

Comprehensive Annual Financial Report

Sedgwick County, Kansas

**For the year ended
December 31, 2007**



*Sedgwick County...
working for you*

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of
THE COUNTY OF
SEDGWICK, KANSAS
for the
Year Ended December 31, 2007



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

COUNTY OF SEDGWICK, KANSAS BOARD OF COUNTY COMMISSIONERS

2007

Chairman
David M. Unruh

Chair Pro-Tem
Thomas G. Winters

Commissioner
Tim R. Norton

Commissioner
Kelly Parks

Commissioner
Gwen Welshimer

COUNTY MANAGER
William P. Buchanan

2008

Chairman
Thomas G. Winters

Chair Pro-Tem
Tim R. Norton

Commissioner
Kelly Parks

Commissioner
David M. Unruh

Commissioner
Gwen Welshimer

COUNTY MANAGER
William P. Buchanan

www.sedgwickcounty.org

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, 2007

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SEDGWICK COUNTY, KANSAS

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INTRODUCTORY SECTION



Sedgwick County...
working for you



COUNTY MANAGER'S OFFICE

Sedgwick County Courthouse
525 N. Main, Suite 343
Wichita, KS 67203
Phone (316) 660-9393
Fax (316) 383-7946
wbuchana@sedgwick.gov

William P. Buchanan
County Manager

March 26, 2008

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

Dear Commissioners:

Once again, 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, 2007. 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 Anne Smarsh, and the accounting team of Ginger Radley, Marty Hughes, Sara Jantz, Brandi Baily and Pam Kelly.

Sincerely,

William P. Buchanan
County Manager

"Sedgwick County....working for you"



SEDGWICK COUNTY, KANSAS

DIVISION OF FINANCE

* 525 N. Main, Suite 823 * Wichita, KS 67203 * Telephone (316) 660-7591 * FAX (316) 383-7729 *

March 26, 2008

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, 2007. 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 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 an estimated 471,739 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 each Wednesday morning. 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. Two Assistant County Managers and six Division Directors aid him in his duties. The County has 2,738 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), construction and maintenance of roads and bridges, health services, aging assistance, parks, the Sedgwick County Zoo, the Kansas Coliseum complex, public improvements, planning and zoning, judicial support, youth facilities, and general administrative services. In addition to general government 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 plan. The financial plan serves as the foundation for planning and control, forecasting 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 hearings 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. 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-25 as part of the basic financial statements. For governmental funds other than the General Fund with legal appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, beginning on page B-20.

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.

The CEDBR projects that the Wichita MSA economy will continue to improve in 2008. The unemployment rate dropped from 4.3% in December 2006 to 3.8% in December 2007. Employment was up 3.1% in 2007, and 2008 employment is expected to increase by 2%. The 2008 employment growth is projected to occur in each of the major sectors of the labor market: production jobs are projected to increase 2.8%; trade, transportation and utilities jobs are projected to increase 1.5%; service jobs are projected to increase 1.8%; and government jobs are projected to increase 1.2%. In Wichita, total personal income has increased, on average, 4% per year since 2000. Consumers' major concerns are high oil prices, health care costs, and the credit and housing markets. For 2007, home prices appreciated by 1.2%, an essentially flat market.

Manufacturing

In the Wichita MSA, manufacturing employment accounts for over 20% of all jobs. Projections for 2008 are for an additional 3.1% growth, a net gain of 1,750 jobs. The aviation sector continues its growth cycle, and airline travel is clearly on the rebound.

Highlights of the manufacturing sector are as follows:

- In March 2007, Hawker Beechcraft Corp., a new company formed by GS Capital Partners, an affiliate of Goldman Sachs, and Onex Partners, completed its purchase of Raytheon Aircraft Co.
- Machines International LLC announced plans to relocate its corporate headquarters to Wichita from Fort Smith, Arkansas, and build a 10,000-square-foot facility.
- Bombardier Aerospace's new Learjet, known as the NXT, will be assembled in Wichita.
- Optima Bus announced that it would close its manufacturing facility in Park City, eliminating more than 200 jobs.
- Cessna's Mustang is one of the new VLJ's, a very light jet requiring only one pilot. The VLJ market is expected to grow as on-demand air taxi service grows by 400 to 500 airplanes a year through 2020. Cessna plans to add about 1,200 new jobs in Wichita in 2008.
- In August The Boeing Co. announced that Spirit AeroSystems Inc. would be part of the development team for the company's new P-8A Poseidon submarine-hunter aircraft. Spirit will build the aircraft's fuselage along with airframe tail sections and struts in its Wichita production facility.
- Wichita is home to many durable goods manufacturers that supply the aviation manufacturing industry and are indirect beneficiaries of the current increase in aviation orders through increased orders for input products. Triumph Aerospace Systems Inc. announced expansion plans and the addition of 40 new employees over the next five years.

Other Sectors

Retail and wholesale trades together gained 1,400 jobs in 2007 and projections are for an increase of 575 new jobs in 2008. 14.2% of all jobs in the Wichita MSA are held within the retail and wholesale sector. Taxable retail sales are expected to grow by 4.3% in 2008. New developments, such as NewMarket Square and the Waterfront, continue to add tenants and move into planned expansion phases.

Additional information regarding other employment sectors is highlighted below:

- Natural resources, mining and construction employment added approximately 1,100 jobs in 2007 and is expected to increase by another 400 jobs in 2008. These industries accounted for 5.6% of all jobs in the Wichita MSA during 2007.
- Professional and business services experienced strong increases in employment for 2007. CEDBR estimates employment growth of another 3.3% or 975 additional jobs in 2008.
- Education and health care services employment accounted for 42,150 jobs in 2007, about 14% of all jobs in the Wichita MSA.
- The government sector employed 40,575 at the end of 2007. Projections for 2008 reflect a moderate increase of 475 jobs, a 1.2% increase.

COUNTY BUSINESS AND FINANCIAL PLAN

Financial Plan

Sedgwick County continues to demonstrate a strong financial position. The County's mission is to provide quality public services for 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 plan to evaluate current and future fiscal conditions and to guide policy and programmatic decisions. The financial plan is a management tool that presents forecasted information based on current and projected financial conditions, identifying future revenue and expenditure trends that may have an immediate or long-term influence on County policies, strategic goals, or community services. The financial plan assists in the formation of decisions that reflect the County's objectives of fiscal discipline and the delivery of essential community services.

The financial plan shows that operating income for funds receiving statutorily authorized tax support is projected to remain strong throughout the planning horizon. Nevertheless, other funds, particularly grant funds are projected to experience operating deficits. After 2007, the operating deficits in the grant funds are projected to exceed the operating income generated in the tax-supported funds. Consequently, the financial plan anticipates that slight operating deficits could be realized for all operating funds if adjustments to grant funded operations are not implemented over the planning horizon. The projections in the financial plan reflect the trend of grant funding from the Federal and State levels that does not keep pace with inflationary growth.

Major initiatives of the County include the following:

- Sedgwick County is building a world-class entertainment venue in downtown Wichita. The Intrust Bank Arena will be located near Old Town to provide a multi-purpose entertainment package for residents and visitors. The Intrust Bank Arena will provide for 15,000 seats and 22 suites, or up to 17,000 seats for concerts. The arena complex is scheduled for completion in the spring of 2010. Costs associated with the Intrust Bank Arena will be funded without debt from the proceeds of a special one-cent County sales tax, which was approved by the voters in November, 2004 and the Kansas Legislature in April, 2005. The dedicated sales tax commenced on July 1, 2005 and ended December 31, 2007. The Arena sales tax revenues have exceeded the projected revenues and total \$206.5 million.
- Sedgwick County is an active partner focused on growing jobs in our community. The Sedgwick County Technical Education and Training Authority (SCTE&TA) was established in 2005 to help encourage training programs to assure a skilled workforce. Sedgwick County is providing funding for technical education and training. In conjunction with this initiative Sedgwick County has obtained a land lease at Jabara Airport, a general aviation complex located in the northeast quadrant of the county and is designing a \$55-million technical training complex that will serve the aircraft manufacturing and support businesses that are the foundation of the local economy. When completed late in 2010, the Jabara technical education complex will be capable of training 600 workers per semester in avionics and airframe and powerplant maintenance, and 600 workers per semester in advanced manufacturing processes.
- With public safety as one of the top priorities for our community, Juvenile Court Complex improvements for the District Attorney and District Court, adjacent to the new Juvenile Detention Facility, began in 2007 with an estimated completion date of early 2008. Additionally, construction of the \$10.4-million Public Safety Center was nearly complete at the end of 2007. The new Public Safety Center houses the 9-1-1 emergency communications dispatch center and provides the opportunity to respond to an increasing call volume.
- The Criminal Justice Coordinating Council was created to explore alternatives to increases in the jail population and out-of-County placements for inmates. Select alternative jail programs have been implemented to mitigate population growth in the adult detention center. Programs include an offender assessment program designed to provide improved matching of rehabilitation programs with inmate needs in order to reduce recidivism, and a day reporting program designed to provide a non-residential sentencing alternative to incarceration.
- Fire District One relocation projects for five Fire Stations will assure optimum response to the citizens of Sedgwick County. Estimated completion for the last of the five stations is 2008.

Financial Management

In addition to the five-year financial plan, the County develops a Capital Improvement Program 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 2007 budget year and projects it for 2008 through 2012, the planning years of the program. Planned capital spending for 2007 totaled almost \$28 million, including projects for road improvements, construction of a new Emergency Medical Services facility, five new fire stations and continued upgrades to County owned and leased buildings. The CIP is funded on a year-by-year basis from various funding sources, including annual operating revenues from property tax, sales tax, liquor tax, gasoline tax or by issuing bonds and making debt service payments over a period of years.

During 2007, 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 have a maximum maturity of four years. The weighted average maturity was 204 days and the average yield to maturity was 4.59 %. The fair value of investments totaled \$587,251,528 at December 31, 2007.

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 finance 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>.

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 ensure 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, 2006. This was the 26th 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.

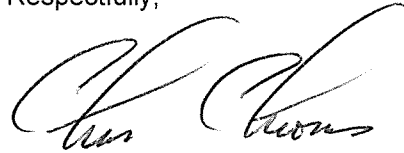
Sedgwick County also received GFOA's Award for Distinguished Budget Presentation for its 2007 annual appropriated budget document. In order to qualify for the Distinguished Budget Presentation Award, a government must publish a document that meets program criteria as a policy document, operations guide, financial plan, and communications medium. The award is valid for a period of one year only. Sedgwick County has received the award for 23 consecutive years (fiscal years 1985-2007).

Acknowledgements

Preparation of this report required the cooperation and dedicated efforts of many County personnel outside the Division of Finance and 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 of Troy Bruun, the Deputy CFO, and Anne Smarsh, 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,

A handwritten signature in black ink, appearing to read 'Chris Chronis', written in a cursive style.

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, 2006

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.



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director

PRINCIPAL OFFICIALS
March 10, 2008

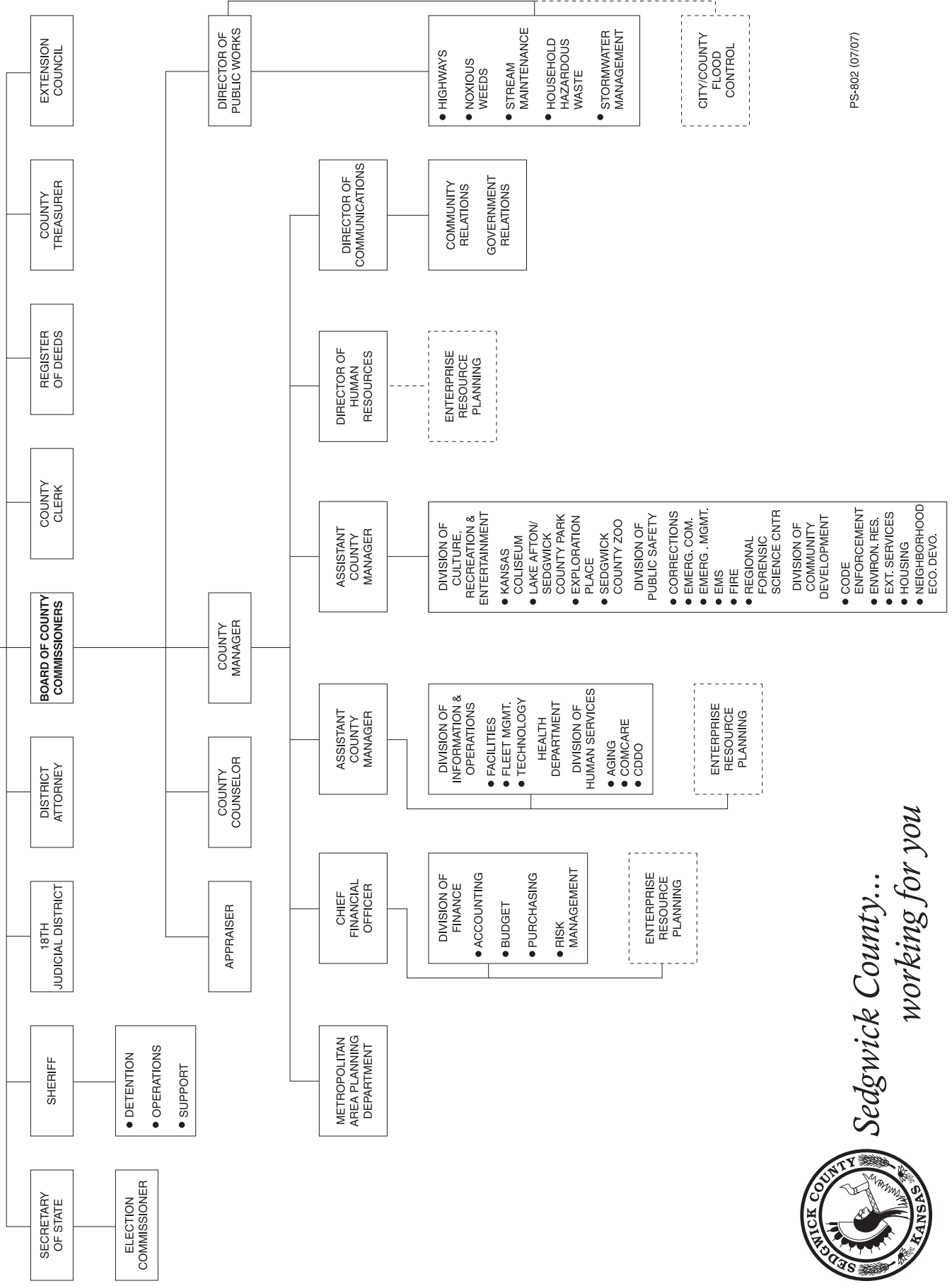
Elected Positions	Name	Date of Appointment
Commissioner, 1 st District	David M. Unruh	January 13, 2003
Commissioner, 2 nd District	Tim R. Norton	January 8, 2001
Commissioner, 3 rd District	Thomas G. Winters	January 10, 1993
Commissioner, 4 th District	Kelly Parks	January 7, 2007
Commissioner, 5 th District	Gwen Welshimer	January 7, 2007
Administrative Judge, 18 th Judicial District	Michael Corrigan	June 1, 2006
District Attorney	Nola Foulston	January 9, 1989
County Clerk	Don Brace	January 8, 2001
Register of Deeds	Bill Meek	April 20, 1998
County Sheriff	Gary Steed	January 8, 2001
County Treasurer	Ron Estes	October 11, 2005

Appointed Positions	Name	Date of Appointment
County Manager	William P. Buchanan	March 18, 1991
Assistant County Manager	Charlene Stevens	August 14, 2006
Assistant County Manager	Ron Holt	February 20, 2005
Chief Financial Officer	Chris Chronis	January 4, 1999
Director, Division of Human Resources	M. Jo Templin	July 13, 2003
Director, Division of Communications	Kristi Zukovich	January 1, 2001
Director, Metropolitan Area Planning Department	John L. Schlegel	June 30, 2003
Director, Public Works / County Engineer	David Spears	July 1, 1985
County Counselor	Richard A. Euson	March 5, 1997
County Appraiser	Mike Borchard	December 15, 2004
Director, Division of Public Safety	Robert Lamkey	September 21, 1998
Director, Division of Human Services	Deborah Donaldson	July 1, 1993
Director, Division of Community Development	Irene Hart	August 1, 1995
Director, Division of Culture, Recreation & Entertainment	Ron Holt	February 20, 2005
Director, Division of Information & Operations	Charlene Stevens	August 14, 2006
Director of Health Department	Claudia Blackburn	May 31, 2005

ORGANIZATIONAL CHART

VOTERS

SEDGWICK COUNTY, KS



PS-802 (07/07)

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Sedgwick County...
working for you.



FINANCIAL SECTION



Sedgwick County...
working for you

INDEPENDENT AUDITORS' REPORT



Allen, Gibbs & Houlik, L.C.
CPAs & Advisors

Board of County Commissioners
Sedgwick County, Kansas

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, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 the County as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2008, on our consideration of the County's internal control over financial reporting and 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 the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

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

March 26, 2008
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, 2007. 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, as well as the notes to the financial statements.

Financial Highlights

- Total net assets of Sedgwick County increased \$120.9 million to \$587.7 million, indicating the overall financial health of Sedgwick County improved significantly during 2007. Of this amount, \$72.7 million is reported as unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.
- Business-type activities net assets increased by \$84.9 million due to sales tax receipts held for construction of the new downtown arena.
- Land and construction in progress increased 73.7% to \$104.9 million reflecting several construction projects currently underway, including the new Juvenile Justice Complex, Public Safety Center and downtown arena.
- Property tax revenues increased 12.7% due to a 2.557 mill levy rate increase and a 6.2% increase in the assessed value of real property.
- Total expenses grew by 0.8% or \$2.3 million.

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-59 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 expenditures 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 assets* presents information on all of Sedgwick County's assets and liabilities, with the difference reported as *net assets*, which is one method to measure the County's financial condition. An increase or decrease in the County's net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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) 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 Coliseum/Arena Fund.

The government-wide financial statements include not only Sedgwick County (known as the primary government), 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. Under the current reporting model, 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-five 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 or are of particular interest. 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-25 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 Coliseum/Arena complex. Additional information regarding the Kansas Coliseum and Downtown 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 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 Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Assets of the primary government exceeded liabilities by \$587.7 million at the end of 2007.

Sedgwick County, Kansas
Net Assets
As of December 31, 2007
With Comparatives as of December 31, 2006
(millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Assets:						
Current and other assets	\$330.9	\$291.6	\$ 177.0	\$114.4	\$507.9	\$406.0
Capital assets	343.2	332.4	41.5	14.8	384.7	347.2
Total assets	<u>674.1</u>	<u>624.0</u>	<u>218.5</u>	<u>129.2</u>	<u>892.6</u>	<u>753.2</u>
Liabilities:						
Long-term liabilities	155.5	148.4	-	-	155.5	143.8
Other liabilities	144.1	137.1	5.3	0.9	149.4	142.6
Total liabilities	<u>299.6</u>	<u>285.5</u>	<u>5.3</u>	<u>0.9</u>	<u>304.9</u>	<u>286.4</u>
Net assets:						
Invested in capital assets, net of related debt	198.4	192.1	41.5	14.8	239.9	206.9
Restricted	103.8	97.3	171.3	113.4	275.1	210.7
Unrestricted	72.3	49.1	0.4	0.1	72.7	49.2
Total net assets	<u>\$374.5</u>	<u>\$338.5</u>	<u>\$ 213.2</u>	<u>\$128.3</u>	<u>\$587.7</u>	<u>\$466.8</u>

The largest portion of the County's net assets (46.8 percent) is restricted. Restricted net assets are resources that are subject to external restrictions on how they may be used. Investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment), less any related outstanding debt used to acquire those assets represent 40.8% of the County's net 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. The remaining balance of *unrestricted net assets*, \$72.7 million, may be used to meet the government's ongoing obligations to citizens and creditors.

Change in Net Assets

The County's net assets for governmental activities increased \$36 million (10.6 percent) after taking into consideration the prior period adjustment of \$4 million to correct prior year depreciation on fleet vehicles and infrastructure. Net assets of the County's business-type activity increased \$84.9 million during 2007, due to unspent sales tax collections for the new downtown arena. The special one-cent sales tax ended on December 31, 2007. Changes in net assets were as follows:

Sedgwick County, Kansas
Change in Net Assets
Fiscal Year Ended December 31, 2007
With Comparatives for the Year Ended December 31, 2006
(millions of dollars)

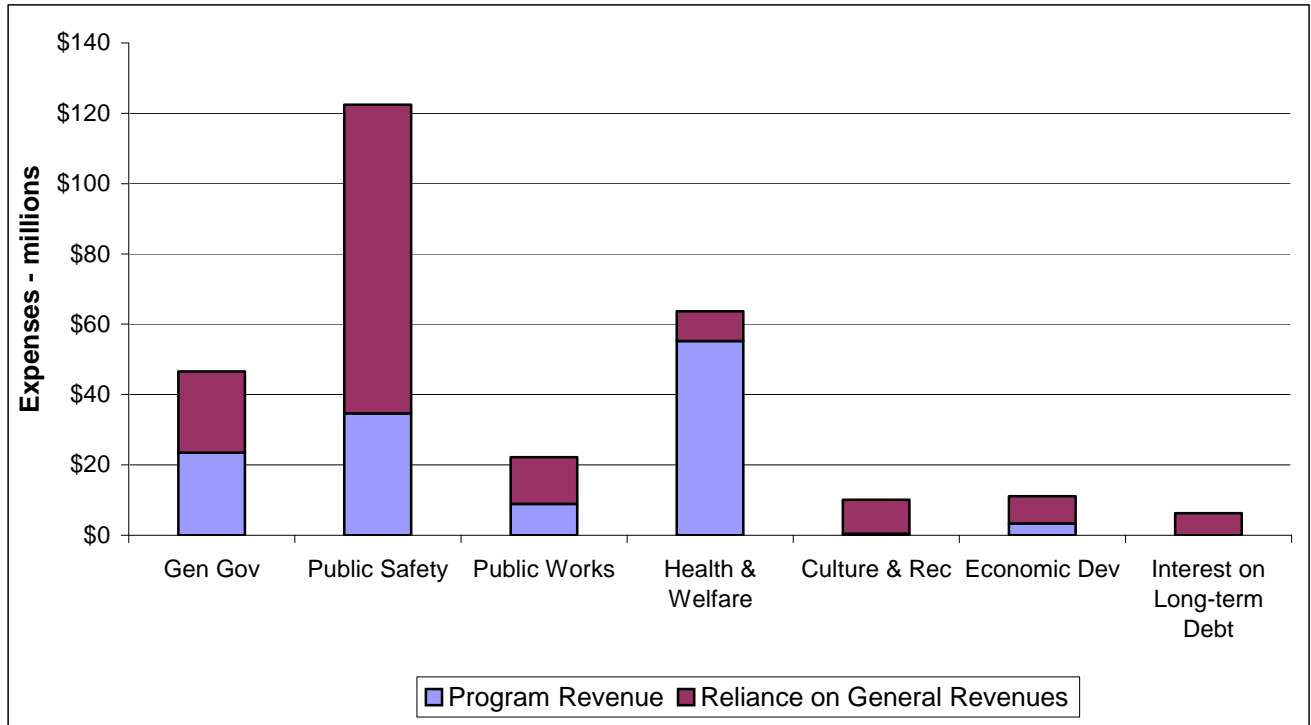
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Revenues						
Program revenues:						
Charges for services	\$ 78.9	\$ 70.2	\$ 2.3	\$ 1.9	\$ 81.2	\$ 72.1
Operating grants and contributions	45.3	47.8	-	-	45.3	47.8
Capital grants and contributions	2.0	2.8	-	-	2.0	2.8
General revenues:						
Property taxes	145.3	128.9	-	-	145.3	128.9
Sales taxes	25.8	24.4	85.1	82.4	110.9	106.8
Other taxes	3.3	2.7	-	-	3.3	2.7
Investment earnings	22.2	13.3	-	-	22.2	13.3
Total revenues	<u>322.8</u>	<u>290.1</u>	<u>87.4</u>	<u>84.3</u>	<u>410.2</u>	<u>374.4</u>
Expenses						
General government	46.6	44.3	-	-	46.6	44.3
Public safety	122.4	116.4	-	-	122.4	116.4
Public works	21.9	24.9	-	-	21.9	24.9
Health and welfare	63.7	65.5	-	-	63.7	65.5
Culture and recreation	10.1	8.8	-	-	10.1	8.8
Economic development	11.2	14.3	-	-	11.2	14.3
Interest on long-term debt	6.3	5.9	-	-	6.3	5.9
Coliseum/Arena	-	-	3.1	2.9	3.1	2.9
Total expenses	<u>282.2</u>	<u>280.1</u>	<u>3.1</u>	<u>2.9</u>	<u>285.3</u>	<u>283.0</u>
Increase (decrease) in net assets before transfers	40.6	10.0	84.3	81.4	124.9	91.4
Transfers	<u>(0.6)</u>	<u>(0.7)</u>	<u>0.6</u>	<u>0.7</u>	<u>-</u>	<u>-</u>
Increase in net assets	40.0	9.3	84.9	82.0	124.9	91.3
Prior period adjustment	(4.0)	(34.0)	-	-	(4.0)	(34.0)
Net assets, beginning	<u>338.5</u>	<u>363.2</u>	<u>128.3</u>	<u>46.3</u>	<u>466.8</u>	<u>409.5</u>
Net assets, ending	<u><u>\$374.5</u></u>	<u><u>\$338.5</u></u>	<u><u>\$213.2</u></u>	<u><u>\$128.3</u></u>	<u><u>\$587.7</u></u>	<u><u>\$466.8</u></u>

Property tax revenue increased \$16.4 million over 2006, due to a 2.557 mill levy increase and a 6.2% increase in assessed valuation of real property along with a 1.4% increase in the assessed valuation of personal property. Investment earnings increased 66.7% from the previous year to \$22.2 million largely due to the one-cent special sales tax collected to be spent on the downtown arena and better investment returns from a year ago.

Sedgwick County expenses increased a modest 0.8% when comparing 2007 to 2006. Public Safety expenses increased \$6 million due to the Juvenile Justice Complex construction project and construction on the new Public Safety Center. This increase was partially offset by a \$3 million reduction in Public Works road and bridge projects paid by local sales tax collections. General government expenses increased \$2.3 million because of a \$2.6 million increase in the affordable airfares program.

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 and the percentage of reliance on general revenues of the county to fund their operations and the corresponding dollar amount:

○ Interest on long-term debt	100.0%	\$ 6,315,457
○ Culture and recreation	95.2%	9,621,907
○ Public safety	71.6%	87,659,282
○ Economic development	69.4%	7,740,785
○ Public works	59.3%	13,006,005
○ General government	49.6%	23,118,211
○ Health and welfare	13.4%	8,538,630
Total reliance on general revenues		<u>\$156,000,277</u>

Governmental activities incurred \$282,225,869 in expenses during 2007. The following list breaks this expense down into percentage by function with the corresponding dollar amount:

○ Public safety	43.4%	\$122,371,034
○ Health and welfare	22.6%	63,734,178
○ General government	16.5%	46,618,528
○ Public works	7.8%	21,920,559
○ Economic development	3.9%	11,156,066
○ Culture and recreation	3.6%	10,110,047
○ Interest on long-term debt	2.2%	6,315,457
Total governmental activities expenses		<u>\$282,225,869</u>

Business-type Activity

Sedgwick County has one business-type activity, the Coliseum/Arena fund. Net assets for fiscal year 2007 increased by \$84.9 million bringing total net assets to \$213.2 million. The increase is fully attributed to the collection of a special one-cent sales tax held for construction of a new downtown arena and a small general fund transfer to subsidize operations at the Kansas Coliseum. Construction has started on the arena and is expected to be complete by the spring of 2010. The new arena will be managed by SMG, a global arena management company. The contract signed between Sedgwick County and SMG shifts responsibility for covering operating losses to SMG and allows the county to share in profits once they exceed \$450,000.

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. Unreserved 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 \$148.3 million, a increase of \$32.6 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	\$ 42,480,017	\$ 67,000,166	\$ 24,520,149
Federal/State Assistance	16,943,618	19,944,135	3,000,517
Debt Service	2,583,216	4,086,468	1,503,252
Debt Proceeds	13,031,065	14,171,633	1,140,568
Other Governmental	40,655,188	43,079,257	2,424,069
Total Governmental Funds	\$ 115,693,104	\$ 148,281,659	\$32,588,555

The General Fund is the chief operating fund of Sedgwick County. Ending fund balance in the General Fund increased \$24.5 million, compared to an increase of \$4.4 million a year ago. The main reasons for the dramatic increase are the following three points. First, a 2.557 mill levy increase boosted property tax revenue \$16.4 million over 2006 numbers. Second, the tax rate was increased in anticipation of debt service on a new center for aviation training and several new jail alternative programs aimed at stabilizing inmate population growth. The aviation training center has been delayed and the cost of the jail alternatives that have been implemented was less than expected. Third, investment income increased \$8.9 million during 2007 due to better returns on idle cash and a larger portfolio. Sedgwick County voters approved a one-cent 30-month sales tax to construct a new world class arena in downtown Wichita. The tax commenced on July 1, 2005 and ended on December 31, 2007. The sales tax raised \$206.5 million and construction officially began on December 4, 2007. Although proceeds of the sales tax are deposited in an enterprise fund, state law mandates that investment income be recorded in the General Fund.

As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 45.8% of total General Fund expenditures, while total fund balance represents 50.4%.

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 \$19.9 million which is \$3 million more than 2006. Revenues increased \$2.7 million due to a full year of grant income from the State of Kansas for Sedgwick County's affordable airfares program. The affordable airfares grant reimburses the county up to \$5 million to assist in keeping low fare airlines flying into Wichita Mid-continent airport. This is an annual, state fiscal year (July-June) competitive grant and Sedgwick County has received this grant twice with the first award in July 2006. Expenditures were down \$0.2 million compared to 2006. One of Sedgwick County's mental health service providers gave up their status as an affiliate mental health center and Sedgwick County also changed billing processes to make payment on a fee for service basis rather than up front through a contractual arrangement. Of the \$19.9 million fund balance, 95.9% is unreserved.

The Debt Service fund has a total fund balance of \$4.1 million, all of which is reserved for the payment of debt service. Sedgwick County anticipated paying debt service on a new jail expansion, but the project has been delayed. Property tax was levied for the additional payment that did not occur, resulting in a \$1.5 million increase to fund balance.

The Debt Proceeds fund is a capital projects fund that receives proceeds from general obligation bond issues and other long-term financing sources. During 2007 the fund received \$1 million in investment income and \$15.4 million in proceeds from debt issuance. \$15 million was transferred out to other capital project funds during the year. Transfers out to other capital projects funds included \$5 million for road projects including improvements on 13th St. North from K-96 to 159th St. East, \$7.1 million for the new juvenile court building and improvements to the juvenile justice complex, \$2.9 million for the new public safety building that houses 9-1-1 dispatchers and emergency management personnel.

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 Coliseum/Arena Fund is a combination of the current Kansas Coliseum and the new downtown arena that is currently under construction. Operations at the Kansas Coliseum resulted in an operating loss of \$0.8 million, slightly better than the \$1 million loss in 2006. The special one-cent sales tax generated \$85.1 million in revenue to be expended in constructing the new downtown arena. Net assets in the fund increased \$84.9 million to \$213.2 million in 2007. \$171.3 million is currently restricted for the new downtown arena construction project.

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 incurred a \$0.6 million operating loss during 2007. Charges to departments for using fleet vehicles increased \$0.4 million, but it was not enough to offset the \$250,000 increase in fuel and supply costs and the nearly \$0.5 million increase in depreciation. Fleet was also charged \$5.2 million to correctly restate prior period depreciation costs, which ultimately decreased net assets by \$5.6 million at the end of the year. During 2007, the workers compensation fund had a planned draw down of \$0.3 million by undercharging county departments for the expenses incurred by the county's workers' compensation program. This draw down resulted in an ending fund balance of \$1.2 million. Sedgwick County expended \$1.1 million for property and liability insurance during 2007, the same amount as 2006. The Health/Dental/Life insurance fund experienced several major changes in 2007. In 2006 Sedgwick County had two health plans, one self-insured and one fully insured along with separate pharmacy, dental and life insurance plans. On January 1, 2007 the county only offered a fully insured health plan with pharmacy benefits included. The dental and life insurance plans remained unchanged. As a result of offering one health and pharmacy plan, expenditures dropped \$2.7 million. Premiums charged for the health and pharmacy plan also dropped causing revenue to decrease by \$1.9 million. These changes caused net assets to increase \$0.8 million by the end of 2007.

General Fund Budgetary Highlights

The County did not amend the budget during fiscal year 2007, although appropriations were shifted between line items in the General Fund.

Actual revenue was \$14 million above both the original and final budgets. Investment income was \$10.6 million over the budgeted amount and sales tax revenue was \$1.2 million over budget. The primary reasons for the increase are:

[1] A 2.557 mill levy increase boosted property tax revenue.

[2] The tax rate was increased in anticipation of debt service on a new center for aviation training and several new jail alternative programs aimed at stabilizing inmate population growth. The aviation training center construction has been delayed and the cost of the jail alternatives was less than expected.

[3] Investment income increased \$8.9 million during 2007 due to better returns and a larger portfolio.

Expenditures for personnel services were less than the original and final budgets by \$8.4 million and \$3.9 million, respectively. Contractual services ended the year \$7.3 million lower than the final budget. Debt service expenditures were \$1.6 million less than budgeted because the planned center for aviation training project was delayed 18 months and the debt has yet to be issued. Overall budgetary fund balance in the General Fund increased \$28.3 million in 2007.

Capital Asset and Debt Administration

Sedgwick County's investment in capital assets for its governmental and business-type activities as of December 31, 2007, totaled \$384,813,203 (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 2007 fiscal year included the following:

- \$91.4 million is recorded as construction in progress. The main projects are the Juvenile Justice Complex, Public Safety Center and the new downtown arena.
- The official ground-breaking ceremony for the construction of the new downtown arena took place December 4, 2007. Total project cost is estimated at \$206.5 million.

Capital Assets December 31, 2007 (net of depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	\$ 11,989,952	\$ 1,514,844	\$ 13,504,796
Buildings and improvements	126,127,837	10,736,215	136,864,052
Improvements other than buildings	11,883,177	-	11,883,177
Machinery and equipment	11,289,185	97,176	11,386,361
Infrastructure	119,736,722	-	119,736,722
Construction in progress	62,220,574	29,217,521	91,438,095
Total	<u>\$ 343,247,447</u>	<u>\$ 41,565,756</u>	<u>\$384,813,203</u>

Additional information regarding capital assets can be found in Note III. B, beginning on page A-45.

Long-term Debt

At the end of 2007, Sedgwick County had total general obligation bonds outstanding of \$92,105,000. This amount includes \$14,250,000 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 \$47,425,000 and a loan from the Kansas Department of Transportation with a 2007 ending balance of \$3,071,631. 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.

During 2007, the Sedgwick County Public Building Commission issued \$15,445,000 in revenue bonds to fund the design, construction, furnishing and equipping of a juvenile court building and to complete improvements to the juvenile justice complex.

Outstanding general obligation bonds of the County are rated "AAA" by Fitch Ratings ("Fitch"), "Aa1" by Moody's Investors Service ("Moody's"), and "AA+" by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc. ("S&P").

State statutes limit the amount of general obligation debt county governments may issue to three percent of its total valuation. After subtracting deductions allowed by the statutes, Sedgwick County's legal debt margin is \$89,607,000.

Additional information about the County's long-term debt can be found in Note III. C, beginning on page A-47 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate in the Wichita MSA stood at 3.8% at the end of 2007, an improvement from 4.3% at the end of 2006.
- The 2007 County mill levy funds the 2008 budget. The 2007 mill levy rate is 31.333, slightly higher than the 2006 rate of 31.315 mills.
- Wichita is known as the air capital of the world because it houses major facilities of five leading aircraft manufacturers. Cessna and Spirit Aerosystems currently have 32.8 billion in backorders, while Boeing has 279 billion in back orders company wide.
- Cost of living in the Wichita M.S.A. is 94.1% of the national average.
- Sedgwick County has the second highest concentration of manufacturing jobs in the United States.

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.

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*Sedgwick County...
working for you.*

SEDGWICK COUNTY, KANSAS

Statement of Net Assets

December 31, 2007

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	SCPBC
Assets				
Cash, including investments	\$ 152,808,053	\$ 1,270,847	\$ 154,078,900	\$ -
Receivables, net	168,637,483	53,993	168,691,476	-
Due from other agencies	4,522,599	-	4,522,599	-
Inventories, at cost	1,754,897	-	1,754,897	-
Prepaid expenses	3,172,065	-	3,172,065	-
Restricted assets:				
Cash, including investments	-	160,225,466	160,225,466	-
Sales tax receivable	-	15,440,344	15,440,344	-
Net investment in direct financing lease	-	-	-	47,205,699
Costs of issuance	-	-	-	564,389
Bond discount	-	-	-	57,861
Capital assets:				
Land and construction in progress	74,210,526	30,732,365	104,942,891	-
Other capital assets, net of depreciation	269,036,921	10,833,391	279,870,312	-
Total assets	674,142,544	218,556,406	892,698,950	47,827,949
Liabilities				
Accounts payable and other current liabilities	2,191,011	4,371,093	6,562,104	-
Accrued interest payable	2,432,069	-	2,432,069	775,767
Unearned revenue	139,534,913	944,774	140,479,687	-
Noncurrent liabilities:				
Due within one year	19,428,051	-	19,428,051	2,570,000
Due in more than one year	136,106,220	-	136,106,220	44,855,000
Less: deferred refunding	-	-	-	(597,038)
Bond premium	-	-	-	224,220
Total liabilities	299,692,264	5,315,867	305,008,131	47,827,949
Net Assets				
Invested in capital assets, net of related debt	198,389,307	-	198,389,307	-
Invested in capital assets	-	41,565,756	41,565,756	-
Restricted for:				
Capital improvements	23,905,676	171,294,796	195,200,472	-
Debt service	24,015,690	-	24,015,690	-
Federal/State assistance	24,386,094	-	24,386,094	-
Equipment and technology improvements	14,375,628	-	14,375,628	-
Fire protection	5,425,092	-	5,425,092	-
Court operations	1,942,114	-	1,942,114	-
Other purposes	9,705,722	-	9,705,722	-
Unrestricted	72,304,957	379,987	72,684,944	-
Total net assets	\$ 374,450,280	\$ 213,240,539	\$ 587,690,819	\$ -

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

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SEDGWICK COUNTY, KANSAS

Statement of Activities

For the Year Ended December 31, 2007

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 46,618,528	\$ 22,386,703	\$ 1,113,614	\$ -
Public safety	122,371,034	19,807,231	14,904,521	-
Public works	21,920,559	1,335,895	5,614,317	1,964,342
Health and welfare	63,734,178	33,120,649	22,074,899	-
Culture and recreation	10,110,047	488,140	-	-
Economic development	11,156,066	1,793,518	1,621,763	-
Interest on long-term debt	6,315,457	-	-	-
Total governmental activities	<u>282,225,869</u>	<u>78,932,136</u>	<u>45,329,114</u>	<u>1,964,342</u>
Business-type activities:				
Coliseum/Arena	<u>3,097,901</u>	<u>2,269,722</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>3,097,901</u>	<u>2,269,722</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 285,323,770</u>	<u>\$ 81,201,858</u>	<u>\$ 45,329,114</u>	<u>\$ 1,964,342</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
Transfers

Total general revenue and transfers

Change in net assets

Net assets, beginning of year
Prior period adjustment

Net assets, end of year

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

Net (Expense) Revenue and Changes in Net Assets			
Governmental Activities	Primary Government		Component Unit SCPBC
	Business-Type Activities	Total	
\$ (23,118,211)	\$ -	\$ (23,118,211)	\$ -
(87,659,282)	-	(87,659,282)	-
(13,006,005)	-	(13,006,005)	-
(8,538,630)	-	(8,538,630)	-
(9,621,907)	-	(9,621,907)	-
(7,740,785)	-	(7,740,785)	-
(6,315,457)	-	(6,315,457)	-
(156,000,277)	-	(156,000,277)	-
-	(828,179)	(828,179)	-
-	(828,179)	(828,179)	-
(156,000,277)	(828,179)	(156,828,456)	-
-	-	-	-
-	-	-	-
145,277,955	-	145,277,955	-
25,812,643	85,135,148	110,947,791	-
3,304,335	-	3,304,335	-
22,229,269	-	22,229,269	-
(629,651)	629,651	-	-
195,994,551	85,764,799	281,759,350	-
39,994,274	84,936,620	124,930,894	-
338,467,061	128,303,919	466,770,980	-
(4,011,055)	-	(4,011,055)	-
\$ 374,450,280	\$ 213,240,539	\$ 587,690,819	\$ -

SEDGWICK COUNTY, KANSAS

Balance Sheet Governmental Funds December 31, 2007

	General Fund	Federal/State Assistance Fund	Debt Service Fund
<u>Assets</u>			
Cash, including investments	\$ 53,977,225	\$ 23,268,216	\$ 4,106,631
Advance receivable	864,923	-	-
Due from other funds	-	-	-
Due from other agencies	20,502	1,280,299	-
Accounts receivable	160,029	1,480,643	-
Property tax receivable	79,695,037	-	17,844,685
Sales tax receivable	4,666,406	-	-
Interest receivable	3,429,851	-	-
Note receivable	1,450,000	-	-
Prepaid expenses	3,172,065	-	-
Special assessments receivable:			
Deferred	-	-	20,480,321
Delinquent (including interest)	-	-	1,855,227
Inventories, at cost	-	122,079	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 147,436,038	\$ 26,151,237	\$ 44,286,864
	<hr/>	<hr/>	<hr/>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	\$ 740,578	\$ 636,290	\$ -
Due to other funds	-	-	-
Due to other agencies	257	-	-
Due to other entities	-	-	-
Advance payable	-	-	-
Deferred revenue	79,695,037	5,570,812	40,180,233
Matured bonds and coupons payable	-	-	20,163
Total liabilities	80,435,872	6,207,102	40,200,396
	<hr/>	<hr/>	<hr/>
Fund balances:			
Reserved for:			
Encumbrances	587,452	693,682	-
Inventories	-	122,079	-
Debt service	-	-	4,086,468
Advance receivable	864,923	-	-
Note receivable	1,450,000	-	-
Prepaid expenses	3,172,065	-	-
Unreserved:			
Designated for:			
Subsequent year's budget	24,561,310	-	-
Capital improvements	-	-	-
Division of highways	2,333,203	-	-
Reported in Special Revenue Funds:			
Subsequent year's budget	-	-	-
Undesignated	34,031,213	19,128,374	-
Undesignated, reported in			
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Total fund balances	67,000,166	19,944,135	4,086,468
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 147,436,038	\$ 26,151,237	\$ 44,286,864
	<hr/>	<hr/>	<hr/>

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

Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
\$ 8,904,779	\$ 48,596,578	\$ 138,853,429
-	-	864,923
5,266,854	-	5,266,854
-	3,221,798	4,522,599
-	3,062,158	4,702,830
-	34,513,126	132,052,848
-	-	4,666,406
-	-	3,429,851
-	-	1,450,000
-	-	3,172,065
-	-	20,480,321
-	-	1,855,227
-	1,191,534	1,313,613
<u>\$ 14,171,633</u>	<u>\$ 90,585,194</u>	<u>\$ 322,630,966</u>
\$ -	\$ 507,822	\$ 1,884,690
-	5,266,854	5,266,854
-	-	257
-	-	-
-	864,923	864,923
-	40,866,338	166,312,420
-	-	20,163
<u>-</u>	<u>47,505,937</u>	<u>174,349,307</u>
-	17,968,690	19,249,824
-	1,191,534	1,313,613
-	25,743	4,112,211
-	-	864,923
-	-	1,450,000
-	-	3,172,065
-	-	24,561,310
14,171,633	-	14,171,633
-	-	2,333,203
-	6,340,911	6,340,911
-	-	53,159,587
-	19,383,066	19,383,066
-	(1,830,687)	(1,830,687)
<u>14,171,633</u>	<u>43,079,257</u>	<u>148,281,659</u>
<u>\$ 14,171,633</u>	<u>\$ 90,585,194</u>	<u>\$ 322,630,966</u>

SEDGWICK COUNTY, KANSAS

Reconciliation of the Statement of Net Assets to the Balance Sheet for Governmental Funds December 31, 2007

Total fund balances of governmental funds \$ 148,281,659

Amounts reported for governmental activities in the statement of net assets 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 \$496,856,854 and the accumulated depreciation is \$165,770,241. 331,086,613

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 assets. 25,211,458

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. 26,777,507

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 assets. Long-term liabilities at year-end consist of:

Bonds payable	\$ (92,105,000)	
Direct financing lease payable	(47,425,000)	
Revolving loan payable	(3,071,631)	
Capital lease payable	(2,256,509)	
Compensated absences	(6,010,000)	
Other postemployment benefits other than pensions	(3,606,748)	
Accrued interest payable	(2,432,069)	(156,906,957)

Net assets of governmental activities \$ 374,450,280

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

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SEDGWICK COUNTY, KANSAS

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2007

	General Fund	Federal/State Assistance Fund	Debt Service Fund
Revenues			
Property taxes	\$ 99,978,919	\$ -	\$ 9,759,702
Emergency telephone services taxes	-	-	-
Sales taxes	25,812,643	-	-
Special assessments	-	-	3,654,466
Other taxes	255,659	60,932	-
Intergovernmental	2,776,147	34,034,405	-
Charges for services	17,746,513	31,505,683	80,500
Uses of money and property	20,651,739	66,416	-
Fines and forfeits	216,530	71,965	-
Licenses and permits	351,057	-	-
Reimbursed expenditures	5,384,386	6,782,495	-
Other	696,244	244,423	-
Total revenues	<u>173,869,837</u>	<u>72,766,319</u>	<u>13,494,668</u>
Expenditures			
Current:			
General government	32,083,475	5,920,976	-
Public safety	76,253,643	11,643,833	-
Public works	1,541,627	-	-
Health and welfare	8,300,805	51,144,186	-
Cultural and recreation	7,878,283	-	-
Economic development	3,045,401	1,659,669	-
Debt service:			
Principal	2,340,000	-	9,798,722
Interest and fiscal charges	1,585,422	1,652	4,340,770
Debt issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>133,028,656</u>	<u>70,370,316</u>	<u>14,139,492</u>
Excess (deficiency) of revenues over (under) expenditures	<u>40,841,181</u>	<u>2,396,003</u>	<u>(644,824)</u>
Other financing sources (uses)			
Transfers from other funds	521,080	761,987	2,148,076
Transfers to other funds	(16,842,112)	(157,473)	-
Issuance of capital lease	-	-	-
Premium from issuance of general obligation bonds	-	-	-
Issuance of general obligation bonds	-	-	-
Total other financing sources (uses)	<u>(16,321,032)</u>	<u>604,514</u>	<u>2,148,076</u>
Net change in fund balance	24,520,149	3,000,517	1,503,252
Fund balances, beginning of year	<u>42,480,017</u>	<u>16,943,618</u>	<u>2,583,216</u>
Fund balances, end of year	<u>\$ 67,000,166</u>	<u>\$ 19,944,135</u>	<u>\$ 4,086,468</u>

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

Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 35,539,334	\$ 145,277,955
-	2,932,977	2,932,977
-	-	25,812,643
-	-	3,654,466
-	54,768	371,359
-	8,518,565	45,329,117
-	17,331,266	66,663,962
1,014,944	496,170	22,229,269
-	-	288,495
-	98,824	449,881
-	37,654	12,204,535
-	133,053	1,073,720
<u>1,014,944</u>	<u>65,142,611</u>	<u>326,288,379</u>
234,899	4,080,815	42,320,165
-	30,482,681	118,380,157
-	11,925,526	13,467,153
-	5,186,603	64,631,594
-	4,222	7,882,505
-	6,465,058	11,170,128
-	434,742	12,573,464
-	156,529	6,084,373
308,900	-	308,900
-	32,412,371	32,412,371
<u>543,799</u>	<u>91,148,547</u>	<u>309,230,810</u>
<u>471,145</u>	<u>(26,005,936)</u>	<u>17,057,569</u>
-	32,361,764	35,792,907
(14,961,707)	(5,589,759)	(37,551,051)
-	1,658,000	1,658,000
186,130	-	186,130
15,445,000	-	15,445,000
<u>669,423</u>	<u>28,430,005</u>	<u>15,530,986</u>
1,140,568	2,424,069	32,588,555
<u>13,031,065</u>	<u>40,655,188</u>	<u>115,693,104</u>
<u>\$ 14,171,633</u>	<u>\$ 43,079,257</u>	<u>\$ 148,281,659</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, 2007

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

Net change in fund balances - total governmental funds	\$ 32,588,555
--	---------------

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	\$ 30,798,371	
Depreciation expense	<u>(14,488,545)</u>	
		16,309,826

Revenues reported in the funds that do not provide current financial resources are reported as revenues in the statement of activities.	(231,359)
---	-----------

The net effect of various transactions involving capital assets (i.e., annexations, sales, and trade-ins) is to decrease net assets.	(715,135)
--	-----------

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 assets.

Bonds payable	\$ 9,670,000	
Direct financing lease payable	2,550,000	
Revolving loan payable	128,722	
Capital lease payable	<u>224,742</u>	
		12,573,464

Bond and capital lease proceeds provide current financial resources to government funds, but represent an increase in long-term liabilities in the statement of net assets.	(17,103,000)
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In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditures are not reported until due.	(108,314)
--	-----------

In the statement of activities, compensated absences are measured by the amounts earned during the year, instead of by the amount paid.	50,000
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In the statement of activities, other postemployment benefits is measured by the amount due during the year, instead of by the amount paid.	(3,606,748)
---	-------------

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>236,985</u>
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Change in net assets of governmental activities	<u>\$ 39,994,274</u>
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The notes to the financial statements are an integral part of this statement.

SEDGWICK COUNTY, KANSAS

Statement of Revenues, Expenditures and Changes in Fund Balances Budget to Actual - Budgetary Basis General Fund For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Property taxes	\$100,138,840	\$100,138,840	\$ 99,978,919	\$ (159,921)
Sales taxes	24,527,739	24,527,739	25,751,469	1,223,730
Other taxes	218,649	218,649	255,659	37,010
Intergovernmental	2,162,379	2,162,379	2,783,708	621,329
Charges for services	18,008,098	18,008,098	17,746,252	(261,846)
Uses of money and property	6,654,051	6,654,051	17,260,420	10,606,369
Fines and forfeits	81,006	81,006	216,530	135,524
Licenses and permits	505,835	505,835	351,057	(154,778)
Reimbursed expenditures	3,756,364	3,756,364	5,384,386	1,628,022
Other	366,643	366,643	696,244	329,601
Total revenues	<u>156,419,604</u>	<u>156,419,604</u>	<u>170,424,644</u>	<u>14,005,040</u>
Expenditures				
Current:				
Personnel services	95,398,276	90,815,118	86,949,958	3,865,160
Contractual services	44,546,344	46,161,282	38,868,486	7,292,796
Commodities	5,752,630	5,876,210	5,633,773	242,437
Capital outlay	1,958,134	942,833	692,971	249,862
Debt service:				
Principal	3,255,447	3,318,224	2,340,000	
Interest	2,170,298	2,212,149	1,585,422	
Total debt service	5,425,745	5,530,373	3,925,422	1,604,951
Total expenditures	<u>153,081,129</u>	<u>149,325,816</u>	<u>136,070,610</u>	<u>13,255,206</u>
Revenues over expenditures	<u>3,338,475</u>	<u>7,093,788</u>	<u>34,354,034</u>	<u>27,260,246</u>
Other financing sources (uses)				
Transfers from other funds	340,461	340,461	521,080	180,619
Transfers to other funds	(13,910,727)	(17,666,040)	(16,842,112)	823,928
Total other financing sources (uses)	<u>(13,570,266)</u>	<u>(17,325,579)</u>	<u>(16,321,032)</u>	<u>1,004,547</u>
Net change in fund balances	(10,231,791)	(10,231,791)	18,033,002	28,264,793
Fund balances, beginning of year	<u>10,231,791</u>	<u>10,231,791</u>	<u>34,998,098</u>	<u>24,766,307</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,031,100</u>	<u>\$ 53,031,100</u>

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

SEDGWICK COUNTY, KANSAS

Balance Sheet Proprietary Funds December 31, 2007

	Business-type Activity - Enterprise Fund Coliseum/Arena Fund	Governmental Activities - Internal Service Funds
<u>Assets</u>		
Current assets:		
Cash, including investments	\$ 1,270,847	\$ 13,954,624
Accounts receivable, net	53,993	-
Inventories, at cost	-	441,284
Restricted assets:		
Cash, including investments	160,225,466	-
Sales tax receivable	15,440,344	-
Total current assets	176,990,650	14,395,908
Noncurrent assets:		
Capital assets:		
Land	1,514,844	-
Buildings and improvements	20,656,700	8,303,571
Machinery and equipment	971,754	21,645,816
Construction in progress	29,217,521	-
Less accumulated depreciation	(10,795,063)	(17,788,553)
Total capital assets (net of accumulated depreciation)	41,565,756	12,160,834
Total assets	\$ 218,556,406	\$ 26,556,742
<u>Liabilities</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 4,371,093	\$ 285,901
Estimated claims costs payable	-	1,025,137
Unearned revenue	944,774	-
Total current liabilities	5,315,867	1,311,038
Noncurrent liabilities:		
Estimated claims costs payable	-	34,246
Total liabilities	5,315,867	1,345,284
<u>Net assets</u>		
Invested in capital assets	41,565,756	12,160,834
Restricted for capital improvements	171,294,796	-
Unrestricted	379,987	13,050,624
Total net assets	213,240,539	25,211,458
Total liabilities and net assets	\$ 218,556,406	\$ 26,556,742

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 Assets Proprietary Funds For the Year Ended December 31, 2007

	Business-type Activity - Enterprise Fund Coliseum/Arena Fund	Governmental Activities - Internal Service Funds
Operating revenues:		
Charges for services	\$ 2,269,345	\$ 31,294,113
Reimbursements	-	242,780
Other revenue	377	85,031
Total operating revenues	<u>2,269,722</u>	<u>31,621,924</u>
Operating expenses:		
Salaries and benefits	1,493,700	1,717,995
Contractual services	311,304	887,799
Utilities	399,918	81,317
Supplies and fuel	150,891	2,863,221
Administrative charges	297,829	107,195
Depreciation expense	425,869	3,319,527
Claims expense	-	23,763,115
Other expense	18,390	57,005
Total operating expenses	<u>3,097,901</u>	<u>32,797,174</u>
Operating income (loss)	<u>(828,179)</u>	<u>(1,175,250)</u>
Nonoperating revenues:		
Sales taxes	85,135,148	-
Investment income	-	206,600
Gain on sale of assets	-	77,142
Total nonoperating revenues	<u>85,135,148</u>	<u>283,742</u>
Income (loss) before transfers	84,306,969	(891,508)
Transfers:		
Transfers from other funds	629,651	1,134,056
Transfers to other funds	<u>-</u>	<u>(5,563)</u>
Change in net assets	84,936,620	236,985
Net assets, beginning of year	128,303,919	30,147,196
Prior period adjustment	<u>-</u>	<u>(5,172,723)</u>
Net assets, end of year	<u>\$ 213,240,539</u>	<u>\$ 25,211,458</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, 2007

	Business-type Activity - Enterprise Fund Arena/Coliseum Fund	Governmental Activities - Internal Service Funds
Cash flows from operating activities		
Receipts from customers and users	\$ 2,318,726	\$ 31,614,406
Other operating revenues	377	7,518
Payments to suppliers for goods and services	(1,227,787)	(28,662,248)
Payments to employees for services	(1,493,700)	(1,717,995)
Net cash provided by (used in) operating activities	(402,384)	1,241,681
Cash flows from noncapital financing activities		
Transfers from other funds	629,651	1,134,056
Transfers to other funds	-	(5,563)
Net cash provided by (used in) noncapital financing activities	629,651	1,128,493
Cash flows from capital and related financing activities		
Sales tax receipts	85,001,807	-
Proceeds from sale of capital assets	-	86,007
Purchases and construction of capital assets	(22,857,063)	(2,531,797)
Net cash provided by (used in) capital and related financing activities	62,144,744	(2,445,790)
Cash flows from investing activities		
Interest on investments	-	206,600
Net cash provided by investing activities	-	206,600
Net increase in cash and cash equivalents	62,372,011	130,984
Cash and cash equivalents, beginning of the year	99,124,302	13,823,640
Cash and cash equivalents, end of the year	\$ 161,496,313	\$ 13,954,624
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (828,179)	\$ (1,175,250)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:		
Depreciation expense	425,869	3,319,527
(Increase) decrease in accounts receivable	(48,900)	-
(Increase) in inventory	-	(25,982)
Increase (decrease) in accounts payable	(49,455)	45,251
Increase in estimated claims payable	-	(921,865)
Increase in unearned revenue	98,281	-
Net cash provided by (used in) operating activities	\$ (402,384)	\$ 1,241,681

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

SEDGWICK COUNTY, KANSAS

Statement of Fiduciary Net Assets Agency Funds December 31, 2007

	<u>Agency Funds</u>
Assets	
Cash, including investments	\$ 298,645,221
Accounts receivable	1,325
Property tax levied	<u>242,115,382</u>
Total assets	<u>\$ 540,761,928</u>
Liabilities	
Accrued liabilities	\$ 8,723,465
Due to other governmental units	<u>532,038,463</u>
Total liabilities	<u>\$ 540,761,928</u>

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

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*Sedgwick County...
working for you.*

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

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SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

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 unincorporated 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, 2007

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 Assets 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, 2007

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 *Coliseum/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, 2007

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.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Based on accounting and reporting standards set forth in GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the County has opted to apply only the accounting and reporting pronouncements issued by the Financial Accounting Standards Board (FASB) on or before November 30, 1989 for business-type activities and enterprise funds.

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.

D. Assets, Liabilities and Net Assets or Equity

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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

1. Deposits and Investments (continued)

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.

During 2007, 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

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 revenue in the fund financial statements. It is not practicable to apportion delinquent taxes by the County Treasurer at the end of the year, and further, the amounts thereof 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 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 revenue 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, 2007 the note balance was \$1,450,000.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

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 Expenses

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 \$3,172,065 remains at December 31, 2007.

5. Capital Assets

Capital assets, including property, plant, equipment, 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 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 construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, 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	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	5
Vehicles	3

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

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 assets. In the government-wide financial statements, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

8. Reserves and Designations of Fund Balances

In the fund financial statements, governmental funds report the following reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose:

- Reserved for encumbrances – used to segregate a portion of fund balance legally restricted for the future payment of outstanding encumbrances.
- Reserved for inventories – used to segregate a portion of fund balance to indicate that inventories do not represent available or spendable resources.
- Reserved for debt service – used to segregate a portion of fund balance for debt service resources legally restricted to the payment of general long-term debt principal and interest amounts in future years.
- Reserved for advances receivable – used to segregate a portion of fund balance to indicate that advance receivables do not represent available or spendable resources.
- Reserved for note receivable – used to segregate a portion of fund balance to indicate that note receivable does not represent available or spendable resources.
- Reserved for prepaid expenses – used to segregate a portion of fund balance to indicate that prepaid expenses does not represent available or spendable resources.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

8. Reserves and Designations of Fund Balances (continued)

The following designations of fund balance are reflected in the governmental fund financial statements for amounts that represent tentative management plans that are subject to change:

- Designated for subsequent year's budget – used to segregate a portion of fund balance for current resources that were included in the subsequent year's budget to be used to finance operations of the ensuing year.
- Designated for capital improvements – used to segregate a portion of fund balance for current resources pledged for capital improvements.
- Designated for division of highways – used to segregate a portion of fund balance for accrued sales tax receivable pledged for improvements of roads, highways, and bridges.

9. 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.

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

II. Stewardship, Compliance and Accountability (continued)

A. Budgetary Information (continued)

There were no budget amendments during 2007.

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, 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
Equipment Reserve
Fire District Special Equipment
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

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

B. 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 a reconciliation from GAAP basis to budgetary basis for the General Fund.

	December 31, 2007
Fund balance, budgetary basis	\$ 53,031,100
Current year encumbrances	587,452
Fair value adjustment of investments	2,137,432
Accrued revenues	<u>11,244,182</u>
Fund balance, GAAP basis	<u>\$ 67,000,166</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

II. Stewardship, Compliance and Accountability (continued)

C. Deficit Fund Equity

The following nonmajor governmental funds had fund balance deficits as of December 31, 2007:

The Building and Equipment Fund has a fund balance deficit of \$2,417,605. This deficit will be recovered through transfers from the Debt Proceeds Fund.

The Street, Bridge and Other Fund had a fund balance deficit of \$2,968,096. This deficit will be recovered through transfers from the Debt Proceeds Fund.

III. Detailed Notes on All Funds

A. Deposits and Investments

Sedgwick County has adopted a formal investment policy. Primary objectives of investment activities are, in order of priority, safety, liquidity and yield. The standard of care to be used by investment officials shall be the "prudent person" investment rule and shall be 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, 2007, 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	\$ 37,128,945	0.576	6.32
U.S. agency coupon securities	268,957,023	0.834	45.80
U.S. agency discount securities	75,331,853	0.064	12.83
Repurchase agreement	151,267,000	-	25.76
Kansas Municipal Investment Pool ¹	30,717,600	-	5.23
Mutual funds	21,196,499	-	3.61
Collateralized deposits	2,652,608	-	0.45
Total value	<u>\$587,251,528</u>		<u>100.0</u>
Portfolio modified duration		<u>.427</u>	

¹Interest rate risk for the Kansas Municipal Investment Pool is based on the weighted average maturity of the pool. As of December 31, 2007 the weighted average maturity of the pool was 79.1 days.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

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 \$181,404,995 of agency coupons securities and \$14,043,984 of U.S. Treasury securities that are held by the investment counterparty.

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

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

Peak period collateral agreements and mortgages 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, 2007, 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, 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, 2007, 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. The County also holds investments with the Kansas Municipal Investment Pool, which is rated AAAs/S1+ by Standard & Poor's. Mutual funds utilized by the County were rated AAAs by Standard & Poor's at December 31, 2007.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

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	25
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

Additionally, 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 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 \$41.2 million, or 7%, of its portfolio in investments issued by Federal Home Loan Mortgage Loan Corp., \$114.4 million, or 19.5%, in investments issued by the Federal Home Loan Bank and investments totaling \$177.1 million, or 30.2%, 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 Assets	\$ 154,078,900
Restricted cash, including investments, Statement of Net Assets	160,225,466
Cash, including investments, Statement of Fiduciary Net Assets	298,645,221
Total	<u>\$ 612,949,587</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

B. Capital Assets

Capital assets activity of the primary government for the year ended December 31, 2007 was as follows:

	As Previously Reported December 31, 2006	Prior Period Adjustment	Increases	Decreases	December 31, 2007
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 11,989,952	\$ -	\$ -	\$ -	\$ 11,989,952
Construction in progress	38,916,573	-	23,494,232	(190,231)	62,220,574
Total capital assets, not being depreciated	50,906,525	-	23,494,232	(190,231)	74,210,526
Capital assets, being depreciated:					
Buildings and improvements	186,185,691	-	5,580,186	(408,911)	191,356,966
Leasehold improvements	2,234,871	-	-	-	2,234,871
Improvements other than buildings	20,462,159	-	408,911	-	20,871,070
Machinery and equipment	52,437,080	-	4,445,983	(1,195,116)	55,687,947
Infrastructure	183,375,361	-	-	(930,500)	182,444,861
Total capital assets being depreciated	444,695,162	-	10,435,080	(2,534,527)	452,595,715
Less accumulated depreciation for:					
Buildings	(59,940,000)	-	(5,446,589)	-	(65,386,589)
Leasehold improvements	(2,033,372)	-	(44,039)	-	(2,077,411)
Improvements other than buildings	(7,463,997)	-	(1,523,896)	-	(8,987,893)
Machinery and equipment	(35,233,970)	(5,172,723)	(5,178,319)	1,186,251	(44,398,761)
Infrastructure	(58,469,942)	1,161,668	(5,615,229)	215,363	(62,708,140)
Total accumulated depreciation	(163,141,281)	(4,011,055)	(17,808,072)	1,401,614	(183,558,794)
Total capital assets being depreciated, net	281,553,881	(4,011,055)	(7,372,992)	(1,132,913)	269,036,921
Governmental activities capital assets, net	\$ 332,460,406	\$ (4,011,055)	\$ 16,121,240	\$ (1,323,144)	\$ 343,247,447

Prior period adjustment

The County's net assets have been restated by \$4,011,055 to reduce the net value of capital assets which were depreciated incorrectly in prior years. These assets consist of infrastructure, machinery and equipment.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

B. Capital Assets (continued)

	December 31, 2006	Increases	Decreases	December 31, 2007
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,514,844	\$ -	\$ -	\$ 1,514,844
Construction in progress	8,000,312	27,224,407	(6,007,198)	29,217,521
Total capital assets, not being depreciated	<u>9,515,156</u>	<u>27,224,407</u>	<u>(6,007,198)</u>	<u>30,732,365</u>
Capital assets, being depreciated:				
Buildings and improvements	14,649,502	6,007,198	-	20,656,700
Machinery and equipment	971,754	-	-	971,754
Total capital assets being depreciated	<u>15,621,256</u>	<u>6,007,198</u>	<u>-</u>	<u>21,628,454</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,516,461)	(404,024)	-	(9,920,485)
Machinery and equipment	(852,733)	(21,845)	-	(874,578)
Total accumulated depreciation	<u>(10,369,194)</u>	<u>(425,869)</u>	<u>-</u>	<u>(10,795,063)</u>
Total capital assets being depreciated, net	<u>5,252,062</u>	<u>5,581,329</u>	<u>-</u>	<u>10,833,391</u>
Business-type activities capital assets, net	<u>\$ 14,767,218</u>	<u>\$ 32,805,736</u>	<u>\$ (6,007,198)</u>	<u>\$ 41,565,756</u>

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

Governmental activities:	
General government	\$ 2,191,630
Public safety	3,166,780
Public works, including depreciation of general infrastructure assets	6,927,384
Health and welfare	83,350
Culture and recreation	2,119,401
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>3,319,527</u>
Total depreciation expense – governmental activities	<u>\$17,808,072</u>
Business-type activities:	
Coliseum/Arena fund	\$ 425,869
Total depreciation expense – business-type activities	<u>\$ 425,869</u>

Construction Commitments

The County had outstanding construction commitments for various capital projects and improvements totaling \$13,435,645 at December 31, 2007. This amount is reflected as reserved for encumbrances in the Capital Projects Funds, including the Building and Equipment Fund, Street, Bridge and Other Fund, Sales Tax Road and Bridge 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.

The County's outstanding construction commitments for the downtown arena totaled \$139,290,528 at December 31, 2007. This amount is restricted for capital improvements in the Coliseum/Arena Fund and has been funded by the special one-cent sales tax collected through December 31, 2007.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

C. 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.

General obligation bonds outstanding at December 31, 2007 are as follows:

Purpose	Interest Rate	Amount
Governmental Activities – Road and Bridge	3.00 – 4.95%	\$ 33,448,356
Governmental Activities – Facilities	3.00 – 6.00%	36,052,618
Governmental Activities – Storm Water	4.00 – 4.95%	1,344,026
Governmental Activities – Refunding	3.00 – 4.75%	<u>7,010,000</u>
Total general obligation bonds outstanding		<u>\$ 77,855,000</u>

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

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2008	\$ 7,665,000	\$ 3,258,295	\$ 10,923,295
2009	7,155,000	2,955,411	10,110,411
2010	6,380,000	2,687,231	9,067,231
2011	5,620,000	2,443,668	8,063,668
2012	5,395,000	2,220,074	7,615,074
2013 - 2017	27,415,000	7,655,430	35,070,430
2018 - 2022	15,680,000	2,352,752	18,032,752
2023 - 2026	<u>2,545,000</u>	<u>229,119</u>	<u>2,774,119</u>
Totals	<u>\$ 77,855,000</u>	<u>\$ 23,801,980</u>	<u>\$ 101,656,980</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

C. 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	3.00 – 6.00%	\$14,250,000

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

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2008	\$ 1,710,000	\$ 635,490	\$ 2,345,490
2009	1,785,000	558,786	2,343,786
2010	1,875,000	480,185	2,355,185
2011	1,960,000	397,595	2,357,595
2012	2,050,000	311,669	2,361,669
2013 - 2017	4,175,000	548,386	4,723,386
2018 - 2021	695,000	61,656	756,656
Totals	<u>\$ 14,250,000</u>	<u>\$ 2,993,767</u>	<u>\$ 17,243,767</u>

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. Three issues are outstanding with repayment schedules ranging from 12 to 18 years. The current bonds outstanding are as follows:

Purpose	Interest Rate	Amount
Public Services Administration Building	3.00 – 4.50%	\$ 2,540,000
Exploration Place	2.50 – 4.00%	12,460,000
Juvenile Justice Complex 2003-1	2.75 – 4.65%	17,900,000
Juvenile Justice Complex 2007-1	3.75 – 4.125%	14,525,000
Total		<u>\$47,425,000</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

C. 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
2008	\$ 2,570,000	\$ 1,861,840	\$ 4,431,840
2009	2,645,000	1,781,290	4,426,290
2010	2,730,000	1,695,775	4,425,775
2011	2,815,000	1,604,550	4,419,550
2012	2,770,000	1,506,347	4,276,347
2013 - 2017	15,085,000	5,852,843	20,937,843
2018 - 2022	14,540,000	2,862,662	17,402,662
2023 - 2026	4,270,000	360,369	4,630,369
Totals	<u>\$ 47,425,000</u>	<u>\$ 17,525,676</u>	<u>\$ 64,950,676</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, 2007:

Minimum lease payments receivable	\$ 3,084,480
Less unearned income	<u>654,504</u>
Net investment in direct financing lease	<u>\$ 2,429,976</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
2008	\$ 215,000	\$ 87,480	\$ 302,480
2009	220,000	82,105	302,105
2010	230,000	76,165	306,165
2011	235,000	69,265	304,265
2012	245,000	61,745	306,745
2013 - 2017	1,395,000	167,720	1,562,720
Total	<u>\$ 2,540,000</u>	<u>\$ 544,480</u>	<u>\$ 3,084,480</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

C. 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, to be 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, 2007:

Minimum lease payments receivable	\$ 16,959,885
Less unearned income	<u>4,986,796</u>
Net investment in direct financing lease	<u>\$ 11,973,089</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
2008	\$ 625,000	\$ 481,307	\$ 1,106,307
2009	645,000	462,557	1,107,557
2010	660,000	443,207	1,103,207
2011	685,000	423,408	1,108,408
2012	710,000	401,488	1,111,488
2013 - 2017	4,055,000	1,596,485	5,651,485
2018 - 2022	<u>5,080,000</u>	<u>691,433</u>	<u>5,771,433</u>
Total	<u>\$12,460,000</u>	<u>\$ 4,499,885</u>	<u>\$16,959,885</u>

SCPBC Revenue Bonds - Juvenile Justice Complex

During 2003, the SCPBC issued revenue bonds to finance the costs of developing, constructing and equipping the Juvenile Justice Complex, to be 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, 2007:

Minimum lease payments receivable	\$ 25,005,342
Less unearned income	<u>6,938,938</u>
Net investment in direct financing lease	<u>\$ 18,066,404</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

C. 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
2008	\$ 845,000	\$ 718,690	\$ 1,563,690
2009	870,000	695,452	1,565,452
2010	895,000	669,352	1,564,352
2011	920,000	640,265	1,560,265
2012	955,000	608,065	1,563,065
2013 - 2017	5,345,000	2,455,588	7,800,588
2018 - 2022	6,570,000	1,248,180	7,818,180
2023	1,500,000	69,750	1,569,750
Total	<u>\$17,900,000</u>	<u>\$7,105,342</u>	<u>\$25,005,342</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, 2007:

Minimum lease payments receivable	\$ 19,900,969
Less unearned income	5,164,739
Net investment in direct financing lease	<u>\$ 14,736,230</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
2008	\$ 885,000	\$ 574,362	\$ 1,459,362
2009	910,000	541,175	1,451,175
2010	945,000	507,050	1,452,050
2011	975,000	471,613	1,446,613
2012	860,000	435,050	1,295,050
2013 - 2017	4,290,000	1,633,050	5,923,050
2018 - 2022	2,890,000	923,050	3,813,050
2023 - 2026	2,770,000	290,619	3,060,619
Total	<u>\$14,525,000</u>	<u>\$ 5,375,969</u>	<u>\$19,900,969</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

C. Long-Term Debt (continued)

Kansas Transportation Project Loan

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
2008	\$ 133,691	\$ 118,565	\$ 252,256
2009	138,852	113,404	252,256
2010	144,211	108,045	252,256
2011	149,778	102,478	252,256
2012	155,559	96,697	252,256
2013 - 2017	872,636	388,644	1,261,280
2018 - 2022	1,054,569	206,711	1,261,280
2023 - 2024	422,335	23,497	445,832
Totals	<u>\$ 3,071,631</u>	<u>\$ 1,158,041</u>	<u>\$ 4,229,672</u>

Capital Leases

In 2003, 2004 and 2007, the County entered into five 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	\$ 2,798,411
Less: accumulated depreciation	550,499
Total	<u>\$ 2,247,912</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2007, were as follows:

Year ended December 31	Governmental Activities
2008	\$ 411,104
2009	411,104
2010	411,104
2011	395,656
2012	351,596
2013 - 2015	<u>611,769</u>
Total minimum lease payments	2,592,333
Less: amount representing interest	(335,824)
Total	<u>\$ 2,256,509</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

C. 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 \$1,059,383 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, 2007, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 85,810,000	\$ -	\$ 7,955,000	\$ 77,855,000	\$ 7,665,000
Special assessment debt with government commitment	15,965,000	-	1,715,000	14,250,000	1,710,000
Total bonds payable	101,775,000	-	9,670,000	92,105,000	9,375,000
KDOT Revolving Loan	3,200,353	-	128,722	3,071,631	133,691
Direct financing lease	34,530,000	15,445,000	2,550,000	47,425,000	2,570,000
Capital lease payable	823,251	1,658,000	224,742	2,256,509	324,223
Claims payable	1,981,248	1,754,727	2,676,592	1,059,383	1,025,137
Other postemployment benefits	-	3,606,748	-	3,606,748	-
Compensated absences	6,060,000	6,616,720	6,666,720	6,010,000	6,000,000
Governmental activities					
Noncurrent liabilities	<u>\$ 148,369,852</u>	<u>\$ 29,081,195</u>	<u>\$ 21,916,776</u>	<u>\$ 155,534,271</u>	<u>\$ 19,428,051</u>
Component unit: SCPBC					
Bonds payable:					
Revenue bonds	\$ 34,530,000	\$ 15,445,000	\$ 2,550,000	\$ 47,425,000	\$ 2,570,000
Premium on revenue bonds	55,480	186,130	17,390	224,220	12,316
SCPBC noncurrent liabilities	<u>\$ 34,585,480</u>	<u>\$ 15,631,130</u>	<u>\$ 2,567,390</u>	<u>\$ 47,649,220</u>	<u>\$ 2,582,316</u>

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, 2007 was \$483,213,953 for the Industrial Revenue Bonds and \$726,815,327 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

III. Detailed Notes on All Funds (continued)

D. Interfund Transfers

A summary of interfund transfers is as follows:

Transfers In:							
	General Fund	Federal/State Assistance Funds	Debt Service Fund	Nonmajor Governmental Funds	Internal Service Funds	Coliseum/Arena Enterprise Fund	Totals
Transfers out:							
General Fund	\$ -	\$ 596,683	\$ 1,597,566	\$ 12,993,010	\$ 1,025,202	\$ 629,651	\$ 16,842,112
Federal/State Assistance Funds	31,869	-	-	90,808	34,796	-	157,473
Debt Proceeds Fund	-	-	-	14,961,707	-	-	14,961,707
Nonmajor Governmental Funds	489,211	165,304	550,510	4,310,676	74,058	-	5,589,759
Internal Service Funds	-	-	-	5,563	-	-	5,563
Total	<u>\$ 521,080</u>	<u>\$ 761,987</u>	<u>\$ 2,148,076</u>	<u>\$ 32,631,764</u>	<u>\$ 1,134,056</u>	<u>\$ 629,651</u>	<u>\$ 37,556,614</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.

E. 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.

A summary of interfund receivables and payables at December 31, 2007 is as follows:

	Interfund Receivable	Interfund Payable
Debt Proceeds Fund	\$ 5,266,854	\$ -
Nonmajor Capital Projects Funds:		
Building and Equipment Fund	-	2,298,871
Street, Bridge and Other Fund	-	2,967,983
	<u>\$ 5,266,854</u>	<u>\$ 5,266,854</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, with repayment terms over the next 8 years. This advance receivable and payable as of December 31, 2007 is as follows:

	Advance Receivable	Advance Payable
General Fund	\$ 864,923	\$ -
Nonmajor Capital Projects Fund:		
Capital Improvement Fund	-	864,923
	<u>\$ 864,923</u>	<u>\$ 864,923</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

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 Coliseum 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. In 2007, the County moved to a fully funded health plan. Previously, the County had a self-insured health plan purchased from an insurance company for accident and health claims. 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 2007, the County paid 83% and participating employees paid 17% 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.

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>	<u>Health/Dental/ Life Insurance</u>
January 1, 2006 liability balances	\$ 1,000,337	\$ 729,158
Claims and changes in estimates	1,108,186	9,047,333
Claim payments	(1,047,773)	(8,855,993)
December 31, 2006 liability balances	1,060,750	920,498
Claims and changes in estimates	1,754,727	-
Claim payments	(1,756,094)	(920,498)
December 31, 2007 liability balances	<u>\$ 1,059,383</u>	<u>\$ -</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

IV. Other Information (continued)

A. Risk Management (continued)

Net assets available for self-insurance expenses and future catastrophe losses are as follows:

Health/Dental/Life Insurance Reserve Fund	\$ 1,482,483
Workers' Compensation Reserve Fund	1,189,235
Risk Management Reserve Fund	2,197,116

B. 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.

C. Pending Governmental Accounting Standards

The effect on the County's financial statements of the following statements issued, but not yet adopted, has not yet been determined. GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets, was issued June 2007. This statement provides guidance on identifying, accounting for, and reporting intangible assets. The new standard characterizes an intangible asset as an asset that lacks physical substance, is nonfinancial in nature, and has an initial useful life extending beyond a single reporting period. It further states that these assets should be classified as capital assets. The provisions of this statement are effective for the County's year ending December 31, 2010.

D. 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. Those reports may be obtained by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding policy. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary and the 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

IV. Other Information (continued)

D. Defined Benefit Pension Plans (continued)

The KPERS employer rate established by statute for 2007 is 5.31%. The County's contributions to KPERS for the years ended December 31, 2007, 2006, and 2005 were \$3,921,299, \$3,314,684 and \$2,770,225, respectively, equal to the statutory required contributions for each year. The KP&F employer rates for 2007 are 13.76% for the Emergency Medical Services Department, 13.32% for the Fire Department, and 13.66% 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, 2007, 2006, and 2005 were \$3,949,413, \$3,591,339 and \$3,275,169, respectively, equal to the statutory required contributions for each year.

E. 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

IV. Other Information (continued)

E. Other Postemployment Benefits Other Than Pensions (continued)

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 2007:

Annual OPEB Cost for 2007	Amount
Normal Cost	\$ 1,983,343
Amortization of Unfunded Actuarial Accrued Liability	1,484,684
Annual Required Contribution (ARC)	3,468,027
Interest on Net OPEB Obligation	138,721
Adjustment to the ARC	-
 Annual OPEB Cost	 <u>\$3,606,748</u>
Employer Contribution for 2007	Amount
Premiums Paid on Behalf of Retirees	\$ 450,346
Retiree Contribution	(450,346)
 Net Employer Contribution	 <u>\$ -</u>

Schedule of Employer Contributions			
Year	Annual Required Contributions	Net Employer Contributions	Percentage Contributed
2007	\$3,606,748	\$ -	- %

Net OPEB Obligation at 12/31/07	Amount
Annual OPEB Cost for 2007	\$ 3,606,748
Net Employer Contributions for 2007	-
 Balance at 12/31/07	 <u>\$ 3,606,748</u>

Funded Status and Funding Progress. As of December 31, 2006, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$26.7 million, and there was no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$26.7 million. The covered payroll (annual payroll of active employees covered by the plan) was \$101.1 million, and the ratio of the UAAL to the covered payroll was 26.4 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2007

IV. Other Information (continued)

E. Other Postemployment Benefits Other Than Pensions (continued)

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 December 31, 2006, 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 9 percent initially, reduced by decrements to an ultimate rate of 6.25 percent after eight years. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2006, was thirty years.

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2007

I. Other Postemployment Benefits Other Than Pensions

Schedule of Funding Progress						UAAL as a Percentage of Covered Payroll
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	
12/31/2006	-	26,700,137	26,700,137	-	101,102,772	26.4%

GOVERNMENTAL FUNDS

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
Convention Tourism Visitors Promotion
Prosecuting Attorney Training
Equipment Reserve
Register of Deeds Technology
Fire District Operating
Fire District Special Equipment
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



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SEDGWICK COUNTY, KANSAS

Combining Balance Sheet Nonmajor Governmental Funds December 31, 2007

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
<u>Assets</u>				
Cash, including investments	\$ 30,732,067	\$ 25,743	\$ 17,838,768	\$ 48,596,578
Due from other agencies	256,059	-	2,965,739	3,221,798
Accounts receivable	3,062,158	-	-	3,062,158
Property tax receivable	34,513,126	-	-	34,513,126
Inventories, at cost	1,191,534	-	-	1,191,534
Total assets	\$ 69,754,944	\$ 25,743	\$ 20,804,507	\$ 90,585,194
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 388,975	\$ -	\$ 118,847	\$ 507,822
Due to other funds	-	-	5,266,854	5,266,854
Advance payable	-	-	864,923	864,923
Deferred revenue	37,917,413	-	2,948,925	40,866,338
Total liabilities	38,306,388	-	9,199,549	47,505,937
Fund balances (deficits):				
Reserved for:				
Encumbrances	4,533,045	-	13,435,645	17,968,690
Inventories	1,191,534	-	-	1,191,534
Debt service	-	25,743	-	25,743
Designated for:				
Capital improvements	-	-	-	-
Division of highways	-	-	-	-
Subsequent year's budget	6,340,911	-	-	6,340,911
Undesignated	19,383,066	-	(1,830,687)	17,552,379
Total fund balances	31,448,556	25,743	11,604,958	43,079,257
Total liabilities and fund balances	\$ 69,754,944	\$ 25,743	\$ 20,804,507	\$ 90,585,194

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet Nonmajor Governmental Funds - Special Revenue Funds December 31, 2007

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Assets				
Cash, including investments	\$ -	\$ 333,542	\$ 4,060,253	\$ 43,183
Due from other agencies	-	-	-	-
Accounts receivable	-	-	3,061,008	-
Property tax receivable	5,726,125	2,432,153	6,568,338	2,218,672
Inventories, at cost	-	-	376,036	-
Total assets	<u>\$ 5,726,125</u>	<u>\$ 2,765,695</u>	<u>\$ 14,065,635</u>	<u>\$ 2,261,855</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 20,051	\$ 77,734	\$ 2,578
Advance payable	-	-	-	-
Deferred revenue	5,726,125	2,519,375	9,629,345	2,218,672
Total liabilities	<u>5,726,125</u>	<u>2,539,426</u>	<u>9,707,079</u>	<u>2,221,250</u>
Fund balances:				
Reserved for:				
Encumbrances	-	-	38,097	215
Inventories	-	-	376,036	-
Designated for:				
Capital improvements	-	-	-	-
Division of highways	-	-	-	-
Subsequent year's budget	-	159,399	1,165,414	2,575
Undesignated	-	66,870	2,779,009	37,815
Total fund balances	<u>-</u>	<u>226,269</u>	<u>4,358,556</u>	<u>40,605</u>
Total liabilities and fund balances	<u>\$ 5,726,125</u>	<u>\$ 2,765,695</u>	<u>\$ 14,065,635</u>	<u>\$ 2,261,855</u>

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 1,344,809	\$ 42,434	\$ 963,535	\$ 8,814	\$ 1,369,632	\$ 1,864,964
256,059	-	-	-	-	-
-	-	-	-	-	-
4,727,069	335,469	-	-	-	-
815,498	-	-	-	-	-
<u>\$ 7,143,435</u>	<u>\$ 377,903</u>	<u>\$ 963,535</u>	<u>\$ 8,814</u>	<u>\$ 1,369,632</u>	<u>\$ 1,864,964</u>
\$ 13,320	\$ 862	\$ 1,848	\$ 3,741	\$ 17,034	\$ 9,558
-	-	-	-	-	-
4,983,127	335,469	-	-	-	-
<u>4,996,447</u>	<u>336,331</u>	<u>1,848</u>	<u>3,741</u>	<u>17,034</u>	<u>9,558</u>
112,553	-	-	295	383,935	-
815,498	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
979,276	27,911	901,853	416	80,953	988,619
239,661	13,661	59,834	4,362	887,710	866,787
<u>2,146,988</u>	<u>41,572</u>	<u>961,687</u>	<u>5,073</u>	<u>1,352,598</u>	<u>1,855,406</u>
<u>\$ 7,143,435</u>	<u>\$ 377,903</u>	<u>\$ 963,535</u>	<u>\$ 8,814</u>	<u>\$ 1,369,632</u>	<u>\$ 1,864,964</u>

(Continued)

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet (continued) Nonmajor Governmental Funds - Special Revenue Funds December 31, 2007

	Special Alcohol and Drug Programs	Auto License	Court Alcohol/Drug Safety Action Program	Convention Tourism Visitors Promotion
Assets				
Cash, including investments	\$ -	\$ 369,133	\$ 88,607	\$ 1,074
Due from other agencies	-	-	-	-
Accounts receivable	-	-	-	-
Property tax receivable	-	-	-	-
Inventories, at cost	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 369,133</u>	<u>\$ 88,607</u>	<u>\$ 1,074</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 64,031	\$ 1,899	\$ -
Advance payable	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>64,031</u>	<u>1,899</u>	<u>-</u>
Fund balances:				
Reserved for:				
Encumbrances	-	5,101	-	-
Inventories	-	-	-	-
Designated for:				
Capital improvements	-	-	-	-
Division of highways	-	-	-	-
Subsequent year's budget	-	248,564	68,431	-
Undesignated	-	51,437	18,277	1,074
Total fund balances	<u>-</u>	<u>305,102</u>	<u>86,708</u>	<u>1,074</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 369,133</u>	<u>\$ 88,607</u>	<u>\$ 1,074</u>

Prosecuting Attorney Training	Equipment Reserve	Register of Deeds Technology	Fire District Operating	Fire District Special Equipment	Fire District Research and Development
\$ 89,713	\$ 13,011,690	\$ 1,515,157	\$ 1,690,306	\$ 3,684,368	\$ 75,518
-	-	-	-	-	-
1,150	-	-	-	-	-
-	-	-	12,505,300	-	-
-	-	-	-	-	-
<u>\$ 90,863</u>	<u>\$ 13,011,690</u>	<u>\$ 1,515,157</u>	<u>\$ 14,195,606</u>	<u>\$ 3,684,368</u>	<u>\$ 75,518</u>
\$ -	\$ 138,324	\$ 12,895	\$ 25,100	\$ -	\$ -
-	-	-	-	-	-
-	-	-	12,505,300	-	-
-	138,324	12,895	12,530,400	-	-
3,054	3,643,741	252,500	6,039	87,515	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
87,809	-	647,959	932,349	-	49,383
-	9,229,625	601,803	726,818	3,596,853	26,135
<u>90,863</u>	<u>12,873,366</u>	<u>1,502,262</u>	<u>1,665,206</u>	<u>3,684,368</u>	<u>75,518</u>
<u>\$ 90,863</u>	<u>\$ 13,011,690</u>	<u>\$ 1,515,157</u>	<u>\$ 14,195,606</u>	<u>\$ 3,684,368</u>	<u>\$ 75,518</u>

(Continued)

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet (continued) Nonmajor Governmental Funds - Special Revenue Funds December 31, 2007

	Township Dissolution	Totals
<u>Assets</u>		
Cash, including investments	\$ 175,335	\$ 30,732,067
Due from other agencies	-	256,059
Accounts receivable	-	3,062,158
Property tax receivable	-	34,513,126
Inventories, at cost	-	1,191,534
	<hr/>	<hr/>
Total assets	\$ 175,335	\$ 69,754,944
	<hr/>	<hr/>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	\$ -	\$ 388,975
Advance payable	-	-
Deferred revenue	-	37,917,413
	<hr/>	<hr/>
Total liabilities	-	38,306,388
	<hr/>	<hr/>
Fund balances:		
Reserved for:		
Encumbrances	-	4,533,045
Inventories	-	1,191,534
Designated for:		
Capital improvements	-	-
Division of highways	-	-
Subsequent year's budget	-	6,340,911
Undesignated	175,335	19,383,066
	<hr/>	<hr/>
Total fund balances	175,335	31,448,556
	<hr/>	<hr/>
Total liabilities and fund balances	\$ 175,335	\$ 69,754,944
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SEDGWICK COUNTY, KANSAS

Combining Balance Sheet Nonmajor Capital Projects Funds December 31, 2007

	Building and Equipment	Street, Bridge and Other	Sales Tax Road and Bridge
<u>Assets</u>			
Cash, including investments	\$ -	\$ -	\$ 9,731,918
Due from other agencies	-	-	2,951,050
Total assets	\$ -	\$ -	\$ 12,682,968
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	\$ 118,734	\$ 113	\$ -
Due to other funds	2,298,871	2,967,983	-
Advance payable	-	-	-
Deferred revenue	-	-	2,948,925
Total liabilities	2,417,605	2,968,096	2,948,925
Fund balances (deficits):			
Reserved for:			
Encumbrances	6,348,001	2,904,344	1,878,684
Unreserved:			
Undesignated	(8,765,606)	(5,872,440)	7,855,359
Total fund balances (deficits)	(2,417,605)	(2,968,096)	9,734,043
Total liabilities and fund balances	\$ -	\$ -	\$ 12,682,968

Road and Bridge Equipment	Highway Improvement	Capital Improvements	Totals
\$ 214,978	\$ 94,661	\$ 7,797,211	\$ 17,838,768
-	-	14,689	2,965,739
<u>\$ 214,978</u>	<u>\$ 94,661</u>	<u>\$ 7,811,900</u>	<u>\$ 20,804,507</u>
\$ -	\$ -	\$ -	\$ 118,847
-	-	-	5,266,854
-	-	864,923	864,923
-	-	-	2,948,925
<u>-</u>	<u>-</u>	<u>864,923</u>	<u>9,199,549</u>
50,730	52,498	2,201,388	13,435,645
<u>164,248</u>	<u>42,163</u>	<u>4,745,589</u>	<u>(1,830,687)</u>
<u>214,978</u>	<u>94,661</u>	<u>6,946,977</u>	<u>11,604,958</u>
<u>\$ 214,978</u>	<u>\$ 94,661</u>	<u>\$ 7,811,900</u>	<u>\$ 20,804,507</u>

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Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended December 31, 2007

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
Revenues				
Property taxes	\$ 35,539,317	\$ 17	\$ -	\$ 35,539,334
Emergency telephone services taxes	2,932,977	-	-	2,932,977
Special assessments	-	-	-	-
Other taxes	54,768	-	-	54,768
Intergovernmental	8,121,492	-	397,073	8,518,565
Charges for services	17,331,266	-	-	17,331,266
Uses of money and property	496,170	-	-	496,170
Licenses and permits	98,824	-	-	98,824
Reimbursed expenditures	37,654	-	-	37,654
Other	72,786	-	60,267	133,053
Total revenues	<u>64,685,254</u>	<u>17</u>	<u>457,340</u>	<u>65,142,611</u>
Expenditures				
Current:				
General government	4,080,815	-	-	4,080,815
Public safety	30,482,681	-	-	30,482,681
Public works	11,925,526	-	-	11,925,526
Health and welfare	5,186,603	-	-	5,186,603
Culture and recreation	4,222	-	-	4,222
Economic development	6,465,058	-	-	6,465,058
Debt service:				
Principal	434,742	-	-	434,742
Interest and fiscal charges	156,529	-	-	156,529
Capital outlay	4,490,048	-	27,922,323	32,412,371
Total expenditures	<u>63,226,224</u>	<u>-</u>	<u>27,922,323</u>	<u>91,148,547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,459,030</u>	<u>17</u>	<u>(27,464,983)</u>	<u>(26,005,936)</u>
Other financing sources (uses)				
Transfers from other funds	5,100,560	-	27,261,204	32,361,764
Transfers to other funds	(5,500,096)	-	(89,663)	(5,589,759)
Issuance of capital lease	1,658,000	-	-	1,658,000
Total other financing sources (uses)	<u>1,258,464</u>	<u>-</u>	<u>27,171,541</u>	<u>28,430,005</u>
Net change in fund balances	2,717,494	17	(293,442)	2,424,069
Fund balances, beginning of year	<u>28,731,062</u>	<u>25,726</u>	<u>11,898,400</u>	<u>40,655,188</u>
Fund balances, end of year	<u>\$ 31,448,556</u>	<u>\$ 25,743</u>	<u>\$ 11,604,958</u>	<u>\$ 43,079,257</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2007

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Revenues				
Property taxes	\$ 6,433,666	\$ 2,572,427	\$ 5,716,611	\$ 2,330,303
Emergency telephone services taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	-	348,890	-	12,796
Charges for services	-	-	10,507,496	-
Uses of money and property	-	-	-	-
Licenses and permits	-	-	-	-
Reimbursed expenditures	-	302	116	27
Other	-	20	346	43
Total revenues	<u>6,433,666</u>	<u>2,921,639</u>	<u>16,224,569</u>	<u>2,343,169</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	13,364,656	-
Public works	-	-	-	-
Health and welfare	-	2,905,476	-	2,255,088
Culture and recreation	-	-	-	-
Economic development	6,465,058	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>6,465,058</u>	<u>2,905,476</u>	<u>13,364,656</u>	<u>2,255,088</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(31,392)</u>	<u>16,163</u>	<u>2,859,913</u>	<u>88,081</u>
Other financing sources (uses)				
Transfers from other funds	-	-	5,563	-
Transfers to other funds	-	-	-	(141,589)
Issuance of capital lease	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,563</u>	<u>(141,589)</u>
Net change in fund balances	<u>(31,392)</u>	<u>16,163</u>	<u>2,865,476</u>	<u>(53,508)</u>
Fund balances, beginning of year	<u>31,392</u>	<u>210,106</u>	<u>1,493,080</u>	<u>94,113</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 226,269</u>	<u>\$ 4,358,556</u>	<u>\$ 40,605</u>

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 4,557,865	\$ 381,073	\$ -	\$ -	\$ -	\$ -
-	-	-	-	2,932,977	-
-	-	-	22,036	-	-
5,338,772	-	-	-	-	2,390,925
14,857	70,878	1,032,861	-	-	768,830
-	-	-	-	97,513	-
6,660	-	78,307	-	-	-
6,328	-	121	-	172	-
19,289	55	111	-	-	30
<u>9,943,771</u>	<u>452,006</u>	<u>1,111,400</u>	<u>22,036</u>	<u>3,030,662</u>	<u>3,159,785</u>
-	-	-	-	-	-
-	-	-	-	1,023,749	3,278,672
10,391,759	438,847	1,094,920	-	-	-
-	-	-	-	-	-
-	-	-	4,222	-	-
-	-	-	-	-	-
210,000	-	-	-	-	-
92,520	-	-	-	-	-
-	-	-	-	-	-
<u>10,694,279</u>	<u>438,847</u>	<u>1,094,920</u>	<u>4,222</u>	<u>1,023,749</u>	<u>3,278,672</u>
<u>(750,508)</u>	<u>13,159</u>	<u>16,480</u>	<u>17,814</u>	<u>2,006,913</u>	<u>(118,887)</u>
19	-	-	-	-	-
(94,057)	-	(79,898)	(14,000)	(1,470,612)	-
-	-	-	-	-	-
<u>(94,038)</u>	<u>-</u>	<u>(79,898)</u>	<u>(14,000)</u>	<u>(1,470,612)</u>	<u>-</u>
(844,546)	13,159	(63,418)	3,814	536,301	(118,887)
<u>2,991,534</u>	<u>28,413</u>	<u>1,025,105</u>	<u>1,259</u>	<u>816,297</u>	<u>1,974,293</u>
<u>\$ 2,146,988</u>	<u>\$ 41,572</u>	<u>\$ 961,687</u>	<u>\$ 5,073</u>	<u>\$ 1,352,598</u>	<u>\$ 1,855,406</u>

(Continued)

SEDGWICK COUNTY, KANSAS

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

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2007

	Special Alcohol and Drug Programs	Auto License	Court Alcohol/Drug Safety Action Program	Convention Tourism Visitors Promotion
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Emergency telephone services taxes	-	-	-	-
Other taxes	32,732	-	-	-
Intergovernmental	-	21,525	-	-
Charges for services	-	3,844,003	142,222	-
Uses of money and property	-	-	-	-
Licenses and permits	-	-	-	-
Reimbursed expenditures	7	24,348	-	-
Other	-	8,449	-	-
Total revenues	32,739	3,898,325	142,222	-
Expenditures				
Current:				
General government	-	3,404,746	-	-
Public safety	-	-	141,476	-
Public works	-	-	-	-
Health and welfare	15,842	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	15,842	3,404,746	141,476	-
Excess (deficiency) of revenues over (under) expenditures	16,897	493,579	746	-
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	(23,715)	(473,625)	-	-
Issuance of capital lease	-	-	-	-
Total other financing sources (uses)	(23,715)	(473,625)	-	-
Net change in fund balances	(6,818)	19,954	746	-
Fund balances, beginning of year	6,818	285,148	85,962	1,074
Fund balances, end of year	\$ -	\$ 305,102	\$ 86,708	\$ 1,074

Prosecuting Attorney Training	Equipment Reserve	Register of Deeds Technology	Fire District Operating	Fire District Special Equipment	Fire District Research and Development
\$ -	\$ -	\$ -	\$ 13,547,372	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
23,118	-	850,093	76,908	-	-
-	-	19,896	310,516	65,587	2,658
-	-	-	13,857	-	-
2,297	114	2,400	926	-	496
-	-	-	9,030	-	35,413
<u>25,415</u>	<u>114</u>	<u>872,389</u>	<u>13,958,609</u>	<u>65,587</u>	<u>38,567</u>
-	360,838	315,231	-	-	-
85,332	127,377	-	12,414,546	15,400	31,473
-	-	-	-	-	-
-	10,197	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	224,742	-	-
-	-	-	64,009	-	-
-	1,783,658	159,281	-	2,547,109	-
<u>85,332</u>	<u>2,282,070</u>	<u>474,512</u>	<u>12,703,297</u>	<u>2,562,509</u>	<u>31,473</u>
<u>(59,917)</u>	<u>(2,281,956)</u>	<u>397,877</u>	<u>1,255,312</u>	<u>(2,496,922)</u>	<u>7,094</u>
-	1,892,378	-	-	3,202,600	-
-	-	-	(3,202,600)	-	-
-	-	-	-	1,658,000	-
-	<u>1,892,378</u>	<u>-</u>	<u>(3,202,600)</u>	<u>4,860,600</u>	<u>-</u>
(59,917)	(389,578)	397,877	(1,947,288)	2,363,678	7,094
<u>150,780</u>	<u>13,262,944</u>	<u>1,104,385</u>	<u>3,612,494</u>	<u>1,320,690</u>	<u>68,424</u>
<u>\$ 90,863</u>	<u>\$ 12,873,366</u>	<u>\$ 1,502,262</u>	<u>\$ 1,665,206</u>	<u>\$ 3,684,368</u>	<u>\$ 75,518</u>

(Continued)

SEDGWICK COUNTY, KANSAS

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

Nonmajor Special Revenue Funds

For the Year Ended December 31, 2007

	Township Dissolution	Totals
Revenues		
Property taxes	\$ -	\$ 35,539,317
Emergency telephone services taxes	-	2,932,977
Other taxes	-	54,768
Intergovernmental	8,584	8,121,492
Charges for services	-	17,331,266
Uses of money and property	-	496,170
Licenses and permits	-	98,824
Reimbursed expenditures	-	37,654
Other	-	72,786
	<hr/>	<hr/>
Total revenues	8,584	64,685,254
	<hr/>	<hr/>
Expenditures		
Current:		
General government	-	4,080,815
Public safety	-	30,482,681
Public works	-	11,925,526
Health and welfare	-	5,186,603
Culture and recreation	-	4,222
Economic development	-	6,465,058
Debt service:		
Principal	-	434,742
Interest	-	156,529
Capital outlay	-	4,490,048
	<hr/>	<hr/>
Total expenditures	-	63,226,224
	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	8,584	1,459,030
	<hr/>	<hr/>
Other financing sources (uses)		
Transfers from other funds	-	5,100,560
Transfers to other funds	-	(5,500,096)
Issuance of capital lease	-	1,658,000
Total other financing sources (uses)	<hr/>	<hr/>
	-	1,258,464
	<hr/>	<hr/>
Net change in fund balances	8,584	2,717,494
	<hr/>	<hr/>
Fund balances, beginning of year	166,751	28,731,062
	<hr/>	<hr/>
Fund balances, end of year	\$ 175,335	\$ 31,448,556
	<hr/>	<hr/>

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SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) Nonmajor Capital Projects Funds For the Year Ended December 31, 2007

	Building and Equipment	Street, Bridge and Other	Sales Tax Road and Bridge
Revenues			
Special assessments	\$ -	\$ -	\$ -
Other revenue	-	-	-
Intergovernmental	124,628	-	272,445
Total revenues	124,628	-	272,445
Expenditures			
Capital outlay	12,430,120	1,228,172	11,257,690
Total expenditures	12,430,120	1,228,172	11,257,690
(Deficiency) of revenues (under) expenditures	(12,305,492)	(1,228,172)	(10,985,245)
Other financing sources (uses)			
Transfers from other funds	9,968,535	4,993,172	11,278,168
Transfers to other funds	-	-	-
Total other financing sources (uses)	9,968,535	4,993,172	11,278,168
Net change in fund balances	(2,336,957)	3,765,000	292,923
Fund balances (deficits), beginning of year	(80,648)	(6,733,096)	9,441,120
Fund balances (deficits), end of year	\$ (2,417,605)	\$ (2,968,096)	\$ 9,734,043

Road and Bridge Equipment	Highway Improvement	Capital Improvements	Totals
\$ -	\$ -	\$ -	\$ -
-	-	60,267	60,267
-	-	-	397,073
-	-	60,267	457,340
27,200	57,349	2,921,792	27,922,323
27,200	57,349	2,921,792	27,922,323
(27,200)	(57,349)	(2,861,525)	(27,464,983)
48,057	-	973,272	27,261,204
(74,058)	-	(15,605)	(89,663)
(26,001)	-	957,667	27,171,541
(53,201)	(57,349)	(1,903,858)	(293,442)
268,179	152,010	8,850,835	11,898,400
<u>\$ 214,978</u>	<u>\$ 94,661</u>	<u>\$ 6,946,977</u>	<u>\$ 11,604,958</u>

SEDGWICK COUNTY, KANSAS

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

Special Revenue Fund: Wichita State University Program Development
For the year ended December 31, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 6,382,609	\$ 6,382,609	\$ 6,433,666	\$ 51,057
Other	261,943	261,943	-	(261,943)
Total revenues	<u>6,644,552</u>	<u>6,644,552</u>	<u>6,433,666</u>	<u>(210,886)</u>
Expenditures				
Current:				
Contractual services	<u>6,644,552</u>	<u>6,644,552</u>	<u>6,465,058</u>	<u>179,494</u>
Total expenditures	<u>6,644,552</u>	<u>6,644,552</u>	<u>6,465,058</u>	<u>179,494</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(31,392)</u>	<u>(31,392)</u>
Net change in fund balances	-	-	(31,392)	(31,392)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>31,392</u>	<u>31,392</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 2,557,154	\$ 2,557,154	\$ 2,572,427	\$ 15,273
Intergovernmental	348,890	348,890	348,890	-
Reimbursed expenditures	-	-	302	302
Other	-	-	20	20
Total revenues	<u>2,906,044</u>	<u>2,906,044</u>	<u>2,921,639</u>	<u>15,595</u>
Expenditures				
Current:				
Personnel services	1,980,893	1,963,203	1,917,498	45,705
Contractual services	864,103	882,393	877,924	4,469
Commodities	111,754	111,154	110,054	1,100
Capital outlay	-	-	-	-
Total expenditures	<u>2,956,750</u>	<u>2,956,750</u>	<u>2,905,476</u>	<u>51,274</u>
Revenues over (under) expenditures	<u>(50,706)</u>	<u>(50,706)</u>	<u>16,163</u>	<u>66,869</u>
Net change in fund balances	<u>(50,706)</u>	<u>(50,706)</u>	<u>16,163</u>	<u>66,869</u>
Fund balances, beginning of year	<u>50,706</u>	<u>50,706</u>	<u>210,105</u>	<u>159,399</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 226,268</u>	<u>226,268</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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 5,655,779	\$ 5,655,779	\$ 5,716,611	\$ 60,832
Charges for services	8,228,960	8,228,960	10,507,496	2,278,536
Reimbursed expenditures	-	-	116	116
Other	429	429	346	(83)
Total revenues	13,885,168	13,885,168	16,224,569	2,339,401
Expenditures				
Current:				
Personnel services	10,406,419	10,217,219	9,976,343	240,876
Contractual services	2,456,841	2,547,041	2,441,125	105,916
Commodities	736,945	835,945	792,509	43,436
Capital outlay	286,000	286,000	256,131	29,869
Total expenditures	13,886,205	13,886,205	13,466,108	420,097
Revenues over (under) expenditures	(1,037)	(1,037)	2,758,461	2,759,498
Other financing (uses)				
Transfers from other funds	-	-	5,563	5,563
Transfers to other funds	-	-	-	-
Total other financing (uses)	-	-	5,563	5,563
Net change in fund balances	(1,037)	(1,037)	2,764,024	2,765,061
Fund balances, beginning of year	1,037	1,037	1,166,452	1,165,415
Fund balances, end of year	\$ -	\$ -	\$ 3,930,476	\$ 3,930,476

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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 2,318,249	\$ 2,318,249	\$ 2,330,303	\$ 12,054
Intergovernmental	13,037	13,037	12,796	(241)
Reimbursed expenditures	110	110	27	(83)
Other	6	6	43	37
Total revenues	<u>2,331,402</u>	<u>2,331,402</u>	<u>2,343,169</u>	<u>11,767</u>
Expenditures				
Current:				
Personnel services	660,488	660,488	636,611	23,877
Contractual services	1,613,544	1,612,718	1,610,547	2,171
Commodities	6,000	6,000	6,000	-
Total expenditures	<u>2,280,032</u>	<u>2,279,206</u>	<u>2,253,158</u>	<u>26,048</u>
Revenues over (under) expenditures	<u>51,370</u>	<u>52,196</u>	<u>90,011</u>	<u>37,815</u>
Other financing (uses)				
Transfers to other funds	<u>(140,764)</u>	<u>(141,590)</u>	<u>(141,589)</u>	<u>1</u>
Total other financing (uses)	<u>(140,764)</u>	<u>(141,590)</u>	<u>(141,589)</u>	<u>1</u>
Net change in fund balances	(89,394)	(89,394)	(51,578)	37,816
Fund balances, beginning of year	<u>89,394</u>	<u>89,394</u>	<u>91,968</u>	<u>2,574</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,390</u>	<u>\$ 40,390</u>

SEDGWICK COUNTY, KANSAS

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

Special Revenue Fund: Public Works Highways

For the year ended December 31, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 4,534,257	\$ 4,534,257	\$ 4,557,865	\$ 23,608
Intergovernmental	5,650,001	5,650,001	5,338,772	(311,229)
Charges for services	67,372	67,372	14,857	(52,515)
Licenses and permits	8,900	8,900	6,660	(2,240)
Reimbursed expenditures	7,256	7,256	6,328	(928)
Other	13,390	13,390	19,289	5,899
Total revenues	<u>10,281,176</u>	<u>10,281,176</u>	<u>9,943,771</u>	<u>(337,405)</u>
Expenditures				
Current:				
Personnel services	6,315,702	6,285,662	5,944,170	341,492
Contractual services	3,698,234	3,745,977	3,631,489	114,488
Commodities	700,337	565,457	433,369	132,088
Capital outlay	-	23,120	21,995	1,125
Debt service:				
Principal	210,000	210,000	210,000	-
Interest	92,520	92,520	92,520	-
Total expenditures	<u>11,016,793</u>	<u>10,922,736</u>	<u>10,333,543</u>	<u>589,193</u>
Revenues over (under) expenditures	<u>(735,617)</u>	<u>(641,560)</u>	<u>(389,772)</u>	<u>251,788</u>
Other financing sources (uses)				
Transfers from other funds	-	-	19	19
Transfers to other funds	-	(94,057)	(94,057)	-
Total other financing sources (uses)	<u>-</u>	<u>(94,057)</u>	<u>(94,038)</u>	<u>19</u>
Net change in fund balances	(735,617)	(735,617)	(483,810)	251,807
Fund balances, beginning of year	<u>735,617</u>	<u>735,617</u>	<u>1,714,893</u>	<u>979,276</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,231,083</u>	<u>\$ 1,231,083</u>

SEDGWICK COUNTY, KANSAS

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

**Special Revenue Fund: Noxious Weeds
For the year ended December 31, 2007**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 378,470	\$ 378,470	\$ 381,073	\$ 2,603
Charges for services	71,146	71,146	70,878	(268)
Other	-	-	55	55
Total revenues	<u>449,616</u>	<u>449,616</u>	<u>452,006</u>	<u>2,390</u>
Expenditures				
Current:				
Personnel services	241,865	252,265	251,440	825
Contractual services	97,822	94,822	91,070	3,752
Commodities	110,431	103,031	96,336	6,695
Capital outlay	-	-	-	-
Total expenditures	<u>450,118</u>	<u>450,118</u>	<u>438,846</u>	<u>11,272</u>
Revenues over (under) expenditures	<u>(502)</u>	<u>(502)</u>	<u>13,160</u>	<u>13,662</u>
Other financing sources (uses)				
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(502)	(502)	13,160	13,662
Fund balances, beginning of year	<u>502</u>	<u>502</u>	<u>28,413</u>	<u>27,911</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,573</u>	<u>\$ 41,573</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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive/ (Negative)
Revenues				
Charges for services	\$ 996,942	\$ 996,942	\$1,032,861	\$ 35,919
Licenses and permits	82,941	82,941	78,307	(4,634)
Reimbursed expenditures	-	-	121	121
Other	78	78	111	33
Total revenues	<u>1,079,961</u>	<u>1,079,961</u>	<u>1,111,400</u>	<u>31,439</u>
Expenditures				
Current:				
Personnel services	683,874	683,874	637,194	46,680
Contractual services	863,594	859,594	403,339	456,255
Commodities	79,031	82,101	54,388	27,713
Capital outlay	-	-	-	-
Total expenditures	<u>1,626,499</u>	<u>1,625,569</u>	<u>1,094,921</u>	<u>530,648</u>
Revenues over (under) expenditures	<u>(546,538)</u>	<u>(545,608)</u>	<u>16,479</u>	<u>562,087</u>
Other financing (uses)				
Transfers to other funds	(78,969)	(79,899)	(79,898)	1
Total other financing (uses)	<u>(78,969)</u>	<u>(79,899)</u>	<u>(79,898)</u>	<u>1</u>
Net change in fund balances	(625,507)	(625,507)	(63,419)	562,088
Fund balances, beginning of year	<u>625,507</u>	<u>625,507</u>	<u>1,026,233</u>	<u>400,726</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 962,814</u>	<u>\$ 962,814</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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive/ (Negative)
Revenues				
Taxes	\$ 59,093	\$ 59,093	\$ 22,036	\$ (37,057)
Other	-	-	-	-
Total revenues	59,093	59,093	22,036	(37,057)
Expenditures				
Current:				
Personnel services	548	548	-	548
Contractual services	-	955	566	389
Commodities	-	-	-	-
Capital outlay	59,093	44,138	3,656	40,482
Total expenditures	59,641	45,641	4,222	41,419
Revenues over (under) expenditures	(548)	13,452	17,814	4,362
Other financing (uses)				
Transfers to other funds	-	(14,000)	(14,000)	-
Total other financing (uses)	-	(14,000)	(14,000)	-
Net change in fund balances	(548)	(548)	3,814	4,362
Fund balances, beginning of year	548	548	964	416
Fund balances, end of year	\$ -	\$ -	\$ 4,778	\$ 4,778

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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 2,212,360	\$ 2,212,360	\$ 2,932,977	\$ 720,617
Charges for services	-	-	-	-
Uses of money and property	34,474	34,474	97,513	63,039
Reimbursed expenditures	-	-	172	172
Other	-	-	-	-
Total revenues	<u>2,246,834</u>	<u>2,246,834</u>	<u>3,030,662</u>	<u>783,828</u>
Expenditures				
Current:				
Contractual services	1,029,247	998,447	934,873	63,574
Commodities	61,600	61,600	33,715	27,885
Capital outlay	1,056,754	88,128	175,704	(87,576)
Total expenditures	<u>2,147,601</u>	<u>1,148,175</u>	<u>1,144,292</u>	<u>3,883</u>
Revenues over (under) expenditures	<u>99,233</u>	<u>1,098,659</u>	<u>1,886,370</u>	<u>787,711</u>
Other financing (uses)				
Transfers to other funds	(571,187)	(1,570,613)	(1,470,612)	100,001
Total other financing (uses)	<u>(571,187)</u>	<u>(1,570,613)</u>	<u>(1,470,612)</u>	<u>100,001</u>
Net change in fund balances	(471,954)	(471,954)	415,758	887,712
Fund balances, beginning of year	<u>471,954</u>	<u>471,954</u>	<u>552,908</u>	<u>80,954</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 968,666</u>	<u>\$ 968,666</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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive/ (Negative)
Revenues				
Taxes	\$ 80,135	\$ 80,135	\$ 32,731	\$ (47,404)
Reimbursed expenditures			7	\$ 7
Total revenues	80,135	80,135	32,738	(47,397)
Expenditures				
Current:				
Contractual services	15,800	15,841	15,841	-
Total expenditures	15,800	15,841	15,841	-
Revenues over (under) expenditures	64,335	64,294	16,897	(47,397)
Other financing (uses)				
Transfers to other funds	(64,335)	(64,294)	(23,715)	40,579
Total other financing (uses)	(64,335)	(64,294)	(23,715)	40,579
Net change in fund balances	-	-	(6,818)	(6,818)
Fund balances, beginning of year	-	-	6,818	6,818
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

SEDGWICK COUNTY, KANSAS

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

Special Revenue Fund: Convention Tourism Visitors Promotion
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	1,074	1,074
Fund balances, end of year	\$ -	\$ -	\$ 1,074	\$ 1,074

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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 13,257,406	\$ 13,257,406	\$ 13,547,372	\$ 289,966
Intergovernmental	-	-	-	-
Charges for services	131,098	131,098	76,908	(54,190)
Uses of money and property	-	-	310,516	310,516
Licenses and permits	5,867	5,867	13,857	7,990
Reimbursed expenditures	154	154	926	772
Other	5,843	5,843	9,030	3,187
Total revenues	13,400,368	13,400,368	13,958,609	558,241
Expenditures				
Current:				
Personnel services	10,720,653	10,756,265	10,752,082	4,183
Contractual services	990,319	879,200	875,702	3,498
Commodities	469,926	562,807	562,644	163
Capital outlay	3,387,600	251,951	91,491	160,460
Debt service:				
Principal	140,962	224,742	224,742	-
Interest	31,374	64,009	64,009	-
Total expenditures	15,740,834	12,738,974	12,570,670	168,304
Revenues over (under) expenditures	(2,340,466)	661,394	1,387,939	726,545
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	(200,750)	(3,202,610)	(3,202,600)	10
Total other financing sources (uses)	(200,750)	(3,202,610)	(3,202,600)	10
Net change in fund balances	(2,541,216)	(2,541,216)	(1,814,661)	726,555
Fund balances, beginning of year	2,541,216	2,541,216	3,473,565	932,349
Fund balances, end of year	\$ -	\$ -	\$ 1,658,904	\$ 1,658,904

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, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive/ (Negative)
Revenues				
Taxes	\$ 13,244,179	\$ 13,244,179	\$ 13,414,168	\$ 169,989
Charges for services	81,666	81,666	80,500	(1,166)
Uses of money and property	-	-	-	-
Reimbursed expenditures	-	-	-	-
Other	-	-	-	-
Total revenues	<u>13,325,845</u>	<u>13,325,845</u>	<u>13,494,668</u>	<u>168,823</u>
Expenditures				
Current:				
Contractual services	-	20,000	8,010	11,990
Debt service:				
Principal	10,902,373	10,888,373	9,798,722	1,089,651
Interest and fiscal charges	4,672,446	4,666,446	4,332,760	333,686
Total expenditures	<u>15,574,819</u>	<u>15,574,819</u>	<u>14,139,492</u>	<u>1,435,327</u>
Revenues over (under) expenditures	<u>(2,248,974)</u>	<u>(2,248,974)</u>	<u>(644,824)</u>	<u>1,604,150</u>
Other financing sources				
Transfers from other funds	2,247,722	2,247,722	2,148,076	(99,646)
Total other financing sources	<u>2,247,722</u>	<u>2,247,722</u>	<u>2,148,076</u>	<u>(99,646)</u>
Net change in fund balances	(1,252)	(1,252)	1,503,252	1,504,504
Fund balances, beginning of year	<u>1,252</u>	<u>1,252</u>	<u>2,583,215</u>	<u>2,581,963</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,086,467</u>	<u>\$ 4,086,467</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ 17	\$ 17
Total revenues	-	-	17	17
Revenues over (under) expenditures	-	-	17	17
Net change in fund balances	-	-	17	17
Fund balances, beginning of year	-	-	25,726	25,726
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,743</u>	<u>\$ 25,743</u>

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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 Coliseum Subfund

Downtown Arena Subfund



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SEDGWICK COUNTY, KANSAS

Combining Schedule of Net Assets Coliseum/Arena Fund December 31, 2007

	Kansas Coliseum Subfund	Downtown Arena Subfund	Totals Coliseum/Arena Fund
Assets			
Current assets:			
Cash, including investments	\$ 1,270,847	\$ -	\$ 1,270,847
Accounts receivable, net	53,993	-	53,993
Total current assets	<u>1,324,840</u>	<u>-</u>	<u>1,324,840</u>
Restricted assets:			
Cash, including investments	-	160,225,466	160,225,466
Sales tax receivable	-	15,440,344	15,440,344
Total restricted assets	<u>-</u>	<u>175,665,810</u>	<u>175,665,810</u>
Noncurrent assets:			
Capital assets:			
Land	1,514,844	-	1,514,844
Buildings and improvements	20,656,700	-	20,656,700
Machinery and equipment	971,754	-	971,754
Construction in progress	-	29,217,521	29,217,521
Less accumulated depreciation	(10,795,063)	-	(10,795,063)
Total capital assets (net of accumulated depreciation)	<u>12,348,235</u>	<u>29,217,521</u>	<u>41,565,756</u>
Total assets	<u><u>\$ 13,673,075</u></u>	<u><u>\$ 204,883,331</u></u>	<u><u>\$ 218,556,406</u></u>
Liabilities			
Current liabilities:			
Accounts payable and accrued expenses	\$ 79	\$ 4,371,014	\$ 4,371,093
Unearned revenue	944,774	-	944,774
Total liabilities	<u>944,853</u>	<u>4,371,014</u>	<u>5,315,867</u>
Net Assets			
Invested in capital assets	12,348,235	29,217,521	41,565,756
Restricted for capital improvements	-	171,294,796	171,294,796
Unrestricted	379,987	-	379,987
Total net assets	<u>12,728,222</u>	<u>200,512,317</u>	<u>213,240,539</u>
Total liabilities and net assets	<u><u>\$ 13,673,075</u></u>	<u><u>\$ 204,883,331</u></u>	<u><u>\$ 218,556,406</u></u>

SEDGWICK COUNTY, KANSAS

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Assets Coliseum/Arena Fund For the Year Ended December 31, 2007

	Kansas Coliseum Subfund	Downtown Arena Subfund	Totals Coliseum/Arena Fund
Operating revenues			
Charges for services	\$ 2,269,345	\$ -	\$ 2,269,345
Other revenue	377	-	377
Total operating revenues	<u>2,269,722</u>	<u>-</u>	<u>2,269,722</u>
Operating expenses			
Salaries and benefits	1,493,700	-	1,493,700
Contractual services	311,304	-	311,304
Utilities	399,918	-	399,918
Supplies and Fuel	150,891	-	150,891
Administrative charges	297,829	-	297,829
Depreciation expense	425,869	-	425,869
Other expenses	18,390	-	18,390
Total operating expenses	<u>3,097,901</u>	<u>-</u>	<u>3,097,901</u>
Operating (loss)	<u>(828,179)</u>	<u>-</u>	<u>(828,179)</u>
Nonoperating revenues			
Local sales tax	-	85,135,148	85,135,148
Other nonoperating revenues	-	-	-
Total nonoperating revenues	<u>-</u>	<u>85,135,148</u>	<u>85,135,148</u>
Income (loss) before transfers	(828,179)	85,135,148	84,306,969
Transfers			
Transfers from other funds	6,655,239	-	6,655,239
Transfers to other funds	-	(6,025,588)	(6,025,588)
Change in net assets	5,827,060	79,109,560	84,936,620
Total net assets, beginning of year	<u>6,901,162</u>	<u>121,402,757</u>	<u>128,303,919</u>
Total net assets, end of year	<u>\$ 12,728,222</u>	<u>\$ 200,512,317</u>	<u>\$ 213,240,539</u>



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 Balance Sheet Internal Service Funds December 31, 2007

	Fleet Management	Health/Dental/ Life Insurance Reserve	Workers' Compensation Reserve
<u>Assets</u>			
Current assets:			
Cash, including investments	\$ 7,905,134	\$ 1,589,610	\$ 2,253,467
Inventories, at cost	441,284	-	-
Total current assets	8,346,418	1,589,610	2,253,467
Noncurrent assets:			
Capital assets:			
Buildings and improvements	8,303,571	-	-
Machinery and equipment	21,645,816	-	-
Less accumulated depreciation	(17,788,553)	-	-
Total capital assets (net of accumulated depreciation)	12,160,834	-	-
Total assets	\$ 20,507,252	\$ 1,589,610	\$ 2,253,467
<u>Liabilities</u>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 164,628	\$ 107,127	\$ 4,849
Estimated claims costs payable	-	-	1,025,137
Total current liabilities	164,628	107,127	1,029,986
Noncurrent liabilities:			
Estimated claims costs payable	-	-	34,246
Total liabilities	164,628	107,127	1,064,232
<u>Net assets</u>			
Invested in capital assets	12,160,834	-	-
Unrestricted	8,181,790	1,482,483	1,189,235
Total net assets	20,342,624	1,482,483	1,189,235
Total liabilities and net assets	\$ 20,507,252	\$ 1,589,610	\$ 2,253,467

Risk Management Reserve	Totals
\$ 2,206,413	\$ 13,954,624
-	441,284
<u>2,206,413</u>	<u>14,395,908</u>
-	8,303,571
-	21,645,816
-	(17,788,553)
-	<u>12,160,834</u>
<u>\$ 2,206,413</u>	<u>\$ 26,556,742</u>
\$ 9,297	\$ 285,901
-	1,025,137
<u>9,297</u>	<u>1,311,038</u>
-	34,246
<u>9,297</u>	<u>1,345,284</u>
-	12,160,834
<u>2,197,116</u>	<u>13,050,624</u>
<u>2,197,116</u>	<u>25,211,458</u>
<u>\$ 2,206,413</u>	<u>\$ 26,556,742</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

Internal Service Funds

For the Year Ended December 31, 2007

	Fleet Management	Health/Dental/ Life Insurance Reserve	Workers' Compensation Reserve
Operating revenues:			
Charges for services	\$ 7,146,479	\$ 22,545,162	\$ 1,602,472
Reimbursements	56,369	-	41,292
Other revenue	77,513	-	821
Total operating revenues	<u>7,280,361</u>	<u>22,545,162</u>	<u>1,644,585</u>
Operating expenses:			
Salaries and benefits	1,214,324	85,333	251,731
Contractual services	239,241	20,626	116,328
Utilities	81,317	-	-
Supplies and fuel	2,838,040	-	1,438
Administrative charges	107,195	-	-
Depreciation	3,319,527	-	-
Claims expense	-	21,664,407	1,673,534
Other	57,005	-	-
Total operating expenses	<u>7,856,649</u>	<u>21,770,366</u>	<u>2,043,031</u>
Operating income (loss)	<u>(576,288)</u>	<u>774,796</u>	<u>(398,446)</u>
Nonoperating revenues:			
Investment income	-	38,794	99,741
Gain on sale of assets	77,142	-	-
Total nonoperating revenues	<u>77,142</u>	<u>38,794</u>	<u>99,741</u>
Income (loss) before transfers	(499,146)	813,590	(298,705)
Transfers			
Transfers from other funds	108,854	-	-
Transfers to other funds	<u>(5,563)</u>	<u>-</u>	<u>-</u>
Change in net assets	(395,855)	813,590	(298,705)
Net assets, beginning of year	25,911,202	668,893	1,487,940
Prior period adjustment	<u>(5,172,723)</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u><u>\$ 20,342,624</u></u>	<u><u>\$ 1,482,483</u></u>	<u><u>\$ 1,189,235</u></u>

Risk Management Reserve	Totals
\$ -	\$ 31,294,113
145,119	242,780
6,697	85,031
<u>151,816</u>	<u>31,621,924</u>
166,607	1,717,995
511,604	887,799
-	81,317
23,743	2,863,221
-	107,195
-	3,319,527
425,174	23,763,115
-	57,005
<u>1,127,128</u>	<u>32,797,174</u>
<u>(975,312)</u>	<u>(1,175,250)</u>
68,065	206,600
-	77,142
<u>68,065</u>	<u>283,742</u>
(907,247)	(891,508)
1,025,202	1,134,056
<u>-</u>	<u>(5,563)</u>
117,955	236,985
2,079,161	30,147,196
<u>-</u>	<u>(5,172,723)</u>
<u>\$ 2,197,116</u>	<u>\$ 25,211,458</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Cash Flows Internal Service Funds For the year ended December 31, 2007

	Fleet Management	Health/Dental/ Life Insurance Reserve	Workers' Compensation Reserve
Cash flows from operating activities			
Receipts from customers and users	\$ 7,280,361	\$ 22,545,162	\$ 1,643,764
Other operating revenues	-	-	821
Payments to suppliers for goods and services	(3,407,226)	(22,498,404)	(1,795,176)
Payments to employees for services	(1,214,324)	(85,333)	(251,731)
Net cash provided by (used in) operating activities	<u>2,658,811</u>	<u>(38,575)</u>	<u>(402,322)</u>
Cash flows from noncapital financing activities			
Transfers from other funds	108,854	-	-
Transfers to other funds	(5,563)	-	-
Net cash provided (used in) noncapital financing activities	<u>103,291</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities			
Proceeds on disposal of capital assets	86,007	-	-
Purchases of capital assets	(2,531,797)	-	-
Net cash provided by (used in) capital and related financing activities	<u>(2,445,790)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Interest on investments	-	38,794	99,741
Net cash provided by investing activities	<u>-</u>	<u>38,794</u>	<u>99,741</u>
Net increase (decrease) in cash and cash equivalents	316,312	219	(302,581)
Cash and cash equivalents, beginning of year	7,588,822	1,589,391	2,556,048
Cash and cash equivalents, end of year	<u>\$ 7,905,134</u>	<u>\$ 1,589,610</u>	<u>\$ 2,253,467</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (576,288)	\$ 774,796	\$ (398,446)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	3,319,527	-	-
(Increase) in inventories	(25,982)	-	-
Increase (decrease) in accounts payable	(58,446)	107,127	(2,509)
Increase (decrease) in estimated claims payable	-	(920,498)	(1,367)
Total adjustments	<u>3,235,099</u>	<u>(813,371)</u>	<u>(3,876)</u>
Net cash provided by (used in) operating activities	<u>\$ 2,658,811</u>	<u>\$ (38,575)</u>	<u>\$ (402,322)</u>

Risk Management Reserve	Totals
\$ 145,119	\$ 31,614,406
6,697	7,518
(961,442)	(28,662,248)
(166,607)	(1,717,995)
<u>(976,233)</u>	<u>1,241,681</u>
1,025,202	1,134,056
-	(5,563)
<u>1,025,202</u>	<u>1,128,493</u>
-	86,007
-	(2,531,797)
-	(2,445,790)
68,065	206,600
<u>68,065</u>	<u>206,600</u>
117,034	130,984
<u>2,089,379</u>	<u>13,823,640</u>
<u>\$ 2,206,413</u>	<u>\$ 13,954,624</u>
<u>\$ (975,312)</u>	<u>\$ (1,175,250)</u>
-	3,319,527
-	(25,982)
(921)	45,251
-	(921,865)
<u>(921)</u>	<u>2,416,931</u>
<u>\$ (976,233)</u>	<u>\$ 1,241,681</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, 2007

	Balance January 1, 2007	Additions	Deductions	Balance December 31, 2007
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets				
Cash	\$ 278,675,867	\$ 1,870,335,571	\$ (1,850,366,217)	\$ 298,645,221
Accounts receivable	1,051	274	-	1,325
Property tax levied	<u>226,362,489</u>	<u>526,001,465</u>	<u>(510,248,572)</u>	<u>242,115,382</u>
Total assets	<u>\$ 505,039,407</u>	<u>\$ 2,396,337,310</u>	<u>\$ (2,360,614,789)</u>	<u>\$ 540,761,928</u>
Liabilities				
Accrued liabilities	\$ 10,519,029	\$ 1,142,859,012	\$ (1,144,654,576)	\$ 8,723,465
Due to other governmental units	<u>494,520,378</u>	<u>1,253,478,298</u>	<u>(1,215,960,213)</u>	<u>532,038,463</u>
Total liabilities	<u>\$ 505,039,407</u>	<u>\$ 2,396,337,310</u>	<u>\$ (2,360,614,789)</u>	<u>\$ 540,761,928</u>
<u>TAX COLLECTION AND DISTRIBUTION ACCOUNTS</u>				
Assets				
Cash	\$ 268,157,889	\$ 727,476,833	\$ (705,711,641)	\$ 289,923,081
Property tax levied	<u>226,362,489</u>	<u>526,001,465</u>	<u>(510,248,572)</u>	<u>242,115,382</u>
Total assets	<u>\$ 494,520,378</u>	<u>\$ 1,253,478,298</u>	<u>\$ (1,215,960,213)</u>	<u>\$ 532,038,463</u>
Liabilities				
Due to other governmental units	<u>\$ 494,520,378</u>	<u>\$ 1,253,478,298</u>	<u>\$ (1,215,960,213)</u>	<u>\$ 532,038,463</u>
Total liabilities	<u>\$ 494,520,378</u>	<u>\$ 1,253,478,298</u>	<u>\$ (1,215,960,213)</u>	<u>\$ 532,038,463</u>
<u>CLEARING/OTHER FEE COLLECTIONS</u>				
Assets				
Cash	\$ 10,517,978	\$ 1,142,858,738	\$ (1,144,654,576)	\$ 8,722,140
Accounts receivable	<u>1,051</u>	<u>274</u>	<u>-</u>	<u>1,325</u>
Total assets	<u>\$ 10,519,029</u>	<u>\$ 1,142,859,012</u>	<u>\$ (1,144,654,576)</u>	<u>\$ 8,723,465</u>
Liabilities				
Accrued liabilities	<u>\$ 10,519,029</u>	<u>\$ 1,142,859,012</u>	<u>\$ (1,144,654,576)</u>	<u>\$ 8,723,465</u>
Total liabilities	<u>\$ 10,519,029</u>	<u>\$ 1,142,859,012</u>	<u>\$ (1,144,654,576)</u>	<u>\$ 8,723,465</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, 2007

Cash flows from capital and related financing activities:

Received on direct financing lease	\$ 4,228,163
Debt service - principal	(2,550,000)
Debt service - interest expense	<u>(1,678,163)</u>
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 - 6
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 - 14
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 - 16

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities						
Invested in capital assets, net of related debt	196,735,452	166,039,212	\$ 199,146,401	\$ 208,012,619	\$ 192,131,802	\$ 198,389,307
Restricted	45,438,250	96,685,495	87,933,415	106,459,311	97,202,499	103,756,016
Unrestricted	<u>76,066,168</u>	<u>52,638,473</u>	<u>49,039,454</u>	<u>48,780,818</u>	<u>49,132,760</u>	<u>72,304,957</u>
Total governmental activities net assets	<u>\$ 318,239,870</u>	<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>
Business-type activities						
Invested in capital assets, net of related debt	\$ 7,864,772	\$ 7,706,580	\$ 8,615,366	\$ 9,163,049	\$ 14,767,218	\$ 41,565,756
Restricted	-	-	-	36,869,001	113,402,445	171,294,796
Unrestricted	<u>783,483</u>	<u>472,032</u>	<u>288,610</u>	<u>220,110</u>	<u>134,256</u>	<u>379,987</u>
Total business-type activities net assets	<u>\$ 8,648,255</u>	<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>
Primary government						
Invested in capital assets, net of related debt	\$ 204,600,224	\$ 173,745,792	\$ 207,761,767	\$ 217,175,668	\$ 206,899,020	\$ 239,955,063
Restricted	45,438,250	96,685,495	87,933,415	143,328,312	210,604,944	275,050,812
Unrestricted	<u>76,849,651</u>	<u>53,110,505</u>	<u>49,328,064</u>	<u>49,000,928</u>	<u>49,267,016</u>	<u>72,684,944</u>
Total primary government net assets	<u>\$ 326,888,125</u>	<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>

Notes:

Accrual-basis financial information for the county government as a whole is available back to 2002 only, the year GASB Statement 34 was implemented.

The County's 2007 net assets have been restated by \$4,011,055 to reduce capital assets which were depreciated incorrectly in prior years.

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

	Fiscal Year					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Expenses						
Governmental activities:						
General government	\$ 49,476,435	\$ 50,198,438	\$ 48,331,988	\$ 49,884,611	\$ 44,304,048	\$ 46,618,528
Public safety	82,167,365	86,161,021	90,329,891	94,875,022	116,403,399	122,371,034
Public works	18,717,784	29,331,078	23,710,531	15,462,330	24,948,572	21,920,559
Health and welfare	55,010,015	58,815,151	62,317,632	61,857,647	65,515,975	63,734,178
Culture and recreation	7,661,687	7,139,230	6,952,194	7,869,915	8,778,118	10,110,047
Economic development	11,719,936	12,896,137	14,279,223	12,247,263	14,302,864	11,156,066
Interest on long-term debt	6,069,027	3,920,879	6,072,591	5,900,048	5,868,171	6,315,457
Total governmental activities expenses	<u>230,822,249</u>	<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>
Business-type activities:						
Coliseum/Arena	<u>3,300,402</u>	<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>
Total business-type activities expenses	<u>3,300,402</u>	<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>
Total primary government expenses	<u><u>\$ 234,122,651</u></u>	<u><u>\$ 252,034,214</u></u>	<u><u>\$ 254,991,653</u></u>	<u><u>\$ 251,078,625</u></u>	<u><u>\$ 283,057,361</u></u>	<u><u>\$ 285,323,770</u></u>
Program Revenues						
Charges for services:						
General government	\$ 14,395,770	\$ 19,018,984	\$ 16,423,929	\$ 17,615,559	\$ 18,457,307	\$ 22,386,703
Public safety	15,226,982	15,432,238	14,239,648	14,836,964	18,755,303	19,807,231
Public works	1,349,820	1,974,186	1,038,116	1,393,981	1,232,909	1,335,895
Health and welfare	20,001,934	28,694,484	34,107,631	31,870,736	31,042,066	33,120,649
Culture and recreation	511,285	520,298	379,438	388,293	633,362	488,140
Economic development	895,885	723,044	911,998	606,056	76,210	1,793,518
Operating grants and contributions:						
General government	5,570,899	2,737,723	2,964,772	2,870,948	91,132	1,113,614
Public safety	13,056,847	15,539,593	13,005,593	12,265,843	12,526,097	14,904,521
Public works	5,917,140	6,375,111	11,688,318	7,785,059	7,142,161	5,614,317
Health and welfare	23,888,519	15,500,871	22,713,306	22,997,389	25,409,052	22,074,899
Economic development	1,716,835	1,886,253	1,945,840	1,613,765	2,595,006	1,621,763
Capital grants and contributions:						
Public works	<u>3,654,922</u>	<u>504,727</u>	<u>1,821,302</u>	<u>2,810,309</u>	<u>2,734,262</u>	<u>1,964,342</u>
Total governmental activities program revenues	<u>106,186,838</u>	<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>

Business-type activities:

Charges for services:

Coliseum/Arena	<u>3,025,157</u>	<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>
Total business-type activities program revenues	<u>3,025,157</u>	<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>

Total primary government program revenues	<u>\$ 109,211,995</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>
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Net (Expense)/Revenue

Governmental activities	<u>\$ (124,635,411)</u>	<u>\$ (139,554,422)</u>	<u>\$ (130,754,159)</u>	<u>\$ (131,041,934)</u>	<u>\$ (159,426,280)</u>	<u>\$ (156,000,277)</u>
Business-type activities	<u>(275,245)</u>	<u>(716,528)</u>	<u>(454,941)</u>	<u>(849,166)</u>	<u>(1,002,512)</u>	<u>(828,179)</u>

Total primary government net expense	<u>\$ (124,910,656)</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>
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General Revenues and Other Changes in Net Assets

Governmental activities:

Property taxes	\$ 104,320,028	\$ 107,594,113	\$ 118,207,167	\$ 123,602,221	\$ 128,920,197	\$ 145,277,955
Sales taxes	21,421,060	22,441,273	22,340,777	22,886,788	24,438,223	25,812,643
Other taxes	2,489,042	2,393,205	2,460,235	2,721,419	2,734,609	3,304,335
Investment earnings	8,129,260	4,496,026	5,659,692	8,143,828	13,336,229	22,229,269
Miscellaneous	693,060					
Transfers	<u>56,366</u>	<u>(246,885)</u>	<u>(1,180,305)</u>	<u>821,156</u>	<u>(670,020)</u>	<u>(629,651)</u>
Total governmental activities	<u>137,108,816</u>	<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>

Business-type activities:

Sales taxes	-	-	-	39,018,506	82,384,251	85,135,148
Transfers	<u>(56,366)</u>	<u>246,885</u>	<u>1,180,305</u>	<u>(821,156)</u>	<u>670,020</u>	<u>629,651</u>
Total business-type activities	<u>(56,366)</u>	<u>246,885</u>	<u>1,180,305</u>	<u>38,197,350</u>	<u>83,054,271</u>	<u>85,764,799</u>

Total primary government	<u>\$ 137,052,450</u>	<u>\$ 136,924,617</u>	<u>\$ 148,667,871</u>	<u>\$ 196,372,762</u>	<u>\$ 251,813,509</u>	<u>\$ 281,759,350</u>
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Change in Net Assets

Governmental activities	<u>\$ 12,473,405</u>	<u>\$ (2,876,690)</u>	<u>\$ 16,733,407</u>	<u>\$ 27,133,478</u>	<u>\$ 9,332,958</u>	<u>\$ 39,994,274</u>
Business-type activities	<u>(331,611)</u>	<u>(469,643)</u>	<u>725,364</u>	<u>37,348,184</u>	<u>82,051,759</u>	<u>84,936,620</u>

Total primary government	<u>\$ 12,141,794</u>	<u>\$ (3,346,333)</u>	<u>\$ 17,458,771</u>	<u>\$ 64,481,662</u>	<u>\$ 91,384,717</u>	<u>\$ 124,930,894</u>
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Note: Accrual-basis financial information for the county government as a whole is available back to 2002 only, the year GASB Statement 34 was implemented.

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

	Fiscal Year									
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund										
Reserved	\$ 1,862,883	\$ 2,224,414	\$ 2,198,063	\$ 1,445,489	\$ 961,353	\$ 2,003,050	\$ 1,614,676	\$ 1,403,228	\$ 1,643,047	\$ 6,074,440
Unreserved	<u>21,085,223</u>	<u>17,083,187</u>	<u>21,104,409</u>	<u>27,070,677</u>	<u>26,814,560</u>	<u>24,696,983</u>	<u>31,487,300</u>	<u>36,665,136</u>	<u>40,836,970</u>	<u>60,925,726</u>
Total general fund	<u><u>\$ 22,948,106</u></u>	<u><u>\$ 19,307,601</u></u>	<u><u>\$ 23,302,472</u></u>	<u><u>\$ 28,516,166</u></u>	<u><u>\$ 27,775,913</u></u>	<u><u>\$ 26,700,033</u></u>	<u><u>\$ 33,101,976</u></u>	<u><u>\$ 38,068,364</u></u>	<u><u>\$ 42,480,017</u></u>	<u><u>\$ 67,000,166</u></u>
All Other Governmental Funds										
Reserved	14,713,012	17,447,606	20,974,577	20,019,190	32,340,509	49,470,545	22,245,968	20,609,966	22,457,395	24,088,196
Unreserved										
Designated										
Special revenue funds	3,137,601	15,703,046	9,020,694	8,827,523	17,502,934	14,156,619	15,459,654	6,951,752	8,078,864	6,340,911
Capital projects funds	-	9,312,169	13,878,234	8,572,716	16,426,399	48,746,047	34,787,640	19,651,350	13,031,065	14,171,633
Undesignated										
Special revenue funds	36,686,095	20,522,698	17,750,489	20,349,878	20,110,759	10,752,979	19,976,200	31,581,181	30,877,268	38,511,440
Capital projects funds	<u>(582,212)</u>	<u>721,116</u>	<u>1,568,197</u>	<u>4,193,887</u>	<u>(5,100,776)</u>	<u>(31,907,388)</u>	<u>(19,107,968)</u>	<u>8,445,813</u>	<u>(1,231,505)</u>	<u>(1,830,687)</u>
Total all other governmental funds	<u><u>\$ 53,954,496</u></u>	<u><u>\$ 63,706,635</u></u>	<u><u>\$ 63,192,191</u></u>	<u><u>\$ 61,963,194</u></u>	<u><u>\$ 81,279,825</u></u>	<u><u>\$ 91,218,802</u></u>	<u><u>\$ 73,361,494</u></u>	<u><u>\$ 87,240,062</u></u>	<u><u>\$ 73,213,087</u></u>	<u><u>\$ 81,281,493</u></u>

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

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Taxes	\$ 115,885	\$ 117,570	\$ 122,411	\$ 125,340	\$ 128,230	\$ 132,429	\$ 143,008	\$ 149,211	\$ 156,092	\$ 174,395
Special assessments	4,257	4,326	4,383	4,230	3,919	4,138	4,113	3,797	3,711	3,654
Intergovernmental	39,470	45,375	44,075	45,743	50,266	42,073	52,317	47,533	47,763	45,329
Charges for services	23,589	22,048	25,888	35,102	48,139	59,852	62,864	63,966	63,949	66,664
Uses of money and property	7,550	7,956	11,799	10,824	8,031	4,104	5,591	8,023	13,336	22,229
Fines and forfeits	200	298	463	490	426	283	175	180	296	288
Licenses and permits	145	123	143	186	283	597	451	604	637	450
Reimbursed expenditures	5,714	5,538	4,304	4,083	5,339	4,951	4,419	4,345	7,676	12,205
Other	2,410	1,807	1,257	1,914	1,507	1,665	2,274	902	1,139	1,074
Total revenues	199,220	205,041	214,723	227,912	246,140	250,092	275,212	278,561	294,599	326,288
Expenditures										
General government	32,929	36,102	41,217	46,669	45,918	45,966	44,616	46,242	37,885	42,320
Public safety	60,957	67,228	74,948	81,466	78,953	84,507	88,796	92,932	115,244	118,380
Public works	9,646	10,057	21,675	24,721	12,489	13,002	14,084	11,338	12,652	13,467
Health and welfare	31,609	32,955	36,002	46,775	55,496	59,892	63,980	63,109	66,994	64,632
Culture and recreation	4,340	4,746	5,661	5,839	6,202	5,703	5,575	6,236	7,176	7,883
Economic development	9,412	9,538	10,837	10,790	11,921	13,162	14,453	12,239	14,337	11,170
Debt service										
Principal	12,512	12,961	13,853	11,119	28,956	10,967	12,846	12,097	12,445	12,574
Interest and fiscal charges	4,986	6,578	6,086	5,543	5,577	5,432	5,688	5,743	6,078	6,084
Debt issuance costs	795	170	87	190	160	60	169	-	-	309
Capital outlay	67,320	37,589	3,877	5,353	24,106	38,749	35,004	27,453	34,493	32,412
Total expenditures	234,506	217,924	214,243	238,465	269,778	277,440	285,211	277,389	307,304	309,231
Excess of revenues over (under) expenditures	(35,286)	(12,883)	480	(10,553)	(23,638)	(27,348)	(9,999)	1,172	(12,705)	17,057
Other financing sources (uses)										
Transfers from other funds	59,232	36,288	33,849	27,989	32,198	27,120	34,856	41,701	31,005	35,793
Transfers to other funds	(59,507)	(36,077)	(34,561)	(29,158)	(34,094)	(28,825)	(36,459)	(42,029)	(32,980)	(37,551)
Direct financing lease	14,992	6,251	-	-	-	212	928	-	-	-
Proceeds of advance from health insurance funds	-	423	-	-	-	-	-	-	-	-
Issuance of revolving loan	-	-	-	-	-	-	-	3,412	-	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-	1,658
Debt premium	-	-	-	-	-	-	-	-	-	186
Debt issuance	38,080	12,124	3,930	11,220	43,758	37,802	-	14,515	5,065	15,445
Payment to refunding bond escrow agent	-	-	-	-	-	-	(5,025)	-	-	-
Total other financing sources (uses)	52,797	19,009	3,218	10,051	41,862	36,309	(5,700)	17,599	3,090	15,531
Net change in fund balances	\$ 17,511	\$ 6,126	\$ 3,698	\$ (502)	\$ 18,224	\$ 8,961	\$ (15,699)	\$ 18,771	\$ (9,615)	\$ 32,588
Debt service as a percentage of noncapital expenditures	12.3%	12.3%	10.5%	7.8%	16.4%	7.2%	7.9%	7.8%	7.1%	7.3%

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

SEDGWICK COUNTY PRIMARY GOVERNMENT
(Dollars in Thousands)

Fiscal Year ²	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		
1998	1,854,181	13,025,389	1,017,210	4,167,792	2,871,392	17,193,182	16.70%	29.638
1999	2,000,772	14,128,911	1,024,492	4,222,712	3,025,264	18,351,623	16.48%	28.699
2000	2,173,066	15,262,596	1,051,832	4,260,450	3,224,898	19,523,047	16.52%	28.600
2001	2,324,187	16,310,311	1,056,770	4,533,394	3,380,957	20,843,705	16.22%	28.654
2002	2,464,039	17,192,910	1,046,810	4,536,948	3,510,849	21,729,858	16.16%	28.776
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

SEDGWICK COUNTY FIRE DISTRICT #1
(Dollars in Thousands)

Fiscal Year ²	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		
1998	327,589	2,365,714	288,849	1,175,221	616,438	3,540,935	17.41%	14.951
1999	340,366	2,466,254	286,725	1,168,354	627,091	3,634,607	17.25%	15.978
2000	479,704	3,561,126	286,662	1,222,230	766,366	4,783,356	16.02%	15.426
2001	538,057	3,988,844	287,581	1,230,188	825,638	5,219,033	15.82%	15.373
2002	380,539	2,657,619	228,639	1,093,361	609,178	3,750,980	16.24%	15.407
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

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

² Taxes levied support the subsequent year's budget, e.g., 2007 taxes finance 2008 spending

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

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

		Year Taxes Are Payable									
		<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
County Direct Rates											
General	\$	15.683	\$ 17.521	\$ 19.186	\$ 19.899	\$ 18.984	\$ 21.818	\$ 21.845	\$ 21.225	\$ 23.925	\$ 20.887
Road and bridge		1.394	1.912	2.176	1.662	1.882	1.014	0.736	1.400	1.015	1.239
Mental health		1.259	1.582	1.130	1.025	1.017	0.476	0.595	0.673	0.589	0.638
Community health		-	-	-	-	0.710	0.717	-	-	-	-
Noxious weeds		0.122	0.131	0.135	0.117	0.118	0.067	0.073	0.089	0.089	0.088
Agricultural extension council		0.315	0.362	0.348	0.367	0.377	0.288	-	-	-	-
Junior college tuition		0.573	0.591	0.460	-	-	-	-	-	-	-
Employee benefits		3.293	-	-	-	-	-	-	-	-	-
Emergency medical services		1.187	0.790	1.333	1.314	1.487	0.473	1.178	1.152	1.363	1.722
Aging		0.685	0.750	0.688	0.680	0.655	0.553	0.583	0.529	0.545	0.582
WSU program development		1.491	1.500	1.543	1.500	1.500	1.500	1.495	1.500	1.500	1.500
Debt service		3.636	3.560	1.601	2.090	2.046	1.911	2.258	2.190	2.289	4.677
Total direct rate		29.638	28.699	28.600	28.654	28.776	28.817	28.763	28.758	31.315	31.333
Fire District Rates		14.951	15.631	15.426	15.373	15.407	16.695	18.579	18.556	18.469	18.482
City Rates											
Andale		31.383	26.931	28.659	32.329	32.638	38.392	41.845	38.842	39.374	40.929
Bentley		39.017	46.376	46.750	52.516	52.265	48.983	48.616	48.763	48.566	45.556
Cheney		44.480	47.520	47.442	46.418	48.646	48.945	49.742	49.661	49.519	53.674
Clearwater		43.952	42.532	42.301	40.946	40.831	42.954	42.846	42.743	44.294	43.964
Colwich		22.511	22.696	59.073	54.057	52.096	23.692	33.508	37.932	34.249	32.100
Derby		40.184	40.830	45.635	45.791	45.940	45.790	48.331	48.352	48.176	48.155
Eastborough		25.129	25.157	23.852	23.993	27.264	30.007	35.006	37.642	58.221	60.252
Garden Plain		48.379	47.130	43.802	45.954	46.730	46.781	46.852	45.869	48.250	47.300
Goddard		18.661	20.569	20.533	19.807	19.276	16.724	14.720	14.075	14.053	14.061
Haysville		42.370	41.673	41.967	43.371	43.326	48.310	45.673	45.402	45.204	48.441
Kechi		19.403	19.386	18.490	18.454	18.392	18.353	18.431	18.246	21.154	24.037
Maize		29.535	29.641	34.941	37.254	37.319	37.172	37.397	39.654	41.321	43.251
Mount Hope		47.233	46.957	47.164	46.922	50.224	51.052	49.730	51.587	51.357	51.049
Mulvane		44.925	44.895	44.676	49.969	47.390	49.811	48.633	48.411	56.664	53.330
Sedgwick		44.723	43.973	47.203	48.541	52.246	51.729	51.480	51.291	51.210	47.993
Valley Center		38.485	35.864	39.012	40.028	39.679	47.969	47.813	49.666	49.731	48.761
Viola		7.031	6.975	7.432	7.005	7.213	9.428	9.420	9.493	14.408	14.928
Wichita		31.253	31.406	31.359	31.474	31.845	31.905	31.828	31.898	31.953	31.979
Bel Aire		11.587	11.567	11.558	14.857	15.787	23.861	21.975	22.831	23.959	33.503
Park City		29.391	30.633	32.389	33.991	33.687	36.193	36.178	35.043	37.236	37.145
Townships		.299-15.644	.511-17.660	.124-13.530	.161-14.550	.547-14.396	.103-14.064	.193-14.813	.112-15.765	.109-16.716	.102-16.041
School Districts		31.593-66.027	33.115-66.480	30.739-65.250	28.935-67.310	35.247-68.253	36.822-68.488	41.546-68.404	42.955-67.959	40.681-66.593	43.007-63.580
Cemetery Districts		.023-2.150	.022-1.959	.144-1.685	.147-1.660	.150-1.959	.944-1.826	.156-1.754	.159-1.814	.157-1.792	.164-1.772
Drainage Districts		.152-5.327	1.299-5.156	1.190-5.154	1.061-4.775	.786-3.386	.501-4.812	.503-6.307	.875-6.207	.902-9.052	.885-2.141
Improvement Districts		.429-8.959	.446-7.709	1.608-8.548	1.496-9.577	2.737-18.076	1.100-16.154	.966-15.637	1.014-16.239	1.060-14.399	1.042-17.090
Sewer Districts		2.374-4.145	1.975	1.658	-	-	-	-	-	-	-
Other Districts		.471-9.683	1.608-14.043	.763-24.258	0-22.452	.922-27.028	.837-25.156	.960-24.245	.953-23.607	1.876-22.873	1.014-21.167

Source: Sedgwick County Tax Administration System

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

Fiscal Year 2007

Fiscal Year 1998

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	Fiscal Year 2007			Fiscal Year 1998		
	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.	\$ 83,426,680	1	1.83%	\$ 82,888,249	1	3.40%
Spirit Aerosystems, Inc.	80,500,538	2	1.77%	-	-	-
Southwestern Bell Telephone	49,371,637	3	1.08%	62,120,180	3	2.50%
The Boeing Company	34,438,808	4	0.76%	80,362,694	2	3.30%
Wesley Medical Center, LLC	34,007,132	5	0.75%	26,968,033	5	1.10%
Cessna Aircraft	27,223,318	6	0.60%	19,152,369	6	0.80%
Raytheon Aircraft Company	19,971,845	7	0.44%	14,205,137	9	0.60%
Simon Property Group	18,422,964	8	0.40%	28,488,164	4	1.20%
Kansas Gas Service	18,004,827	9	0.40%	11,246,850	10	0.50%
Towne West Square, LLC	12,340,962	10	0.27%	-	-	-
Vulcan Materials	-	-	-	16,383,709	7	0.70%
Koch Industries, Inc.	-	-	-	13,969,045	8	0.60%
	\$ 377,708,711		8.29%	\$ 355,784,430		14.70%

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		Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
	(Original Levy)	Adjustments		Amount ²	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
1997	70,295,877	(132,427)	70,163,449	68,619,982	97.62%	995,669	69,615,651	99.22%
1998	72,676,852	(99,820)	72,577,032	70,999,015	97.69%	1,249,239	72,248,254	99.55%
1999	75,369,869	(272,440)	75,097,430	72,924,106	96.75%	1,269,685	74,193,791	98.80%
2000	80,139,081	(770,034)	79,369,047	77,184,854	96.31%	1,042,912	78,227,766	98.56%
2001	84,524,755	(4,974)	84,519,780	81,564,178	96.50%	1,606,396	83,170,574	98.40%
2002	87,885,050	(249,660)	87,635,391	84,773,787	96.46%	1,830,410	86,604,197	98.82%
2003	94,601,506	(520,803)	94,080,703	91,068,224	96.27%	1,973,979	93,042,203	98.90%
2004	98,203,643	455,308	97,748,335	94,695,003	96.43%	2,050,618	96,745,621	98.97%
2005	103,184,139	(473,529)	102,710,610	99,887,609	96.81%	2,422,857	102,310,466	99.61%
2006	121,793,520	(473,822)	121,319,698	117,958,001	96.85%	<i>Not Applicable</i>	117,958,001	97.23%

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SEDGWICK COUNTY FIRE DISTRICT #1

Tax Year ¹	Taxes Levied for the Fiscal Year		Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
	(Original Levy)	Adjustments		Amount ²	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
1997	7,074,158	(5,230)	7,068,928	6,957,443	98.35%	76,446	7,033,889	99.50%
1998	8,011,163	(8,377)	8,002,786	7,877,417	98.33%	83,060	7,960,477	99.47%
1999	8,285,951	(48,636)	8,237,315	8,041,212	97.05%	107,066	8,148,278	98.92%
2000	8,012,656	(19,824)	7,992,831	7,831,508	97.74%	107,278	7,938,786	99.32%
2001	8,103,411	(18,527)	8,084,884	7,854,202	96.92%	125,065	7,979,267	98.69%
2002	8,251,806	(23,550)	8,228,256	8,028,002	97.29%	161,558	8,189,560	99.53%
2003	9,731,825	(38,665)	9,693,160	9,423,315	96.83%	161,464	9,584,779	98.88%
2004	11,376,138	(30,074)	11,346,064	11,091,213	97.50%	163,719	11,254,932	99.20%
2005	11,996,353	(60,712)	11,935,641	11,716,988	97.67%	170,353	11,887,341	99.60%
2006	12,109,011	(52,953)	12,056,058	11,815,566	97.58%	<i>Not Applicable</i>	11,815,566	98.01%

¹ Taxes levied support the subsequent year's budget, e.g., 2006 taxes financed 2007 spending.

² Net of refunding warrants.

³ Excludes interest penalties.

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 Revolving Loan	Fire District General Obligation Bonds	Capital Leases			
1998	76,480,000	22,105,000	25,355,000	-	200,000	2,520,010	126,660,010	1.1%	293
1999	73,228,459	21,385,000	29,516,541	-	135,000	1,629,486	125,894,486	1.1%	287
2000	63,180,000	20,640,000	31,535,000	-	70,000	693,594	116,118,594	0.9%	259
2001	64,954,300	19,865,000	31,500,700	-	-	-	116,320,000	0.9%	257
2002	89,995,000	19,065,000	21,930,000	-	-	-	130,990,000	1.0%	287
2003	97,890,000	40,225,000	20,505,000	-	-	200,523	158,820,523	1.2%	345
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%	318
2006	85,810,000	34,530,000	15,965,000	3,200,353	-	823,251	140,328,604	0.9%	301
2007	77,855,000	47,425,000	14,250,000	3,071,631	-	2,256,509	144,858,140	0.8%	307

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 Schedule G-12.

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	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			
1998	98,585,000	(2,841,520)	95,743,480	0.81%	0.56%	218
1999	94,613,459	(3,762,449)	90,851,010	0.74%	0.50%	203
2000	83,820,000	(4,280,340)	79,539,660	0.63%	0.41%	176
2001	84,819,300	(7,195,893)	77,623,407	0.59%	0.37%	170
2002	109,060,000	(5,677,358)	103,382,642	0.76%	0.48%	224
2003	138,115,000	(4,105,465)	134,009,535	0.94%	0.57%	290
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	<i>Unavailable</i>	0.42%	257

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

² Population and personal income data can be found in Schedule G-14

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

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

	Fiscal Year									
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Statutory debt capacity:										
Equalized assessed valuation of taxable tangible property	\$2,452,365	\$2,586,868	\$2,797,444	\$2,940,282	\$3,052,926	\$3,305,893	\$3,436,218	\$3,611,221	\$3,796,641	\$3,965,426
Estimated tangible valuation of motor vehicles	<u>419,027</u>	<u>438,396</u>	<u>427,454</u>	<u>444,891</u>	<u>457,923</u>	<u>471,166</u>	<u>483,967</u>	<u>497,788</u>	<u>512,707</u>	<u>590,308</u>
Estimated tangible valuation for computation of bonded indebtedness limitations	<u>\$2,871,392</u>	<u>\$3,025,264</u>	<u>\$3,224,898</u>	<u>\$3,385,173</u>	<u>\$3,510,849</u>	<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>
Debt limit (3% of total valuation)	\$ 86,142	\$ 90,758	\$ 96,747	\$ 101,555	\$ 105,325	\$ 113,312	\$ 117,606	\$ 123,270	\$ 129,280	\$ 136,672
Amount of debt applicable to limit										
Total bonded indebtedness	106,265	106,245	96,115	96,455	125,965	153,595	140,795	146,754	139,505	142,602
Less exempt issues	<u>(65,711)</u>	<u>(69,493)</u>	<u>(61,935)</u>	<u>(64,671)</u>	<u>(82,193)</u>	<u>(100,201)</u>	<u>(94,725)</u>	<u>(93,485)</u>	<u>(91,441)</u>	<u>(95,537)</u>
Total net debt applicable to limit	40,554	36,752	34,180	31,784	43,772	53,394	46,070	53,269	48,064	47,065
Legal debt margin	<u>\$ 45,588</u>	<u>\$ 54,006</u>	<u>\$ 62,567</u>	<u>\$ 69,771</u>	<u>\$ 61,553</u>	<u>\$ 59,918</u>	<u>\$ 71,536</u>	<u>\$ 70,001</u>	<u>\$ 81,216</u>	<u>\$ 89,607</u>
Total net debt applicable to the limit as a percentage of debt limit	47.08%	40.49%	35.33%	31.30%	41.56%	47.12%	39.17%	43.21%	37.18%	34.44%

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

Year	Population ¹	Personal Income ²	Per Capita Personal Income ²	Public School Enrollment ³	Unemployment Rate ⁴
		(thousands of dollars)			
1998	438,679	11,890,394	27,105	83,416	3.3%
1999	448,050	12,295,388	27,442	84,024	3.4%
2000	452,869	12,704,787	28,054	85,808	3.8%
2001	456,351	13,250,608	29,036	85,918	4.5%
2002	460,643	13,678,333	29,694	86,242	6.1%
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	471,739	Not Available	Not Available	87,654	3.8%

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Notes:

¹ Population is estimated for each year, except 2000. Actual population for 2000 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 Human Resources

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

	Fiscal Year 2007			Fiscal Year 1998		
	Civilian Employees	Rank	Percentage of Total Wichita MSA ¹	Civilian Employees	Rank	Percentage of Total Wichita MSA ¹
Cessna Aircraft Company	10,258	1	3.22%	10,100	2	3.46%
Spirit AeroSystems, Inc.	9,400	2	2.95%	-	-	-
Hawker Beechcraft	6,300	3	1.98%	8,100	3	2.78%
United States Government	5,435	4	1.71%	4,100	6	1.41%
Unified School District #259	5,206	5	1.64%	4,545	5	1.56%
Via Christi Health System	4,762	6	1.50%	3,988	7	1.37%
State of Kansas	4,029	7	1.27%	5,096	4	1.75%
Boeing IDS Wichita/Boeing Company	3,133	8	0.98%	21,000	1	7.20%
City of Wichita	3,095	9	0.97%	2,810	10	0.96%
Sedgwick County	2,753	10	0.87%	-	-	-
Bombardier Aerospace Learjet, Inc.	-	-	-	3,425	9	1.17%
Koch Industries	-	-	-	3,602	8	1.24%
	<u>54,371</u>		<u>17.08%</u>	<u>66,766</u>		<u>22.89%</u>

¹ Includes Sedgwick, Butler, Harvey and Sumner counties for 2007. Data for 1998 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>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General government	462	464	475	480	484	466	451	450	454	617
Public safety	1,139	1,301	1,372	1,386	1,407	1,368	1,355	1,411	1,443	1,296
Public works	152	152	157	157	145	132	135	136	132	126
Health and welfare	288	290	313	318	546	534	534	541	549	560
Culture and recreation	122	125	126	127	132	134	132	134	135	126
Economic development	<u>4</u>	<u>4</u>	<u>4</u>	<u>8</u>	<u>5</u>	<u>7</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>13</u>
	<u>2,167</u>	<u>2,336</u>	<u>2,447</u>	<u>2,476</u>	<u>2,719</u>	<u>2,641</u>	<u>2,614</u>	<u>2,680</u>	<u>2,722</u>	<u>2,738</u>

Source: Sedgwick County finance department

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

Function/Program	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General government										
Number of registered voters	232,105	235,143	236,029	227,245	232,739	200,042	233,181	230,246	236,000	237,135
Number of real estate property tax accounts	183,937	190,041	191,289	194,899	195,562	201,485	204,489	205,459	208,372	210,763
Documents filed with register of deeds	*	*	*	*	*	94,454	97,989	104,116	104,371	137,648
Real estate records processed	*	*	*	*	*	40,750	64,895	65,208	66,900	67,956
Average monthly investment portfolio (in millions)	*	*	*	*	*	\$ 186.2	\$ 218.7	\$ 226.4	\$ 288.3	\$ 377.7
Average number of bids per purchase	*	*	*	*	*				4.5	4.5
Public safety										
Average monthly number of 911 calls	34,508	34,695	33,672	34,719	36,210	35,560	36,615	36,305	36,030	37,722
Average monthly number of EMS responses	*	*	*	*	3,665	3,543	3,503	3,512	3,834	4,040
Number of residential structural fires per 100,000 population	*	*	*	*		*	*	*	65.9	89.4
Average monthly number of medical responses by Fire	*	*	*	*	*	*	219	216	214	239
Average daily population, juveniles in detention	108	110	101	115	103	108	108	116	124	120
Average daily population in custody of Sheriff	987	1,068	1,153	1,203	1,301	1,285	1,382	1,501	1,514	1,522
Percent of autopsy reports filed within 90 days	*	*	*	*	*	97	97	97	94	78
Public works										
Miles of road improved	*	*	*	152	97	163	146	78	103	88
Miles of road maintained	*	*	*	*	*	*	622	622	622	
Household hazardous waste tonnage disposed	*	*	*	*	100	267	261	332	394	457
Health and welfare										
Number of mental health program clients	*	*	*	*	*	9,479	10,463	11,588	12,246	13,319
Number of individuals eligible for developmental disability services	*	*	*	*	1,537	1,674	1,698	1,812	1,958	2,082
Number of health clinic patient encounters	*	*	*	*	*	*	166,935	156,160	139,471	124,787
Number of immunizations provided	*	*	*	*	*	*	7,401	7,408	29,132	27,185
Number of tuberculosis encounters	1,798	2,263	2,002	3,574	3,187	3,253	6,055	7,568	8,012	6,234
Number of tuberculosis encounters	1,798	2,263	2,002	3,574	3,187	3,253	6,055	7,568	8,012	
Culture and recreation										
Number of events per year at Kansas Coliseum	200	178	192	163	196	177	164	143	123	137
Annual attendance at Kansas Coliseum events	800,231	702,992	722,569	610,113	696,689	721,588	571,406	532,804	541,949	557,334
Annual attendance at Sedgwick County Zoo	465,753	470,469	484,086	455,623	429,646	491,462	591,687	502,367	484,014	593,428
Annual attendance at Sedgwick County Park	*	*	703,124	705,954	700,650	720,000	626,821	813,676	730,972	932,486
Economic development										
Total value of merchandise moving through foreign trade zone (in millions)	*	*	*	*	*	\$ 7.5	\$ 12.9	\$ 15.8	\$ 18.4	\$ 19.6
Average monthly number of Sec. 8 housing clients	*	*	*	*	*	322	323	301	315	304

* Information not available.

Source: County operating departments

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

Function/Program	Fiscal Year									
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General government										
Auto License buildings	4	4	4	4	4	4	4	4	4	4
Total Fleet vehicles	*	*	*	*	*	*	*	*	460	462
Public safety										
Adult detention facility capacity	430	1,032	1,032	1,032	1,032	1,032	1,032	1,032	1,122	1,115
Fire stations	8	8	8	8	8	8	8	8	8	8
EMS posts	*	*	*	*	12	13	13	13	13	13
Public Safety vehicles	*	*	*	*	*	*	*	*	*	260
Public works										
Bridges maintained	658	657	650	653	653	653	650	651	652	645
Miles of roads maintained	604	626	626	626	626	626	622	622	622	564
Culture and recreation										
Sedgwick County Park acreage	400	400	400	400	400	400	400	400	400	400
Lake Afton Park acreage	780	780	780	780	780	828	828	828	828	828

* Information not available.

Source: County budget department and individual county departments.