2,674,576</u>	<u>\$ 2,674,576</u>

During 2003, an interfund loan was made between the General Fund and the Capital Improvement Fund to provide for the funding of a specific capital improvement project. This advance receivable and payable as of December 31, 2012 is as follows:

	Advance Receivable	Advance Payable
General Fund	\$ 563,855	\$ -
Nonmajor Capital Projects Fund:		
Capital Improvement Fund	-	563,855
	<u>\$ 563,855</u>	<u>\$ 563,855</u>

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 Kansas Pavilions include loss related to torts, theft, damage or destruction of assets, errors and omissions, injury to employees, 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 fully funded health plan. A dental benefit purchased from a dental insurance company is provided for all health plan participants. The County pays all premiums for the health/dental benefit from the Health/Dental/Life Insurance Reserve Fund. In 2012, the County paid 85% and participating employees paid 15% of the cost of the health plan benefit.

Workers' Compensation Reserve Fund. 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, 2012

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 also maintained with a commercial insurer and provides a self-insured retention of \$100,000 for each claim.

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

	<u>Workers' Compensation</u>
January 1, 2011 liability balances	\$ 1,617,485
Claims and changes in estimates	995,631
Claim payments	<u>(1,317,251)</u>
December 31, 2011 liability balances	1,295,865
Claims and changes in estimates	1,218,760
Claim payments	<u>(1,310,625)</u>
December 31, 2012 liability balances	<u>\$ 1,204,000</u>

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

Health/Dental/Life Insurance Reserve Fund	\$ 4,274,756
Workers' Compensation Reserve Fund	1,775,781
Risk Management Reserve Fund	2,399,254

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

IV. Other Information (continued)

B. Commitments - Encumbrance

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 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, 2012 the County's governmental funds had a total of \$13 million in encumbrances, which were reported as following:

			Other	Total
		Federal/State	Governmental	Governmental
	General	Assistance	Funds	Funds
Restricted:				
Public safety	\$ -	\$ 140,840	\$ 69,261	\$ 210,101
Health and welfare	-	-	80	80
Public Works	-	-	8,796	8,796
Economic development	-	38,820	-	38,820
Capital Outlay	-	-	9,127,085	9,127,085
Committed:		-		
Capital Outlay	-	-	1,749,826	1,749,826
Assigned:				
General government	119,446	-	-	119,446
Public safety	292,096	8,883	49,347	350,326
Public works	91,801	-	7,551	99,352
Health and welfare	1,600	478,793	-	480,393
Economic development	-	22,586	-	22,586
Capital Outlay	-	-	820,471	820,471
Total	\$ 504,943	\$ 689,922	\$ 11,832,417	\$ 13,027,282

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, 2012

IV. Other Information (continued)

D. Pending Governmental Accounting Standards

GASB Statement No. 61, The Financial Reporting Entity: Omnibus, was issued in November 2010. This statement modifies certain requirements for inclusion of component units in the County's financial statements when the component unit was included based on the fiscal dependency requirement. The new statement clarifies the manner in which a government's management determines a component unit should be included, even if the financial accountability criterion is not met. This statement also amends the criteria for reporting component units as if they were a part of the primary government (that is, blending) when the component unit is blended based on the "substantively in the same governing body" criterion. New criteria also are added to require blending of component units whose total debt outstanding is expected to be repaid entirely or almost entirely with resources of the primary government. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2013.

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, was issued in June 2012. This statement establishes accounting and financial reporting by state and local governments for pensions, including entities that participate in cost-sharing multiple-employer plans. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equipment arrangements that meet certain criteria. Also, this statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For example, cost-sharing employers participating in KPERS, such as the County, will be required to record their proportionate share, as defined in Statement No. 68, of the KPERS unfunded pension liability. While management of the County has not yet estimated their share of the KPERS liability, it is presumed that the amount will be material to the County's financial statements. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2015.

GASB Statement No. 69, Government Combinations and Disposals of Government Operations, was issued in January 2013. This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. The distinction between a government merger and a government acquisition is based upon whether an exchange of significant consideration is present within the combination transaction. Government mergers include combinations of legally separate entities without the exchange of significant consideration. This statement requires the use of carrying values to measure the assets and liabilities in a government merger. Conversely, government acquisitions are transactions in which a government acquires another entity, or its operations, in exchange for significant consideration. This statement requires measurements of assets acquired and liabilities assumed generally to be based upon their acquisition values. This statement also provides guidance for transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. This statement defines the term operations for purposes of determining the applicability of this Statement and requires the use of carrying values to measure the assets and liabilities in a transfer of operations. A disposal of a government's operations results in the removal of specific

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

IV. Other Information (continued)

D. Pending Governmental Accounting Standards (continued)

activities of a government. This statement provides accounting and financial reporting guidance for disposals of government operations that have been transferred or sold. This statement requires disclosures to be made about government combinations and disposals of government operation to enable financial statement users to evaluate the nature and financial effects of those transactions. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2016 with earlier application encouraged.

E. Defined Benefit 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 Kansas law. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding policy. K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

The KPERS employer rate established by statute for 2012 is as follows:

January 1 – March 13	8.34%
March 14 – June 18	7.34%
June 19 – December 31	8.34%

The County's contributions to KPERS for the years ended December 31, 2012, 2011, and 2010 were \$7,382,885, \$7,281,767, and \$6,848,410 respectively, equal to the statutory required contributions for each year. The KP&F employer rates for 2012 are 16.88% for the Emergency Medical Services Department, 16.54% for the Fire Department, and 16.88% for the Sheriff Department. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which is determined separately for each participating employer. The County's contributions to KP&F for the years ended December 31, 2012, 2011, and 2010 were \$5,093,322, \$4,697,406, and \$4,110,524, respectively, equal to the statutory required contributions for each year.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

IV. Other Information (continued)

F. Other Postemployment Benefits Other Than Pensions

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 the Kansas Public Employee Retirement System (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.

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 other post employment benefits (OPEB) under Governmental Accounting Standards Board Statement No. 45 (GASB Statement 45).

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.

Funding policy. The contribution requirements of plan members and the County are established and may be amended by the County Commission. The required contribution is based on projected pay-as-you-go financing requirements. County retirees pay 100% of their healthcare premiums; the County is not required to share costs of retiree premiums.

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following tables show the components of the primary government OPEB cost for 2012:

Annual OPEB Cost and Obligation for 2012	Amount
Annual required contribution (ARC)	\$ 2,377,567
Interest on Net OPEB Obligation	590,948
Adjustment to the ARC	(603,153)
Annual OPEB cost (expense)	2,365,362
Contributions made	(1,364,327)
Increase in net OPEB obligation	1,001,035
Net OPEB obligation—beginning of year	14,773,711
Net OPEB obligation—end of year	<u>\$ 15,774,746</u>

Employer Contribution for 2012	Amount
Age-approximating premiums paid on behalf of retirees	\$ 1,990,881
Retiree contribution	(626,554)
Net employer contribution	<u>\$ 1,364,327</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

IV. Other Information (continued)

F. Other Postemployment Benefits Other Than Pensions (continued)

Schedule of Employer Contributions				
Year	Net OPEB Obligation	Annual OPEB Cost	Net Employer Contributions	Percentage Contributed
2010	12,908,591	3,182,601	210,862	7.0%
2011	14,773,711	2,366,903	501,783	21.2%
2012	15,774,746	2,365,362	1,364,327	57.7%

Funded Status and Funding Progress. As of January 1, 2011, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$22.6 million, and there was no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$22.6 million. The covered payroll (annual payroll of active employees covered by the plan) was \$121.8 million, and the ratio of the UAAL to the covered payroll was 18.6 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2011 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment return on the County's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 7.5 percent initially, reduced by decrements to an ultimate rate of 5 percent after seven years. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2012, was thirty years.

Plan Report. The plan does not issue a stand-alone audited GAAP-basis report.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2012

IV. Other Information (continued)

G. Termination Benefits

During 2011, the County adopted a retirement incentive program to reduce its workforce. This was done as a cost saving measure in response to the decline in the economy. Eligible employees were given the option to participate in medical insurance for five years or until retiree reaches the age of 65. The County would continue paying the current employer portion of the premium consistent with the contribution of active employees. If during the five years the employee reaches the age of 65, the benefit will transition to a single Medicare supplemental plan. The employee could also elect a one-time pay out of sick leave plus an additional 20 days (a maximum of a 50 day payout). In 2012, benefits paid were \$847,386. The effect of the health care benefit is included with the determination of other post employment benefits described in Note F. above. The retirement incentive program increased the accrual actuarial liability by \$4,427,417 for the year ended December 31, 2012.

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2012

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget to Actual – Budgetary Basis General Fund For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Property taxes	\$ 100,885,844	\$100,885,844	\$102,380,226	\$ 1,494,382
Sales taxes	25,165,199	25,165,199	25,734,741	569,542
Other taxes	204,558	204,558	244,519	39,961
Intergovernmental	4,729,776	4,729,776	4,158,299	(571,477)
Charges for services	16,562,147	16,562,147	17,294,379	732,232
Uses of money and property	4,312,890	4,312,890	4,494,424	181,534
Fines and forfeits	82,560	82,560	84,380	1,820
Licenses and permits	451,030	451,030	400,195	(50,835)
Reimbursed expenditures	4,748,954	4,748,954	4,576,838	(172,116)
Other	1,243,560	1,243,560	4,120,320	2,876,760
Total revenues	<u>158,386,518</u>	<u>158,386,518</u>	<u>163,488,321</u>	<u>5,101,803</u>
Expenditures				
Current:				
Personnel services	100,861,600	100,709,864	95,554,612	5,155,252
Contractual services	65,072,522	60,259,402	40,923,347	19,336,055
Commodities	5,649,338	6,396,502	5,732,697	663,805
Capital outlay	1,187,965	304,750	250,164	54,586
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total debt service	-	-	-	-
Total expenditures	<u>172,771,425</u>	<u>167,670,518</u>	<u>142,460,820</u>	<u>25,209,698</u>
Revenues over expenditures	<u>(14,384,907)</u>	<u>(9,284,000)</u>	<u>21,027,501</u>	<u>30,311,501</u>
Other financing sources (uses)				
Transfers from other funds	493,507	493,507	245,544	(247,963)
Transfers to other funds	(14,240,481)	(19,341,388)	(19,134,227)	207,161
Total other financing sources (uses)	<u>(13,746,974)</u>	<u>(18,847,881)</u>	<u>(18,888,683)</u>	<u>(40,802)</u>
Net change in fund balances	(28,131,881)	(28,131,881)	2,138,818	30,270,699
Fund balances, beginning of year	28,131,881	28,131,881	59,238,435	31,106,554
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,377,253</u>	<u>\$ 61,377,253</u>

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2012

Schedule of Revenues, Expenditures and Changes in Fund Balances (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, 2012
Fund balance, budgetary basis	\$ 61,377,253
Current year encumbrances	504,943
Fair value adjustment of investments	(545,196)
Accrued revenues	<u>4,715,436</u>
Fund balance, GAAP basis	<u>\$ 66,052,436</u>

Other Postemployment Benefits Other Than Pensions

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/2007	-	26,700,137	26,700,137	-	101,102,722	26.4%
01/01/2009	-	28,488,774	28,488,774	-	113,107,379	25.2%
01/01/2011	-	22,649,095	22,649,095	-	121,832,839	18.6%

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2012

Note 1 Significant Factors Affecting Trends in Actuarial Information

Changes in the Actuarial Accrued Liability for the valuation completed at January 1, 2011 are primarily due to:

- Retiree contribution rates increased 8% per year while per capita expected retiree costs increased by 3% per year relative to the prior valuation.
- Trend rates were lowered from 5.5% to 4.0% for Dental, and from 9.0%, 8.5%, 8.0%, 7.5%, 7.0%, 6.5%, 6.0% (to Ultimate) to Actual, 7.5%, 7.0%, 6.5%, 6.0%, 5.5%, 5.0% (to Ultimate).
- The attribution method was changed from linear to full eligibility to linear to expected decrement as allowed under GASB 45.
- The assumed retiree enrollment rate for future retirees was lowered from 75% to 65%.
- KPERS added a Tier II category for employees beginning participation in the program on or after July 1, 2009. Tier II has more stringent eligibility requirements.
- The Special Voluntary Retirement Program was offered during 2011.
- Benefits due to Disability were projected.



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GOVERNMENTAL SECTION

Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of designated revenue sources that are used to finance specified activities as required by law or administrative regulation. The following nonmajor Special Revenue Funds are reported:

- Wichita State University Program Development
- Comprehensive Community Care
- Emergency Medical Services
- Aging Services
- Public Works Highways
- Noxious Weeds
- Solid Waste
- Special Parks and Recreation
- Emergency Telephone Services

- Court Trustee Operations
- Special Alcohol and Drug Programs
- Auto License
- Court Alcohol/Drug Safety Action Program
- Prosecuting Attorney Training
- Register of Deeds Technology
- Fire District Operating
- Fire District Research and Development
- Township Dissolution

Nonmajor Debt Service Fund

Debt Service Funds are used to account for the proceeds of designated revenue sources that are used to finance general obligation debt. The following nonmajor Debt Service Fund is reported:

- Fire District Debt Service

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for capital improvements (except those financed by proprietary funds) that are financed from the County's general obligation bond issues, special assessments and certain Federal grants. The following nonmajor Capital Projects Funds are reported:

- Building and Equipment
- Street, Bridge and Other
- Sales Tax Road and Bridge
- Road and Bridge Equipment
- Highway Improvement
- Capital Improvements
- Equipment Reserve
- Fire District Special Equipment



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SEDGWICK COUNTY, KANSAS

Combining Balance Sheet ***Nonmajor Governmental Funds*** ***December 31, 2012***

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
<u>Assets</u>				
Cash, including investments	\$ 21,035,090	\$ 25,789	\$ 30,575,436	\$ 51,636,315
Due from other agencies	157,534	-	-	157,534
Accounts receivable	3,900,430	-	-	3,900,430
Property tax receivable	34,054,990	-	-	34,054,990
Sales tax receivable	-	-	2,378,416	2,378,416
Inventories, at cost	927,950	-	-	927,950
Total assets	\$ 60,075,994	\$ 25,789	\$ 32,953,852	\$ 93,055,635
Liabilities:				
Accounts payable	\$ 754,703	\$ -	\$ 84,304	\$ 839,007
Accrued wages	1,377,014	-	-	1,377,014
Due to other funds	-	-	2,674,576	2,674,576
Advance payable	-	-	563,855	563,855
Total liabilities	2,131,717	-	3,322,735	5,454,452
Deferred Inflows of Resources:				
Deferred property tax receivable	34,054,990	-	-	34,054,990
Unavailable revenue	4,057,964	-	-	4,057,964
Total deferred inflows of resources	38,112,954	-	-	38,112,954
Fund balances:				
Nonspendable:				
Inventories	927,950	-	-	927,950
Restricted:				
General Government	1,599,219	-	-	1,599,219
Debt Service	-	25,789	-	25,789
Public Safety	9,403,476	-	-	9,403,476
Public Works	2,841,580	-	-	2,841,580
Health and Welfare	1,516,518	-	-	1,516,518
Culture and Recreation	6,001	-	-	6,001
Economic Development	9,500	-	-	9,500
Capital Outlay	-	-	18,135,112	18,135,112
Committed:				
Public Safety	3,419,542	-	-	3,419,542
Capital Outlay	-	-	7,443,910	7,443,910
Assigned:				
General Government	2,652	-	-	2,652
Public Works	104,806	-	-	104,806
Health and Welfare	79	-	-	79
Capital Outlay	-	-	6,740,830	6,740,830
Unassigned	-	-	(2,688,735)	(2,688,735)
Total fund balance	19,831,323	25,789	29,631,117	49,488,229
Total liabilities, deferred inflows of resources and fund balances	\$ 60,075,994	\$ 25,789	\$ 32,953,852	\$ 93,055,635

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet Nonmajor Governmental Funds - Special Revenue Funds December 31, 2012

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Assets				
Cash, including investments	\$ 390,367	\$ 1,242,442	\$ 3,902,137	\$ 446,572
Due from other agencies	-	-	-	-
Accounts receivable	-	-	3,900,430	-
Property tax receivable	6,217,825	1,901,651	3,705,015	2,332,387
Inventories, at cost	-	-	356,764	-
Total assets	\$ 6,608,192	\$ 3,144,093	\$ 11,864,346	\$ 2,778,959
Liabilities:				
Accounts payable	\$ 380,867	\$ 43,863	\$ 55,972	\$ 53,641
Accrued wages	-	55,449	426,623	23,640
Total liabilities	380,867	99,312	482,595	77,281
Deferred Inflows of Resources:				
Deferred property tax receivable	6,217,825	1,901,651	3,705,015	2,332,387
Unavailable revenue - accounts receivable	-	-	3,900,430	-
Unavailable revenue - special assessments	-	-	-	-
Total deferred inflows of resources	6,217,825	1,901,651	7,605,445	2,332,387
Fund balances:				
Nonspendable:				
Inventories	-	-	356,764	-
Restricted:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	1,143,051	-	369,291
Culture and Recreation	-	-	-	-
Economic Development	9,500	-	-	-
Committed:				
Public Safety	-	-	3,419,542	-
Assigned:				
General Government	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	79	-	-
Total fund balance	9,500	1,143,130	3,776,306	369,291
Total liabilities, deferred inflows of resources and fund balances	\$ 6,608,192	\$ 3,144,093	\$ 11,864,346	\$ 2,778,959

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 1,847,663	\$ 99,449	\$ 1,269,176	\$ 6,001	\$ 2,366,554	\$ 3,520,203
157,534	-	-	-	-	-
-	-	-	-	-	-
5,192,746	437,584	-	-	-	-
571,186	-	-	-	-	-
<u>\$ 7,769,129</u>	<u>\$ 537,033</u>	<u>\$ 1,269,176</u>	<u>\$ 6,001</u>	<u>\$ 2,366,554</u>	<u>\$ 3,520,203</u>
\$ 13,611	\$ 44,165	\$ 4,756	\$ -	\$ 12,518	\$ 6,385
177,830	7,809	21,731	-	-	97,780
191,441	51,974	26,487	-	12,518	104,165
5,192,746	437,584	-	-	-	-
157,534	-	-	-	-	-
-	-	-	-	-	-
5,350,280	437,584	-	-	-	-
571,186	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,354,036	3,416,038
1,656,222	-	1,185,358	-	-	-
-	-	-	-	-	-
-	-	-	6,001	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	47,475	57,331	-	-	-
-	-	-	-	-	-
<u>2,227,408</u>	<u>47,475</u>	<u>1,242,689</u>	<u>6,001</u>	<u>2,354,036</u>	<u>3,416,038</u>
<u>\$ 7,769,129</u>	<u>\$ 537,033</u>	<u>\$ 1,269,176</u>	<u>\$ 6,001</u>	<u>\$ 2,366,554</u>	<u>\$ 3,520,203</u>
(Continued)					

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet (continued) Nonmajor Governmental Funds - Special Revenue Funds December 31, 2012

	Special Alcohol and Drug Programs	Auto License	Court Alcohol/Drug Safety Action Program	Prosecuting Attorney Training
Assets				
Cash, including investments	\$ 4,176	\$ 401,217	\$ 130,893	\$ 61,377
Due from other agencies	-	-	-	-
Accounts receivable	-	-	-	-
Property tax receivable	-	-	-	-
Inventories, at cost	-	-	-	-
Total assets	\$ 4,176	\$ 401,217	\$ 130,893	\$ 61,377
Liabilities:				
Accounts payable	\$ -	\$ 15,361	\$ -	\$ 18,573
Accrued wages	-	80,755	1,346	-
Total liabilities	-	96,116	1,346	18,573
Deferred Inflows of Resources:				
Deferred property tax receivable	-	-	-	-
Unavailable revenue - accounts receivable	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Nonspendable:				
Inventories	-	-	-	-
Restricted:				
General Government	-	302,449	-	-
Public Safety	-	-	129,547	42,804
Public Works	-	-	-	-
Health and Welfare	4,176	-	-	-
Culture and Recreation	-	-	-	-
Economic Development	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Assigned:				
General Government	-	2,652	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Total fund balance	4,176	305,101	129,547	42,804
Total liabilities, deferred inflows of resources and fund balances	\$ 4,176	\$ 401,217	\$ 130,893	\$ 61,377

Register of Deeds Technology	Fire District Operating	Fire District Research and Development	Township Dissolution	Totals
\$ 1,116,546	\$ 4,023,406	\$ 14,374	\$ 192,537	\$ 21,035,090
-	-	-	-	157,534
-	-	-	-	3,900,430
-	14,267,782	-	-	34,054,990
-	-	-	-	927,950
<u>\$ 1,116,546</u>	<u>\$ 18,291,188</u>	<u>\$ 14,374</u>	<u>\$ 192,537</u>	<u>\$ 60,075,994</u>
\$ -	\$ 104,991	\$ -	\$ -	\$ 754,703
12,313	471,738	-	-	1,377,014
<u>12,313</u>	<u>576,729</u>	<u>-</u>	<u>-</u>	<u>2,131,717</u>
-	14,267,782	-	-	34,054,990
-	-	-	-	4,057,964
-	-	-	-	-
<u>-</u>	<u>14,267,782</u>	<u>-</u>	<u>-</u>	<u>38,112,954</u>
-	-	-	-	927,950
1,104,233	-	-	192,537	1,599,219
-	3,446,677	14,374	-	9,403,476
-	-	-	-	2,841,580
-	-	-	-	1,516,518
-	-	-	-	6,001
-	-	-	-	9,500
-	-	-	-	3,419,542
-	-	-	-	2,652
-	-	-	-	104,806
-	-	-	-	79
<u>1,104,233</u>	<u>3,446,677</u>	<u>14,374</u>	<u>192,537</u>	<u>19,831,323</u>
<u>\$ 1,116,546</u>	<u>\$ 18,291,188</u>	<u>\$ 14,374</u>	<u>\$ 192,537</u>	<u>\$ 60,075,994</u>

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet Nonmajor Capital Projects Funds December 31, 2012

	Building and Equipment	Street, Bridge and Other	Sales Tax Road and Bridge	Road and Bridge Equipment
Assets				
Cash, including investments	\$ -	\$ -	\$ 15,762,911	\$ 155,555
Sales tax receivable	-	-	2,378,416	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,141,327</u>	<u>\$ 155,555</u>
Liabilities:				
Accounts payable	\$ 14,159	\$ -	\$ 6,215	\$ -
Due to other funds	2,134,516	540,060	-	-
Advance payable	-	-	-	-
Total liabilities	<u>2,148,675</u>	<u>540,060</u>	<u>6,215</u>	<u>-</u>
Fund balances:				
Restricted:				
Capital Outlay	-	-	18,135,112	-
Committed:				
Capital Outlay	-	-	-	-
Assigned:				
Capital Outlay	-	-	-	155,555
Unassigned	(2,148,675)	(540,060)	-	-
Total fund balance	<u>(2,148,675)</u>	<u>(540,060)</u>	<u>18,135,112</u>	<u>155,555</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,141,327</u>	<u>\$ 155,555</u>

Highway Improvement	Capital Improvements	Equipment Reserve	Fire District Special Equipment	Totals
\$ 42,163	\$ 8,030,095	\$ 5,810,148	\$ 774,564	\$ 30,575,436
-	-	-	-	2,378,416
<u>\$ 42,163</u>	<u>\$ 8,030,095</u>	<u>\$ 5,810,148</u>	<u>\$ 774,564</u>	<u>\$ 32,953,852</u>
\$ -	\$ 22,330	\$ 41,600	\$ -	\$ 84,304
-	-	-	-	2,674,576
-	563,855	-	-	563,855
-	586,185	41,600	-	3,322,735
-	-	-	-	18,135,112
-	7,443,910	-	-	7,443,910
42,163	-	5,768,548	774,564	6,740,830
-	-	-	-	(2,688,735)
<u>42,163</u>	<u>7,443,910</u>	<u>5,768,548</u>	<u>774,564</u>	<u>29,631,117</u>
<u>\$ 42,163</u>	<u>\$ 8,030,095</u>	<u>\$ 5,810,148</u>	<u>\$ 774,564</u>	<u>\$ 32,953,852</u>



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SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Twelve Months Ended December 31, 2012

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
Revenues				
Property taxes	\$ 36,573,242	\$ 1	\$ -	\$ 36,573,243
Emergency telephone services taxes	2,730,276	-	-	2,730,276
Sales taxes	-	-	13,648,221	13,648,221
Other taxes	80,850	-	-	80,850
Intergovernmental	7,515,535	-	81,505	7,597,040
Charges for services	20,168,252	-	-	20,168,252
Uses of money and property	6,579	-	-	6,579
Licenses and permits	70,696	-	-	70,696
Other	47,008	-	24,734	71,742
Total revenues	67,192,438	1	13,754,460	80,946,899
Expenditures				
Current:				
General government	4,361,813	-	-	4,361,813
Public safety	35,950,492	-	-	35,950,492
Public works	11,762,941	-	-	11,762,941
Health and welfare	5,553,383	-	-	5,553,383
Culture and recreation	203	-	-	203
Economic development	7,120,438	-	-	7,120,438
Debt service:				
Principal	724,941	-	-	724,941
Interest and fiscal charges	123,094	-	-	123,094
Capital outlay	-	-	26,081,038	26,081,038
Total expenditures	65,597,305	-	26,081,038	91,678,343
Excess (deficiency) of revenues over (under) expenditures	1,595,133	1	(12,326,578)	(10,731,444)
Other financing sources (uses)				
Transfers from other funds	101,439	-	9,945,706	10,047,145
Transfers to other funds	(2,008,543)	-	(8,599)	(2,017,142)
Total other financing sources (uses)	(1,907,104)	-	9,937,107	8,030,003
Net change in fund balances	(311,971)	1	(2,389,471)	(2,701,441)
Fund balances, beginning of year	20,143,294	25,788	32,020,588	52,189,670
Fund balances, end of period	\$ 19,831,323	\$ 25,789	\$ 29,631,117	\$ 49,488,229

SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Twelve Months Ended December 31, 2012

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Revenues				
Property taxes	\$ 7,120,438	\$ 3,013,823	\$ 2,226,276	\$ 2,854,424
Emergency telephone services taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	-	261,668	-	-
Charges for services	-	-	12,523,371	-
Uses of money and property	-	-	-	-
Licenses and permits	-	-	-	-
Other	-	79	1,127	20
Total revenues	<u>7,120,438</u>	<u>3,275,570</u>	<u>14,750,774</u>	<u>2,854,444</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	15,991,708	-
Public works	-	-	-	-
Health and welfare	-	3,006,044	-	2,547,039
Culture and recreation	-	-	-	-
Economic development	7,120,438	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>7,120,438</u>	<u>3,006,044</u>	<u>15,991,708</u>	<u>2,547,039</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>269,526</u>	<u>(1,240,934)</u>	<u>307,405</u>
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	(600,000)	(176,387)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(600,000)</u>	<u>(176,387)</u>
Net change in fund balances	-	269,526	(1,840,934)	131,018
Fund balances, beginning of year	<u>9,500</u>	<u>873,604</u>	<u>5,617,240</u>	<u>238,273</u>
Fund balances, end of period	<u>\$ 9,500</u>	<u>\$ 1,143,130</u>	<u>\$ 3,776,306</u>	<u>\$ 369,291</u>

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 5,018,743	\$ 430,772	\$ -	\$ -	\$ -	\$ -
-	-	-	-	2,730,276	-
-	-	-	31,767	-	-
4,464,368	-	-	-	-	2,680,500
27,430	74,672	1,513,343	-	-	915,071
-	-	-	-	248	-
7,085	-	57,331	-	-	-
15,764	-	-	-	-	1,147
<u>9,533,390</u>	<u>505,444</u>	<u>1,570,674</u>	<u>31,767</u>	<u>2,730,524</u>	<u>3,596,718</u>
-	-	-	-	-	-
-	-	-	-	1,664,959	3,210,800
10,116,914	476,804	1,169,223	-	-	-
-	-	-	-	-	-
-	-	-	203	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,116,914</u>	<u>476,804</u>	<u>1,169,223</u>	<u>203</u>	<u>1,664,959</u>	<u>3,210,800</u>
<u>(583,524)</u>	<u>28,640</u>	<u>401,451</u>	<u>31,564</u>	<u>1,065,565</u>	<u>385,918</u>
-	-	-	-	-	101,439
-	-	(79,845)	(31,564)	(670,817)	-
-	-	(79,845)	(31,564)	(670,817)	101,439
(583,524)	28,640	321,606	-	394,748	487,357
<u>2,810,932</u>	<u>18,835</u>	<u>921,083</u>	<u>6,001</u>	<u>1,959,288</u>	<u>2,928,681</u>
<u>\$ 2,227,408</u>	<u>\$ 47,475</u>	<u>\$ 1,242,689</u>	<u>\$ 6,001</u>	<u>\$ 2,354,036</u>	<u>\$ 3,416,038</u>

SEDGWICK COUNTY, KANSAS

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

Nonmajor Special Revenue Funds

For the Twelve Months Ended December 31, 2012

	Special Alcohol and Drug Programs	Auto License	Court Alcohol/Drug Safety Action Program	Prosecuting Attorney Training
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Emergency telephone services taxes	-	-	-	-
Other taxes	49,083	-	-	-
Intergovernmental	-	108,999	-	-
Charges for services	-	3,868,171	116,106	37,147
Uses of money and property	-	-	-	-
Licenses and permits	-	-	-	-
Other	-	9,236	-	-
Total revenues	49,083	3,986,406	116,106	37,147
Expenditures				
Current:				
General government	-	3,769,915	-	-
Public safety	-	-	106,159	36,934
Public works	-	-	-	-
Health and welfare	300	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	300	3,769,915	106,159	36,934
Excess (deficiency) of revenues over (under) expenditures	48,783	216,491	9,947	213
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	(48,783)	(220,346)	-	-
Total other financing sources (uses)	(48,783)	(220,346)	-	-
Net change in fund balances	-	(3,855)	9,947	213
Fund balances, beginning of year	4,176	308,956	119,600	42,591
Fund balances, end of period	\$ 4,176	\$ 305,101	\$ 129,547	\$ 42,804

Register of Deeds Technology	Fire District Operating	Fire District Research and Development	Township Dissolution	Totals
\$ -	\$ 15,908,766	\$ -	\$ -	\$ 36,573,242
-	-	-	-	2,730,276
-	-	-	-	80,850
-	-	-	-	7,515,535
718,939	374,002	-	-	20,168,252
372	5,939	20	-	6,579
-	6,280	-	-	70,696
-	19,294	341	-	47,008
<u>719,311</u>	<u>16,314,281</u>	<u>361</u>	<u>-</u>	<u>67,192,438</u>
591,898	-	-	-	4,361,813
-	14,915,728	24,204	-	35,950,492
-	-	-	-	11,762,941
-	-	-	-	5,553,383
-	-	-	-	203
-	-	-	-	7,120,438
-	724,941	-	-	724,941
-	123,094	-	-	123,094
<u>591,898</u>	<u>15,763,763</u>	<u>24,204</u>	<u>-</u>	<u>65,597,305</u>
<u>127,413</u>	<u>550,518</u>	<u>(23,843)</u>	<u>-</u>	<u>1,595,133</u>
-	-	-	-	101,439
-	(180,801)	-	-	(2,008,543)
-	(180,801)	-	-	(1,907,104)
127,413	369,717	(23,843)	-	(311,971)
<u>976,820</u>	<u>3,076,960</u>	<u>38,217</u>	<u>192,537</u>	<u>20,143,294</u>
<u>\$ 1,104,233</u>	<u>\$ 3,446,677</u>	<u>\$ 14,374</u>	<u>\$ 192,537</u>	<u>\$ 19,831,323</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) For the Twelve Months Ended December 31, 2012

	Building and Equipment	Street, Bridge and Other	Sales Tax Road and Bridge	Road and Bridge Equipment
Revenues				
Sales taxes	\$ -	\$ -	\$ 13,648,221	\$ -
Other revenue	-	-	-	-
Intergovernmental	-	-	33,271	-
Total revenues	-	-	13,681,492	-
Expenditures				
Capital outlay	4,523,098	3,273,945	10,933,132	-
Total expenditures	4,523,098	3,273,945	10,933,132	-
(Deficiency) of revenues (under) expenditures	(4,523,098)	(3,273,945)	2,748,360	-
Other financing sources (uses)				
Transfers from other funds	4,317,928	2,797,042	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	4,317,928	2,797,042	-	-
Net change in fund balances	(205,170)	(476,903)	2,748,360	-
Fund balances (deficits), beginning of year	(1,943,505)	(63,157)	15,386,752	155,555
Fund balances (deficits), end of period	<u>\$ (2,148,675)</u>	<u>\$ (540,060)</u>	<u>\$ 18,135,112</u>	<u>\$ 155,555</u>

Highway Improvement	Capital Improvements	Equipment Reserve	Fire District Special Equipment	Totals
\$ -	\$ -	\$ -	\$ -	\$ 13,648,221
-	4,639	19,566	529	24,734
-	48,234	-	-	81,505
-	52,873	19,566	529	13,754,460
-	3,821,480	3,483,628	45,755	26,081,038
-	3,821,480	3,483,628	45,755	26,081,038
-	(3,768,607)	(3,464,062)	(45,226)	(12,326,578)
-	1,942,460	707,475	180,801	9,945,706
-	(8,599)	-	-	(8,599)
-	1,933,861	707,475	180,801	9,937,107
-	(1,834,746)	(2,756,587)	135,575	(2,389,471)
42,163	9,278,656	8,525,135	638,989	32,020,588
\$ 42,163	\$ 7,443,910	\$ 5,768,548	\$ 774,564	\$ 29,631,117

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 7,052,259	\$ 7,052,259	\$ 7,120,438	\$ 68,179
Charges for services	-	-	-	-
Other	300,000	300,000	-	(300,000)
Total revenues	<u>7,352,259</u>	<u>7,352,259</u>	<u>7,120,438</u>	<u>(231,821)</u>
Expenditures				
Current:				
Contractual services	<u>7,352,259</u>	<u>7,352,259</u>	<u>7,120,438</u>	<u>231,821</u>
Total expenditures	<u>7,352,259</u>	<u>7,352,259</u>	<u>7,120,438</u>	<u>231,821</u>
Revenues over (under) expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	9,500	9,500
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,500</u>	<u>\$ 9,500</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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 2,957,463	\$ 2,957,463	\$ 3,013,823	\$ 56,360
Intergovernmental	348,890	348,890	261,668	(87,222)
Reimbursed expenditures	-	-	79	79
Other	-	-	-	-
Total revenues	<u>3,306,353</u>	<u>3,306,353</u>	<u>3,275,570</u>	<u>(30,783)</u>
Expenditures				
Current:				
Personnel services	2,065,935	2,128,302	1,633,467	494,835
Contractual services	1,428,347	1,353,379	1,255,372	98,007
Commodities	117,572	130,173	117,232	12,941
Capital outlay	-	-	-	-
Total expenditures	<u>3,611,854</u>	<u>3,611,854</u>	<u>3,006,071</u>	<u>605,783</u>
Revenues over (under) expenditures	<u>(305,501)</u>	<u>(305,501)</u>	<u>269,499</u>	<u>575,000</u>
Net change in fund balances	(305,501)	(305,501)	269,499	575,000
Fund balances, beginning of year	<u>305,501</u>	<u>305,501</u>	<u>873,551</u>	<u>568,050</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,143,050</u>	<u>\$ 1,143,050</u>

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 2,208,043	\$ 2,208,043	\$ 2,226,276	\$ 18,233
Charges for services	12,491,510	12,491,510	12,523,371	31,861
Reimbursed expenditures	442	442	424	(18)
Other	8,547	8,547	703	(7,844)
Total revenues	<u>14,708,542</u>	<u>14,708,542</u>	<u>14,750,774</u>	<u>42,232</u>
Expenditures				
Current:				
Personnel services	12,697,613	12,383,786	12,011,778	372,008
Contractual services	3,271,123	3,013,829	2,983,883	29,946
Commodities	1,056,539	1,027,660	1,038,757	(11,097)
Capital outlay	-	-	-	-
Total expenditures	<u>17,025,275</u>	<u>16,425,275</u>	<u>16,034,418</u>	<u>390,857</u>
Revenues over (under) expenditures	<u>(2,316,733)</u>	<u>(1,716,733)</u>	<u>(1,283,644)</u>	<u>433,089</u>
Other financing (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	(600,000)	(600,000)	-
Total other financing (uses)	<u>-</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
Net change in fund balances	(2,316,733)	(2,316,733)	(1,883,644)	433,089
Fund balances, beginning of year	<u>2,316,733</u>	<u>2,316,733</u>	<u>5,258,197</u>	<u>2,941,464</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,374,553</u>	<u>\$ 3,374,553</u>

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 2,807,167	\$ 2,807,167	\$ 2,854,424	\$ 47,257
Intergovernmental	-	-	-	-
Reimbursed expenditures	-	-	20	20
Other	153	153	-	(153)
Total revenues	2,807,320	2,807,320	2,854,444	47,124
Expenditures				
Current:				
Personnel services	692,810	705,652	681,192	24,460
Contractual services	1,948,577	1,935,735	1,910,102	25,633
Commodities	6,379	6,379	6,379	-
Total expenditures	2,647,766	2,647,766	2,597,673	50,093
Revenues over (under) expenditures	159,554	159,554	256,771	97,217
Other financing (uses)				
Transfers to other funds	(176,387)	(176,387)	(176,387)	-
Total other financing (uses)	(176,387)	(176,387)	(176,387)	-
Net change in fund balances	(16,833)	(16,833)	80,384	97,217
Fund balances, beginning of year	16,833	16,833	183,215	166,382
Fund balances, end of year	\$ -	\$ -	\$ 263,599	\$ 263,599

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 4,897,371	\$ 4,897,371	\$ 5,018,743	\$ 121,372
Intergovernmental	5,012,960	5,012,960	4,464,368	(548,592)
Charges for services	29,893	29,893	27,430	(2,463)
Licenses and permits	6,610	6,610	7,085	475
Reimbursed expenditures	15,015	15,015	9,155	(5,860)
Other	11,774	11,774	6,609	(5,165)
Total revenues	9,973,623	9,973,623	9,533,390	(440,233)
Expenditures				
Current:				
Personnel services	6,440,549	6,423,177	5,739,055	684,122
Contractual services	4,212,527	4,211,527	4,076,339	135,188
Commodities	319,109	337,481	191,603	145,878
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	10,972,185	10,972,185	10,006,997	965,188
Revenues over (under) expenditures	(998,562)	(998,562)	(473,607)	524,955
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(998,562)	(998,562)	(473,607)	524,955
Fund balances, beginning of year	998,562	998,562	2,138,551	1,139,989
Fund balances, end of year	\$ -	\$ -	\$ 1,664,944	\$ 1,664,944

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 423,318	\$ 423,318	\$ 430,772	\$ 7,454
Charges for services	76,987	76,987	74,672	(2,315)
Other	-	-	-	-
Total revenues	<u>500,305</u>	<u>500,305</u>	<u>505,444</u>	<u>5,139</u>
Expenditures				
Current:				
Personnel services	304,889	304,889	293,905	10,984
Contractual services	105,349	100,349	93,309	7,040
Commodities	100,162	105,162	97,140	8,022
Capital outlay	-	-	-	-
Total expenditures	<u>510,400</u>	<u>510,400</u>	<u>484,354</u>	<u>26,046</u>
Revenues over (under) expenditures	<u>(10,095)</u>	<u>(10,095)</u>	<u>21,090</u>	<u>31,185</u>
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Net change in fund balances	(10,095)	(10,095)	21,090	31,185
Fund balances, beginning of year	<u>10,095</u>	<u>10,095</u>	<u>18,835</u>	<u>8,740</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,925</u>	<u>\$ 39,925</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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Charges for services	\$ 1,505,719	\$ 1,505,719	\$ 1,513,343	\$ 7,624
Licenses and permits	57,281	57,281	57,331	50
Reimbursed expenditures	10	10	-	(10)
Other	-	-	-	-
Total revenues	<u>1,563,010</u>	<u>1,563,010</u>	<u>1,570,674</u>	<u>7,664</u>
Expenditures				
Current:				
Personnel services	727,656	730,427	678,337	52,090
Contractual services	1,190,262	1,184,021	448,953	735,068
Commodities	50,986	54,456	41,933	12,523
Capital outlay	-	-	-	-
Total expenditures	<u>1,968,904</u>	<u>1,968,904</u>	<u>1,169,223</u>	<u>799,681</u>
Revenues over (under) expenditures	<u>(405,894)</u>	<u>(405,894)</u>	<u>401,451</u>	<u>807,345</u>
Other financing (uses)				
Transfers to other funds	(79,845)	(79,845)	(79,845)	-
Total other financing (uses)	<u>(79,845)</u>	<u>(79,845)</u>	<u>(79,845)</u>	<u>-</u>
Net change in fund balances	(485,739)	(485,739)	321,606	807,345
Fund balances, beginning of year	<u>485,739</u>	<u>485,739</u>	<u>922,209</u>	<u>436,470</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,243,815</u>	<u>\$ 1,243,815</u>

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 32,035	\$ 32,035	\$ 31,767	\$ (268)
Other	-	-	-	-
Total revenues	32,035	32,035	31,767	(268)
Expenditures				
Current:				
Personnel services	-	-	-	-
Contractual services	203	203	203	-
Commodities	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	203	203	203	-
Revenues over (under) expenditures	31,832	31,832	31,564	(268)
Other financing (uses)				
Transfers to other funds	(31,832)	(31,832)	(31,564)	(268)
Total other financing (uses)	(31,832)	(31,832)	(31,564)	(268)
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	6,001	6,001
Fund balances, end of year	\$ -	\$ -	\$ 6,001	\$ 6,001

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 2,692,265	\$ 2,692,265	\$ 2,730,276	\$ 38,011
Charges for services	-	-	-	-
Uses of money and property	822	822	248	(574)
Reimbursed expenditures	-	-	-	-
Other	521	521	-	(521)
Total revenues	<u>2,693,608</u>	<u>2,693,608</u>	<u>2,730,524</u>	<u>36,916</u>
Expenditures				
Current:				
Contractual services	1,294,500	1,676,870	1,640,251	36,619
Commodities	71,500	42,112	23,856	18,256
Capital outlay	167,000	88,780	(162,700)	251,480
Total expenditures	<u>1,533,000</u>	<u>1,807,762</u>	<u>1,501,407</u>	<u>306,355</u>
Revenues over (under) expenditures	<u>1,160,608</u>	<u>885,846</u>	<u>1,229,117</u>	<u>343,271</u>
Other financing (uses)				
Transfers to other funds	(1,160,608)	(885,846)	(670,817)	215,029
Total other financing (uses)	<u>(1,160,608)</u>	<u>(885,846)</u>	<u>(670,817)</u>	<u>215,029</u>
Net change in fund balances	-	-	558,300	558,300
Fund balances, beginning of year	-	-	1,737,119	1,737,119
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,295,419</u>	<u>\$ 2,295,419</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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 56,590	\$ 56,590	\$ 49,083	\$ (7,507)
Reimbursed expenditures	-	-	-	-
Total revenues	56,590	56,590	49,083	(7,507)
Expenditures				
Current:				
Contractual services	300	300	300	-
Total expenditures	300	300	300	-
Revenues over (under) expenditures	56,290	56,290	48,783	(7,507)
Other financing (uses)				
Transfers to other funds	(56,290)	(56,290)	(48,783)	7,507
Total other financing (uses)	(56,290)	(56,290)	(48,783)	7,507
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	4,176	4,176
Fund balances, end of year	\$ -	\$ -	\$ 4,176	\$ 4,176

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 15,693,765	\$ 15,693,765	\$ 15,908,766	\$ 215,001
Intergovernmental	-	-	-	-
Charges for services	372,256	372,256	374,002	1,746
Uses of money and property	9,458	9,458	5,939	(3,519)
Licenses and permits	5,463	5,463	6,280	817
Reimbursed expenditures	358	358	958	600
Other	26,591	26,591	18,336	(8,255)
Total revenues	16,107,891	16,107,891	16,314,281	206,390
Expenditures				
Current:				
Personnel services	13,247,667	13,248,467	13,059,158	189,309
Contractual services	1,278,143	1,243,793	1,097,325	146,468
Commodities	756,653	790,203	763,785	26,418
Capital outlay	49,801	-	-	-
Debt service:				
Principal	1,026,848	915,498	724,941	190,557
Interest	181,208	161,558	123,094	38,464
Total expenditures	16,540,320	16,359,519	15,768,303	591,216
Revenues over (under) expenditures	(432,429)	(251,628)	545,978	797,606
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	(180,801)	(180,801)	-
Total other financing sources (uses)	-	(180,801)	(180,801)	-
Net change in fund balances	(432,429)	(432,429)	365,177	797,606
Fund balances, beginning of year	432,429	432,429	3,095,916	2,663,487
Fund balances, end of year	\$ -	\$ -	\$ 3,461,093	\$ 3,461,093

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, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 18,646,435	\$ 18,646,435	\$ 18,859,420	\$ 212,985
Intergovernmental	205,277	205,277	205,277	-
Charges for services	720,651	720,651	720,651	-
Uses of money and property	-	-	-	-
Total revenues	<u>19,572,363</u>	<u>19,572,363</u>	<u>19,785,348</u>	<u>212,985</u>
Expenditures				
Current:				
Contractual services	10,804	17,962	17,962	-
Debt service:				
Principal	14,236,695	14,231,971	13,935,000	296,971
Loan Principal	431,415	431,272	328,960	102,312
Interest and fiscal charges	6,902,640	6,900,349	6,913,469	(13,120)
Total expenditures	<u>21,581,554</u>	<u>21,581,554</u>	<u>21,195,391</u>	<u>386,163</u>
Revenues over (under) expenditures	<u>(2,009,191)</u>	<u>(2,009,191)</u>	<u>(1,410,043)</u>	<u>599,148</u>
Other financing sources				
Transfers from other funds	2,838,019	2,838,019	2,348,228	(489,791)
Total other financing sources	<u>2,838,019</u>	<u>2,838,019</u>	<u>2,348,228</u>	<u>(489,791)</u>
Net change in fund balances	828,828	828,828	938,185	109,357
Fund balances, beginning of year	<u>(828,828)</u>	<u>(828,828)</u>	<u>1,037,631</u>	<u>1,866,459</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,975,816</u>	<u>\$ 1,975,816</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, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ 1	\$ 1
Total revenues	-	-	1	1
Revenues over (under) expenditures	-	-	1	1
Net change in fund balances	-	-	1	1
Fund balances, beginning of year	-	-	25,788	25,788
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,789</u>	<u>\$ 25,789</u>



2012



Sedgwick County

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The fund measurement focus is based upon determination of net income, financial position and changes in financial position. Sedgwick County reports a single Enterprise Fund and additional information is presented in this section regarding the subfunds.

Coliseum/Arena Fund
Kansas Pavilions Subfund
Downtown Arena Subfund



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SEDGWICK COUNTY, KANSAS

Combining Schedule of Net Position Arena Fund December 31, 2012

	Kansas Pavilions Subfund	Downtown Arena Subfund	Totals Pavilions/Arena Fund
Assets			
Current assets:			
Cash, including investments	\$ 1,043,937	\$ 1,302,734	\$ 2,346,671
Accounts receivable, net	-	253,000	253,000
Total current assets	<u>1,043,937</u>	<u>1,555,734</u>	<u>2,599,671</u>
Restricted assets:			
Cash, including investments	-	10,619,276	10,619,276
Total restricted assets	<u>-</u>	<u>10,619,276</u>	<u>10,619,276</u>
Noncurrent assets:			
Capital assets:			
Land	-	13,163,978	13,163,978
Buildings and improvements	-	162,749,057	162,749,057
Machinery and equipment	-	5,839,486	5,839,486
Less accumulated depreciation	-	(15,894,865)	(15,894,865)
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>165,857,656</u>	<u>165,857,656</u>
Total assets	<u><u>\$ 1,043,937</u></u>	<u><u>\$ 178,032,666</u></u>	<u><u>\$ 179,076,603</u></u>
Liabilities			
Current liabilities:			
Accounts payable and accrued expenses	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position			
Investment in capital assets	-	165,857,656	165,857,656
Restricted for capital improvements and operations	-	10,619,276	10,619,276
Unrestricted	1,043,937	1,555,734	2,599,671
Total net position	<u>1,043,937</u>	<u>178,032,666</u>	<u>179,076,603</u>
Total liabilities and net position	<u><u>\$ 1,043,937</u></u>	<u><u>\$ 178,032,666</u></u>	<u><u>\$ 179,076,603</u></u>

SEDGWICK COUNTY, KANSAS

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position

Arena Fund

For the Twelve Months Ended December 31, 2012

	Kansas Pavilions Subfund	Downtown Arena Subfund	Totals Pavilions/Arena Fund
Operating revenues			
Charges for services	\$ 103,570	\$ 843,000	\$ 946,570
Other revenue	-	225,000	225,000
Total operating revenues	<u>103,570</u>	<u>1,068,000</u>	<u>1,171,570</u>
Operating expenses			
Salaries and benefits	92,512	-	92,512
Contractual services	34,126	444,842	478,968
Utilities	28,192	-	28,192
Supplies and fuel	9,106	-	9,106
Depreciation expense	-	5,296,658	5,296,658
Other expenses	364,811	94,236	459,047
Total operating expenses	<u>528,747</u>	<u>5,835,736</u>	<u>6,364,483</u>
Operating (loss)	<u>(425,177)</u>	<u>(4,767,736)</u>	<u>(5,192,913)</u>
Nonoperating revenues			
Proceeds from disposal of assets	-	40,086	40,086
Total nonoperating revenues	<u>-</u>	<u>40,086</u>	<u>40,086</u>
Nonoperating expenses			
Loss on disposal of assets	(708,088)	-	(708,088)
Total nonoperating expenses	<u>(708,088)</u>	<u>-</u>	<u>(708,088)</u>
Income (loss) before transfers	(1,133,265)	(4,727,650)	(5,860,915)
Change in net position	(1,133,265)	(4,727,650)	(5,860,915)
Total net position, beginning of year	<u>2,177,202</u>	<u>182,760,316</u>	<u>184,937,518</u>
Total net position, end of period	<u><u>\$ 1,043,937</u></u>	<u><u>\$ 178,032,666</u></u>	<u><u>\$ 179,076,603</u></u>



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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing and administration of general services provided to various departments of the County.

Fleet Management – provides and maintains vehicles and equipment for County departments.

Health/Dental/Life Insurance Reserve – provides for the payment of claims, judgments and expenses for health care and dental services.

Workers' Compensation Reserve – provides for the payment of workers' compensation claims and related costs.

Risk Management Reserve – provides the County reimbursement for insurable losses not otherwise insured.



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SEDGWICK COUNTY, KANSAS

Combining Statement of Net Position Internal Service Funds December 31, 2012

	Fleet Management	Health/Dental/ Life Insurance Reserve	Workers' Compensation Reserve
Assets			
Current assets:			
Cash, including investments	\$ 7,300,302	\$ 4,277,385	\$ 3,025,329
Inventories, at cost	474,552	-	-
Total current assets	7,774,854	4,277,385	3,025,329
Noncurrent assets:			
Capital assets:			
Buildings and improvements	8,303,571	-	-
Machinery and equipment	29,133,474	-	-
Less accumulated depreciation	(22,916,466)	-	-
Total capital assets (net of accumulated depreciation)	14,520,579	-	-
Total assets	\$ 22,295,433	\$ 4,277,385	\$ 3,025,329
Liabilities			
Current liabilities:			
Accounts payable	\$ 733,859	\$ -	\$ 35,451
Accrued wages	30,198	2,629	10,097
Estimated claims costs payable	-	-	915,000
Total current liabilities	764,057	2,629	960,548
Noncurrent liabilities:			
Estimated claims costs payable	-	-	289,000
Total liabilities	764,057	2,629	1,249,548
Net position			
Investment in capital assets	14,520,579	-	-
Unrestricted	7,010,797	4,274,756	1,775,781
Total net position	21,531,376	4,274,756	1,775,781
Total liabilities and net position	\$ 22,295,433	\$ 4,277,385	\$ 3,025,329

Risk Management Reserve		Totals	
\$	2,428,982	\$	17,031,998
	-		474,552
	<u>2,428,982</u>		<u>17,506,550</u>
	-		8,303,571
	41,765		29,175,239
	<u>(18,098)</u>		<u>(22,934,564)</u>
	<u>23,667</u>		<u>14,544,246</u>
\$	<u>2,452,649</u>	\$	<u>32,050,796</u>
\$	46,703	\$	816,013
	6,692		49,616
	-		915,000
	<u>53,395</u>		<u>1,780,629</u>
	-		289,000
	<u>53,395</u>		<u>2,069,629</u>
	23,667		14,544,246
	<u>2,375,587</u>		<u>15,436,921</u>
	<u>2,399,254</u>		<u>29,981,167</u>
\$	<u>2,452,649</u>	\$	<u>32,050,796</u>

SEDGWICK COUNTY, KANSAS

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

For the Twelve Months Ended December 31, 2012

	Fleet Management	Health/Dental/ Life Insurance Reserve	Workers' Compensation Reserve
Operating revenues:			
Charges for services	\$ 7,782,861	\$ 29,204,131	\$ 1,530,032
Other revenue	47,266	-	7,406
Total operating revenues	<u>7,830,127</u>	<u>29,204,131</u>	<u>1,537,438</u>
Operating expenses:			
Salaries and benefits	1,063,806	99,694	305,852
Contractual services	1,056,434	169,631	37,512
Utilities	57,425	-	-
Supplies and fuel	3,277,773	-	234
Administrative charges	137,888	-	-
Depreciation	2,885,155	-	-
Claims expense	-	29,200,308	1,155,912
Other	-	-	-
Total operating expenses	<u>8,478,481</u>	<u>29,469,633</u>	<u>1,499,510</u>
Operating income (loss)	<u>(648,354)</u>	<u>(265,502)</u>	<u>37,928</u>
Nonoperating revenues:			
Investment income	-	3,668	2,237
Gain (loss) on sale of assets	640,867	-	-
Total nonoperating revenues	<u>640,867</u>	<u>3,668</u>	<u>2,237</u>
Income (loss) before transfers	(7,487)	(261,834)	40,165
Transfers			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	(7,487)	(261,834)	40,165
Net position, beginning of year	<u>21,538,863</u>	<u>4,536,590</u>	<u>1,735,616</u>
Net position, end of period	<u>\$ 21,531,376</u>	<u>\$ 4,274,756</u>	<u>\$ 1,775,781</u>

Risk Management Reserve	Totals
\$ -	\$ 38,517,024
103,394	158,066
<u>103,394</u>	<u>38,675,090</u>
198,088	1,667,440
734,264	1,997,841
-	57,425
10,755	3,288,762
-	137,888
8,353	2,893,508
185,640	30,541,860
13,347	13,347
<u>1,150,447</u>	<u>40,598,071</u>
<u>(1,047,053)</u>	<u>(1,922,981)</u>
1,412	7,317
-	640,867
<u>1,412</u>	<u>648,184</u>
(1,045,641)	(1,274,797)
<u>981,960</u>	<u>981,960</u>
(63,681)	(292,837)
<u>2,462,935</u>	<u>30,274,004</u>
<u>\$ 2,399,254</u>	<u>\$ 29,981,167</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Cash Flows Internal Service Funds For the year ended December 31, 2012

	Fleet Management	Health/Dental/ Life Insurance Reserve	Workers' Compensation Reserve
Cash flows from operating activities			
Receipts from customers and users	\$ 7,830,127	\$ 29,204,131	\$ 1,530,032
Other operating revenues	-	-	7,406
Payments to suppliers for goods and services	(4,878,144)	(29,527,188)	(1,277,335)
Payments to employees for services	(1,063,806)	(99,694)	(305,852)
Net cash provided by (used in) operating activities	<u>1,888,177</u>	<u>(422,751)</u>	<u>(45,749)</u>
Cash flows from noncapital financing activities			
Transfers from other funds	-	-	-
Net cash provided (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities			
Proceeds on disposal of capital assets	647,730	-	-
Purchases of capital assets	(2,254,968)	-	-
Net cash provided by (used in) capital and related financing activities	<u>(1,607,238)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Interest on investments	-	3,668	2,237
Net cash provided by investing activities	<u>-</u>	<u>3,668</u>	<u>2,237</u>
Net increase (decrease) in cash and cash equivalents	280,939	(419,083)	(43,512)
Cash and cash equivalents, beginning of year	7,019,363	4,696,468	3,068,841
Cash and cash equivalents, end of year	<u>\$ 7,300,302</u>	<u>\$ 4,277,385</u>	<u>\$ 3,025,329</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (648,354)	\$ (265,502)	\$ 37,928
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	2,885,155	-	-
(Increase) in inventories	(15,300)	-	-
Increase (decrease) in accounts payable	(333,324)	(157,249)	8,188
Increase (decrease) in estimated claims payable	-	-	(91,865)
Total adjustments	<u>2,536,531</u>	<u>(157,249)</u>	<u>(83,677)</u>
Net cash provided by (used in) operating activities	<u>\$ 1,888,177</u>	<u>\$ (422,751)</u>	<u>\$ (45,749)</u>

Risk Management Reserve	Totals
\$ 103,394	\$ 38,667,684
-	7,406
(897,773)	(36,580,440)
(198,088)	(1,667,440)
<u>(992,467)</u>	<u>427,210</u>
981,960	981,960
<u>981,960</u>	<u>981,960</u>
-	647,730
-	<u>(2,254,968)</u>
-	<u>(1,607,238)</u>
1,412	7,317
<u>1,412</u>	<u>7,317</u>
(9,095)	(190,751)
<u>2,438,077</u>	<u>17,222,749</u>
<u>\$ 2,428,982</u>	<u>\$ 17,031,998</u>
<u>\$ (1,047,053)</u>	<u>\$ (1,922,981)</u>
8,353	2,893,508
-	(15,300)
46,233	(436,152)
-	(91,865)
<u>54,586</u>	<u>2,350,191</u>
<u>\$ (992,467)</u>	<u>\$ 427,210</u>



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AGENCY FUNDS

Agency 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.

Tax Collection/Distribution Accounts
Clearing/Other Fee Collections



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SEDGWICK COUNTY, KANSAS

Combining Statement of Changes in Assets and Liabilities All Agency Funds For the Year Ended December 31, 2012

	Balance January 1, 2012	Additions	Deductions	Balance December 31, 2012
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets				
Cash	\$ 320,450,916	\$ 2,869,114,406	\$ (2,873,845,016)	\$ 315,720,306
Accounts receivable	449	-	-	449
Property tax levied	<u>215,584,837</u>	<u>525,143,154</u>	<u>(521,394,366)</u>	<u>219,333,625</u>
Total assets	<u>\$ 536,036,202</u>	<u>\$ 3,394,257,560</u>	<u>\$ (3,395,239,382)</u>	<u>\$ 535,054,380</u>
Liabilities				
Accrued liabilities	\$ 14,826,831	\$ 1,806,933,942	\$ (1,807,928,176)	\$ 13,832,597
Due to other governmental units	<u>521,209,371</u>	<u>1,587,323,618</u>	<u>(1,587,311,206)</u>	<u>521,221,783</u>
Total liabilities	<u>\$ 536,036,202</u>	<u>\$ 3,394,257,560</u>	<u>\$ (3,395,239,382)</u>	<u>\$ 535,054,380</u>
<u>TAX COLLECTION AND DISTRIBUTION ACCOUNTS</u>				
Assets				
Cash	\$ 305,624,534	\$ 1,062,180,464	\$ (1,065,916,840)	\$ 301,888,158
Property tax levied	<u>215,584,837</u>	<u>525,143,154</u>	<u>(521,394,366)</u>	<u>219,333,625</u>
Total assets	<u>\$ 521,209,371</u>	<u>\$ 1,587,323,618</u>	<u>\$ (1,587,311,206)</u>	<u>\$ 521,221,783</u>
Liabilities				
Due to other governmental units	<u>\$ 521,209,371</u>	<u>\$ 1,587,323,618</u>	<u>\$ (1,587,311,206)</u>	<u>\$ 521,221,783</u>
Total liabilities	<u>\$ 521,209,371</u>	<u>\$ 1,587,323,618</u>	<u>\$ (1,587,311,206)</u>	<u>\$ 521,221,783</u>
<u>CLEARING/OTHER FEE COLLECTIONS</u>				
Assets				
Cash	\$ 14,826,382	\$ 1,806,933,942	\$ (1,807,928,176)	\$ 13,832,148
Accounts receivable	<u>449</u>	<u>-</u>	<u>-</u>	<u>449</u>
Total assets	<u>\$ 14,826,831</u>	<u>\$ 1,806,933,942</u>	<u>\$ (1,807,928,176)</u>	<u>\$ 13,832,597</u>
Liabilities				
Accrued liabilities	<u>\$ 14,826,831</u>	<u>\$ 1,806,933,942</u>	<u>\$ (1,807,928,176)</u>	<u>\$ 13,832,597</u>
Total liabilities	<u>\$ 14,826,831</u>	<u>\$ 1,806,933,942</u>	<u>\$ (1,807,928,176)</u>	<u>\$ 13,832,597</u>



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COMPONENT UNIT

The Sedgwick County Public Building Commission (SCPBC) is reported as a discretely presented component unit within the financial statements of Sedgwick County (the reporting entity) to emphasize its separate legal status. The SCPBC acquires and finances buildings or facilities for Sedgwick County or other local agencies.



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SEDGWICK COUNTY, KANSAS

Statement of Cash Flows Component Unit - Sedgwick County Public Building Commission For the Year Ended December 31, 2012

Cash flows from capital and related financing activities:

Received on direct financing lease	\$	22,087,323
Debt service - principal		(18,365,000)
Debt service - interest expense		(3,722,323)
Net cash used in capital and related financing activities		<u>-</u>
Net decrease in cash and cash equivalents		-
Cash and cash equivalents - beginning of the year		<u>-</u>
Cash and cash equivalents - end of the year	\$	<u><u>-</u></u>



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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.



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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>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>	G - 2
Revenue Capacity <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	G - 7
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>	G - 11
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>	G - 15
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>	G - 17

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



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

	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental activities										
Net investment in capital assets	\$ 166,039,212	\$ 199,146,401	\$ 208,012,619	\$ 192,131,802	\$ 198,389,307	\$ 204,548,962	\$ 240,044,637	\$ 268,738,532	\$282,471,201	\$294,690,938
Restricted	96,685,495	87,933,415	106,459,311	97,202,499	103,756,016	150,861,408	129,664,044	93,119,058	61,027,411	56,123,063
Unrestricted	52,638,473	49,039,454	48,780,818	49,132,760	72,304,957	74,229,923	84,307,304	77,461,046	93,115,134	85,371,059
Total governmental activities net position	<u>\$ 315,363,180</u>	<u>\$ 336,119,270</u>	<u>\$ 363,252,748</u>	<u>\$ 338,467,061</u>	<u>\$ 374,450,280</u>	<u>\$ 429,640,293</u>	<u>\$ 454,015,985</u>	<u>\$ 439,318,636</u>	<u>\$436,613,746</u>	<u>\$436,185,060</u>
Business-type activities										
Net investment in capital assets	\$ 7,706,580	\$ 8,615,366	\$ 9,163,049	\$ 14,767,218	\$ 41,565,756	\$ 110,766,423	\$ 183,396,054	\$ 182,094,430	\$173,139,907	\$165,857,656
Restricted	-	-	36,869,001	113,402,445	171,294,796	101,769,649	21,188,982	13,780,015	11,631,039	10,619,276
Unrestricted	472,032	288,610	220,110	134,256	379,987	384,616	10,791	1,371,399	166,572	2,599,671
Total business-type activities net position	<u>\$ 8,178,612</u>	<u>\$ 8,903,976</u>	<u>\$ 46,252,160</u>	<u>\$ 128,303,919</u>	<u>\$ 213,240,539</u>	<u>\$ 212,970,688</u>	<u>\$ 204,595,827</u>	<u>\$ 197,245,844</u>	<u>\$184,937,518</u>	<u>\$179,076,603</u>
Primary government										
Net investment in capital assets	\$ 173,745,792	\$ 207,761,767	\$ 217,175,668	\$ 206,899,020	\$ 239,955,063	\$ 315,315,385	\$ 423,440,691	\$ 450,832,962	\$455,611,108	\$460,548,594
Restricted	96,685,495	87,933,415	143,328,312	210,604,944	275,050,812	252,631,057	150,853,026	106,899,073	72,658,450	66,742,339
Unrestricted	53,110,505	49,328,964	49,000,928	49,267,016	72,684,944	74,614,539	84,318,095	78,832,445	93,281,706	87,970,730
Total primary government net position	<u>\$ 323,541,792</u>	<u>\$ 345,023,246</u>	<u>\$ 409,504,908</u>	<u>\$ 466,770,980</u>	<u>\$ 587,690,819</u>	<u>\$ 642,560,981</u>	<u>\$ 658,611,812</u>	<u>\$ 636,564,480</u>	<u>\$621,551,264</u>	<u>\$615,261,663</u>

The County's 2008 net position has been restated by \$12,605,321 to increase the value of capital assets in prior years. Certain construction in progress costs for road, bridge and building improvements should have been recorded in prior years

The County's 2012 net position has been restated by \$770,961 to eliminate unamortized bond issuance costs.

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities:										
General government										
Public safety	\$ 50,198,438	\$ 48,331,988	\$ 49,884,611	\$ 44,304,048	\$ 46,618,528	\$ 51,279,084	\$ 48,207,197	\$ 51,626,927	\$ 51,164,331	\$ 52,946,017
Public works	86,161,021	90,329,891	94,875,022	116,403,399	122,371,034	126,348,632	134,712,863	143,056,732	136,614,471	134,847,877
Health and welfare	29,331,078	23,710,531	15,462,330	24,948,572	21,920,559	21,171,258	26,918,844	30,471,325	28,598,830	29,963,817
Culture and recreation	58,815,151	62,317,632	61,857,647	65,515,975	63,734,178	65,583,467	66,495,063	66,600,199	66,002,246	58,600,471
Economic development	7,139,230	6,952,194	7,869,915	8,778,118	10,110,047	10,343,796	11,840,940	11,814,466	11,247,354	11,069,797
Interest on long-term debt	12,896,137	14,279,223	12,247,263	14,302,864	11,156,066	17,607,805	12,626,170	16,466,134	14,981,790	15,462,057
Total governmental activities expenses	3,920,879	6,072,591	5,900,048	5,868,171	6,315,457	5,439,606	6,934,908	7,113,384	7,078,866	7,503,342
	<u>248,461,934</u>	<u>251,994,050</u>	<u>248,096,836</u>	<u>280,121,147</u>	<u>282,225,869</u>	<u>297,773,648</u>	<u>307,735,985</u>	<u>327,149,167</u>	<u>315,687,888</u>	<u>310,393,378</u>
Business-type activities:										
Arena	3,572,280	2,997,603	2,981,789	2,936,214	3,097,901	3,407,526	3,707,728	6,933,493	8,823,760	7,072,571
Total business-type activities expenses	<u>3,572,280</u>	<u>2,997,603</u>	<u>2,981,789</u>	<u>2,936,214</u>	<u>3,097,901</u>	<u>3,407,526</u>	<u>3,707,728</u>	<u>6,933,493</u>	<u>8,823,760</u>	<u>7,072,571</u>
	<u>\$ 252,034,214</u>	<u>\$ 254,991,653</u>	<u>\$ 251,078,625</u>	<u>\$ 283,057,361</u>	<u>\$ 285,323,770</u>	<u>\$ 301,181,174</u>	<u>\$ 311,443,713</u>	<u>\$ 334,082,660</u>	<u>\$ 324,511,648</u>	<u>\$ 317,465,949</u>
Program Revenues										
Charges for services:										
General government	\$ 19,018,984	\$ 16,423,929	\$ 17,615,559	\$ 18,457,307	\$ 22,386,703	\$ 21,901,043	\$ 22,167,092	\$ 25,747,664	\$ 22,112,904	\$ 25,248,415
Public safety	15,432,238	14,239,648	14,836,964	18,755,303	19,807,231	24,960,511	20,626,141	17,371,731	24,791,564	23,064,255
Public works	1,974,186	1,038,116	1,393,981	1,232,909	1,335,895	1,275,836	1,345,707	3,235,017	1,838,058	1,803,395
Health and welfare	28,694,484	34,107,631	31,870,736	31,042,066	33,120,649	34,497,702	34,379,717	29,672,759	30,214,621	24,989,604
Culture and recreation	520,298	379,438	388,293	633,362	488,140	502,431	593,759	572,101	347,183	299,983
Economic development	723,044	911,198	606,056	76,210	1,793,518	90,778	5,310,076	52,172	70,094	394,528
Operating grants and contributions:										
General government	2,737,723	2,964,772	2,870,948	91,132	1,113,614	1,084,056	839,565	947,601	996,886	1,475,519
Public safety	15,539,593	13,005,593	12,265,843	12,526,097	14,904,521	17,621,937	18,136,629	17,971,430	17,612,533	15,235,719
Public works	6,375,111	11,688,318	7,785,059	7,142,161	5,614,317	5,796,503	5,933,226	5,778,017	5,251,826	4,655,174
Health and welfare	15,500,871	22,713,306	22,997,389	25,409,052	22,074,899	23,578,890	22,327,054	19,861,573	20,877,847	20,722,097
Culture and recreation			-	-	-	-	505,279	-	-	35,000
Economic development	1,886,253	1,945,840	1,613,765	2,595,006	1,621,763	2,163,177	5,318,201	6,867,203	2,274,887	2,681,365
Capital grants and contributions:										
Public works	504,727	1,821,302	2,810,309	2,734,262	1,964,342	1,275,875	447,927	2,131,839	-	181,201
Culture and recreation	-	-	-	-	-	4,808,892	1,089,882	415,799	-	851,451
Total governmental activities program revenues	<u>108,907,512</u>	<u>121,239,891</u>	<u>117,054,902</u>	<u>120,694,867</u>	<u>126,225,592</u>	<u>139,557,631</u>	<u>139,020,255</u>	<u>130,624,906</u>	<u>126,388,403</u>	<u>121,637,706</u>
Business-type activities:										
Charges for services:										
Arena	2,855,752	2,542,662	2,132,623	1,933,702	2,269,722	2,552,686	1,956,551	2,546,279	1,939,862	1,211,656
Total business-type activities program revenues	<u>2,855,752</u>	<u>2,542,662</u>	<u>2,132,623</u>	<u>1,933,702</u>	<u>2,269,722</u>	<u>2,552,686</u>	<u>1,956,551</u>	<u>2,546,279</u>	<u>1,939,862</u>	<u>1,211,656</u>
	<u>\$ 111,763,264</u>	<u>\$ 123,782,553</u>	<u>\$ 119,187,525</u>	<u>\$ 122,628,569</u>	<u>\$ 128,495,314</u>	<u>\$ 142,110,317</u>	<u>\$ 140,976,806</u>	<u>\$ 133,171,185</u>	<u>\$ 128,328,265</u>	<u>\$ 122,849,362</u>
Net (Expense)/Revenue										
Governmental activities	\$ (139,554,422)	\$ (130,754,159)	\$ (131,041,934)	\$ (159,426,280)	\$ (156,000,277)	\$ (158,216,017)	\$ (168,715,730)	\$ (196,524,261)	\$ (189,299,485)	\$ (188,755,672)
Business-type activities	<u>(716,528)</u>	<u>(454,941)</u>	<u>(849,166)</u>	<u>(1,002,512)</u>	<u>(828,179)</u>	<u>(854,940)</u>	<u>(1,751,177)</u>	<u>(4,387,214)</u>	<u>(6,983,998)</u>	<u>(5,960,915)</u>
	<u>\$ (140,270,950)</u>	<u>\$ (131,209,100)</u>	<u>\$ (131,891,100)</u>	<u>\$ (160,428,792)</u>	<u>\$ (156,828,456)</u>	<u>\$ (159,070,857)</u>	<u>\$ (170,466,907)</u>	<u>\$ (200,911,475)</u>	<u>\$ (196,183,383)</u>	<u>\$ (194,616,587)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 107,594,113	\$ 118,207,167	\$ 123,602,221	\$ 128,920,197	\$ 145,277,955	\$ 155,298,965	\$ 157,669,623	\$ 154,371,208	\$ 153,102,405	\$ 155,437,762
Sales taxes	22,441,273	22,340,777	22,886,788	24,438,223	25,812,643	26,330,302	25,225,445	24,575,414	24,886,782	25,907,161
Other taxes	2,393,205	2,460,235	2,721,419	2,734,609	3,304,335	3,303,621	3,052,011	3,146,170	2,948,834	3,075,138
Investment earnings	4,496,026	5,659,692	8,143,828	13,336,229	22,229,269	16,402,810	7,753,307	4,758,857	5,656,574	4,677,886
Miscellaneous	-	-	-	-	-	-	-	(4,795,573)	-	-
Transfers	(246,885)	(1,180,305)	821,156	(670,020)	(629,651)	(534,989)	(608,964)	(229,164)	-	-
Total governmental activities	<u>136,677,732</u>	<u>147,487,566</u>	<u>158,175,412</u>	<u>168,759,238</u>	<u>195,994,551</u>	<u>200,800,709</u>	<u>193,091,422</u>	<u>181,826,612</u>	<u>186,594,595</u>	<u>189,097,947</u>
Business-type activities:										

Sales taxes	-	-	85,135,148	-	-	(3,191,933)	-	-
Special items	-	-	-	-	(7,182,648)	(3,191,933)	(5,424,428)	-
Transfers	246,885	1,180,305	629,651	534,989	608,964	229,164	-	-
Total business-type activities	<u>246,885</u>	<u>1,180,305</u>	<u>85,764,799</u>	<u>534,989</u>	<u>(6,573,684)</u>	<u>(2,962,769)</u>	<u>(5,424,428)</u>	<u>-</u>
Total primary government	<u>\$ 136,924,617</u>	<u>\$ 148,667,871</u>	<u>\$ 281,759,350</u>	<u>\$ 201,335,698</u>	<u>\$ 186,517,738</u>	<u>\$ 178,864,143</u>	<u>\$ 181,170,167</u>	<u>\$ 189,097,947</u>
Change in Net Position								
Governmental activities	\$ (2,876,690)	\$ 16,733,407	\$ 39,994,274	\$ 42,584,692	\$ 24,375,692	\$ (14,697,349)	\$ (2,704,890)	\$ 342,275
Business-type activities	<u>(469,643)</u>	<u>725,364</u>	<u>84,936,620</u>	<u>(319,851)</u>	<u>(8,324,861)</u>	<u>(7,349,983)</u>	<u>(12,308,326)</u>	<u>(5,860,915)</u>
Total primary government	<u>\$ (3,346,333)</u>	<u>\$ 17,458,771</u>	<u>\$ 124,930,894</u>	<u>\$ 42,264,841</u>	<u>\$ 16,050,831</u>	<u>\$ (22,047,332)</u>	<u>\$ (15,013,216)</u>	<u>\$ (5,518,640)</u>

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010		
General Fund										
Reserved	\$ 2,003,050	\$ 1,614,676	\$ 1,403,228	\$ 1,643,047	\$ 6,074,440	\$ 6,081,736	\$ 6,439,464	\$ 5,480,843		
Unreserved	24,696,983	31,487,300	36,665,136	40,836,970	60,925,726	60,289,793	62,369,959	60,871,094		
Total general fund	\$ 26,700,033	\$ 33,101,976	\$ 38,068,364	\$ 42,480,017	\$ 67,000,166	\$ 66,371,529	\$ 68,809,423	\$ 66,351,937		
All Other Governmental Funds										
Reserved	49,470,545	22,245,968	20,609,966	22,457,395	24,088,196	56,468,812	40,306,524	23,543,417		
Unreserved										
Designated										
Special revenue funds	14,156,619	15,459,654	6,951,752	8,078,864	6,340,911	8,025,265	7,303,953	9,469,114		
Capital projects funds	48,746,047	34,787,640	19,651,350	13,031,065	14,171,633	46,683,969	37,306,220	12,448,839		
Undesignated										
Special revenue funds	10,752,979	19,976,200	31,581,181	30,877,268	38,511,440	44,192,815	43,354,555	37,889,024		
Capital projects funds	(31,907,388)	(19,107,968)	8,445,813	(1,231,505)	(1,830,687)	(24,551,310)	(6,663,343)	13,593,302		
Total all other governmental funds	\$ 91,218,802	\$ 73,361,494	\$ 87,240,062	\$ 73,213,087	\$ 81,281,493	\$ 130,819,551	\$ 121,607,909	\$ 96,943,696		
General Fund										
Nonspendable	\$ 4,788,374	\$ 4,469,663								
Restricted	2,292,205	-								
Committed	-	-								
Assigned	14,853,724	13,216,543								
Unassigned	44,295,545	48,366,230								
Total general fund	\$ 66,229,848	\$ 66,052,436								
All Other Governmental Funds										
Nonspendable	\$ 1,123,491	\$ 1,020,014								
Restricted	71,086,679	84,089,630								
Committed	14,543,401	10,863,452								
Assigned	20,385,544	13,824,536								
Unassigned	(2,006,662)	(2,688,735)								
Total all other governmental funds	\$ 105,132,453	\$ 107,108,897								

* In 2011, the County implemented GASB Statement No. 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned compared to the past categories of reserved and unreserved.

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	\$ 132,429	\$ 143,008	\$ 149,211	\$ 156,092	\$ 174,395	\$ 184,933	\$ 185,948	\$ 182,093	\$ 180,938	\$ 184,420
Special assessments	4,138	4,113	3,797	3,711	3,654	3,528	3,615	3,196	3,359	2,375
Intergovernmental	42,073	52,317	47,533	47,763	45,329	50,245	53,060	51,426	47,014	44,647
Charges for services	59,852	62,864	63,966	63,949	66,664	68,337	65,648	59,753	66,922	62,599
Uses of money and property	4,104	5,591	8,023	13,336	22,229	16,322	7,240	4,747	5,474	4,352
Fines and forfeits	283	175	180	296	288	458	361	258	460	1,348
Licenses and permits	597	451	604	637	450	579	532	530	546	471
Reimbursed expenditures	4,951	4,419	4,345	7,676	12,205	11,026	16,383	-	-	-
Other	1,655	2,274	902	1,139	1,074	1,831	3,721	13,495	10,287	11,728
Total revenues	250,092	275,212	278,561	294,599	326,288	337,259	336,508	315,498	315,000	311,940
Expenditures										
General government	45,966	44,616	46,242	37,885	42,320	48,089	45,283	44,398	43,723	44,564
Public safety	84,507	88,796	92,932	115,244	118,380	122,499	131,426	139,386	133,111	130,477
Public works	13,002	14,084	11,338	12,652	13,467	14,980	14,462	15,326	14,613	13,442
Health and welfare	59,892	63,980	63,109	66,994	64,632	66,688	67,811	67,918	67,487	60,151
Culture and recreation	5,703	5,575	6,236	7,176	7,883	8,206	9,536	9,284	8,919	8,621
Economic development	13,162	14,453	12,239	14,337	11,170	17,616	12,612	16,294	13,394	13,836
Debt service										
Principal	10,967	12,846	12,097	12,445	12,574	12,403	14,251	14,113	14,071	14,989
Interest and fiscal charges	5,432	5,688	5,743	6,078	6,084	5,964	7,125	7,347	6,910	7,208
Debt issuance costs	60	169	-	-	309	390	268	340	452	340
Capital outlay	38,749	35,004	27,453	34,493	32,412	34,381	53,598	42,665	26,327	26,081
Total expenditures	277,440	285,211	277,389	307,304	309,231	331,216	356,372	357,071	329,007	319,709
Excess of revenues over (under) expenditures	(27,348)	(9,999)	1,172	(12,705)	17,057	6,043	(19,864)	(41,573)	(14,007)	(7,769)
Other financing sources (uses)										
Transfers from other funds	27,120	34,856	41,701	31,005	35,793	39,580	47,685	54,143	27,356	13,955
Transfers to other funds	(28,825)	(36,459)	(42,029)	(32,980)	(37,551)	(41,291)	(49,315)	(55,080)	(27,929)	(14,937)
Direct financing lease	212	928	-	-	-	-	-	-	-	-
Issuance of revolving loan	-	-	3,412	-	-	-	-	-	-	-
Issuance of capital lease	-	-	-	-	1,658	-	4,376	-	-	-
Proceeds from Capital Lease	-	-	-	-	-	-	-	-	-	-
Debt premium	-	-	-	-	186	748	1,099	1,793	1,273	-
Debt issuance	37,802	-	14,515	5,065	15,445	43,830	27,485	28,320	1,064	1,224
Payment to refunded bond	-	-	-	-	-	-	-	-	26,680	23,795
Payment to refunding bond escrow agent	-	(5,025)	-	-	-	-	(18,240)	(16,915)	(6,370)	-
Total other financing sources (uses)	36,309	(5,700)	17,599	3,090	15,531	42,867	13,090	14,451	22,074	9,568
Net change in fund balances	\$ 8,961	\$ (15,699)	\$ 18,771	\$ (9,615)	\$ 32,588	\$ 48,910	\$ (6,774)	\$ (27,122)	\$ 8,067	\$ 1,799
Debt service as a percentage of noncapital expenditures	7.2%	7.9%	7.8%	7.1%	7.3%	6.8%	7.6%	6.7%	6.8%	7.4%

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 Thousand)

Fiscal Year ^{2,4}	Real Property		Personal Property		Total ¹		Assessed/ Actual Ratio	Total Direct Tax Rate ³
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2003	2,704,995	18,788,455	1,072,064	4,598,427	3,777,059	23,386,882	16.15%	28.817
2004	2,831,621	19,723,089	1,088,563	4,710,991	3,920,184	24,434,080	16.04%	28.763
2005	2,994,083	19,727,010	1,114,926	4,813,199	4,109,009	24,540,209	16.74%	28.758
2006	3,179,041	22,334,988	1,130,307	4,867,631	4,309,348	27,202,619	15.84%	31.315
2007	3,445,044	24,095,166	1,110,690	4,813,130	4,555,734	28,908,296	15.76%	31.333
2008	3,679,637	25,653,996	1,082,535	4,741,103	4,762,172	30,395,099	15.67%	30.377
2009	3,758,852	26,248,229	1,027,863	4,526,469	4,786,715	30,774,698	15.55%	29.868
2010	3,811,787	26,503,312	994,685	4,380,157	4,806,471	30,882,469	15.56%	29.359
2011	3,836,821	26,713,934	986,674	4,330,616	4,823,495	31,044,550	15.54%	29.428
2012	3,804,616	26,515,320	995,806	4,369,975	4,800,422	30,885,295	15.54%	29.446

SEDGWICK COUNTY FIRE DISTRICT #1
(Dollars in Thousands)

Fiscal Year ^{2,4}	Real Property		Personal Property		Total ¹		Assessed/ Actual Ratio	Total Direct Tax Rate ³
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2003	429,885	2,971,327	226,211	958,559	656,096	3,929,886	16.70%	16.695
2004	452,974	3,172,813	234,002	989,026	686,976	4,161,839	16.51%	18.579
2005	475,972	3,359,937	251,072	1,058,181	727,044	4,418,118	16.46%	18.556
2006	488,541	3,465,068	246,490	1,038,254	735,030	4,503,322	16.32%	18.469
2007	528,394	3,738,821	259,831	1,112,285	788,225	4,851,106	16.25%	18.482
2008	550,815	3,882,393	270,080	1,141,461	820,895	5,023,854	16.34%	18.501
2009	571,200	4,661,019	236,221	1,022,071	807,421	5,683,090	14.21%	18.447
2010	586,829	4,148,095	275,346	1,158,260	862,175	5,306,355	16.25%	18.336
2011	633,522	4,180,259	283,376	1,182,125	916,898	5,362,386	17.10%	18.397
2012	589,141	4,163,066	295,874	1,236,184	885,015	5,399,250	16.39%	18.398

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

² Taxes levied support the subsequent year's budget, e.g., 2011 taxes levied finance 2012 spending

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

⁴ 2010 and 2011 amounts have been updated from previous Comprehensive Annual Financial Reports

Source: Sedgwick County Clerk

SEDGWICK COUNTY, KANSAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Years

(rate per \$1,000 of assessed value)

	Year Taxes Are Payable									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
County Direct Rates										
General	\$ 21.818	\$ 21.845	\$ 21.225	\$ 23.925	\$ 20.887	\$ 21.958	\$ 23.615	\$ 22.005	\$ 21.516	\$ 22.003
Road and bridge	1.014	0.736	1.400	1.015	1.239	1.408	1.506	1.178	1.042	1.256
Mental health	0.476	0.595	0.673	0.589	0.638	0.704	0.607	0.714	0.624	0.460
Community health	0.717	-	-	-	-	-	-	-	-	-
Noxious weeds	0.067	0.073	0.089	0.089	0.088	0.096	0.081	0.089	0.091	0.106
Agricultural extension council	0.288	-	-	-	-	-	-	-	-	-
Emergency medical services	0.473	1.178	1.152	1.363	1.722	1.049	0.904	0.706	0.427	0.896
Aging	0.553	0.583	0.529	0.545	0.582	0.573	0.561	0.608	0.601	0.564
WSU program development	1.500	1.495	1.500	1.500	1.500	1.500	1.500	1.502	1.500	1.500
Debt service	1.911	2.258	2.190	2.289	4.677	3.089	1.094	2.557	3.627	2.661
Total direct rate	28.817	28.763	28.758	31.315	31.333	30.377	29.868	29.359	29.428	29.446
Fire District Rates										
	16.695	18.579	18.556	18.469	18.482	18.501	18.447	18.336	18.397	18.398
City Rates										
Andale	38.392	41.845	38.842	39.374	40.929	41.894	42.492	42.361	42.511	44.025
Bentley	48.983	48.616	48.763	48.566	45.556	45.033	53.545	53.633	53.690	53.762
Cheney	48.945	49.742	49.661	49.519	53.674	56.605	56.842	55.116	55.126	58.381
Cleanwater	42.954	42.846	42.743	44.294	43.964	43.661	41.767	46.000	49.943	49.897
Colwich	23.692	33.508	37.932	34.249	32.100	42.227	53.784	33.328	40.054	40.230
Derby	45.790	48.331	48.352	48.176	48.155	47.756	47.773	47.818	47.340	47.153
Eastborough	30.007	35.006	37.642	58.221	60.252	62.241	58.351	57.944	59.999	62.073
Garden Plain	46.781	46.852	45.869	48.250	47.300	49.863	49.509	49.347	50.075	49.119
Goddard	16.724	14.720	14.075	14.053	14.061	16.426	18.789	27.146	28.114	28.048
Haysville	48.310	45.673	45.402	45.204	48.441	48.408	48.425	48.421	48.436	48.425
Kechi	18.353	18.431	18.246	21.154	24.037	23.954	33.857	33.774	33.676	33.714
Maize	37.172	37.397	39.654	41.321	43.251	43.022	42.427	43.323	43.132	42.868
Mount Hope	51.052	49.730	51.587	51.357	51.049	51.008	50.945	51.332	51.251	51.002
Mulvane	49.811	48.633	48.411	56.664	53.330	53.359	53.414	53.753	52.759	46.531
Sedgwick	51.729	51.480	51.291	51.210	47.993	51.033	51.316	65.055	65.420	66.475
Valley Center	47.969	47.813	49.666	49.731	48.761	48.367	48.516	48.448	51.172	53.630
Viola	9.428	9.420	9.493	14.408	14.928	14.200	14.087	14.677	19.662	20.019
Wichita	31.905	31.828	31.898	31.953	31.979	32.056	32.142	32.272	32.359	32.471
Bel Aire	23.861	21.975	22.831	23.959	33.503	34.908	35.970	39.050	46.118	46.162
Park City	36.193	36.178	35.043	37.236	37.145	37.450	37.332	37.395	37.792	39.607
Townships	.103-14.064	.193-14.813	.112-15.765	.109-16.716	.102-16.041	.088-19.167	.073-21.737	.010-23.745	1.630-24.029	1.613-24.009
School Districts	36.822-68.488	41.546-68.404	42.955-67.959	40.681-66.593	43.007-63.580	42.413-65.327	44.194-66.534	42.809-70.835	43.481-70.072	43.433-70.409
Cemetery Districts	.944-1.826	.156-1.754	.159-1.814	.157-1.792	.164-1.772	.194-1.771	.133-2.006	.132-2.006	0.136-2.913	0.141-2.932
Drainage Districts	.501-4.812	.503-6.307	.875-6.207	.902-9.052	.885-2.141	.872-2.997	.888-2.972	.898-2.712	0.923-2.749	0.940-2.734
Improvement Districts	1.100-16.154	.966-15.637	1.014-16.239	1.060-14.399	1.042-17.090	1.000-17.091	.967-17.043	.978-12.077	0.000-16.102	0.000-16.195
Sewer Districts	-	-	-	-	-	-	-	-	-	-
Other Districts	.837-25.156	.960-24.245	.953-23.607	1.876-22.873	1.014-21.167	1.013-20.101	1.987-19.808	1.137-22.804	1.138-19.357	0.509-19.504

Source: Sedgwick County Tax Administration System
SC Clerks Website 2012 Tax Levies

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

	Fiscal Year 2012			Fiscal Year 2003		
	Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Kansas Gas & Electric - A Westar Co.	\$ 71,075,125	1	1.87%	\$ 85,692,331	1	2.26%
The Boeing Company	54,171,411	2	1.42%	50,254,148	3	1.30%
Spirit Aerosystems, Inc.	52,108,205	3	1.37%	-	-	-
Mid Western Aircraft Systems	49,249,786	4	1.29%	-	-	-
Cessna Aircraft	39,769,772	5	1.05%	21,086,769	7	0.52%
Hawker Beechcraft Corp	38,540,079	6	1.01%			
Wesley Medical Center, LLC	26,031,201	7	0.68%	24,000,975	5	0.67%
Southwestern Bell Telephone	25,207,531	8	0.66%	54,305,584	2	1.53%
Kansas Gas Service	24,566,661	9	0.65%	12,869,269	8	0.36%
Simon Property Group	23,787,290	10	0.63%	30,746,187	4	0.85%
Raytheon Aircraft Company	-	-	-	21,461,800	6	0.53%
Vulcan Materials	-	-	-	13,108,800	9	0.33%
Koch Industries, Inc.	-	-	-	10,157,873	10	0.28%
	\$ 449,993,973		10.63%	\$ 294,670,091		8.63%

Source: Sedgwick County Clerk

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 Adjusted Levy	Collected within the		Collections in Subsequent Years ³	Total Collections to Date	
				Fiscal Year of the Levy	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2002	87,885,050	(249,660)	87,635,390	84,773,787	96.46%	2,144,194	86,917,981	99.18%
2003	94,601,506	(520,803)	94,080,703	91,068,224	96.27%	2,531,662	93,599,886	99.49%
2004	98,203,643	(455,308)	97,748,335	94,695,003	96.43%	2,358,633	97,053,636	99.29%
2005	103,184,139	(473,529)	102,710,610	99,887,609	96.81%	2,618,672	102,506,281	99.80%
2006	121,793,520	(473,822)	121,319,698	117,958,001	96.85%	3,361,663	121,319,664	100.00%
2007	128,747,504	(440,767)	128,306,737	124,575,078	96.76%	3,728,022	128,303,100	100.00%
2008	130,983,921	(1,035,315)	129,948,606	125,701,736	95.97%	4,244,050	129,945,786	100.00%
2009	129,522,134	(1,565,747)	127,956,386	123,962,799	95.71%	1,729,807	125,692,606	98.23%
2010	129,182,341	343,543	129,525,884	124,101,517	96.07%	1,522,256	125,623,773	96.99%
2011	130,016,010	269,245	130,285,255	125,349,762	96.41%	<i>Not Applicable</i>	125,349,762	96.21%

SEDGWICK COUNTY FIRE DISTRICT #1

Tax Year ¹	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the		Collections in Subsequent Years ³	Total Collections to Date	
				Fiscal Year of the Levy	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2002	8,251,806	(23,550)	8,228,256	8,028,002	97.29%	173,255	8,201,257	99.67%
2003	9,731,825	(38,665)	9,693,160	9,423,315	96.83%	203,938	9,627,253	99.32%
2004	11,376,138	(30,074)	11,346,064	11,091,213	97.50%	187,750	11,278,963	99.41%
2005	11,996,353	(60,712)	11,935,641	11,716,988	97.67%	202,616	11,919,604	99.87%
2006	12,109,011	(52,953)	12,056,058	11,815,566	97.58%	231,817	12,047,383	99.93%
2007	13,009,881	(56,695)	12,953,186	12,680,055	97.46%	235,677	12,915,732	99.71%
2008	13,581,460	(160,583)	13,420,877	13,096,204	96.43%	324,873	13,421,077	100.00%
2009	13,861,628	(60,613)	13,801,015	13,373,141	96.48%	181,594	13,554,735	98.22%
2010	14,285,305	(127,003)	14,158,302	13,857,862	97.01%	149,055	14,006,917	98.93%
2011	14,603,909	(166,083)	14,437,826	14,172,661	97.05%	Not Applicable	14,172,661	98.16%

¹ Taxes levied support the subsequent year's budget, e.g., 2011 taxes financed 2012 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 ¹	Per Capita ¹
	General Obligation Bonds	Public Building Commission	Special Assessments	KDOT		Fire District General		Capital Leases					
				Revolving Loan	Obligation Bonds	Obligation Bonds							
2003	97,890,000	40,225,000	20,505,000	-	-	-	200,523			158,820,523	1.2%	343	
2004	86,355,000	37,940,000	16,500,000	-	-	-	1,082,234			141,877,234	1.0%	306	
2005	90,760,000	36,120,000	16,550,000	3,323,895		-	954,136			147,708,031	1.0%	317	
2006	85,810,000	34,530,000	15,965,000	3,200,353		-	823,251			140,328,604	0.9%	298	
2007	77,855,000	47,425,000	14,250,000	3,071,631		-	2,256,509			144,858,140	0.8%	304	
2008	70,190,000	88,685,000	12,540,000	2,937,940		-	1,932,286			176,285,226	0.9%	365	
2009	75,180,000	83,850,000	7,855,000	7,175,585		-	1,595,100			175,655,685	0.9%	362	
2010	78,082,751	79,600,000	7,257,249	6,845,245		-	2,955,239			174,740,484	0.9%	351	
2011	78,800,000	87,875,000	5,415,000	6,528,784		-	3,633,318			182,252,102	0.9%	364	
2012	80,615,000	83,575,000	4,345,000	6,199,824		-	2,908,377			177,643,201	0.9%	355	

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

¹ Population and personal income data can be found in Schedules G-15

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

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

Fiscal Year ⁴	General Bond Debt Outstanding			Percentage of Personal Income ²	Percentage of Actual Value of Taxable Property ³	Per Capita ²
	General Obligation Debt ¹	Less:				
		Amounts Restricted to Repaying Principal	Total			
2003	138,115,000	(9,189,469)	128,925,531	0.94%	0.57%	279
2004	124,295,000	(560,506)	123,734,494	0.82%	0.51%	267
2005	126,880,000	(1,124,572)	125,755,428	0.78%	0.51%	270
2006	120,340,000	(2,583,216)	117,756,784	0.69%	0.43%	250
2007	125,280,000	(4,086,468)	121,193,532	0.65%	0.42%	255
2008	158,875,000	(11,609,796)	147,265,204	0.76%	0.48%	305
2009	159,030,000	(12,136,187)	146,893,813	0.87%	0.52%	302
2010	157,682,751	(9,903,860)	147,778,891	0.77%	0.48%	297
2011	166,675,000	(7,670,437)	159,004,563	0.80%	0.50%	317
2012	164,190,000	(14,651,936)	149,538,064	0.80%	0.49%	298

¹ Includes General Obligation and Public Building Commission debt; excludes Fire District # 1, special assessment debt, KDOT revolving loan and capital leases

² Population and personal income data can be found in Schedule G-15

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

³ Property value data can be found in Schedule G-7

⁴ 2003, 2009-2011 amounts have been updated from previous Comprehensive Annual Financial Reports

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Statutory debt capacity:										
Equalized assessed valuation of taxable tangible property	\$ 3,305,893	\$ 3,436,218	\$3,611,221	\$ 3,796,641	\$ 4,025,083	\$ 4,218,727	\$ 4,245,447	\$ 4,244,709	\$ 4,312,927	\$ 4,286,965
Estimated tangible valuation of motor vehicles	471,166	483,967	497,788	512,707	530,651	543,445	537,340	537,340	523,812	523,435
Estimated tangible valuation for computation of bonded indebtedness limitations	<u>\$ 3,777,059</u>	<u>\$ 3,920,185</u>	<u>\$4,109,009</u>	<u>\$ 4,309,348</u>	<u>\$ 4,555,734</u>	<u>\$ 4,762,172</u>	<u>\$ 4,782,787</u>	<u>\$ 4,782,049</u>	<u>\$ 4,836,739</u>	<u>\$ 4,810,400</u>
Debt limit (3% of total valuation)	\$ 113,312	\$ 117,606	\$ 123,270	\$ 129,280	\$ 136,672	\$ 142,865	\$ 143,484	\$ 143,461	\$ 145,102	\$ 144,312
Amount of debt applicable to limit										
Total bonded indebtedness	153,595	140,795	146,754	139,505	142,602	174,353	174,061	171,785	178,619	174,735
Less exempt issues	<u>(100,201)</u>	<u>(94,725)</u>	<u>(93,485)</u>	<u>(91,441)</u>	<u>(95,537)</u>	<u>(130,957)</u>	<u>(133,779)</u>	<u>(130,303)</u>	<u>(133,462)</u>	<u>(141,906)</u>
Total net debt applicable to limit	53,394	46,070	53,269	48,064	47,065	43,396	40,282	41,482	45,157	32,829
Legal debt margin	<u>\$ 59,918</u>	<u>\$ 71,536</u>	<u>\$ 70,001</u>	<u>\$ 81,216</u>	<u>\$ 89,607</u>	<u>\$ 99,469</u>	<u>\$ 103,202</u>	<u>\$ 101,979</u>	<u>\$ 99,945</u>	<u>\$ 111,483</u>
Total net debt applicable to the limit as a percentage of debt limit	47.12%	39.17%	43.21%	37.18%	34.44%	30.38%	28.07%	28.92%	31.12%	22.75%

SEDGWICK COUNTY, KANSAS
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years
(Dollars in Thousands)

<u>Fiscal Year</u>	<u>Special Assessment Collections</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>
2003	4,138	1,606	1,012	1.58
2004	4,114	1,385	814	1.87
2005	3,797	1,425	752	1.74
2006	3,711	1,585	751	1.59
2007	3,654	1,715	699	1.51
2008	3,528	1,710	635	1.50
2009	3,615	1,785	559	1.54
2010	3,196	1,295	338	1.96
2011	3,359	1,182	245	2.35
2012	2,375	1,070	200	1.87

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

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

Year	Population ¹	Personal Income ² (thousands of dollars)	Per Capita Personal Income ²	Public School Enrollment ³	Unemployment Rate ⁴
2003	462,896	14,307,190	30,908	86,859	7.1%
2004	463,802	15,125,047	32,611	87,010	6.6%
2005	466,061	16,173,715	34,703	87,507	5.6%
2006	470,895	17,071,827	36,254	87,969	4.3%
2007	476,026	18,664,979	39,210	87,946	3.8%
2008	482,863	19,399,504	40,176	86,197	4.9%
2009	485,760	18,324,324	37,723	86,887	7.6%
2010	498,365	19,241,873	38,610	85,278	7.9%
2011	501,355	19,368,100	38,653	84,401	7.1%
2012	504,082	Not Available	Not Available	83,501	6.1%

Notes:

¹ Population is estimated for each year, except 2010. Actual population for 2010 is from the U.S. Census Bureau.

² U.S. Bureau of Economic Analysis

³ Kansas State Board of Education (organization level headcount)

⁴ Kansas Department of Labor

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

	Fiscal Year 2012			Fiscal Year 2003		
	Civilian Employees	Rank	Percentage of Total Wichita MSA ¹	Civilian Employees	Rank	Percentage of Total Wichita MSA ¹
Spirit AeroSystems, Inc.	10,800	1	3.53%	-	-	-
Via Christi Health System	6,237	2	2.04%	3,218	7	1.13%
Unified School District #259	5,421	3	1.77%	4,966	5	1.74%
Cessna Aircraft Company	5,000	4	1.64%	9,200	2	3.23%
Hawker Beechcraft Corp	4,500	5	1.47%	-	-	-
State of Kansas	3,967	6	1.30%	4,800	6	1.69%
City of Wichita	2,924	7	0.96%	2,876	8	1.01%
Bombardier Learjet	2,800	8	0.92%	2,600	10	0.91%
U. S. Government	2,708	9	0.89%	5,186	4	1.82%
Koch Industries Inc.	2,650	10	0.87%	-	-	-
The Boeing Company	-	-	-	12,565	1	4.41%
Raytheon Aircraft Corporation	-	-	-	7,000	3	2.46%
Dillons Food Stores	-	-	-	2,700	9	0.95%
	<u>47,007</u>		<u>15.37%</u>	<u>55,111</u>		<u>19.35%</u>

¹ Includes Sedgwick, Butler, Harvey and Sumner counties for 2012. Data for 2003 includes Sedgwick, Butler and Harvey counties.

Source: Wichita Business Journal

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

<u>Function/Program</u>	<u>Full-time Employees as of December 31</u>									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General government	466	451	450	454	442	446	477	475	446	429
Public safety	1,368	1,355	1,411	1,443	1,471	1,509	1,549	1,542	1,476	1,420
Public works	132	135	136	132	126	126	132	124	111	115
Health and welfare	534	534	541	549	560	593	614	610	557	529
Culture and recreation	134	132	134	135	126	128	127	112	105	96
Economic development	7	7	8	9	13	11	12	12	13	6
	<u>2,641</u>	<u>2,614</u>	<u>2,680</u>	<u>2,722</u>	<u>2,738</u>	<u>2,813</u>	<u>2,911</u>	<u>2,875</u>	<u>2,708</u>	<u>2,595</u>

Source: Sedgwick County finance department

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

Function/Program	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government										
Number of registered voters	200,042	233,181	230,246	236,000	237,135	246,928	252,101	259,888	261,038	274,369
Number of taxable real estate parcels	196,664	199,609	202,235	205,079	207,530	210,889	217,134	217,684	212,725	212,765
Documents filed with register of deeds	137,648	104,371	104,116	97,789	94,454	84,578	83,406	75,458	68,485	78,147
Real estate records processed	40,750	64,895	65,208	66,900	67,956	68,456	78,725	62,700	53,957	46,893
Average monthly investment portfolio (in millions)	\$ 186.2	\$ 218.7	\$ 226.4	\$ 288.3	\$ 377.7	\$ 413.3	\$ 378.0	\$ 317.5	\$ 299.2	\$ 297.4
Average number of bids per purchase	*	*	*	4.5	4.5	4.7	5.0	4.4	6.5	7.1
Public safety										
Average monthly number of incoming 911 calls	35,560	36,615	36,305	36,030	37,722	35,170	38,627	36,635	37,145	39,502
Average monthly number of EMS responses	3,543	3,503	3,512	3,834	4,040	4,000	4,150	4,401	4,520	4,714
Number of residential structural fires per 100,000 households	332	276	308	308	208	256	280	161	74	89
Average monthly number of medical responses by Fire	*	219	216	214	239	288	248	292	206	330
Average daily population, juveniles in detention	108	108	116	124	120	109	106	113	110	60
Average daily population in custody of Sheriff	1,285	1,382	1,501	1,514	1,522	1,533	1,645	1,561	1,502	1,442
Percent of autopsy reports filed within 90 days	97	97	97	94	78	62	57	69	89	59
Public works										
Miles of road improved	163	146	78	103	88	113	61	76	121	172
Miles of road maintained	*	622	622	622	622	622	617	617	626	617
Household hazardous waste tonnage disposed (in tons)	267	261	332	394	457	489	521	594	653	664
Health and welfare										
Number of mental health program clients	9,479	10,463	11,588	12,246	13,319	12,253	11,934	12,483	12,126	12,299
Number of individuals eligible for developmental disability services	1,674	1,698	1,812	1,958	2,082	2,102	2,285	2,278	2,331	2,410
Number of health clinic patient encounters	*	149,037	167,530	149,507	165,039	178,812	188,205	174,841	164,037	176,230
Number of immunizations provided	*	22,324	27,659	29,000	27,170	26,015	27,327	23,588	19,057	16,396
Number of tuberculosis encounters	3,253	6,343	7,629	8,005	6,223	6,357	4,742	4,205	3,061	2,731
Culture and recreation										
Number of events per year at Intrust Bank Arena	*	*	*	*	*	*	*	109	63	70
Annual attendance at Intrust Bank Arena events	*	*	*	*	*	*	*	492,532	391,801	349,612
Number of events per year at Kansas Pavilions	177	164	143	123	137	122	110	55	39	n/a
Annual attendance at Kansas Pavilions events	721,588	571,406	532,804	541,949	557,334	543,519	500,801	202,922	203,800	n/a
Annual attendance at Sedgwick County Zoo	491,462	591,687	502,367	484,014	593,428	584,076	654,494	548,919	553,098	515,634
Annual attendance at Sedgwick County Park	720,000	626,821	813,676	730,972	932,486	1,131,339	1,060,267	966,792	1,028,339	872,349
Economic development										
Total value of merchandise moving through foreign trade zone (in millions)	\$ 7.5	\$ 12.9	\$ 15.8	\$ 18.4	\$ 19.6	\$ 20.3	\$ 25.7	\$ 1,159.0	\$ 1,698.7	\$ 36.4
Average monthly number of Sec. 8 housing clients	322	323	301	315	304	318	306	294	297	244

* Information not available.

Source: County operating departments

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

Function/Program	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General government										
Auto License buildings	4	4	4	4	4	4	4	4	4	4
Total fleet vehicles	*	*	*	460	462	464	473	464	469	468
Public safety										
Adult detention facility capacity	1,032	1,032	1,032	1,122	1,115	1,145	1,158	1,158	1,158	1,158
Fire stations	8	8	8	8	8	8	9	9	9	9
EMS posts	13	13	13	13	13	14	15	15	15	15
Public Safety vehicles	*	*	*	*	260	278	291	294	290	288
Public works										
Bridges maintained	653	650	651	652	645	645	639	593	593	601
Miles of roads maintained	626	622	622	622	622	622	617	617	626	600
Culture and recreation										
Sedgwick County Park acreage	400	400	400	400	400	400	400	400	400	400
Lake Afton Park acreage	828	828	828	828	828	828	828	828	828	828

* Information not available

Source: County budget department and individual county departments