

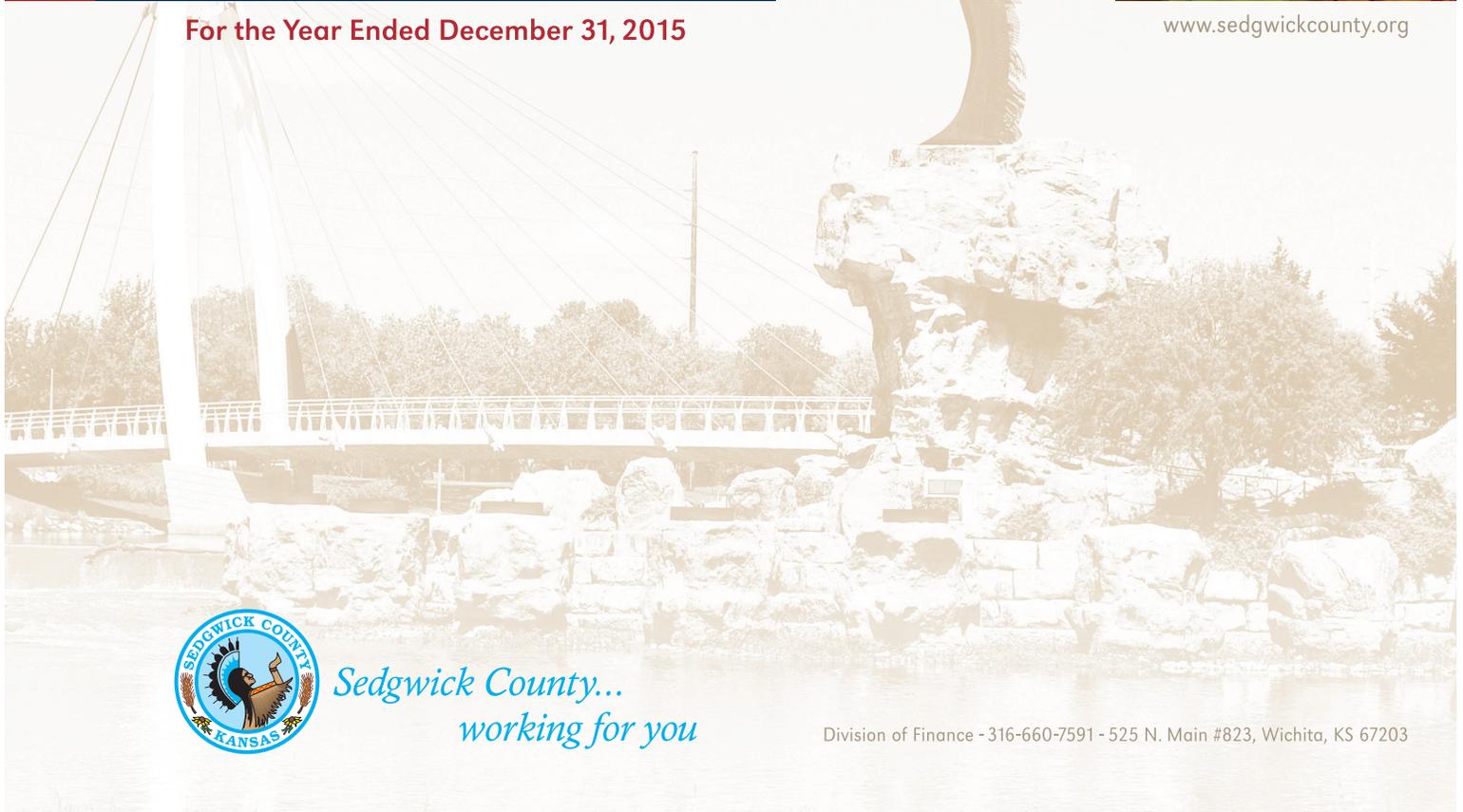


2015 Comprehensive Annual Financial REPORT



For the Year Ended December 31, 2015

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Division of Finance - 316-660-7591 - 525 N. Main #823, Wichita, KS 67203

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
of
**THE COUNTY OF
SEDGWICK, KANSAS**
for the
Year Ended December 31, 2015

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

COUNTY OF SEDGWICK, KANSAS BOARD OF COUNTY COMMISSIONERS

2015

Chairman
Richard Ranzau

Chair Pro-Tem
Karl Peterjohn

Commissioner
David M. Unruh

Commissioner
Tim R. Norton

Commissioner
James M. Howell

COUNTY MANAGER
Mike Scholes

2016

Chairman
James M. Howell

Chair Pro-Tem
Richard Ranzau

Commissioner
David M. Unruh

Commissioner
Tim R. Norton

Commissioner
Karl Peterjohn

COUNTY MANAGER
Mike Scholes

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, 2015

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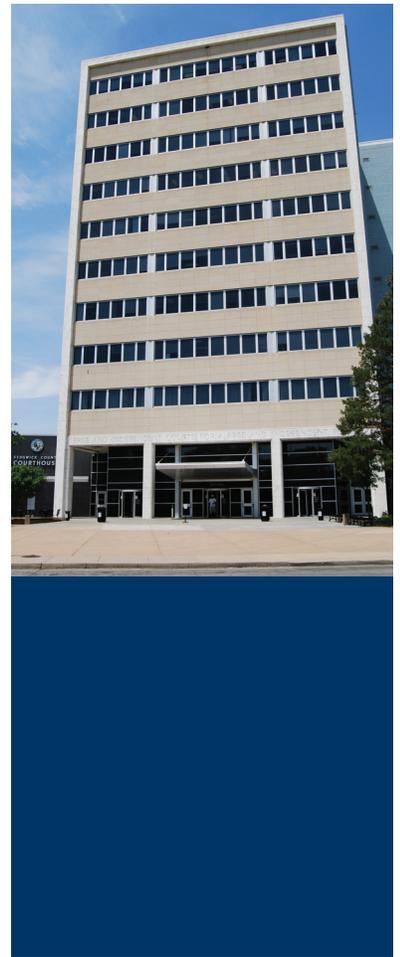
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Introductory Section

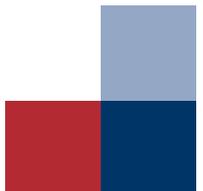


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County Manager's Office

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

Mike Scholes
County Manager

March 23, 2016

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

Dear Commissioners:

The administration is pleased to present to you the Comprehensive Annual Financial Report of the County of Sedgwick, Kansas for the fiscal year ended December 31, 2015. 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 Richard Durham, Accounting Director Sara Jantz, and the accounting department.

Sincerely,

Mike Scholes
County Manager



Sedgwick County...
working for you

Division of Finance

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

Chris Chronis
Chief Financial Officer

March 23, 2016

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, 2015. The County is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. I believe that the information presented in this report is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of the various funds, and that all disclosures necessary for readers to gain an understanding of the County's financial affairs have been included.

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

The firm of Allen, Gibbs & Houlik, L.C. audited the County's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there is a reasonable basis for rendering unmodified 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 511,885 residents. The County seat is Wichita, the largest city in the State of Kansas. Wichita is known as the "Air Capital of the World" for its internationally recognized concentration of commercial and military airplane production and aviation services.

The County is governed by a five-member Board of County Commissioners. The Commissioners serve as full-time County officials and meet in regular session Wednesday mornings. The Board, which performs both executive and legislative functions, is responsible for all policy and executive decisions. A County Manager, appointed by the Board, is responsible for administrative matters. One Assistant County Manager and six Division Directors aid him in his duties. The County has 2,524 full-time employees.

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

The annual budget process begins 15 months before the start of each fiscal year, when the Budget Department prepares a revised five-year financial forecast. The financial forecast serves as the foundation for planning and control, projecting revenues and expenditures for the next five years and comparing the prior year's projections with actual results. The Budget Department also receives input from the Technology Review Committee, which evaluates division technology enhancement plans based on established criteria. The goals of the Technology Review Committee are to provide peer review of departmental technology enhancement plans and to evaluate and coordinate technology acquisitions to provide efficient access to County information. The Budget Department also receives input from the Capital Improvement Program Committee. This committee ranks projects with significant multi-year benefits, such as buildings and infrastructure. Nine months before the start of the new fiscal year, the Budget Department prepares and distributes a base budget for all County Divisions. Division managers identify the service implications of the base budget and, if necessary, submit requests for additional funding or staff. Two months later, the Board of County Commissioners holds budget review sessions to discuss service levels, resource allocations, and funding strategies for the upcoming year. The Budget Department then submits a proposed budget to the County Manager. The County Manager reviews and, as appropriate, revises the proposed budget and then, six months before the new year, submits a recommended budget to the Board of County Commissioners. The Commissioners hold public hearings to receive input from citizens. The budget is adopted approximately five months before the start of the new fiscal year and is submitted to the State of Kansas in compliance with State statutes.

The legal level of budgetary control is at the individual fund level, and County policy provides authority for intra-fund modifications of the budget. The budget is prepared by fund, function, cost center and superior commitment item. Legal appropriated annual budgets are statutorily required for most, but not all, operations. County practice is to adopt budgets for all funds. Budget to actual comparisons are provided in this report for each individual governmental fund for which a legal appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page A-70 as part of the required supplementary information. For governmental funds other than the General Fund with legal appropriated annual budgets, this comparison is presented in the governmental funds subsection, beginning on page B-16.

ECONOMIC CONDITION AND OUTLOOK

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

The CEDBR projects that the Wichita MSA economy will grow in 2015 but it will be slower than the national average. The Wichita MSA unemployment rate decreased from 4.8% in December 2014 to 4.0% in December 2015. In comparison, national rate stood at 5.0%. All other economic information is as of third quarter 2015, the most recent data available to the county. For 2015, the value of new residential construction permits was \$240.5 million; the value of new non-residential construction permits was \$539.8 million. Home sales increased 1.6%. The number of outbound airline passengers increased 3.6%. The total transient guest taxes collected decreased 10.5%.

Manufacturing

In the Wichita MSA, manufacturing employment accounts for 18% of all jobs. The aircraft manufacturing industry accounts for 53.8% of the manufacturing employment: in third quarter 2015, general aviation shipments manufactured worldwide decreased 3.6% and total billings increased 2.0%.

Highlights of the manufacturing sector are as follows:

- Spirit AeroSystems is expanding its 787 fuselage factory to meet increased demand from Boeing. The demand is increasing from 10 aircraft to 12 aircraft a month.
- B&B Airparts, an aviation subcontractor, broke ground on a 44,000-square-foot facility in July. The company's expansion plan is driven by production for the Honda Aircraft Co.'s HondaJet. B&B Airparts expects to hire between 125 and 150 employees over the next few years.
- Tru Aircraft Maintenance Academy, a Textron-owned company, opened a 35,000 square-foot center in October to train students in aircraft maintenance.
- In October, Figeac-Aero broke ground on its new North American headquarters in Wichita. The company is expanding its manufacturing site by 70,000 square-feet as well as building a 68,000 square-foot building. They anticipate creating 200 new jobs over the next five years.

Other Sectors

Education and health services employment accounted for 44,800 jobs as of third quarter 2015, about 15.4% of all jobs in the Wichita MSA. Jobs in this sector decreased 2.9% this year.

- Wesley Medical Center began construction on a \$28 million children's hospital within its main campus. The new unit is scheduled to open in fall 2016.
- In 2015, GraceMed opened its seventh school-based clinic. Their clinics are located in areas where people have low access to health care and serve anyone in the community.
- In the fall, Mueller Elementary School launched the NASA-inspired Space Discovery Institute program. They are the first in the United States to do so.

Additional information regarding other employment sectors follows:

- A new multi-sport facility called Wichita Sports Forum opened in 2015. The 148,000-square-foot facility has six basketball courts, ten hardcourt volleyball courts, six sand volleyball courts, and one turf soccer field.
- McConnell Air Force Base started 16 military projects with a total cost estimated at \$267 million. A housing project has started as well, with an additional 157 new homes being built and 207 existing homes being renovated. These projects are a result of the selection of the base in 2013 to receive new KC-46A tankers.
- The new terminal opened at Dwight D. Eisenhower National Airport in June. 2015 was the third busiest year for the airport. Over 1.5 million people used the airport in 2015.

COUNTY BUSINESS AND FINANCIAL FORECAST

Financial Plan

Sedgwick County continues to demonstrate a strong financial position. The County's mission is to assure quality public services that provide for the present and future well-being of the citizens of Sedgwick County. We accomplish this by maintaining focus on four guiding principles: continued emphasis on core services, reduced government funding to services that can be provided by non-governmental entities or through private sector funding support, reduce the use of debt to finance capital projects; and maintain the ad valorem tax rate at the 2010 level.

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

Over the next five years, the County faces a number of challenges. The financial forecast shows an anticipated operating deficit in the General Fund in 2016 due to a planned reduction of fund balance to pay for capital improvement projects. Some combination of reduced expenditures and increased revenues will be required to avoid additional operating deficits in the General Fund in the 2018 – 2021 fiscal years. Other funds that receive ad valorem tax funding are forecasted to experience operating deficits during the same period as their fund balances are reduced from present unnecessarily high levels. Other funds, particularly grant funds, are also projected to experience operating deficits. The projections in the financial forecast reflect the impacts of actions by management to maintain prudent but not unnecessarily high fund balances, by the Kansas Legislature to reduce county funding, and of slow growth of the local economy.

Major initiatives of the County include the following:

- To simplify building code and inspection requirements for developers, as well as to increase efficiencies, the County has created a consolidated Metropolitan Area Building and Construction Department (MABCD) to replace the former organizations that were operated independently by the County and the City of Wichita. The MABCD began functioning in January 2013. Over time the city staff, currently functioning under county supervision, will be replaced with county staff, and the permit and inspection fee structures of the county and city will be unified.
- The County is developing a Law Enforcement Training Center in partnership with the City of Wichita. The facility will allow new recruits of the Sheriff and the Wichita police department to obtain required pre-employment training in the community, and will provide law enforcement officers, corrections staff, and emergency communications workers to obtain continuing education.
- In an effort to better meet the needs of citizens for mental health services, the County has established a Community Crisis Center housing public and private counseling services and tripling the Crisis Stabilization Unit bed capacity. Due to current economic and societal pressures, a growth in the number of individuals suffering from mental health related crises has been occurring. By expanding the bed capacity the County will be better able to divert clients from more expensive treatment options such as inpatient care.
- Under the leadership of a new county manager, Sedgwick County is initiating a strategic planning process that will culminate in a clear articulation of the county government's mission, values, and strategic goals; adjustment of the county organization structure to realign like functions under unified leadership; and establishment of clear direction to boost performance, refocus energies and ensure all county employees are working towards the same goals.

Financial Management

In addition to the five-year financial forecast, the County develops a Capital Improvement Program (CIP) with the goal of facilitating area-wide economic development by updating the County's roads, bridges and drainage systems, as well as maintaining its facilities. The five-year CIP is used as a planning tool that specifies the capital spending budget for the current year and projects it for the four following years. Capital spending for 2015 totaled \$28,775,194, including projects for road improvements, infrastructure, and continued upgrades to County owned and leased buildings. Planned capital spending for 2016 totals \$63,626,571, and total projected spending in the five year capital improvement program that extends through 2020 is \$220,704,213. The most recent five year CIP is comprised of the following: \$10.24 million for facilities, \$27.33 million for bridges and \$183.14 million for roads. A majority of the road portion is State and Federal funding for the interchange project at I-235 and U.S. Highway 54 totaling \$116.03 million. The CIP is funded on a year-by-year basis from various funding sources, including annual operating revenues from property tax and sales tax, or by issuing bonds and making debt service payments over a period of years.

During 2015, as authorized by a comprehensive written investment policy, idle County funds were invested in certificates of deposit, obligations of the U.S. Treasury, government agency securities, repurchase agreements, money market funds, and the State of Kansas Municipal Investment Pool. Investments had a maximum maturity of four years. The weighted average maturity was 381 days and the average yield to maturity was 0.37%. The fair value of investments totaled \$575,280,473 at December 31, 2015.

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

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

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

As a recipient of Federal and State financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to assure compliance with applicable laws and regulations related to those programs. 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, 2014. This was the 34th 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 2015 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 32 consecutive years.

For the ninth time Sedgwick County received GFOA's Popular Annual Financial Reporting (PAFR) Award for 2014. GFOA's PAFR award program encourages governments to publish concise annual financial reports specifically designed to be readily accessible and easily understandable to the general public. This award is valid for one year only.

Acknowledgements

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

In particular, I want to applaud the efforts Sara Jantz, the Director of Accounting, whose service to the County is invaluable. I express special appreciation to the Board of County Commissioners and County Manager Mike Scholes for their unfailing support for maintaining the highest standards of professionalism in the management of Sedgwick County's finances.

Respectfully,



Chris Chronis
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Sedgwick County
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

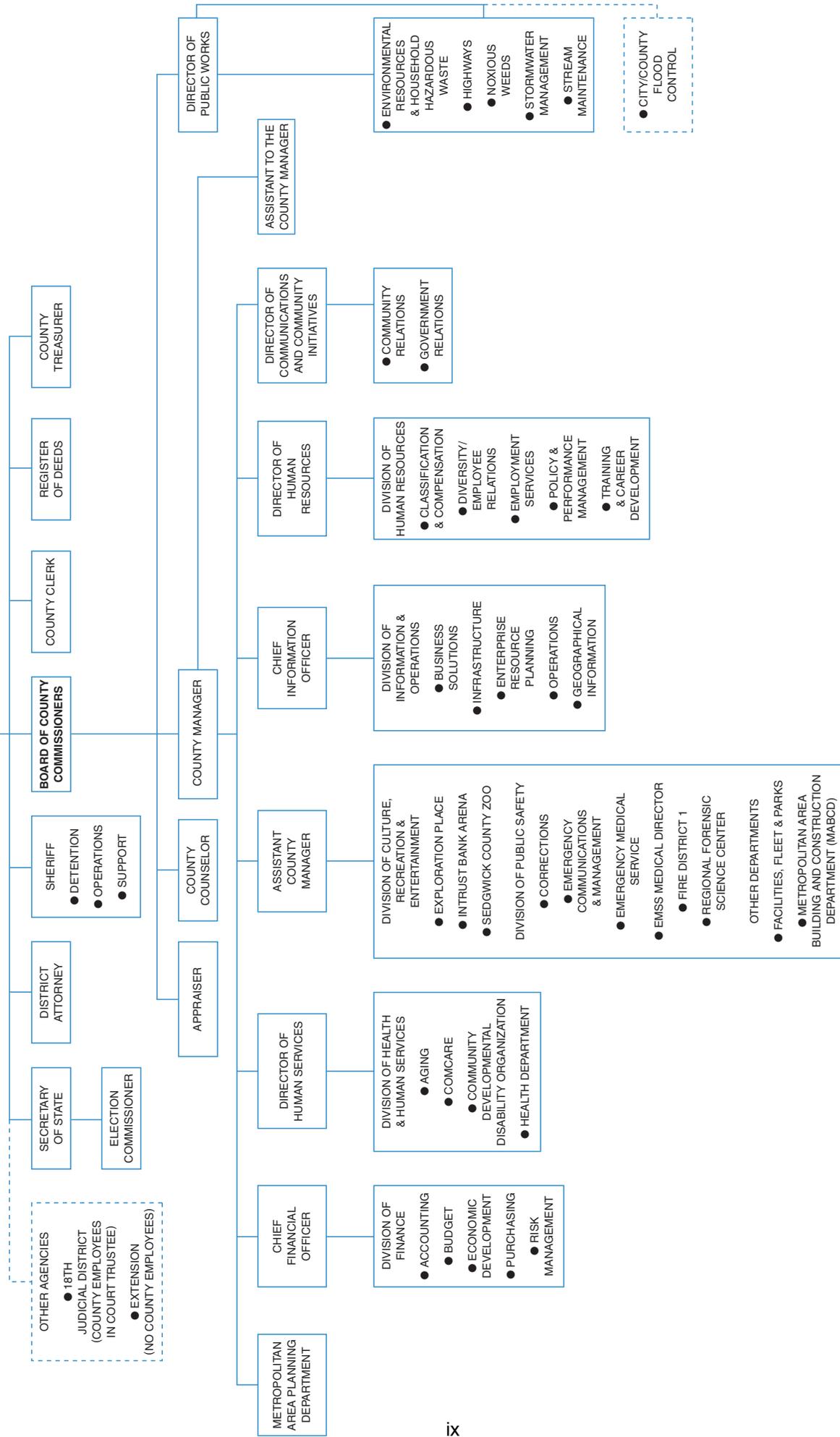
December 31, 2014

Executive Director/CEO

SEDGWICK COUNTY, KANSAS
PRINCIPAL OFFICIALS
January 29, 2016

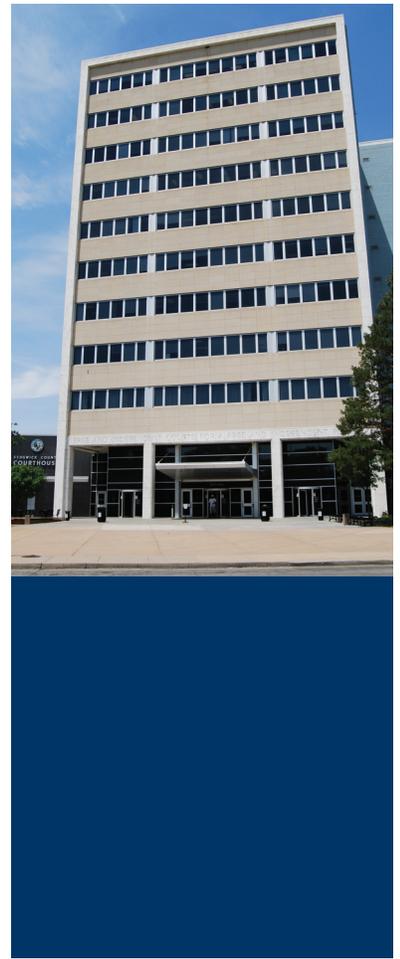
Elected Positions	Name	Date of Appointment
Commissioner, 1 st District	David M. Unruh	January 13, 2003
Commissioner, 2 nd District	Tim R. Norton	January 8, 2001
Commissioner, 3 rd District	Karl Peterjohn	January 11, 2009
Commissioner, 4 th District	Richard Ranzau	January 9, 2011
Commissioner, 5 th District	James M. Howell	January 11, 2015
Administrative Judge, 18 th Judicial District	James Fleetwood	January 12, 2009
District Attorney	Marc Bennett	January 13, 2013
County Clerk	Kelly B. Arnold	January 11, 2009
Register of Deeds	Tonya Buckingham	January 29, 2016
County Sheriff	Jeffrey Easter	December 16, 2012
County Treasurer	Linda Kizzire	January 9, 2011

Appointed Positions	Name	Date of Appointment
County Manager	Mike Scholes	November 07, 2015
Assistant County Manager	Ron Holt	February 20, 2005
Chief Financial Officer	Chris Chronis	January 04, 1999
County Counselor	Eric Yost	September 14, 2015
County Appraiser	Mike Borchard	December 15, 2004
Director, Public Works / County Engineer	David Spears	July 01, 1985
Director, Division of Human Services	Tim Kaufman	January 16, 2013
Director, Division of Public Safety	Marvin Duncan	June 02, 2013
Director, Division of Information & Operations	Wes Ellington, interim	January 23, 2016
Director, Division of Culture, Recreation & Entertainment	Ron Holt	February 20, 2005
Director of Health Department	Adrienne Byrne-Lutz	May 18, 2014
Director of Human Resources	Eileen McNichol	July 07, 2014
Director, Metropolitan Area Planning Department	Dale Miller	October 16, 2015



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Financial Section

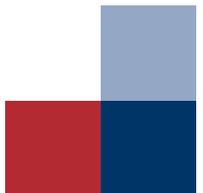


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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Sedgwick County, Kansas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sedgwick County, Kansas (County) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sedgwick County, Kansas, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note IV. E. to the financial statements, on January 1, 2015, the County adopted Government Accounting Standards Board Statement No. 68: Accounting and Financial Reporting for Pensions and Government Accounting Standards Board Statement No. 71: Pension Transition for

Contributions Made Subsequent to the Measurement Date. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed on the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2016 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

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

March 23, 2016
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, 2015. This information is designed to identify and explain significant financial issues, changes in Sedgwick County's financial position and deviations from budget. We encourage you to consider this information in conjunction with the letter of transmittal that precedes this narrative, the financial statements, and the notes to the financial statements.

Financial Highlights

- Total net position of Sedgwick County decreased \$113.2 million to \$507.1 million. The governmental funds decreased \$109.1 million due to the implementation of GASB 68. The Arena fund, our only enterprise fund, decreased \$4.1 million.
- Of this total, (\$29.6) million is reported as unrestricted net position, a decrease from the prior year of \$114.8 million due primarily to the implementation of GASB 68.
- 2015 expenses were \$315.2 million, an increase of \$1.1 million. The increase is due to a \$5.3 million contribution to the zoo, included in culture and recreation.
- Program revenues were \$137.3 million, an increase of \$5.8 million, due to a capital contribution of \$8.9 million from Sedgwick County Zoo and \$5.8 million from the State of Kansas for road projects.
- Investment earnings increased \$1.1 million or 23.4%, to \$5.8 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-69 of this report.

Government-wide Financial Statements

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

The *statement of net position* presents information on all of Sedgwick County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*, which is one method to measure the County's financial condition. An increase or decrease in the County's net position from one year to the next indicates whether the financial position of the County is improving or deteriorating.

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

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

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

The government-wide financial statements can be found on pages A-14 through A-17 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

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

The County adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental funds financial statements and reconciliations to the government-wide financial statements can be found on pages A-18 through A-24 of this report.

Proprietary Funds

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

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

The basic proprietary fund financial statements can be found on pages A-26 through A-28 of this report.

Fiduciary Funds

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

The County's fiduciary funds are classified as agency funds. These two funds account for tax collection and distribution, and for other clearing and fee collections. Individual fund detail is included in the form of *combining statements* in the Agency Funds subsection.

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

Notes to the Financial Statements

The notes provide additional narrative and financial information that is essential to a full understanding of the data provided in the government-wide financial statements and the fund financial statements. The notes to the financial statements begin on page A-31 of this report.

Other Required Supplementary Information

This section is found on pages A-70 through A-73 and shows a comparison of the original and final General Fund budget to actual results and reconciliation between budgetary fund balance and GAAP. Information on the County's defined benefit pensions and funding for postemployment benefits other than pensions is also shown.

Other Information

Other information includes combining financial statements for nonmajor governmental, enterprise, internal service, and fiduciary funds, as well as the County's discretely presented component unit. Combining and individual fund statements and schedules can be found on pages B-1 through D-1 of this report.

Government-wide Financial Analysis

Net Position

Net position may serve over time as a useful indicator of a government's financial position. Assets of the primary government exceeded liabilities by \$507.1 million at the end of 2015.

Sedgwick County, Kansas
Net Position
As of December 31, 2015
With Comparatives as of December 31, 2014
(millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Assets:						
Current and other assets	\$429.4	\$419.7	\$ 13.5	\$ 13.5	\$442.9	\$433.2
Capital assets	451.2	446.4	152.0	155.9	603.2	602.3
Total assets	<u>880.6</u>	<u>866.1</u>	<u>165.5</u>	<u>169.4</u>	<u>1,046.1</u>	<u>1,035.5</u>
Deferred Outflows:						
Deferred refunding	0.7	1.1	-	-	0.7	1.1
Deferred outflows – pensions	11.1	-	-	-	11.1	-
Total deferred outflows	<u>11.8</u>	<u>1.1</u>	<u>-</u>	<u>-</u>	<u>11.8</u>	<u>1.1</u>
Liabilities:						
Long-term liabilities	377.0	264.0	-	-	377.0	264.0
Other liabilities	23.9	12.4	0.2	-	24.1	12.4
Total liabilities	<u>400.9</u>	<u>276.4</u>	<u>0.2</u>	<u>-</u>	<u>401.1</u>	<u>276.4</u>
Deferred Inflows:						
Deferred revenues	139.9	139.9	-	-	139.9	139.9
Deferred inflows -pensions	9.8	-	-	-	9.8	-
Total deferred inflows	<u>149.7</u>	<u>139.9</u>	<u>-</u>	<u>-</u>	<u>149.7</u>	<u>139.9</u>
Net position:						
Net investment in capital assets	320.5	310.0	152.0	155.9	472.5	465.9
Restricted	56.0	60.0	8.2	9.2	64.2	69.2
Unrestricted	(34.7)	80.9	5.1	4.3	(29.6)	85.2
Total net position	<u>\$341.8</u>	<u>\$450.9</u>	<u>\$165.3</u>	<u>\$169.4</u>	<u>\$507.1</u>	<u>\$620.3</u>

The largest portion of the County's net position (93.2 percent) is invested in capital assets (e.g. land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. Sedgwick County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents 12.7 percent of net position and are resources that are subject to external restrictions on how they may be used. The remaining balance of (\$29.6) million is *unrestricted net position*.

GASB Statements Nos. 68 and 71 were implemented during 2015, requiring the County to record its proportionate share of the Kansas Public Employees Retirement System (KPERS) collective net pension liability. This accounts for the majority of the changes in long-term liabilities due in more than one year and unrestricted net position, as well as the recording of the \$11.1 million deferred outflows – pension and the \$9.8 million in deferred inflows – pension. For additional information, please refer to Note IV.E. beginning on page A-62.

Change in Net Position

The County's net position for governmental activities decreased \$109.1 million or 24.2 percent. Net position of the County's business-type activities decreased \$4.1 million representing a decrease of 2.4 percent during 2015. Overall, net position decreased \$113.2 million. If not for the prior period adjustment the net position would have increased \$15.1 million. Changes in net position were as follows:

Sedgwick County, Kansas
Change in Net Position
Fiscal Year Ended December 31, 2015
With Comparatives for the Year Ended December 31, 2014
(millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues:						
Charges for services	\$ 70.2	\$ 68.9	\$ 1.0	\$ 0.6	\$ 71.2	\$ 69.5
Operating grants and contributions	51.2	57.2	-	-	51.2	57.2
Capital grants and contributions	14.9	4.8	-	-	14.9	4.8
General revenues:						
Property taxes	160.4	157.7	-	-	160.4	157.7
Sales taxes	28.4	27.7	-	-	28.4	27.7
Other taxes	3.0	3.3	-	-	3.0	3.3
Investment earnings	5.8	4.7	-	-	5.8	4.7
Gain on sale of capital assets	0.5	-	-	-	0.5	-
Total revenues	334.4	324.3	1.0	0.6	335.4	324.9
Expenses						
General government	44.1	45.6	-	-	44.1	45.6
Public safety	140.2	141.5	-	-	140.2	141.5
Public works	31.5	31.6	-	-	31.5	31.6
Health and welfare	55.9	56.3	-	-	55.9	56.3
Culture and recreation	16.8	11.0	-	-	16.8	11.0
Economic development	17.8	21.0	-	-	17.8	21.0
Interest on long-term debt	8.9	7.1	-	-	8.9	7.1
Arena	-	-	5.1	5.6	5.1	5.6
Total expenses	315.2	314.1	5.1	5.6	320.3	319.7
Increase (decrease) in net position	19.2	10.2	(4.1)	(5.0)	15.1	5.2
Net position, beginning	450.9	440.7	169.4	174.4	620.3	615.1
Prior period adjustment	(128.3)	-	-	-	(128.3)	-
Net position, ending	\$341.8	\$450.9	\$165.3	\$169.4	\$507.1	\$620.3

Charges for services in governmental activities increased \$1.3 million in 2015. Medicaid fees revenues increased \$3.0 million mostly due to a new program called Health Home. The program provides compressive and intensive coordination of care to improve outcomes for individuals with serious mental illness and challenging health issues. Miscellaneous charges for services decreased \$1.5 million. Capital grants and contributions were up \$10.1 million. The Sedgwick County Zoo contributed \$8.8 million in capital assets due to the new elephant barn they are building. Operating grants and contributions decreased \$6.0 million from 2014 to 2015. In 2014, the State of Kansas provided funds for 2014 and 2015 state fiscal year for the Affordable Airfares fund. Property tax collections were up \$2.7 million, due to an increase in ad valorem tax collections.

Expenses of governmental activities increased \$1.1 million. General government expenses decreased \$1.5 million, 3.3%. Health and welfare expenses decreased \$0.4 million or 0.7%. Culture and recreation expenses increased \$5.8 million or 52.7%, due to a one-time payment of \$5.3 million to help fund construction of the new elephant barn at the Sedgwick County Zoo. Economic development expenses decreased \$3.2 million, the decrease was primarily was due to a onetime payment in 2014 to the Child Advocacy Center for \$1 million. Public safety expenses decreased \$1.3 million, 0.9%.

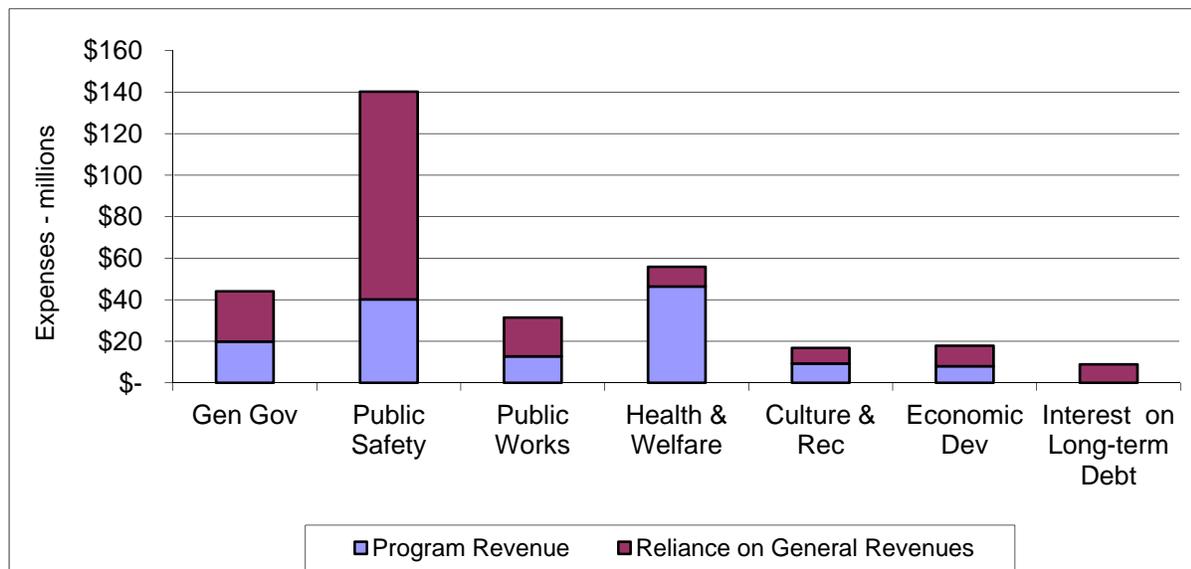
During 2015, the County implemented GASB 68 and 71, requiring the County to record its proportionate share of the Kansas Public Employees Retirement System (KPERs) collective net pension liability. A prior period adjustment was made to account for the previous liability, deferred outflow of resources and deferred inflow of resources of \$128.3 million. For additional information please refer to Note IV.E, beginning on page A-62.

Governmental Activities

Governmental activities incurred \$315,199,566 in expenses during 2015. The following list breaks this expense down into percentage by function with the corresponding dollar amount:

o Public safety	44.5%	\$140,226,506
o Health and welfare	17.7%	55,876,955
o General government	14.0%	44,076,129
o Public works	10.0%	31,455,330
o Economic development	5.7%	17,841,996
o Culture and recreation	5.3%	16,808,103
o Interest on long-term debt	2.8%	<u>8,914,547</u>
Total governmental activities expenses		<u>\$315,199,566</u>

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



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

		General Revenues	Program Revenues
o Interest on long-term debt	100.0%	\$ 8,914,547	\$ -
o Economic development	55.2%	9,844,132	7,997,864
o Culture and recreation	44.7%	7,505,398	9,302,705
o Public works	59.5%	18,725,026	12,730,304
o Public safety	71.4%	100,081,746	40,144,760
o General government	55.1%	24,267,719	19,808,410
o Health and welfare	17.0%	9,505,876	46,371,079
Total reliance on general revenues		<u>\$178,844,444</u>	<u>\$136,355,122</u>

Business-type Activity

Sedgwick County has one business-type activity, the Arena fund. Net position for fiscal year 2015 decreased by \$4.1 million to \$165.3 million. Of that \$165.3 million, \$152.0 million is invested in capital assets. The decrease can be attributed to depreciation, which was \$4.4 million.

County Funds Financial Analysis

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

Governmental Funds

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

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$218.8 million, a decrease of \$17.7 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	\$ 68,626,769	\$ 65,009,590	\$ (3,617,179)
Federal/State Assistance	23,262,996	20,396,259	(2,866,737)
Public Building Commission	50,532,966	41,905,143	(8,627,823)
Debt Service	1,644,768	3,110,533	1,465,765
Debt Proceeds	48,102,264	44,874,724	(3,227,540)
Other Governmental	44,331,235	43,499,283	(831,952)
Total Governmental Funds	\$ 236,500,998	\$ 218,795,532	\$(17,705,466)

The General Fund is the chief operating fund of Sedgwick County. Ending fund balance in the General Fund decreased \$3.6 million, compared to an increase of \$1.8 million a year ago.

Revenues of the General Fund increased \$100,000, to \$151.1 million, in 2015. A variety of miscellaneous revenues categorized as "other revenues" had a decrease of \$1.2 million. The housing mortgage program revenues decreased \$0.7 million in 2015. Property tax increased \$1.9 million from 2014. Intergovernmental revenues and charges for services decreased \$0.7 million and \$0.4 million from 2014, respectively.

General Fund expenditures increased \$7.4 million, to \$149.2 million. The increase primarily can be attributed to a one-time payment to the Sedgwick County Zoo in the amount of \$5.3 million to assist with building the elephant zoo barn, included in culture and recreation. Public safety expenditures increased \$2.9 million, attributable to an increase in personnel costs. Other functions, health and welfare, and economic development decreased \$1.5 million. This is due to a one-time payment in 2014 to the Child Advocacy center to assist in building renovations.

As a measure of the General Fund's financial position, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 26.6% of total General Fund expenditures, while total fund balance represents 43.6%. In other words, readily available resources as of December 31 were sufficient to pay for services for three months.

The Federal/State Assistance Fund is a special revenue fund that accounts for programs that receive grant funding. The Federal/State Assistance Fund ended the year with a fund balance of \$20.4 million which is \$2.9 million less than 2014. Revenues decreased \$6.2 million over the prior year, to \$58.9 million. The category of 'other revenues' decreased \$8.4 million. The decrease can be attributed to the Affordable Airfares program. The State has not provided funds for the program for the State Fiscal Year 2016, which should have been received in 2015. As well, they paid state fiscal years 2014 and 2015 in 2014. Charges for service increased \$2.3 million from 2014 to 2015. Within this category, Medicaid fees

increased \$2.7 million. Federal/State Assistance Fund expenditures decreased \$390,000. Health and welfare expenditures increased \$1.7 million due to the new Community Crisis Center program. Economic development expenditures decreased \$1.8 million. The decrease is due to a reduction in payments for the Affordable Airfares program.

The Public Building Commission (PBC) fund is a special revenue fund to account for revenues and expenditures derived from direct financing leases. The PBC fund ended the year with a fund balance of \$41.9 million, which is a decrease of \$8.6 million from 2014. During the year, the County paid \$9.5 million to Wichita State University (WSU) for construction of an Experiential Engineering facility. The facility was financed with lease-revenue bonds sold by the PBC in 2014; the fund balance primarily consists of bond proceeds that have not yet been spent on the facility. The PBC and WSU have entered into a lease for the facility.

Debt Service fund balance increased by \$1.5 million due mostly to a \$1.2 million increase in property tax revenue offset by a \$500,000 decrease in special assessments and a decrease of \$604,000 in principal and interest expenditures.

The Debt Proceeds Fund is a capital projects fund that receives proceeds from general obligation bond issues and other long-term financing sources. During 2015 the fund received \$17.3 million in proceeds from debt issuance. Proceeds were used to refund outstanding debt as well as pay for new projects. \$8.4 million was transferred to capital projects funds to pay for current projects. A significant portion of transfers out to capital projects funds included \$5.2 million for the acquisition and renovation of a building that will house Metropolitan Area Building and Construction Department, along with other various departments. Another \$1.6 million was used for road and bridge projects.

Proprietary Funds

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

The Arena Fund represents the activity of the INTRUST Bank Arena. The facility is operated by a private company; the county incurs expenses only for certain capital improvements or major repairs and depreciation, and receives as revenue only a share of profits earned by the operator, if any, and naming rights fees. The Arena Fund had an operating loss of \$4.1 million. The loss can be attributed to \$4.4 million in depreciation expense.

Internal service funds account for the County's fleet operation as well as insurance, including workers compensation, health, life, dental, property and liability. Fleet operations show an increase in 2015 of \$812,414, to \$23.9 million. The workers' compensation charges exceeded expenses and the fund ended the year with an income of \$840,620. In the Risk Management Fund, Sedgwick County expended approximately \$788,000 for property and liability insurance during 2015 and also paid \$587,000 in claims for various items including but not limited to storm damage to County property and vehicle damages. The Health, Dental and Life Insurance Reserve Fund accounts for employee benefits. In 2015, the County went to a self-funded insurance model for health insurance. Dental insurance is self-funded as well. The fund had a gain of \$1.8 million during 2015 increasing net position to \$6.8 million at the end of the year.

General Fund Budgetary Highlights

The County did not amend the budget during fiscal year 2015, although appropriations were shifted between line items in the General Fund.

Actual revenue was \$800,000, or 0.5%, below both the original and final budgets. Two of ten major revenue sources ended the year above budget. 'Other revenue' was over budget by \$1.1 million, all from housing mortgage program. Reimbursed expenditures was \$113,000 above budget. Combined the other eight major revenues were below budget \$1.9 million. Property tax collections were \$500,000 below budget. Sales tax revenue was \$442,000 below budget. Uses of money and property were \$445,000 less than budgeted, due to a rates being less than expected.

General Fund expenditures totaled \$152.4 million, and were 13.5% less than the original and final budgets. Expenditures for personnel services were less than the original and final budgets by \$4.8 million and \$4.7 million, respectively. Health insurance premiums were \$300,000 less than budgeted. Contractual services ended the year \$18.3 million lower than the final budget. The County budgets a contingency for disaster recovery each year, which is included in contractual services. Much of the discrepancy between budgeted and actual contractual expenditures is due to the fact that the county was not required to use the disaster contingency account. Overall budgetary fund balance in the General Fund decreased \$1.5 million in 2015.

Capital Asset and Debt Administration

Sedgwick County's investment in capital assets for its governmental and business-type activities as of December 31, 2015, totaled \$603,156,486 (net of accumulated depreciation). This investment in capital assets includes land, buildings, roads, bridges, improvements, machinery and equipment, software and the INTRUST Bank Arena.

Major capital asset events during the 2015 fiscal year included the following:

- Construction in progress decreased from \$57.4 million at the end of 2014 to \$46.4 million at the end of 2015. \$9.2 million of the decrease comes from the completion of the 800MHz Radio System Expand and Convert to Digital project. This project upgraded the current radio system to digital from analog.
- Sedgwick County Zoo contributed \$8.8 million in capital assets consisting of an elephant barn that will open in May 2016.

Capital Assets December 31, 2015 (net of depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	\$ 22,344,233	\$ 13,038,358	\$ 35,382,591
Buildings and improvements	203,606,468	138,378,880	341,985,348
Improvements other than buildings	17,263,861	-	17,263,861
Machinery and equipment	20,385,880	585,936	20,971,816
Infrastructure	141,197,554	-	141,197,554
Construction in progress	46,355,316	-	46,355,316
Total	\$ 451,153,312	\$ 152,003,174	\$ 603,156,486

Additional information regarding capital assets can be found in Note III. B, beginning on page A-48.

Long-term Debt

At the end of 2015, Sedgwick County had total general obligation bonds outstanding of \$67.2 million. This amount includes \$2.8 million of special assessment bonds. The County's long-term obligations also include revenue bonds totaling \$146.3 million. All outstanding debt at the end of the year was associated with governmental activities and is backed by the full faith and taxing power of Sedgwick County with the exception of the Public Building Commission 2014-3 and 2014-4 issuance, which is backed by lease revenue from Wichita State University.

During 2015, the Public Building Commission (PBC) issued current refunding revenue bonds to refund Exploration Place. The amount issued was \$6.1 million. The refunding will reduce Sedgwick County's debt payments by \$716,000 over the next seven years. The County issued \$11.1 million in general obligation bonds. \$9.2 million was issued for new projects and \$1.9 million was issued to refund 2006 issue. The refunding will reduce Sedgwick County's debt payments by \$175,000 over the next eleven years.

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

State statutes limit the amount of general obligation debt a county government may issue to three percent of its total valuation, and County policy limits it further to one and half percent. After subtracting deductions allowed by the statutes, Sedgwick County’s legal debt margin is \$122.3 million.

Additional information about the County’s long-term debt can be found in Note III. D, beginning on page A-50 of this report.

Economic Factors and Next Year’s Budgets and Rates

- The unemployment rate in the Wichita MSA stood at 4.0% at the end of 2015, as compared to 4.8% at the end of 2014.
- The 2015 County property tax levy funds the 2016 budget. The 2015 property tax (mill levy) rate is 29.383.
- Wichita is known as the air capital of the world because it houses major facilities of three leading aircraft manufacturers: Textron Aviation (which produces Cessna and Beechcraft airplanes), Spirit Aerosystems, and Bombardier Learjet, as well as many other aviation parts suppliers. General aviation shipments decreased 3.6% from third quarter 2014 to third quarter 2015 and total billings increased 2.0%.
- For 2015, the value of new residential construction permits was \$240.5 million. The value of new non-residential construction permits was \$539.8 million.
- The cost of living in Wichita is a moderate 93.1, almost 6.9% below the national urban area average.

Requests for Information

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

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Sedgwick County Division of Finance, 525 N. Main, Suite 823, Wichita, Kansas 67203.

SEDGWICK COUNTY, KANSAS

Statement of Net Position

December 31, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash, including investments	\$ 162,286,028	\$ 5,134,418	\$ 167,420,446
Receivables, net	180,258,578	375,000	180,633,578
Due from other agencies	6,861,397	-	6,861,397
Inventories, at cost	697,527	-	697,527
Prepaid items	2,488,609	-	2,488,609
Restricted assets:			
Cash, including investments	76,848,914	8,008,093	84,857,007
Capital assets:			
Land and construction in progress	68,699,549	13,038,358	81,737,907
Other capital assets, net of depreciation	382,453,763	138,964,816	521,418,579
Total assets	<u>880,594,365</u>	<u>165,520,685</u>	<u>1,046,115,050</u>
Deferred Outflows of Resources			
Deferred refunding	739,098	-	739,098
Deferred outflows - pensions	11,088,775	-	11,088,775
Total deferred outflows of resources	<u>11,827,873</u>	<u>-</u>	<u>11,827,873</u>
Liabilities			
Accounts payable and other current liabilities	6,402,794	197,595	6,600,389
Accrued wages	3,139,992	-	3,139,992
Accrued interest payable	3,346,028	-	3,346,028
Unearned revenue	10,763,441	-	10,763,441
Advance - grants	230,653	-	230,653
Noncurrent liabilities:			
Due within one year	24,311,674	-	24,311,674
Due in more than one year	352,738,677	-	352,738,677
Total liabilities	<u>400,933,259</u>	<u>197,595</u>	<u>401,130,854</u>
Deferred Inflows of Resources			
Deferred property tax receivable	139,929,023	-	139,929,023
Deferred inflows - pensions	9,809,528	-	9,809,528
Total deferred inflows of resources	<u>149,738,551</u>	<u>-</u>	<u>149,738,551</u>
Net Position			
Net investment in capital assets	320,464,675	-	320,464,675
Invested in capital assets	-	152,003,174	152,003,174
Restricted for:			
Capital improvements	15,508,107	-	15,508,107
Capital improvements and operations	-	8,247,858	8,247,858
Debt service	5,654,920	-	5,654,920
Federal/State assistance	13,713,722	-	13,713,722
Economic development	8,154,859	-	8,154,859
Equipment and technology improvements	1,164,826	-	1,164,826
Fire protection	3,046,931	-	3,046,931
Emergency communications	2,639,406	-	2,639,406
Court operations	2,799,262	-	2,799,262
Other purposes	3,264,931	-	3,264,931
Unrestricted	(34,661,211)	5,072,058	(29,589,153)
Total net position	<u>\$ 341,750,428</u>	<u>\$ 165,323,090</u>	<u>\$ 507,073,518</u>

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 Twelve Months Ended December 31, 2015

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary government:				
Governmental activities:				
General government	\$ 44,076,129	\$ 17,568,111	\$ 2,240,299	\$ -
Public safety	140,226,506	25,207,446	14,937,314	-
Public works	31,455,330	2,012,791	4,651,463	6,066,050
Health and welfare	55,876,955	24,776,064	21,595,015	-
Culture and recreation	16,808,103	437,640	-	8,865,065
Economic development	17,841,996	221,467	7,776,397	-
Interest on long-term debt	8,914,547	-	-	-
Total governmental activities	<u>315,199,566</u>	<u>70,223,519</u>	<u>51,200,488</u>	<u>14,931,115</u>
Business-type activities:				
Arena	5,087,691	971,299	-	-
Total business-type activities	<u>5,087,691</u>	<u>971,299</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 320,287,257</u>	<u>\$ 71,194,818</u>	<u>\$ 51,200,488</u>	<u>\$ 14,931,115</u>

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

Total general revenue

Change in net position

Net position, beginning of year

Prior period adjustment

Net position, end of period

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (24,267,719)	\$ -	\$ (24,267,719)
(100,081,746)	-	(100,081,746)
(18,725,026)	-	(18,725,026)
(9,505,876)	-	(9,505,876)
(7,505,398)	-	(7,505,398)
(9,844,132)	-	(9,844,132)
(8,914,547)	-	(8,914,547)
<u>(178,844,444)</u>	<u>-</u>	<u>(178,844,444)</u>
-	(4,116,392)	(4,116,392)
-	(4,116,392)	(4,116,392)
<u>\$ (178,844,444)</u>	<u>\$ (4,116,392)</u>	<u>\$ (182,960,836)</u>
160,388,971	-	160,388,971
28,402,456	-	28,402,456
2,980,953	-	2,980,953
5,761,660	-	5,761,660
511,960	-	511,960
<u>198,046,000</u>	<u>-</u>	<u>198,046,000</u>
19,201,556	(4,116,392)	15,085,164
<u>450,882,038</u>	<u>169,439,482</u>	<u>620,321,520</u>
(128,333,166)	-	(128,333,166)
<u>\$ 341,750,428</u>	<u>\$ 165,323,090</u>	<u>\$ 507,073,518</u>

SEDGWICK COUNTY, KANSAS

**Balance Sheet
Governmental Funds
December 31, 2015**

	<u>General Fund</u>	<u>Federal/State Assistance Fund</u>	<u>Public Building Commission</u>
Assets:			
Cash, including investments	\$ 55,654,122	\$ 20,028,560	\$ 1,332,558
Restricted investment	-	-	40,572,585
Advance receivable	5,847,529	-	-
Due from other funds	-	-	-
Due from other agencies	22,384	6,537,802	-
Accounts receivable	556,763	608,905	-
Property tax receivable	94,801,337	-	-
Sales tax receivable	2,538,472	-	-
Interest receivable	673,783	-	-
Prepaid items	2,488,609	-	-
Lease receivable	-	-	21,849,910
Note receivable	936,044	-	-
Special assessments receivable:			
Noncurrent	-	-	-
Delinquent (including interest)	-	-	-
Inventories, at cost	-	108,110	-
Total assets	<u>\$ 163,519,043</u>	<u>\$ 27,283,377</u>	<u>\$ 63,755,053</u>
Liabilities:			
Accounts payable	\$ 1,905,472	\$ 1,296,871	\$ -
Accrued wages	1,802,644	578,779	-
Unearned revenue	-	-	10,763,441
Advance - grants	-	230,653	-
Due to other funds	-	-	-
Advance payable	-	-	-
Total liabilities	<u>3,708,116</u>	<u>2,106,303</u>	<u>10,763,441</u>
Deferred Inflows of Resources:			
Deferred property tax receivable	94,801,337	-	-
Unavailable revenue - accounts receivable	-	4,780,815	-
Deferred lease receivable	-	-	11,086,469
Unavailable revenue - special assessments	-	-	-
Total deferred inflows of resources	<u>94,801,337</u>	<u>4,780,815</u>	<u>11,086,469</u>
Fund balances:			
Nonspendable:			
Inventories	-	108,110	-
Advance receivable	5,847,529	-	-
Note receivable	936,044	-	-
Prepaid items	2,488,609	-	-
Restricted:			
General Government	-	-	-
Debt Service	-	-	1,332,558
Public Safety	-	2,046,065	-
Public Works	-	-	-
Health and Welfare	-	10,906,257	-
Culture and Recreation	-	-	-
Economic Development	-	1,563,290	40,572,585
Capital Outlay	-	-	-
Committed:			
Public Safety	-	697,129	-
Capital Outlay	-	-	-
Assigned:			
General Government	15,882,814	-	-
Public Safety	169,236	539,687	-
Public Works	918	-	-
Health and Welfare	4,319	4,535,721	-
Capital Outlay	-	-	-
Economic Development	-	-	-
Unassigned	39,680,121	-	-
Total fund balance	<u>65,009,590</u>	<u>20,396,259</u>	<u>41,905,143</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 163,519,043</u>	<u>\$ 27,283,377</u>	<u>\$ 63,755,053</u>

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

<u>Debt Service Fund</u>	<u>Debt Proceeds Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 3,087,999	\$ 7,844,048	\$ 50,349,372	\$ 138,296,659
-	36,276,329	-	76,848,914
-	-	-	5,847,529
-	815,847	-	815,847
-	-	301,211	6,861,397
22,534	-	4,598,933	5,787,135
11,370,781	-	33,756,905	139,929,023
-	-	2,538,472	5,076,944
-	-	-	673,783
-	-	-	2,488,609
-	-	-	21,849,910
-	-	-	936,044
4,154,401	-	-	4,154,401
1,850,937	-	-	1,850,937
-	-	459,216	567,326
<u>\$ 20,486,652</u>	<u>\$ 44,936,224</u>	<u>\$ 92,004,109</u>	<u>\$ 411,984,458</u>
\$ -	\$ 61,500	\$ 2,493,502	\$ 5,757,345
-	-	730,030	3,111,453
-	-	-	10,763,441
-	-	-	230,653
-	-	815,847	815,847
-	-	5,847,529	5,847,529
-	61,500	9,886,908	26,526,268
11,370,781	-	33,756,905	139,929,023
-	-	4,861,013	9,641,828
-	-	-	11,086,469
6,005,338	-	-	6,005,338
<u>17,376,119</u>	<u>-</u>	<u>38,617,918</u>	<u>166,662,658</u>
-	-	459,216	567,326
-	-	-	5,847,529
-	-	-	936,044
-	-	-	2,488,609
-	-	1,614,781	1,614,781
3,110,533	36,276,329	25,790	40,745,210
-	-	8,515,257	10,561,322
-	-	3,816,638	3,816,638
-	-	686,720	11,592,977
-	-	37,695	37,695
-	-	9,500	42,145,375
-	8,598,395	12,982,445	21,580,840
-	-	3,917,680	4,614,809
-	-	3,814,060	3,814,060
-	-	-	15,882,814
-	-	-	708,923
-	-	292,048	292,966
-	-	-	4,540,040
-	-	8,149,548	8,149,548
-	-	-	-
-	-	(822,095)	38,858,026
<u>3,110,533</u>	<u>44,874,724</u>	<u>43,499,283</u>	<u>218,795,532</u>
<u>\$ 20,486,652</u>	<u>\$ 44,936,224</u>	<u>\$ 92,004,109</u>	<u>\$ 411,984,458</u>

SEDGWICK COUNTY, KANSAS

**Reconciliation of the Statement of Net Position to the
Balance Sheet for Governmental Funds
December 31, 2015**

Total fund balances of governmental funds		\$ 218,795,532
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$740,944,482 and the accumulated depreciation is \$305,609,078.</p>		435,335,404
<p>Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.</p>		36,281,791
<p>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.</p>		
Special assessments	\$ 6,005,338	
Principal portion of lease receivable	11,086,469	
Miscellaneous other	<u>9,641,828</u>	26,733,635
<p>Other deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds</p>		
Deferred refunding	\$ 739,098	
Deferred outflows - pensions	<u>11,088,775</u>	11,827,873
<p>Long-term liabilities are not due and payable in the current period and are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:</p>		
Bonds payable	\$ (67,220,000)	
Bond premium	(11,466,094)	
Bond discount	1,633	
Revenue bonds payable	(146,290,000)	
Capital lease payable	(1,996,279)	
Compensated absences	(6,200,000)	
Net pension liability	(122,343,954)	
Other postemployment benefits other than pensions	(18,553,557)	
Accrued interest payable	<u>(3,346,028)</u>	(377,414,279)
<p>Other deferred inflows of resources do not increase net position until a future period and therefore are not reported in the funds</p>		
Deferred inflows - pensions		<u>(9,809,528)</u>
Net position of governmental activities		\$ <u>341,750,428</u>

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SEDGWICK COUNTY, KANSAS

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Twelve Months Ended December 31, 2015**

	<u>General Fund</u>	<u>Federal/State Assistance Fund</u>	<u>Public Building Commission</u>
Revenues			
Property taxes	\$ 106,784,206	\$ -	\$ -
Emergency telephone services taxes	-	-	-
Sales taxes	15,798,794	-	-
Special assessments	-	-	-
Other taxes	262,829	5,573	-
Intergovernmental	2,481,224	33,572,988	-
Charges for services	17,016,993	24,165,434	1,364,583
Uses of money and property	4,531,174	14,438	151,455
Fines and forfeits	45,115	167,054	-
Licenses and permits	68,441	-	-
Other	4,162,281	958,049	2,000,000
Total revenues	<u>151,151,057</u>	<u>58,883,536</u>	<u>3,516,038</u>
Expenditures			
Current:			
General government	31,510,205	238,338	-
Public safety	89,821,408	11,943,824	-
Public works	1,718,959	-	-
Health and welfare	8,756,193	45,411,304	-
Cultural and recreation	14,452,856	-	-
Economic development	2,899,326	6,207,319	9,532,302
Debt service:			
Principal	-	-	1,305,000
Interest and fiscal charges	-	-	1,306,559
Debt issuance costs	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>149,158,947</u>	<u>63,800,785</u>	<u>12,143,861</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,992,110</u>	<u>(4,917,249)</u>	<u>(8,627,823)</u>
Other financing sources (uses)			
Transfers from other funds	43,671	2,050,512	-
Transfers to other funds	(7,034,920)	-	-
Premium from issuance of refunding bonds	-	-	-
Premium from issuance of general obligation bonds	-	-	-
Sale of general capital assets	1,381,960	-	-
Issuance of general obligation bonds	-	-	-
Issuance of refunding bonds	-	-	-
Payment to refunded bond	-	-	-
Total other financing sources (uses)	<u>(5,609,289)</u>	<u>2,050,512</u>	<u>-</u>
Net change in fund balance	(3,617,179)	(2,866,737)	(8,627,823)
Fund balances, beginning of year	<u>68,626,769</u>	<u>23,262,996</u>	<u>50,532,966</u>
Fund balances, end of period	<u>\$ 65,009,590</u>	<u>\$ 20,396,259</u>	<u>\$ 41,905,143</u>

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

Debt Service Fund	Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
\$ 15,482,795	\$ -	\$ 38,121,970	\$ 160,388,971
-	-	2,630,854	2,630,854
-	-	12,603,662	28,402,456
1,108,008	-	192,820	1,300,828
-	-	81,697	350,099
84,796	-	14,314,822	50,453,830
638,371	-	22,704,574	65,889,955
-	426,006	5,029	5,128,102
-	-	-	212,169
-	-	69,398	137,839
-	-	314,151	7,434,481
<u>17,313,970</u>	<u>426,006</u>	<u>91,038,977</u>	<u>322,329,584</u>
-	-	4,618,651	36,367,194
-	-	40,846,414	142,611,646
-	-	12,154,983	13,873,942
-	-	5,676,697	59,844,194
-	-	29,120	14,481,976
-	-	7,322,161	25,961,108
14,005,000	6,810,000	722,185	22,842,185
5,455,851	1,252,386	67,229	8,082,025
-	279,738	-	279,738
-	-	28,775,194	28,775,194
<u>19,460,851</u>	<u>8,342,124</u>	<u>100,212,634</u>	<u>353,119,202</u>
<u>(2,146,881)</u>	<u>(7,916,118)</u>	<u>(9,173,657)</u>	<u>(30,789,618)</u>
3,612,646	-	9,894,727	15,601,556
-	(8,421,619)	(1,553,022)	(17,009,561)
-	1,045,735	-	1,045,735
-	559,462	-	559,462
-	-	-	1,381,960
-	9,230,000	-	9,230,000
-	8,060,000	-	8,060,000
-	(5,785,000)	-	(5,785,000)
<u>3,612,646</u>	<u>4,688,578</u>	<u>8,341,705</u>	<u>13,084,152</u>
1,465,765	(3,227,540)	(831,952)	(17,705,466)
<u>1,644,768</u>	<u>48,102,264</u>	<u>44,331,235</u>	<u>236,500,998</u>
<u>\$ 3,110,533</u>	<u>\$ 44,874,724</u>	<u>\$ 43,499,283</u>	<u>\$ 218,795,532</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, 2015

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

Net change in fund balances - total governmental funds		\$ (17,705,466)
<p>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.</p>		
Capitalized assets	\$ 18,567,853	
Depreciation expense	<u>(22,225,365)</u>	(3,657,512)
<p>Contributed capital assets are recognized as revenues as on the statement of activities</p>		
		8,865,065
<p>Payments received on certain receivables are recognized as revenue when received in the fund. However, in the statement of net position, revenue is recognized as earned.</p>		
		11,593,257
<p>The net effect of various transactions involving capital assets (i.e., annexations, sales, and trade-ins) is to decrease net position.</p>		
		(917,042)
<p>Repayment of bond principal and other long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Bonds payable	\$ 14,225,000	
Revenue bond payable	13,680,000	
Capital lease payable	<u>722,185</u>	28,627,185
<p>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 position.</p>		
Bonds payable	\$ (11,145,000)	
Revenue bond payable	(6,145,000)	
Premiums	<u>(1,605,197)</u>	(18,895,197)
<p>Bond costs - governmental funds report the effect of premiums, discounts and similar items when the debt is issued, where as these amounts are deferred and amortized in the statement of activities</p>		
		641,580
<p>In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditures are not reported until due.</p>		
		(568,282)
<p>In the statement of activities, compensated absences are measured by the amounts earned during the year, instead of by the amount paid.</p>		
		750,000
<p>In the statement of activities, other postemployment benefits is measured by the amount due during the year, instead of by the amount paid.</p>		
		(371,756)
<p>Payment of pension contributions is an expenditure in the governmental funds, but reduces the net pension liability in the statement of net position. Additionally, the effect of changes in deferred inflows and deferred outflows for pensions are only recorded in the statement of activities.</p>		
		7,268,459
<p>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.</p>		
		<u>3,571,265</u>
Change in net position of governmental activities:		<u>\$ 19,201,556</u>

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SEDGWICK COUNTY, KANSAS

Statement of Net Position Proprietary Funds December 31, 2015

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
Assets		
Current assets:		
Cash, including investments	\$ 4,697,058	\$ 23,989,369
Accounts receivable	375,000	401
Inventories, at cost	-	130,201
Restricted assets:		
Cash, including investments	8,445,453	-
Total current assets	13,517,511	24,119,971
Noncurrent assets:		
Capital assets:		
Land	13,038,358	40,580
Buildings and improvements	163,412,740	8,319,354
Machinery and equipment	6,343,383	31,386,521
Construction in progress	-	-
Less accumulated depreciation	(30,791,307)	(23,928,547)
Total capital assets (net of accumulated depreciation)	152,003,174	15,817,908
Total assets	\$ 165,520,685	\$ 39,937,879
Liabilities		
Current liabilities:		
Accounts payable	\$ 197,595	\$ 645,449
Accrued wages	-	28,539
Estimated claims costs payable	-	2,754,100
Total current liabilities	197,595	3,428,088
Noncurrent liabilities:		
Estimated claims costs payable	-	228,000
Total liabilities	197,595	3,656,088
Net position		
Investment in capital assets	152,003,174	15,817,908
Restricted for capital improvements and operations	8,247,858	-
Unrestricted	5,072,058	20,463,883
Total net position	165,323,090	36,281,791
Total liabilities and net position	\$ 165,520,685	\$ 39,937,879

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

SEDGWICK COUNTY, KANSAS

Statement of Revenues, Expenses, and Changes in Net Position Proprietary Funds For the Twelve Months Ended December 31, 2015

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
Operating revenues:		
Charges for services	\$ 965,000	\$ 37,864,366
Other revenue	6,299	762,534
Total operating revenues	971,299	38,626,900
Operating expenses:		
Salaries and benefits	-	1,529,184
Contractual services	478,800	2,581,924
Utilities	-	65,299
Supplies and fuel	-	2,763,193
Administrative charges	-	177,752
Depreciation expense	4,443,603	2,717,114
Claims expense	-	26,993,764
Other expense	165,288	-
Total operating expenses	5,087,691	36,828,230
Operating income (loss)	(4,116,392)	1,798,670
Nonoperating revenues:		
Investment income	-	7,476
Gain (loss) on sale of assets	-	357,114
Total nonoperating revenues	-	364,590
Income (loss) before transfers	(4,116,392)	2,163,260
Transfers:		
Transfers from other funds	-	1,408,005
Change in net position	(4,116,392)	3,571,265
Net position, beginning of year	169,439,482	32,710,526
Net position, end of period	\$ 165,323,090	\$ 36,281,791

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, 2015

	Business-type Activity - Enterprise Fund Arena Fund	Governmental Activities - Internal Service Funds
Cash flows from operating activities		
Receipts from customers	\$ 596,299	\$ 335,080
Receipts from interfund services provided	-	37,924,975
Other operating revenues	-	366,444
Payments to suppliers for goods and services	(446,493)	(30,209,419)
Payments to employees for services	-	(1,529,184)
Net cash provided by (used in) operating activities	149,806	6,887,896
Cash flows from noncapital financing activities:		
Transfers from other funds	-	1,408,005
Net cash provided by (used in) noncapital financing activities	-	1,408,005
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	-	413,085
Purchases and construction of capital assets	(544,713)	(3,248,779)
Net cash provided by (used in) capital and related financing activities	(544,713)	(2,835,694)
Cash flows from investing activities:		
Interest on investments	-	7,476
Net cash provided by investing activities	-	7,476
Net increase in cash and cash equivalents	(394,907)	5,467,683
Cash and cash equivalents, beginning of the year	13,537,418	18,521,686
Cash and cash equivalents, end of the year	\$ 13,142,511	\$ 23,989,369
Reconciliation of operating loss to net cash provided by operating activities		
Operating income (loss)	\$ (4,116,392)	\$ 1,798,670
Adjustments to reconcile operating (loss) to net cash provided by operating activities:		
Depreciation expense	4,443,603	2,717,114
Decrease (increase) in accounts receivable	(375,000)	(401)
Decrease (increase) in inventory	-	72,903
Increase (decrease) in accounts payable	197,595	492,510
Increase in estimated claims payable	-	1,807,100
Net cash provided by (used in) operating activities	\$ 149,806	\$ 6,887,896

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

SEDGWICK COUNTY, KANSAS

**Statement of Net Position
Agency Funds
December 31, 2015**

	<u>Agency Funds</u>
Assets	
Cash, including investments	\$ 341,308,817
Accounts receivable	449
Property tax levied	<u>214,479,560</u>
Total assets	<u>\$ 555,788,826</u>
Liabilities	
Accrued liabilities	\$ 13,270,203
Due to other governmental units	<u>542,518,623</u>
Total liabilities	<u>\$ 555,788,826</u>

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

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SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

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SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

Blended Component Units - The Sedgwick County Fire District (Fire District) is governed by the Sedgwick County Board of County Commissioners, acting as a separate governing body. The Fire District is a separate taxing entity by applicable Kansas statutes, providing fire protection services to certain areas of the County. The costs of providing such service, including retirement of long-term debt, are provided from property taxes assessed to property owners in the benefit district. The Fire District general obligation bonds payable are general obligation debt of the Fire District and are secured by the full faith and credit of the Fire District. For financial reporting, the financial activities of the Fire District are accounted for within the special revenue funds, debt service funds, and capital project funds within the County's financial statements.

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. The SCPBC is considered a blended component unit due to a majority of the total debt outstanding for SCPBC being expected to be repaid entirely with the resources of the County. For financial reporting, the financial activities of the SCPBC are accounted for within the special revenue funds within the County's financial statements.

Separate audited financial statements are not prepared for the 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, 2015

I. Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements

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

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

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

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

Government-Wide Financial Statements - The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements, 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, 2015

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 *Public Building Commission Fund* is a blended component unit (special revenue fund) established to account for revenues and expenditures derived from direct financing leases.
- ❑ 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. Summary of Significant Accounting Policies (continued)

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

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

Additionally, the County reports the following fund types:

- ❑ *Special revenue funds* account for the proceeds of specific revenue sources (other than for major capital projects) that are restricted or committed 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.
- ❑ *Agency funds* are used to report resources held by the County in a custodial capacity for tax collections and related distributions to other governments, as well as amounts held as fiduciary resources for remittance to individuals, private organizations or other governments through established clearing/other fee collection accounts.

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

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. Summary of Significant Accounting Policies (continued)

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

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, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

1. Deposits and Investments

The County maintains a cash and investment pool that is available for use by all funds of the primary government. The pool has the general characteristics of demand deposit accounts, in that each fund may deposit additional cash at any time and 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 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 to be cash equivalents.

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

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. Summary of Significant Accounting Policies (continued)

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

1. Deposits and Investments (continued)

- 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 2015, the County invested in certificates of deposit, repurchase agreements, the Kansas Municipal Investment Pool, U.S. government and agency obligations, and mutual funds whose portfolio consists entirely of obligations of the U.S. government.

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

2. Receivables

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

I. Summary of Significant Accounting Policies (continued)

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

2. Receivables (continued)

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

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

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

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

Note receivable – Sedgwick County agreed to loan the Sedgwick County Zoological Society, Inc. up to \$2,400,000 for a 10-year term beginning April 1, 2007. The loan funds capital improvements for the Zoo at an initial rate of 5.23%, adjusted annually. At December 31, 2015 the note balance was \$936,044. Starting in 2014 there is a moratorium for five years. During that time the zoo will not be required to make payments on the loan. The rate will reset April 1, 2017.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (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 nonspendable fund balance, which indicates they are unavailable for appropriation, even though they are a component of reported assets. Inventories of proprietary funds are valued at cost determined on the moving weighted average method.

4. Prepaid Items

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 cost of the prepaid item is recorded as expenditures/expenses when consumed rather than when purchased. The County originally paid \$3,263,206 in advance rental payments, of which \$2,488,609 remains at December 31, 2015.

5. Capital Assets

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

Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

I. Summary of Significant Accounting Policies (continued)

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

5. Capital Assets (continued)

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

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

6. Compensated Absences

It is the County's policy to permit employees to accumulate a maximum of 160 hours of vacation. Upon termination or resignation from service to the County, employees are entitled to payment for all accrued vacation earned prior to termination or resignation.

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

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

7. Long-Term Obligations

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

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

I. Summary of Significant Accounting Policies (continued)

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

8. Pensions

For the year ended December 31, 2015, the County implemented provisions of GASB 68, Accounting and Financial Reporting for Pensions and GASB 71, Pension Transition for Contributions Made subsequent to the Measurement Date. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERs) and additions to/deductions from KPERs' fiduciary net position have been determined on the same basis as they are reported by KPERs. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Equity Classifications

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

- Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, leases, or other borrowings that are attributable to the acquisitions, construction, or improvements of those assets.
- Restricted net position – consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The County first utilizes restricted resources to finance qualifying activities.
- Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

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

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

- Non-spendable - Assets legally or contractually required to be maintained or are not in spendable form. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.
- Restricted - Assets with externally imposed constraints, such as those mandated by creditors, grantors, and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws, or regulations.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. Summary of Significant Accounting Policies (continued)

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

9. Equity Classifications (continued)

- Committed - Assets with a purpose formally imposed by resolution by the Board of County Commissioners, binding unless modified or rescinded by the Board of County Commissioners.
- Assigned - Comprises of amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the County's Board or (2) a body or official to whom the County's Board has delegated the authority to. The Board has delegated authority to the County Manager or Department Heads to assign amounts to be used for specific purposes as prescribed by the County's Fund Balance and Cash policy.
- Unassigned - All amounts not included in the other fund balance classifications. The general fund shall be the only fund to report positive unassigned fund balance. All other governmental funds may report negative unassigned fund balance.

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

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

10. Deferred Inflows of Resources/Deferred Outflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three types of items, unavailable revenue, deferred revenue and deferred inflows for pensions that qualify for reporting in this category. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources:

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

I. Summary of Significant Accounting Policies (continued)

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

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

accounts receivable and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred revenues are reported in both the government-wide statement of net position and the governmental funds balance sheet for property tax receivable and in the governmental funds balance sheet for lease receivable. Property taxes are not recognized as revenue until the period for which they are levied. Principal on the lease receivable is not available until future periods, so is deferred in the funds. The third item, deferred inflows for pensions, is reported on the government-wide statement of net position. See Note IV. E. for more information on this deferred inflow.

11. Estimates

Preparation of financial statements in conformity with GAAP requires making estimates and assumptions that affect [1] the reported amounts of assets and liabilities, [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 places level of control at the object class (i.e., personal services, contractual, commodities, etc.). This allows management to transfer amounts between object classes within a fund, subject to County policy.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

II. Stewardship, Compliance and Accountability (continued)

A. Budgetary Information (continued)

- As allowed by Kansas statute, the governing body can increase the fund level expenditures by amending the budget. An amendment may only be made for previously unbudgeted increases in revenue other than ad valorem taxes. A notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after the publication, the hearing may be held and the governing body may amend the budget at that time.

There were no budget amendments in 2015.

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

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

Non-Budgeted Special Revenue Funds

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

Non-Budgeted Internal Service Funds

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

B. Deficit Fund Equity

The Building and Equipment Fund had a fund balance deficit of \$822,095 as of December 31, 2015. These deficits will be recovered through transfers from the Debt Proceeds Fund.

III. Detailed Notes on All Funds

A. Deposits and Investments

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2015, the County had the following investments:

Investment Type	Fair Value	Modified Duration (in years)	Percent of Total Pooled Funds
U.S. treasury coupon securities	\$ 54,010,343	1.039	9.40
U.S. agency coupon securities	180,688,944	1.642	31.41
Repurchase agreements	76,852,725	-	13.36
Kansas Municipal Investment Pool ¹	142,981,353	-	24.85
Collateralized deposits	36,819,242	-	6.40
Mutual funds	7,078,952	-	1.23
Subtotal general operating portfolio	<u>498,431,559</u>		
Assets held by trustee:			
U.S. treasury coupon securities	68,421,911	-	11.89
State & Local Govt. securities	8,427,003	-	1.46
Subtotal assets held by trustee	<u>76,848,914</u>		100.00
Total Investments	<u>\$ 575,280,473</u>		
Portfolio modified duration		<u>.756</u>	

¹Interest rate risk for the Kansas Municipal Investment Pool is based on the weighted average maturity of the pool. As of December 31, 2015 the weighted average maturity of the pool was 175 days.

Custodial credit risk

Custodial credit risk is the risk that in the event of a bank failure or failure of the investment counterparty, the County's deposits may not be returned to the County, or the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has \$25,102,459 of treasury and agency coupons securities that are held by the investment counterparty.

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

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Peak period collateral agreements are not accepted by the County. Kansas law requires the fair value of collateral pledged to be equal to or greater than the entity's deposits. The County's investment policy requires the fair value of collateral to be at least 102% of the total deposits. As of December 31, 2015, the market value of assets pledged to the County as collateral complied with the investment policy.

Interest rate risk

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

Credit risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. Kansas law limits the types of investments that can be made by Sedgwick County. The County's investment policy imposes limitations beyond those of the State of Kansas. In accordance with the County's investment policy, the County minimizes credit risk by pre-qualifying financial institutions, brokers/dealers, intermediaries and advisors, as well as diversifying the portfolio so that potential losses on individual securities will be minimized. On December 31, 2015, the County's securities underlying repurchase agreements and investments consisting of U.S. agency obligations not directly guaranteed by the U.S. government included only instruments rated Aaa by Moody's and AA+ by Standard & Poor's. The County also holds investments with the Kansas Municipal Investment Pool, which is rated AAf/S1+ by Standard & Poor's. Mutual funds utilized by the County were rated AAAM by Standard & Poor's at December 31, 2015.

Concentration of credit risk

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

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

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

At December 31, the County held \$80.5 million, or 16.1%, of its portfolio in investments issued by the Federal Home Loan Bank, \$25.7 million, or 5.2%, in investments were issued by the Federal Farm Credit Bank, \$39.1, or 7.8%, in investments were issued by Federal Home Loan Mortgage Loan Corp., and investments totaling \$35.9 million, or 7.2%, 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 Position	\$ 167,420,446
Restricted cash, including investments, Statement of Net Position	84,857,007
Cash, including investments, Statement of Fiduciary Net Position	<u>341,308,817</u>
Total	<u>\$ 593,586,270</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

B. Capital Assets

Capital assets activity of the primary government, which includes the internal service funds, for the year ended December 31, 2015, was as follows:

	December 31, 2014	Increases	Decreases	December 31, 2015
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 22,184,002	\$ 1,030,231	\$ (870,000)	\$ 22,344,233
Construction in progress	57,350,139	24,585,724	(35,580,547)	46,355,316
Total capital assets, not being depreciated	79,534,141	25,615,955	(36,450,547)	68,699,549
Capital assets, being depreciated:				
Buildings and improvements	312,403,841	13,010,274	(1,242,469)	324,171,646
Leasehold improvements	2,234,871	-	-	2,234,871
Improvements other than buildings	25,635,136	12,254,439	(102,412)	37,787,163
Machinery and equipment	87,360,731	5,608,992	(4,491,627)	88,478,096
Infrastructure	249,365,741	9,953,871	-	259,319,612
Total capital assets being depreciated	677,000,320	40,827,576	(5,836,508)	711,991,388
Less accumulated depreciation for:				
Buildings and improvements	(113,017,027)	(8,574,986)	1,026,835	(120,565,178)
Leasehold improvements	(2,234,871)	-	-	(2,234,871)
Improvements other than buildings	(18,303,206)	(2,309,812)	89,716	(20,523,302)
Machinery and equipment	(66,022,040)	(6,505,833)	4,435,657	(68,092,216)
Infrastructure	(110,570,210)	(7,551,848)	-	(118,122,058)
Total accumulated depreciation	(310,147,354)	(24,942,479)	5,552,208	(329,537,625)
Total capital assets being depreciated, net	366,852,966	15,885,097	(284,300)	382,453,763
Governmental activities capital assets, net	\$ 446,387,107	\$ 41,501,052	\$ (36,734,847)	\$ 451,153,312
	December 31, 2014	Increases	Decreases	December 31, 2015
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 13,038,358	\$ -	\$ -	\$ 13,038,358
Total capital assets, not being depreciated	13,038,358	-	-	13,038,358
Capital assets, being depreciated:				
Buildings and improvements	163,140,915	271,824	-	163,412,739
Machinery and equipment	6,070,495	272,889	-	6,343,384
Total capital assets being depreciated	169,211,410	544,713	-	169,756,123
Less accumulated depreciation for:				
Buildings and improvements	(20,788,910)	(4,244,949)	-	(25,033,859)
Machinery and equipment	(5,558,794)	(198,654)	-	(5,757,448)
Total accumulated depreciation	(26,347,704)	(4,443,603)	-	(30,791,307)
Total capital assets being depreciated, net	142,863,706	(3,898,890)	-	138,964,816
Business-type activities capital assets, net	\$ 155,902,064	\$ (3,898,890)	\$ -	\$ 152,003,174

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

B. Capital Assets (continued)

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

Governmental activities:	
General government	\$ 3,492,362
Public safety	5,649,878
Public works, including depreciation of general infrastructure assets	8,743,493
Health and welfare	151,912
Culture and recreation	2,696,386
Economic Development, conserve./natural resources	1,491,334
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>2,717,114</u>
Total depreciation expense – governmental activities	<u>\$ 24,942,479</u>
Business-type activities:	
Arena fund	<u>\$ 4,443,603</u>
Total depreciation expense – business-type activities	<u>\$ 4,443,603</u>

Construction Commitments

The County had outstanding construction commitments for various capital projects and improvements totaling \$3,157,687 at December 31, 2015. This amount is reflected as an encumbrance, which is a part of the fund balance in the Capital Projects Funds, including the Building and Equipment Fund, Street, Bridge and Other Fund, Sales Tax Road and Bridge Fund, Road and Bridge Equipment Fund, and the Capital Improvement Fund. These commitments will be funded through special assessments, general obligation bonds, local sales tax, intergovernmental revenue and existing local resources.

C. Operating Leases

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

Year ending December 31	Governmental Activities
2016	\$ 800,000
2017	800,000
2018	800,000
2019	800,000
2020	800,000
2021 – 2025	4,000,000
2026 – 2030	<u>4,000,000</u>
Totals	<u>\$ 12,000,000</u>

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt

General Obligation Bonds

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

Current and Crossover Refunding Bonds

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

On September 15, 2014, the Sedgwick County Public Building Commission issued \$6,130,000 in revenue bonds at a premium of \$495,119 for a crossover refunding. The bonds have a true interest cost of 2.0 percent. The crossover refunding portion includes \$6,175,000 of Series 2007-1 Bonds with an average interest rate of 4.1 percent.

The crossover date on this refunding issue is August 1, 2016.

The County refunded these bonds to reduce its total debt service payments over a period of 12 years and will realize a net savings of \$473,397 with a present value savings of \$414,011.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

On September 15, 2014, the Sedgwick County Public Building Commission issued \$25,745,000 in revenue bonds at a premium of \$2,823,335 for a crossover refunding. The bonds have a true interest cost of 2.3 percent. The crossover refunding portion includes \$26,065,000 of Series 2008-1 Bonds with an average interest rate of 5.1 percent.

The crossover date on this refunding issue is August 1, 2018.

The County refunded these bonds to reduce its total debt service payments over a period of 14 years and will realize a net savings of \$3,076,572 with a present value savings of \$2,510,739.

On November 19, 2015, the County issued \$1,915,000 in General Obligation Bonds at a premium of \$193,758 for a crossover refunding. The bonds have a true interest cost of 1.8 percent. The crossover refunding portion includes \$2,020,000 of Series A 2006 Bonds with an average interest rate of 4.0 percent.

The crossover date on this refunding issue is August 1, 2016.

The County refunded these bonds to reduce total debt service payments over a period of 11 years and will realize a net savings of \$175,426 with a present value savings of \$152,334.

Current Refunding - On November 19, 2015, the Sedgwick County Public Building Commission issued \$6,145,000 in revenue bonds at a premium of \$851,977. The average interest rate of the new bond is 5 percent. Total proceeds of the issuance were \$6,971,834. The proceeds were used to refund \$6,810,000 of the 2003-2 bond. As a result of the refunding portion, the 2003-2 bonds were retired and the liabilities have been removed from the County's financial statements.

The County refunded these bonds to reduce total debt service payments over a period of seven years and will realize a net savings of \$716,223 with a present value savings of \$683,435.

At December 31, 2015, \$34,260,000 of crossover refunding bonds have not been called.

General obligation bonds outstanding at December 31, 2015 are as follows:

Purpose	Interest Rate	Amount
Governmental Activities – Road and Bridge	2.00 – 5.65%	\$ 19,459,013
Governmental Activities – Facilities	2.00 – 5.65%	12,715,987
Governmental Activities – Refunding	2.00 – 5.65%	32,225,000
Total general obligation bonds outstanding		\$ 64,400,000

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

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

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2016	\$ 8,232,000	\$ 2,339,708	\$ 10,571,708
2017	8,221,000	2,170,153	10,391,153
2018	8,401,000	1,898,823	10,299,823
2019	5,092,000	1,575,043	6,667,043
2020	4,887,000	1,374,058	6,261,058
2021 – 2025	18,014,000	4,028,963	22,042,963
2026 – 2030	8,438,000	1,468,101	9,906,101
2031 – 2035	<u>3,115,000</u>	<u>257,738</u>	<u>3,372,738</u>
Totals	<u>\$ 64,400,000</u>	<u>\$ 15,112,587</u>	<u>\$ 79,512,587</u>

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	2.00 – 5.20%	\$ 2,820,000

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

Year ending December 31	Governmental Activities		
	Principal	Interest	Totals
2016	\$ 228,000	\$ 108,386	\$ 336,386
2017	309,000	105,773	414,773
2018	314,000	96,456	410,456
2019	333,000	84,225	417,225
2020	343,000	73,076	416,076
2021 – 2025	1,266,000	171,243	1,437,243
2026 – 2030	<u>27,000</u>	<u>1,410</u>	<u>28,410</u>
Totals	<u>\$ 2,820,000</u>	<u>\$ 640,569</u>	<u>\$ 3,460,569</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

Sedgwick County Public Building Commission Revenue Bonds

The Sedgwick County Public Building Commission (SCPBC) is a blended component unit of Sedgwick County. The SCPBC has the authority to issue revenue bonds to finance the cost of acquiring and/or constructing land and facilities operated for a public purpose by a governmental entity. The SCPBC finances the debt service of the revenue bonds 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. The County is the operating governmental entity on eight of the eleven issues outstanding (as indicated with a “**”) with repayment schedules ranging from 5 to 20 years with one exception. The WSU Experiential Engineering 2014-3 is paid over 40 years to keep annual debt service under \$2,500,000. The current bonds outstanding are as follows:

Purpose	Interest Rate	Amount
*Public Services Administration Building 2003-3	3.60 – 4.00%	\$ 595,000
*#Juvenile Justice Complex 2007-1	4.00 – 4.125%	7,175,000
*#Technical Education Complex 2008-1	4.00 – 5.25%	31,815,000
*Public Safety Facilities & Equipment 2011-1	2.00 – 4.00%	10,495,000
*Juvenile Justice 2012-1 Refunding	2.00 – 3.00%	10,435,000
Wichita State University 2013-1 Refunding	3.00 – 4.00%	2,810,000
*Juvenile Justice Complex 2014-1 Refunding	1.00 – 5.00%	6,130,000
*Technical Education Complex 2014-2 Refunding	1.75 – 5.00%	25,745,000
^WSU Experiential Engineering (Tax Exempt) 2014-3	1.50 – 5.00%	38,895,000
^WSU Experiential Engineering 2014-4	1.95 – 3.90%	6,050,000
*Exploration Place Series 2015-1 Refunding	5.00%	6,145,000
Total		<u>\$ 146,290,000</u>

^: The County does not pledge its full faith and credit on these bond issues.

#: \$32.2 million of these bond issues have been crossover refunded as a result of the proceeds from the 2014-1 and 2014-2 issues. Funds have been placed into an escrow account to be used on the crossover dates. See page A-50 for additional information.

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

Year ending December 31	Component Unit – SCPBC		
	Principal	Interest	Totals
2016	\$ 7,090,000	\$ 5,835,428	\$ 12,925,428
2017	7,250,000	5,643,503	12,893,503
2018	6,265,000	5,379,794	11,644,794
2019	8,610,000	5,169,535	13,779,535
2020	8,900,000	4,889,801	13,789,801
2021 – 2025	44,145,000	18,785,539	62,930,539
2026 – 2030	27,000,000	10,711,854	37,711,854
2031 – 2035	5,485,000	7,769,689	13,254,689
2036 – 2040	5,825,000	6,516,769	12,341,769
2041 – 2045	7,425,000	4,878,275	12,303,275
2046 – 2050	9,295,000	2,983,575	12,278,575
2051 – 2055	9,000,000	797,125	9,797,125
Totals	<u>\$ 146,290,000</u>	<u>\$ 79,360,887</u>	<u>\$ 225,650,887</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

SCPBC Revenue Bonds – WSU Refunding 2013-1

In 2013, the SCPBC issued revenue bonds for Wichita State University to finance the costs of acquiring an interest in the Woodman Alumni Center from the Wichita State Board of Trustees. The financing of this facility by the SCPBC represents a direct financing lease, and accordingly, the net investment in the lease is recorded as a note receivable on the SCPBC's balance sheet for governmental funds, and on the government-wide statement of net position.

At December 31, 2015, the components of the net investment of this lease consist of:

Lease receivable	\$ 1,637,875
Less unearned income	83,708
Net effect on statement of net position	\$ 1,554,167

Future minimum lease rentals to be received under the direct financing lease are as follows:

Year ending December 31	Principal	Interest	Total
2016	1,434,167	77,708	1,511,875
2017	120,000	6,000	126,000
Total	\$ 1,554,167	\$ 83,708	\$ 1,637,875

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

On December 30, 2014, the SCPBC issued revenue bonds for Wichita State University (WSU) to finance the cost of acquiring an interest in the Site, and of constructing, furnishing and equipping the first project part of the Innovation Campus. The proceeds of the bonds were deposited into an escrow trust account. As the project progresses, WSU will request reimbursement for project expenditures and the SCPBC will record a lease receivable for the direct financing lease.

At December 31, 2015, the components of the net investment of this lease consist of:

Lease receivable	\$ 20,212,035
Less unearned income	10,679,733
Net effect on statement of net position	\$ 9,532,302

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

The County and WSU agreed on an amortization schedule for the entire amount of the lease. The following chart represents the adopted future minimum lease rentals to be received under the direct financing lease and is not reflective of the amounts actually borrowed and outstanding to date.

Year ending December 31	Principal	Interest	Total
2016	\$ -	\$ 1,933,821	\$ 1,933,821
2017	-	1,933,821	1,933,821
2018	565,000	1,928,313	2,493,313
2019	575,000	1,916,479	2,491,479
2020	585,000	1,902,695	2,487,695
2021-2025	3,200,000	9,234,651	12,434,651
2026-2030	3,820,000	8,593,148	12,413,148
2031-2035	4,655,000	7,736,489	12,391,489
2036-2040	5,825,000	6,516,769	12,341,769
2041-2045	7,425,000	4,878,275	12,303,275
2046-2050	9,295,000	2,983,575	12,278,575
2051-2054	9,000,000	797,125	9,797,125
Total	<u>\$ 44,945,000</u>	<u>\$ 50,355,161</u>	<u>\$ 95,300,161</u>

Fire District Lease Agreements

In 2007, 2010, 2011 and 2014 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:

Asset:	Governmental Activities
Machinery and equipment	\$ 4,336,792
Less: accumulated depreciation	1,774,052
Total	<u>\$ 2,562,740</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2015, were as follows:

Year ending December 31	Governmental Activities
2016	\$ 581,750
2017	563,347
2018	357,649
2019	170,622
2020	170,622
2021	170,622
2022	85,311
Total minimum lease payments	2,099,923
Less: amount representing interest	103,644
Total	<u>\$ 1,996,279</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

Changes in Noncurrent Liabilities

Internal Service Funds predominantly serve the governmental funds. Accordingly, long-term liabilities of the Internal Service Funds are included as part of the totals for governmental activities. At year-end, claims payable totaling \$2,982,100 are included in the amounts below. Claims are generally liquidated by the appropriate Internal Service Fund. The net pension liability will be liquidated primarily through KPERs employer contributions made primarily from the governmental funds. Generally, compensated absences and other postemployment benefits are liquidated by the General Fund. Noncurrent liability activity for the year ended December 31, 2015, is as follows:

	Beginning Balance	Prior Period Adjustment	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:						
Bonds payable:						
General obligation bonds	\$ 66,957,000	\$ -	\$ 10,770,000	\$ 13,327,000	\$ 64,400,000	\$ 8,232,000
Revenue Bonds	153,825,000	-	6,145,000	13,680,000	146,290,000	7,090,000
Special assessment debt w ith government commitment	3,343,000	-	375,000	898,000	2,820,000	228,000
Total bonds payable	224,125,000	-	17,290,000	27,905,000	213,510,000	15,550,000
Capital lease payable	2,718,464	-	-	722,185	1,996,279	620,574
Claims payable	1,175,000	-	24,173,139	22,366,039	2,982,100	2,754,100
Other postemployment benefits	18,181,801	-	2,064,232	1,692,476	18,553,557	-
Net pension liability	-	111,262,101	19,922,460	8,840,607	122,343,954	-
Compensated absences	6,950,000	-	6,497,232	7,247,232	6,200,000	5,387,000
Governmental activities	253,150,265	111,262,101	69,947,063	68,773,539	365,585,890	24,311,674
Premium/(Discount)	10,865,354	-	1,605,197	1,006,090	11,464,461	-
Noncurrent liabilities	<u>\$ 264,015,619</u>	<u>\$ 111,262,101</u>	<u>\$ 71,552,260</u>	<u>\$ 69,779,629</u>	<u>\$ 377,050,351</u>	<u>\$ 24,311,674</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Long-Term Debt (continued)

Conduit Debt

The County has issued Economic Development revenue bonds not directly obligated by the County. The County has issued these bonds individually and jointly with surrounding counties. The total amount outstanding at December 31, 2015 was \$125,843,512 for the Industrial Revenue Bonds and \$29,921,283 for the Single Family Mortgage Revenue Bonds. These bonds do not constitute an indebtedness or pledge of the faith and credit of the responsible entities or the County.

E. Interfund Transfers

A summary of interfund transfers is as follows:

	Transfers in:					Totals
	General Fund	Federal/State Assistance Funds	Debt Service Fund	Nonmajor Governmental Funds	Internal Service Funds	
Transfers out:						
General Fund	\$ -	\$ 1,811,607	\$ 1,597,566	\$ 2,243,787	\$ 1,381,960	\$ 7,034,920
Debt Proceed Fund	-	-	1,275,842	7,145,777	-	8,421,619
Nonmajor Governmental Funds	43,671	238,905	739,238	505,163	26,045	1,553,022
Total	\$ 43,671	\$ 2,050,512	\$ 3,612,646	\$ 9,894,727	\$ 1,408,005	\$ 17,009,561

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

F. Interfund Receivables and Payables

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

III. Detailed Notes on All Funds (continued)

F. Interfund Receivables and Payables (continued)

A summary of interfund receivables and payables at December 31, 2015 is as follows:

	Interfund Receivable	Interfund Payable
Debt Proceeds Fund	\$ 815,847	\$ -
Nonmajor Capital Projects Funds:		
Building and Equipment Fund	-	815,847
	\$ 815,847	\$ 815,847

During 2003, 2013 and 2014 interfund loans were made between the General Fund and the Capital Improvement Fund to provide for the funding of specific capital improvement projects. These advance receivables and payables as of December 31, 2015 are as follows:

	Advance Receivables	Advance Payables
General Fund	\$ 5,847,529	\$ -
Nonmajor Capital Projects Fund:		
Capital Improvement Fund	-	5,847,529
	\$ 5,847,529	\$ 5,847,529

IV. Other Information

A. Risk Management

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

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

Health/Dental/Life Insurance Reserve Fund. The County has a self-funded insurance fund for health claims. Claims for county employees are administered through a third party administrator for the County's self-insured plan. Premiums are paid by employer and employee contributions into an internal service fund and are available to pay claims and costs of an administrative service agreement. An excess insurance policy covers individual claims in excess of \$500,000. Incurred but not reported claims of \$1,900,000 have been accrued as a liability. In 2015, \$21,271,135 was paid as claims. The outstanding claims liability is calculated from historical data and future expectations. This includes an estimated liability for known claims as well as an estimated liability for claims incurred but not reported.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

IV. Other Information (continued)

A. Risk Management (continued)

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:

	Workers' Compensation	Health/Dental Life Insurance
January 1, 2014 liability balances	\$ 1,141,000	\$ -
Claims and changes in estimates	1,246,900	-
Claim payments	(1,212,900)	-
December 31, 2014 liability balances	1,175,000	-
Claims and changes in estimates	1,002,004	23,171,135
Claim payments	(1,094,904)	(21,271,135)
December 31, 2015 liability balances	\$ 1,082,100	\$ 1,900,000

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

Health/Dental/Life Insurance Reserve Fund	\$ 6,828,190
Workers' Compensation Reserve Fund	3,263,962
Risk Management Reserve Fund	2,310,795

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

IV. Other Information (continued)

B. Commitments

Encumbrances - The County uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to executed contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve portion of applicable appropriations. Encumbrances still open at year end are not accounted for as expenditures and liabilities but, rather, as restricted, committed, or assigned fund balance. As of December 31, 2015 the County's governmental funds had a total of \$3.5 million in encumbrances, which were reported as following:

	General	Federal/State Assistance	Other Governmental Funds	Total Governmental Funds
Restricted:				
General government	\$ -	\$ -	\$ 1,245	\$ 1,245
Public safety	-	47,053	24,371	71,424
Health and welfare	-	13,396	6	13,402
Public Works	-	-	12,381	12,381
Economic development	-	3,861	-	3,861
Capital Outlay	-	-	2,387,584	2,387,584
Committed:				
Public safety	-	87	11,767	11,854
Capital Outlay	-	-	671,440	671,440
Assigned:				
General government	54,628	-	-	54,628
Public safety	169,236	-	-	169,236
Public works	918	-	-	918
Health and welfare	4,318	-	-	4,318
Capital Outlay	-	-	98,663	98,663
Total	<u>\$ 229,100</u>	<u>\$ 64,397</u>	<u>\$ 3,207,457</u>	<u>\$ 3,500,954</u>

C. Contingent Liabilities

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

IV. Other Information (continued)

D. Pending Governmental Accounting Standards

GASB Statement No. 72, Fair Value Measurement and Application, was issued in February 2015. This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes, applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2016.

GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, establishes financial reporting standards for state and local governmental OPEB plans that are administered through trusts or equivalent arrangements and for governments that hold assets accumulated for purposes of providing OPEB through defined benefit OPEB plans that are not administered through a trust or equivalent arrangement. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2017.

GASB Statement No. 75, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions, replaces the requirements of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement No. 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2018.

GASB Statement No. 77, Tax Abatement Disclosures, increases the disclosure requirements for tax abatements affecting the government entity and its ability to raise resources in the future. This standard applies to a reporting government's own tax abatement agreements or agreements entered into by other governments and that reduce the reporting government's tax revenues. The government that enters into the agreement must begin disclosing (1) brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provision for recapturing abated taxes, and the types of commitments made by tax abatement recipients, (2) the gross dollar amount of taxes abated during the period and (3) commitments made by a government, other than to abate taxes, as part of a tax abatement agreement. For governments impacted by other governments' tax abatements, the following must be disclosed: (1) the names of the governments that entered into the agreements, (2) the specific taxes being abated, and (3) the gross dollar amount of taxes abated during the period. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2016.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

IV. Other Information (continued)

D. Pending Governmental Accounting Standards (continued)

GASB Statement No. 79, Certain External Investment Pools and Pool Participants, addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purpose. This statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2016.

GASB Statement No. 80, Blending Requirements for Certain Component Units, amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain organizations Are Component Units. The provisions of this statement are effective for financial statements for the County's fiscal year ending December 31, 2017.

E. Defined Benefit Pension Plans

General Information about the Pension Plan

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

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

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

IV. Other Information (continued)

E. Defined Benefit Pension Plans (continued)

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

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

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contributions rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes the Police and Firemen (KP&F) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 0.85% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.48% for KPERS and 21.36% for KP&F for the fiscal year ended December 31, 2015. Contributions to the pension plan from the County were \$9,079,974 for KPERS and \$7,136,397 for KP&F for the year ended December 31, 2015.

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

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

IV. Other Information (continued)

E. Defined Benefit Pension Plans (continued)

At December 31, 2015, the County reported a liability of \$72,544,365 for KPERS and \$49,799,589 for KP&F for its proportionate share of the KPERS' collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2015, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The County's proportion of the collective net pension liability was based on the ratio of the County's actual contributions to KPERS and KP&F, relative to the total employer and nonemployer contributions of the KPERS and KP&F for the fiscal year ended June 30, 2015. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2015, the County's proportion and change from its proportion measured as of June 30, 2014 were as follows:

	Net pension liability as of December 31, 2015	Proportion as of June 30, 2015	Increase in proportion from June 30, 2014
KPERS (local)	\$ 72,544,365	5.525%	0.122%
KP&F	49,799,589	6.858%	0.033%
	<u>\$ 122,343,954</u>		

For the year ended December 31, 2015, the County recognized pension expense of \$4,900,416 for KPERS and \$4,485,945 for KP&F. At December 31, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 454,450	\$ 2,887,168
Net difference between projected and actual earnings on pension plan investments	-	4,405,391
Changes in proportionate share	1,712,907	1,005,097
Changes in assumptions	-	1,511,872
County contributions subsequent to measurement date	<u>8,921,418</u>	<u>-</u>
Total	<u>\$ 11,088,775</u>	<u>\$ 9,809,528</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

IV. Other Information (continued)

E. Defined Benefit Pension Plans (continued)

The \$8,921,418 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases (decreases) to pension expense as follows:

Year ended December 31:	Deferred Outflows of Resources	Deferred Inflows of Resources
2016	\$ 481,103	\$ (3,744,309)
2017	481,103	(3,744,309)
2018	481,103	(3,744,309)
2019	459,686	1,867,170
2020	264,362	(443,771)
	\$ 2,167,357	\$ (9,809,528)

Actuarial assumptions. The total pension liability for KPERS in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	3.00%
Wage inflation	4.00%
Salary increases, including wage increases	4.00% to 16.00%, including inflation
Long-term rate of return, net of investment expense, and including price inflation	8.00%

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study conducted for the three year period beginning December 31, 2012.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

IV. Other Information (continued)

E. Defined Benefit Pension Plans (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	47%	6.30%
Fixed income	13	0.80
Yield driven	8	4.20
Real return	11	1.70
Real estate	11	5.40
Alternatives	8	9.40
Short-term investments	2	(0.50)
Total	100%	

Discount rate. The discount rate used by KPERS to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the KPERS' Board of Trustees for this group may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in the future. Employers contribute the full actuarial determined rate for KP&F. Future employer contribution rates were also modeled for KP&F assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

IV. Other Information (continued)

E. Defined Benefit Pension Plans (continued)

Sensitivity of the County's proportionate share of the collective net pension liability to changes in the discount rate. The following presents the County's proportionate share of the collective net pension liability calculated using the discount rate of 8.00%, as well as what the County's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
County's KPERS proportionate share of the net pension liability	\$ 102,980,571	\$ 72,544,365	\$ 46,740,436
County's KP&F proportionate share of the net pension liability	72,317,706	49,799,589	30,779,473
	\$ 175,298,277	\$ 122,343,954	\$ 77,519,909

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

Prior period adjustment. The implementation of GASB 68 resulted in a \$111,262,101 increase to the net pension liability, a \$24,801,157 increase to deferred inflows, a \$7,730,092 increase to deferred outflows and a \$128,333,166 decrease to net position as of January 1, 2015.

F. Other Postemployment Benefits Other Than Pensions

Plan description. The County sponsors a single-employer defined benefit healthcare plan that provides healthcare benefits, including medical, dental and vision, to retirees. Retiree health coverage is provided for under K.S.A. 12-5040. Employees who retire with at least 10 years of cumulative service with the County and commence retirement or disability benefits under the Kansas Public Employee Retirement System (KPERS) are eligible for benefits. The funding policy of the County is to pay premiums as they come due through the Health/Dental/Life Insurance Reserve internal service fund.

County retirees pay the same premiums charged to COBRA participants for medical, dental and vision coverage. The COBRA rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these two amounts is the implicit rate subsidy, which is considered other post employment benefits (OPEB) under Governmental Accounting Standards Board Statement No. 45 (GASB Statement 45).

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2015

IV. Other Information (continued)

F. Other Postemployment Benefits Other Than Pensions (continued)

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

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following tables show the components of the primary government OPEB cost for 2015:

Annual OPEB Cost and Obligation for 2015	Amount
Annual required contribution (ARC)	\$ 2,123,089
Interest on Net OPEB Obligation	636,363
Adjustment to the ARC	(695,220)
Annual OPEB cost (expense)	2,064,232
Contributions made	(1,692,476)
Increase in net OPEB obligation	371,756
Net OPEB obligation—beginning of year	18,181,801
Net OPEB obligation—end of year	\$ 18,553,557

Employer Contribution for 2015	Amount
Age-approximating premiums paid on behalf of retirees	\$ 2,226,375
Retiree contribution	(533,899)
Net employer contribution	\$ 1,692,476

Schedule of Employer Contributions				
Year	Net OPEB Obligation	Annual OPEB Cost	Net Employer Contributions	Percentage Contributed
2013	17,112,844	2,656,514	1,318,416	49.6%
2014	18,181,801	2,652,183	1,583,226	59.7%
2015	18,553,557	2,064,232	1,692,476	82.0%

Funded Status and Funding Progress. As of January 1, 2015, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$21.4 million, and there was no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$21.4 million. The covered payroll (annual payroll of active employees covered by the plan) was \$117.8 million, and the ratio of the UAAL to the covered payroll was 18.1 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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2015

IV. Other Information (continued)

F. Other Postemployment Benefits Other Than Pensions (continued)

information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the January 1, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 2.75 percent inflation rate implicitly included in the 3.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment return on the County's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 7.5 percent initially, reduced by decrements to an ultimate rate of 5 percent after seven years. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2015, was thirty years.

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

G. Termination Benefits

During 2011, the County adopted a retirement incentive program to reduce its workforce. This was done as a cost saving measure in response to the decline in the economy. Eligible employees were given the option to participate in medical insurance for five years or until retiree reaches the age of 65. The County would continue paying the current employer portion of the premium consistent with the contribution of active employees. If during the five years the employee reaches the age of 65, the benefit will transition to a single Medicare supplemental plan. The employee could also elect a one-time pay out of sick leave plus an additional 20 days (a maximum of a 50 day payout). In 2015, benefits paid were \$1,281,779. The effect of the health care benefit is included with the determination of other post employment benefits described in Note F. above. The retirement incentive program increased the accrual actuarial liability by \$3,560,513 for the year ended December 31, 2015.

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2015

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget to Actual – Budgetary Basis General Fund For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive/ (Negative)
Revenues				
Property taxes	\$ 107,327,061	\$ 107,327,061	\$ 106,784,206	\$ (542,855)
Sales taxes	28,889,628	28,889,628	28,447,557	(442,071)
Other taxes	302,297	302,297	262,829	(39,468)
Intergovernmental	2,552,092	2,552,092	2,486,936	(65,156)
Charges for services	17,613,321	17,613,321	17,430,942	(182,379)
Uses of money and property	5,065,005	5,065,005	4,619,663	(445,342)
Fines and forfeits	50,698	50,698	45,115	(5,583)
Licenses and permits	293,034	293,034	68,441	(224,593)
Reimbursed expenditures	5,069,864	5,069,864	5,183,494	113,630
Other	2,794,282	2,794,282	3,855,167	1,060,885
Total revenues	<u>169,957,282</u>	<u>169,957,282</u>	<u>169,184,350</u>	<u>(772,932)</u>
Expenditures				
Current:				
Personnel services	109,015,516	108,877,238	104,220,431	4,656,807
Contractual services	61,963,452	60,887,484	42,596,904	18,290,580
Commodities	5,477,398	6,017,768	5,326,346	691,422
Capital outlay	2,293,787	396,645	302,903	93,742
Total expenditures	<u>178,750,153</u>	<u>176,179,135</u>	<u>152,446,584</u>	<u>23,732,551</u>
Revenues over expenditures	<u>(8,792,871)</u>	<u>(6,221,853)</u>	<u>16,737,766</u>	<u>22,959,619</u>
Other financing sources (uses)				
Sale of general capital assets	-	-	1,381,960	1,381,960
Transfers from other funds	-	-	43,671	43,671
Transfers to other funds	(17,311,150)	(19,882,168)	(19,661,132)	221,036
Total other financing sources (uses)	<u>(17,311,150)</u>	<u>(19,882,168)</u>	<u>(18,235,501)</u>	<u>1,646,667</u>
Net change in fund balances	(26,104,021)	(26,104,021)	(1,497,735)	24,606,286
Fund balances, beginning of year	26,104,021	26,104,021	64,504,419	38,400,398
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,006,684</u>	<u>\$ 63,006,684</u>

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2015

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

Budget / GAAP Reconciliation

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

	December 31, 2015
Fund balance, budgetary basis	\$ 63,006,684
Current year encumbrances	229,100
Fair value adjustment of investments	(1,205,981)
Accrued revenues	4,708,871
Accrued expenditures	(1,729,084)
Fund balance, GAAP basis	\$ 65,009,590

Defined Benefit Pension Plans

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

	2015	2014	2013
County's proportion of the collective net pension liability:			
KPERS (local group)	5.525%	5.403%	5.475%
KP&F (police & firemen)	6.858%	6.825%	6.879%
County's proportionate share of the collective net pension liability	\$122,343,954	\$111,262,101	\$139,254,285
County's covered-employee payroll ^	\$127,247,391	\$122,530,074	\$122,135,423
County's proportionate share of the collective net pension liability as a percentage of its covered-employee payroll	96.15%	90.80%	114.02%
Plan fiduciary net position as a percentage of the total pension liability	64.95%	66.60%	59.94%

* GASB 68 requires presentation of ten years. As of December 31, 2015, only three years of information is available.

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

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2015

Defined Benefit Pension Plans (continued)

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 16,216,371	\$ 14,137,345	\$ 12,199,406
Contributions in relation to the contractually required contribution	<u>(16,216,371)</u>	<u>(14,137,345)</u>	<u>(12,199,406)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll ^	\$ 127,537,022	\$ 124,775,254	\$ 122,097,547
Contributions as a percentage of covered-employee payroll	12.72%	11.33%	9.99%

* GASB 68 requires presentation of ten years. As of December 31, 2015, only three years of information is available.

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

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

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

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

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2015

Other Postemployment Benefits Other Than Pensions

Actuarial Valuation Date	Actuarial Value of Assets	Schedule of Funding Progress			Covered Payroll	UAAL as a Percentage of Covered Payroll
		Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio		
01/01/2011	-	22,649,095	22,649,095	-	121,832,839	18.6%
01/01/2013	-	27,567,411	27,567,411	-	111,026,155	24.8%
01/01/2015	-	21,379,829	21,379,826	-	117,796,647	18.1%

Note 1 Significant Factors Affecting Trends in Actuarial Information

Changes in the Actuarial Accrued Liability for the valuation completed at January 1, 2015 are primarily due to:

- The disability, turnover and retirement rates were updated where applicable to be based on the latest available rates from KPERs/KP&F.
- The assumed mortality was updated to reflect the Society of Actuaries Adjusted RPH-2014 Total Dataset Mortality with MP-2015 full generational improvement.
- The assumed proportion of future retirees with a covered spouse was lowered from 50% to 40%. This is based on multiple years of retiree experience.
- The assumed trend rates and per capita costs were updated as part of the ongoing valuation analysis.
- The assumed enrollment rate for future retirees was lowered from 55% to 45%. Twelve years of County experience was utilized in evaluating this assumption.
- The County went to a self-funded arrangement for Medical/Rx effective January 1, 2015. Thus, pre-65 per capita costs were evaluated as expected claims plus admin fees.

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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	Court Trustee Operations
Comprehensive Community Care	Special Alcohol and Drug Programs
Emergency Medical Services	Auto License
Aging Services	Court Alcohol/Drug Safety Action Program
Public Works Highways	Prosecuting Attorney Training
Noxious Weeds	Register of Deeds Technology
Solid Waste	Fire District Operating
Special Parks and Recreation	Fire District Research and Development
Emergency Telephone Services	Township Dissolution

Nonmajor Debt Service Fund

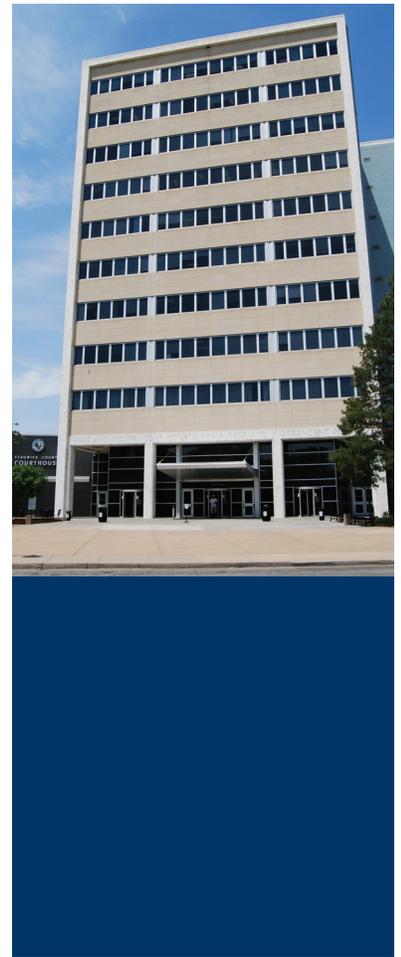
Debt Service Funds are used to account for the proceeds of designated revenue sources that are used to finance general obligation debt. The following nonmajor Debt Service Fund is reported:

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

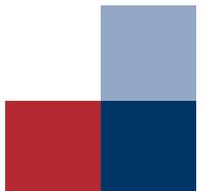


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SEDGWICK COUNTY, KANSAS

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015**

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
Assets				
Cash, including investments	\$ 20,122,835	\$ 25,790	\$ 30,200,747	\$ 50,349,372
Due from other agencies	1,530	-	299,681	301,211
Accounts receivable	4,598,933	-	-	4,598,933
Property tax receivable	33,756,905	-	-	33,756,905
Sales tax receivable	-	-	2,538,472	2,538,472
Inventories, at cost	459,216	-	-	459,216
Total assets	\$ 58,939,419	\$ 25,790	\$ 33,038,900	\$ 92,004,109
Liabilities:				
Accounts payable	\$ 549,926	\$ -	\$ 1,943,576	\$ 2,493,502
Accrued wages	721,721	-	8,309	730,030
Due to other funds	-	-	815,847	815,847
Advance payable	-	-	5,847,529	5,847,529
Total liabilities	1,271,647	-	8,615,261	9,886,908
Deferred Inflows of Resources:				
Deferred property tax receivable	33,756,905	-	-	33,756,905
Unavailable revenue - accounts receivable	4,561,332	-	299,681	4,861,013
Total deferred inflows of resources	38,318,237	-	299,681	38,617,918
Fund balances:				
Nonspendable:				
Inventories	459,216	-	-	459,216
Restricted:				
General Government	1,614,781	-	-	1,614,781
Debt Service	-	25,790	-	25,790
Public Safety	8,515,257	-	-	8,515,257
Public Works	3,816,638	-	-	3,816,638
Health and Welfare	686,720	-	-	686,720
Culture and Recreation	37,695	-	-	37,695
Economic Development	9,500	-	-	9,500
Capital Outlay	-	-	12,982,445	12,982,445
Committed:				
Public Safety	3,917,680	-	-	3,917,680
Capital Outlay	-	-	3,814,060	3,814,060
Assigned:				
Public Works	292,048	-	-	292,048
Capital Outlay	-	-	8,149,548	8,149,548
Unassigned	-	-	(822,095)	(822,095)
Total fund balance	19,349,535	25,790	24,123,958	43,499,283
Total liabilities, deferred inflows of resources and fund balances	\$ 58,939,419	\$ 25,790	\$ 33,038,900	\$ 92,004,109

SEDGWICK COUNTY, KANSAS

**Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
December 31, 2015**

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Assets				
Cash, including investments	\$ 129,238	\$ 660,972	\$ 4,182,608	\$ 101,413
Due from other agencies	-	-	-	-
Accounts receivable	11,273	4,391	4,564,975	4,047
Property tax receivable	6,396,236	2,493,299	2,567,504	2,384,463
Inventories, at cost	-	-	459,216	-
Total assets	\$ 6,536,747	\$ 3,158,662	\$ 11,774,303	\$ 2,489,923
Liabilities:				
Accounts payable	\$ 131,011	\$ 3,770	\$ 48,742	\$ 50,331
Accrued wages	-	23,506	221,359	10,588
Total liabilities	131,011	27,276	270,101	60,919
Deferred Inflows of Resources:				
Deferred property tax receivable	6,396,236	2,493,299	2,567,504	2,384,463
Unavailable revenue - accounts receivable	-	-	4,559,802	-
Total deferred inflows of resources	6,396,236	2,493,299	7,127,306	2,384,463
Fund balances:				
Nonspendable:				
Inventories	-	-	459,216	-
Restricted:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	638,087	-	44,541
Culture and Recreation	-	-	-	-
Economic Development	9,500	-	-	-
Committed:				
Public Safety	-	-	3,917,680	-
Assigned:				
Public Works	-	-	-	-
Total fund balance	9,500	638,087	4,376,896	44,541
Total liabilities, deferred inflows of resources and fund balances	\$ 6,536,747	\$ 3,158,662	\$ 11,774,303	\$ 2,489,923

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 2,633,487	\$ 229,765	\$ 1,394,052	\$ 37,695	\$ 2,669,782	\$ 2,798,726
1,530	-	-	-	-	-
8,972	629	-	-	-	-
4,809,420	375,194	-	-	-	-
-	-	-	-	-	-
<u>\$ 7,453,409</u>	<u>\$ 605,588</u>	<u>\$ 1,394,052</u>	<u>\$ 37,695</u>	<u>\$ 2,669,782</u>	<u>\$ 2,798,726</u>
\$ 18,379	\$ 454	\$ 21,572	\$ -	\$ 30,376	\$ 90,623
98,418	4,837	14,559	-	-	61,209
<u>116,797</u>	<u>5,291</u>	<u>36,131</u>	<u>-</u>	<u>30,376</u>	<u>151,832</u>
4,809,420	375,194	-	-	-	-
1,530	-	-	-	-	-
<u>4,810,950</u>	<u>375,194</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,639,406	2,646,894
2,525,662	-	1,290,976	-	-	-
-	-	-	-	-	-
-	-	-	37,695	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	225,103	66,945	-	-	-
<u>2,525,662</u>	<u>225,103</u>	<u>1,357,921</u>	<u>37,695</u>	<u>2,639,406</u>	<u>2,646,894</u>
<u>\$ 7,453,409</u>	<u>\$ 605,588</u>	<u>\$ 1,394,052</u>	<u>\$ 37,695</u>	<u>\$ 2,669,782</u>	<u>\$ 2,798,726</u>

(Continued)

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
 December 31, 2015

	Special Alcohol and Drug Programs	Auto License	Court Alcohol/Drug Safety Action Program	Prosecuting Attorney Training
Assets				
Cash, including investments	\$ 4,092	\$ 319,677	\$ 148,276	\$ 41,766
Due from other agencies	-	-	-	-
Accounts receivable	-	-	-	-
Property tax receivable	-	-	-	-
Inventories, at cost	-	-	-	-
Total assets	\$ 4,092	\$ 319,677	\$ 148,276	\$ 41,766
Liabilities:				
Accounts payable	\$ -	\$ 15,951	\$ -	\$ 8,016
Accrued wages	-	46,308	-	-
Total liabilities	-	62,259	-	8,016
Deferred Inflows of Resources:				
Deferred property tax receivable	-	-	-	-
Unavailable revenue - accounts receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Nonspendable:				
Inventories	-	-	-	-
Restricted:				
General Government	-	257,418	-	-
Public Safety	-	-	148,276	33,750
Public Works	-	-	-	-
Health and Welfare	4,092	-	-	-
Culture and Recreation	-	-	-	-
Economic Development	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Assigned:				
Public Works	-	-	-	-
Total fund balance	4,092	257,418	148,276	33,750
Total liabilities, deferred inflows of resources and fund balances	\$ 4,092	\$ 319,677	\$ 148,276	\$ 41,766

Technology	Fire District Operating	Fire District Research and Development	Township Dissolution	Totals
\$ 1,170,578	\$ 3,385,027	\$ 23,144	\$ 192,537	\$ 20,122,835
-	-	-	-	1,530
-	4,646	-	-	4,598,933
-	14,730,789	-	-	33,756,905
-	-	-	-	459,216
<u>\$ 1,170,578</u>	<u>\$ 18,120,462</u>	<u>\$ 23,144</u>	<u>\$ 192,537</u>	<u>\$ 58,939,419</u>
\$ 21	\$ 130,680	\$ -	\$ -	\$ 549,926
5,731	235,206	-	-	721,721
<u>5,752</u>	<u>365,886</u>	<u>-</u>	<u>-</u>	<u>1,271,647</u>
-	14,730,789	-	-	33,756,905
-	-	-	-	4,561,332
-	14,730,789	-	-	38,318,237
-	-	-	-	459,216
1,164,826	-	-	192,537	1,614,781
-	3,023,787	23,144	-	8,515,257
-	-	-	-	3,816,638
-	-	-	-	686,720
-	-	-	-	37,695
-	-	-	-	9,500
-	-	-	-	3,917,680
-	-	-	-	292,048
<u>1,164,826</u>	<u>3,023,787</u>	<u>23,144</u>	<u>192,537</u>	<u>19,349,535</u>
<u>\$ 1,170,578</u>	<u>\$ 18,120,462</u>	<u>\$ 23,144</u>	<u>\$ 192,537</u>	<u>\$ 58,939,419</u>

SEDGWICK COUNTY, KANSAS

*Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2015*

	<u>Building and Equipment</u>	<u>Street, Bridge and Other</u>	<u>Sales Tax Road and Bridge</u>	<u>Road and Bridge Equipment</u>
Assets				
Cash, including investments	\$ -	\$ 3,239	\$ 12,274,346	\$ 193,555
Due from other agencies	-	-	299,681	-
Sales tax receivable	-	-	2,538,472	-
Total assets	<u>\$ -</u>	<u>\$ 3,239</u>	<u>\$ 15,112,499</u>	<u>\$ 193,555</u>
Liabilities:				
Accounts payable	\$ 6,248	\$ -	\$ 1,825,303	\$ -
Accrued wages	-	-	8,309	-
Due to other funds	815,847	-	-	-
Advance payable	-	-	-	-
Total liabilities	<u>822,095</u>	<u>-</u>	<u>1,833,612</u>	<u>-</u>
Deferred Inflows of Resources:				
Unavailable revenue - accounts receivable	-	-	299,681	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>299,681</u>	<u>-</u>
Fund balances:				
Restricted:				
Capital Outlay	-	3,239	12,979,206	-
Committed:				
Capital Outlay	-	-	-	-
Assigned:				
Capital Outlay	-	-	-	193,555
Unassigned	(822,095)	-	-	-
Total fund balance	<u>(822,095)</u>	<u>3,239</u>	<u>12,979,206</u>	<u>193,555</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 3,239</u>	<u>\$ 15,112,499</u>	<u>\$ 193,555</u>

Highway Improvement	Capital Improvements	Equipment Reserve	Fire District Special Equipment	Totals
\$ 45,623	\$ 9,771,164	\$ 7,238,714	\$ 674,106	\$ 30,200,747
-	-	-	-	299,681
-	-	-	-	2,538,472
<u>\$ 45,623</u>	<u>\$ 9,771,164</u>	<u>\$ 7,238,714</u>	<u>\$ 674,106</u>	<u>\$ 33,038,900</u>
\$ -	\$ 109,575	\$ 2,450	\$ -	\$ 1,943,576
-	-	-	-	8,309
-	-	-	-	815,847
-	5,847,529	-	-	5,847,529
-	5,957,104	2,450	-	8,615,261
-	-	-	-	299,681
-	-	-	-	299,681
-	-	-	-	12,982,445
-	3,814,060	-	-	3,814,060
45,623	-	7,236,264	674,106	8,149,548
-	-	-	-	(822,095)
<u>45,623</u>	<u>3,814,060</u>	<u>7,236,264</u>	<u>674,106</u>	<u>24,123,958</u>
<u>\$ 45,623</u>	<u>\$ 9,771,164</u>	<u>\$ 7,238,714</u>	<u>\$ 674,106</u>	<u>\$ 33,038,900</u>

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SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Twelve Months Ended December 31, 2015

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
Revenues				
Property taxes	\$ 38,121,970	\$ -	\$ -	\$ 38,121,970
Emergency telephone services taxes	2,630,854	-	-	2,630,854
Sales taxes	-	-	12,603,662	12,603,662
Special assessments	-	-	192,820	192,820
Other taxes	81,697	-	-	81,697
Intergovernmental	8,548,577	-	5,766,245	14,314,822
Charges for services	22,702,461	-	2,113	22,704,574
Uses of money and property	4,690	-	339	5,029
Licenses and permits	69,398	-	-	69,398
Other	83,319	-	230,832	314,151
Total revenues	72,242,966	-	18,796,011	91,038,977
Expenditures				
Current:				
General government	4,618,651	-	-	4,618,651
Public safety	40,846,414	-	-	40,846,414
Public works	12,154,983	-	-	12,154,983
Health and welfare	5,676,697	-	-	5,676,697
Culture and recreation	29,120	-	-	29,120
Economic development	7,322,161	-	-	7,322,161
Debt service:				
Principal	722,185	-	-	722,185
Interest and fiscal charges	67,229	-	-	67,229
Capital outlay	-	-	28,775,194	28,775,194
Total expenditures	71,437,440	-	28,775,194	100,212,634
Excess (deficiency) of revenues over (under) expenditures	805,526	-	(9,979,183)	(9,173,657)
Other financing sources (uses)				
Transfers from other funds	207,478	-	9,687,249	9,894,727
Transfers to other funds	(1,349,499)	-	(203,523)	(1,553,022)
Total other financing sources (uses)	(1,142,021)	-	9,483,726	8,341,705
Net change in fund balances	(336,495)	-	(495,457)	(831,952)
Fund balances, beginning of year	19,686,030	25,790	24,619,415	44,331,235
Fund balances, end of period	\$ 19,349,535	\$ 25,790	\$ 24,123,958	\$ 43,499,283

SEDGWICK COUNTY, KANSAS

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Twelve Months Ended December 31, 2015**

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Revenues				
Property taxes	\$ 7,322,161	\$ 2,967,127	\$ 2,902,025	\$ 2,459,170
Emergency telephone services taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	-	174,445	-	-
Charges for services	-	-	14,807,867	-
Uses of money and property	-	-	-	-
Licenses and permits	-	-	-	-
Other	-	-	1,443	-
Total revenues	<u>7,322,161</u>	<u>3,141,572</u>	<u>17,711,335</u>	<u>2,459,170</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	16,972,422	-
Public works	-	-	-	-
Health and welfare	-	3,190,241	-	2,486,456
Culture and recreation	-	-	-	-
Economic development	7,322,161	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>7,322,161</u>	<u>3,190,241</u>	<u>16,972,422</u>	<u>2,486,456</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(48,669)</u>	<u>738,913</u>	<u>(27,286)</u>
Other financing sources (uses)				
Transfers from other funds	-	-	4,772	-
Transfers to other funds	-	-	(204,685)	(187,047)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(199,913)</u>	<u>(187,047)</u>
Net change in fund balances	-	(48,669)	539,000	(214,333)
Fund balances, beginning of year	<u>9,500</u>	<u>686,756</u>	<u>3,837,896</u>	<u>258,874</u>
Fund balances, end of period	<u>\$ 9,500</u>	<u>\$ 638,087</u>	<u>\$ 4,376,896</u>	<u>\$ 44,541</u>

<u>Public Works Highways</u>	<u>Noxious Weeds</u>	<u>Solid Waste</u>	<u>Special Parks and Recreation</u>	<u>Emergency Telephone Services</u>	<u>Court Trustee Operations</u>
\$ 5,403,688	\$ 397,900	\$ -	\$ -	\$ -	\$ -
-	-	-	-	2,630,854	-
-	-	-	31,116	-	-
4,413,560	-	-	-	-	3,927,847
22,852	115,903	1,707,674	-	-	947,236
-	-	-	-	1,330	-
6,305	-	57,618	-	-	-
24,068	-	9,327	-	149	4,391
<u>9,870,473</u>	<u>513,803</u>	<u>1,774,619</u>	<u>31,116</u>	<u>2,632,333</u>	<u>4,879,474</u>
-	-	-	-	-	-
-	-	-	-	2,114,803	5,246,430
9,742,417	493,209	1,919,357	-	-	-
-	-	-	-	-	-
-	-	-	29,120	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,742,417</u>	<u>493,209</u>	<u>1,919,357</u>	<u>29,120</u>	<u>2,114,803</u>	<u>5,246,430</u>
<u>128,056</u>	<u>20,594</u>	<u>(144,738)</u>	<u>1,996</u>	<u>517,530</u>	<u>(366,956)</u>
70,000	-	-	-	102,706	-
(78,000)	-	(80,170)	-	(659,068)	-
(8,000)	-	(80,170)	-	(556,362)	-
120,056	20,594	(224,908)	1,996	(38,832)	(366,956)
<u>2,405,606</u>	<u>204,509</u>	<u>1,582,829</u>	<u>35,699</u>	<u>2,678,238</u>	<u>3,013,850</u>
<u>\$ 2,525,662</u>	<u>\$ 225,103</u>	<u>\$ 1,357,921</u>	<u>\$ 37,695</u>	<u>\$ 2,639,406</u>	<u>\$ 2,646,894</u>

SEDGWICK COUNTY, KANSAS

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

Nonmajor Special Revenue Funds

For the Twelve Months Ended December 31, 2015

	Special Alcohol and Drug Programs	Auto License	Court Alcohol/Drug Safety Action Program	Prosecuting Attorney Training
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Emergency telephone services taxes	-	-	-	-
Other taxes	50,581	-	-	-
Intergovernmental	-	32,725	-	-
Charges for services	-	3,854,059	6,158	29,310
Uses of money and property	-	-	-	-
Licenses and permits	-	-	-	-
Other	-	2,805	-	-
Total revenues	<u>50,581</u>	<u>3,889,589</u>	<u>6,158</u>	<u>29,310</u>
Expenditures				
Current:				
General government	-	3,896,728	-	-
Public safety	-	-	220	34,520
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>3,896,728</u>	<u>220</u>	<u>34,520</u>
Excess (deficiency) of revenues over (under) expenditures	<u>50,581</u>	<u>(7,139)</u>	<u>5,938</u>	<u>(5,210)</u>
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	(51,858)	(43,671)	-	-
Total other financing sources (uses)	<u>(51,858)</u>	<u>(43,671)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,277)	(50,810)	5,938	(5,210)
Fund balances, beginning of year	<u>5,369</u>	<u>308,228</u>	<u>142,338</u>	<u>38,960</u>
Fund balances, end of period	<u>\$ 4,092</u>	<u>\$ 257,418</u>	<u>\$ 148,276</u>	<u>\$ 33,750</u>

<u>Technology</u>	<u>Fire District Operating</u>	<u>Fire District Research and Development</u>	<u>Township Dissolution</u>	<u>Totals</u>
\$ -	\$ 16,669,899	\$ -	\$ -	\$ 38,121,970
-	-	-	-	2,630,854
-	-	-	-	81,697
-	-	-	-	8,548,577
894,754	316,648	-	-	22,702,461
71	3,278	11	-	4,690
-	5,475	-	-	69,398
-	30,136	11,000	-	83,319
<u>894,825</u>	<u>17,025,436</u>	<u>11,011</u>	<u>-</u>	<u>72,242,966</u>
721,923	-	-	-	4,618,651
-	16,478,019	-	-	40,846,414
-	-	-	-	12,154,983
-	-	-	-	5,676,697
-	-	-	-	29,120
-	-	-	-	7,322,161
-	722,185	-	-	722,185
-	67,229	-	-	67,229
<u>721,923</u>	<u>17,267,433</u>	<u>-</u>	<u>-</u>	<u>71,437,440</u>
<u>172,902</u>	<u>(241,997)</u>	<u>11,011</u>	<u>-</u>	<u>805,526</u>
-	30,000	-	-	207,478
-	(45,000)	-	-	(1,349,499)
-	(15,000)	-	-	(1,142,021)
172,902	(256,997)	11,011	-	(336,495)
<u>991,924</u>	<u>3,280,784</u>	<u>12,133</u>	<u>192,537</u>	<u>19,686,030</u>
<u>\$ 1,164,826</u>	<u>\$ 3,023,787</u>	<u>\$ 23,144</u>	<u>\$ 192,537</u>	<u>\$ 19,349,535</u>

SEDGWICK COUNTY, KANSAS

***Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)
For the Twelve Months Ended December 31, 2015***

	Building and Equipment	Street, Bridge and Other	Sales Tax Road and Bridge	Road and Bridge Equipment
Revenues				
Sales taxes	\$ -	\$ -	\$ 12,603,662	\$ -
Special assessments	-	192,820	-	-
Intergovernmental	-	-	5,766,245	-
Charges for services	-	-	2,113	-
Uses of money and property	-	-	-	-
Other revenue	46,650	-	23,320	-
Total revenues	46,650	192,820	18,395,340	-
Expenditures				
Capital outlay	368,846	1,469,886	23,073,869	-
Total expenditures	368,846	1,469,886	23,073,869	-
(Deficiency) of revenues (under) expenditures	(322,196)	(1,277,066)	(4,678,529)	-
Other financing sources (uses)				
Transfers from other funds	5,733,022	1,592,440	-	38,000
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	5,733,022	1,592,440	-	38,000
Net change in fund balances	5,410,826	315,374	(4,678,529)	38,000
Fund balances (deficits), beginning of year	(6,232,921)	(312,135)	17,657,735	155,555
Fund balances (deficits), end of period	\$ (822,095)	\$ 3,239	\$ 12,979,206	\$ 193,555

Highway Improvement	Capital Improvements	Equipment Reserve	Fire District Special Equipment	Totals
\$ -	\$ -	\$ -	\$ -	\$ 12,603,662
-	-	-	-	192,820
-	-	-	-	5,766,245
-	-	-	-	2,113
-	-	-	339	339
-	160,862	-	-	230,832
-	160,862	-	339	18,796,011
-	3,156,377	706,216	-	28,775,194
-	3,156,377	706,216	-	28,775,194
-	(2,995,515)	(706,216)	339	(9,979,183)
-	2,103,787	175,000	45,000	9,687,249
-	-	(203,523)	-	(203,523)
-	2,103,787	(28,523)	45,000	9,483,726
-	(891,728)	(734,739)	45,339	(495,457)
45,623	4,705,788	7,971,003	628,767	24,619,415
<u>\$ 45,623</u>	<u>\$ 3,814,060</u>	<u>\$ 7,236,264</u>	<u>\$ 674,106</u>	<u>\$ 24,123,958</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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive/ (Negative)
Revenues				
Taxes	\$ 7,407,573	\$ 7,407,573	\$ 7,322,161	\$ (85,412)
Other	300,000	300,000	-	(300,000)
Total revenues	<u>7,707,573</u>	<u>7,707,573</u>	<u>7,322,161</u>	<u>(385,412)</u>
Expenditures				
Current:				
Contractual services	<u>7,707,573</u>	<u>7,707,573</u>	<u>7,322,161</u>	<u>385,412</u>
Total expenditures	<u>7,707,573</u>	<u>7,707,573</u>	<u>7,322,161</u>	<u>385,412</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>9,500</u>	<u>9,500</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,500</u>	<u>\$ 9,500</u>

SEDGWICK COUNTY, KANSAS

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

**Special Revenue Fund: Comprehensive Community Care
For the year ended December 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 3,002,239	\$ 3,002,239	\$ 2,967,127	\$ (35,112)
Intergovernmental	174,445	174,445	174,445	-
Total revenues	<u>3,176,684</u>	<u>3,176,684</u>	<u>3,141,572</u>	<u>(35,112)</u>
Expenditures				
Current:				
Personnel services	1,440,784	1,440,784	1,390,955	49,829
Contractual services	1,735,045	1,743,045	1,680,361	62,684
Commodities	116,773	108,773	96,794	11,979
Total expenditures	<u>3,292,602</u>	<u>3,292,602</u>	<u>3,168,110</u>	<u>124,492</u>
Revenues over (under) expenditures	<u>(115,918)</u>	<u>(115,918)</u>	<u>(26,538)</u>	<u>89,380</u>
Net change in fund balances	(115,918)	(115,918)	(26,538)	89,380
Fund balances, beginning of year	<u>115,918</u>	<u>115,918</u>	<u>686,737</u>	<u>570,819</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 660,199</u>	<u>\$ 660,199</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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,899,047	\$ 2,899,047	\$ 2,902,025	\$ 2,978
Charges for services	14,052,229	14,052,229	14,807,867	755,638
Reimbursed expenditures	14,147	14,147	162	(13,985)
Other	247,764	247,764	1,281	(246,483)
Total revenues	<u>17,213,187</u>	<u>17,213,187</u>	<u>17,711,335</u>	<u>498,148</u>
Expenditures				
Current:				
Personnel services	13,822,252	13,627,567	13,187,776	439,791
Contractual services	2,988,462	3,003,462	2,608,004	395,458
Commodities	1,167,028	1,142,028	1,065,318	76,710
Total expenditures	<u>17,977,742</u>	<u>17,773,057</u>	<u>16,861,098</u>	<u>911,959</u>
Revenues over (under) expenditures	<u>(764,555)</u>	<u>(559,870)</u>	<u>850,237</u>	<u>1,410,107</u>
Other financing (uses)				
Transfers to other funds	-	(204,685)	(204,685)	-
Transfers from other funds	-	-	4,772	(4,772)
Total other financing (uses)	<u>-</u>	<u>(204,685)</u>	<u>(199,913)</u>	<u>(4,772)</u>
Net change in fund balances	(764,555)	(764,555)	650,324	1,414,879
Fund balances, beginning of year	<u>764,555</u>	<u>764,555</u>	<u>3,467,364</u>	<u>2,702,809</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,117,688</u>	<u>\$ 4,117,688</u>

SEDGWICK COUNTY, KANSAS

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

Special Revenue Fund: Aging Services For the year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,479,598	\$ 2,479,598	\$ 2,459,170	\$ (20,428)
Other	-	-	-	-
Total revenues	<u>2,479,598</u>	<u>2,479,598</u>	<u>2,459,170</u>	<u>(20,428)</u>
Expenditures				
Current:				
Personnel services	626,381	626,381	596,355	30,026
Contractual services	1,871,106	1,871,606	1,871,500	106
Commodities	12,800	12,300	8,730	3,570
Total expenditures	<u>2,510,287</u>	<u>2,510,287</u>	<u>2,476,585</u>	<u>33,702</u>
Revenues over (under) expenditures	<u>(30,689)</u>	<u>(30,689)</u>	<u>(17,415)</u>	<u>13,274</u>
Other financing (uses)				
Transfers to other funds	(187,047)	(187,047)	(187,047)	-
Total other financing (uses)	<u>(187,047)</u>	<u>(187,047)</u>	<u>(187,047)</u>	<u>-</u>
Net change in fund balances	(217,736)	(217,736)	(204,462)	13,274
Fund balances, beginning of year	217,736	217,736	257,342	39,606
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,880</u>	<u>\$ 52,880</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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive/ (Negative)
Revenues				
Taxes	\$ 5,415,558	\$ 5,415,558	\$ 5,403,688	\$ (11,870)
Intergovernmental	4,545,554	4,545,554	4,413,560	(131,994)
Charges for services	69,966	69,966	22,852	(47,114)
Licenses and permits	5,371	5,371	6,305	934
Reimbursed expenditures	11,272	11,272	6,088	(5,184)
Other	15,395	15,395	17,980	2,585
Total revenues	<u>10,063,116</u>	<u>10,063,116</u>	<u>9,870,473</u>	<u>(192,643)</u>
Expenditures				
Current:				
Personnel services	5,984,715	5,984,715	5,738,744	245,971
Contractual services	4,123,410	4,126,410	3,771,783	354,627
Commodities	315,780	274,780	141,143	133,637
Capital outlay	40,000	-	-	-
Total expenditures	<u>10,463,905</u>	<u>10,385,905</u>	<u>9,651,670</u>	<u>734,235</u>
Revenues over (under) expenditures	<u>(400,789)</u>	<u>(322,789)</u>	<u>218,803</u>	<u>541,592</u>
Other financing sources (uses)				
Transfers to other funds	-	(78,000)	(78,000)	-
Transfers from other funds	-	-	70,000	70,000
Total other financing sources (uses)	<u>-</u>	<u>(78,000)</u>	<u>(8,000)</u>	<u>70,000</u>
Net change in fund balances	(400,789)	(400,789)	210,803	611,592
Fund balances, beginning of year	<u>400,789</u>	<u>400,789</u>	<u>2,420,612</u>	<u>2,019,823</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,631,415</u>	<u>\$ 2,631,415</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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 400,390	\$ 400,390	\$ 397,900	\$ (2,490)
Charges for services	54,755	54,755	115,902	61,147
Reimbursed expenditures	42	42	-	(42)
Other	250	250	1	(249)
Total revenues	<u>455,437</u>	<u>455,437</u>	<u>513,803</u>	<u>58,366</u>
Expenditures				
Current:				
Personnel services	321,226	321,226	303,747	17,479
Contractual services	94,302	107,312	102,150	5,162
Commodities	100,629	87,619	80,095	7,524
Total expenditures	<u>516,157</u>	<u>516,157</u>	<u>485,992</u>	<u>30,165</u>
Revenues over (under) expenditures	<u>(60,720)</u>	<u>(60,720)</u>	<u>27,811</u>	<u>88,531</u>
Net change in fund balances	(60,720)	(60,720)	27,811	88,531
Fund balances, beginning of year	<u>60,720</u>	<u>60,720</u>	<u>202,129</u>	<u>141,409</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 229,940</u>	<u>\$ 229,940</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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 1,704,919	\$ 1,704,919	\$ 1,707,674	\$ 2,755
Licenses and permits	57,641	57,641	57,618	(23)
Reimbursed expenditures	544	544	-	(544)
Other	417	417	9,327	8,910
Total revenues	<u>1,763,521</u>	<u>1,763,521</u>	<u>1,774,619</u>	<u>11,098</u>
Expenditures				
Current:				
Personnel services	811,227	812,237	799,133	13,104
Contractual services	1,300,320	806,416	564,899	241,517
Commodities	61,481	554,375	534,281	20,094
Total expenditures	<u>2,173,028</u>	<u>2,173,028</u>	<u>1,898,313</u>	<u>274,715</u>
Revenues over (under) expenditures	<u>(409,507)</u>	<u>(409,507)</u>	<u>(123,694)</u>	<u>285,813</u>
Other financing (uses)				
Transfers to other funds	<u>(80,170)</u>	<u>(80,170)</u>	<u>(80,170)</u>	-
Total other financing (uses)	<u>(80,170)</u>	<u>(80,170)</u>	<u>(80,170)</u>	-
Net change in fund balances	(489,677)	(489,677)	(203,864)	285,813
Fund balances, beginning of year	<u>489,677</u>	<u>489,677</u>	<u>1,570,065</u>	<u>1,080,388</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,366,201</u>	<u>\$ 1,366,201</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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 33,472	\$ 33,472	\$ 31,116	\$ (2,356)
Total revenues	<u>33,472</u>	<u>33,472</u>	<u>31,116</u>	<u>(2,356)</u>
Expenditures				
Current:				
Contractual services	5	29,155	29,120	35
Total expenditures	<u>5</u>	<u>29,155</u>	<u>29,120</u>	<u>35</u>
Revenues over (under) expenditures	<u>33,467</u>	<u>4,317</u>	<u>1,996</u>	<u>(2,321)</u>
Other financing (uses)				
Transfers to other funds	(33,467)	(4,317)	-	4,317
Total other financing (uses)	<u>(33,467)</u>	<u>(4,317)</u>	<u>-</u>	<u>4,317</u>
Net change in fund balances	-	-	1,996	1,996
Fund balances, beginning of year	-	-	35,699	35,699
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,695</u>	<u>\$ 37,695</u>

SEDGWICK COUNTY, KANSAS

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

Special Revenue Fund: Emergency Telephone Services For the year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,983,470	\$ 2,983,470	\$ 2,630,854	\$ (352,616)
Uses of money and property	55,416	55,416	1,330	(54,086)
Other	2,759	2,759	149	(2,610)
Total revenues	<u>3,041,645</u>	<u>3,041,645</u>	<u>2,632,333</u>	<u>(409,312)</u>
Expenditures				
Current:				
Contractual services	2,302,550	2,322,550	2,100,477	222,073
Commodities	71,000	51,000	14,326	36,674
Total expenditures	<u>2,373,550</u>	<u>2,373,550</u>	<u>2,114,803</u>	<u>258,747</u>
Revenues over (under) expenditures	<u>668,095</u>	<u>668,095</u>	<u>517,530</u>	<u>(150,565)</u>
Other financing (uses)				
Transfers to other funds	(659,068)	(659,068)	(659,068)	-
Transfers from other funds	-	-	102,706	102,706
Total other financing (uses)	<u>(659,068)</u>	<u>(659,068)</u>	<u>(556,362)</u>	<u>102,706</u>
Net change in fund balances	9,027	9,027	(38,832)	(47,859)
Fund balances, beginning of year	<u>(9,027)</u>	<u>(9,027)</u>	<u>2,678,238</u>	<u>2,687,265</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,639,406</u>	<u>\$ 2,639,406</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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 51,864	\$ 51,864	\$ 50,581	\$ (1,283)
Total revenues	<u>51,864</u>	<u>51,864</u>	<u>50,581</u>	<u>(1,283)</u>
Expenditures				
Current:				
Contractual services	<u>9</u>	<u>9</u>	<u>-</u>	<u>9</u>
Total expenditures	<u>9</u>	<u>9</u>	<u>-</u>	<u>9</u>
Revenues over (under) expenditures	<u>51,855</u>	<u>51,855</u>	<u>50,581</u>	<u>(1,274)</u>
Other financing (uses)				
Transfers to other funds	<u>(51,858)</u>	<u>(51,858)</u>	<u>(51,858)</u>	<u>-</u>
Total other financing (uses)	<u>(51,858)</u>	<u>(51,858)</u>	<u>(51,858)</u>	<u>-</u>
Net change in fund balances	(3)	(3)	(1,277)	(1,274)
Fund balances, beginning of year	<u>3</u>	<u>3</u>	<u>5,369</u>	<u>5,366</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,092</u>	<u>\$ 4,092</u>

SEDGWICK COUNTY, KANSAS

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

Special Revenue Fund: Fire District Operating For the year ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive/ (Negative)
Revenues				
Taxes	\$ 16,692,573	\$ 16,692,573	\$ 16,669,899	\$ (22,674)
Charges for services	402,656	402,656	316,648	(86,008)
Uses of money and property	-	-	3,278	3,278
Licenses and permits	6,470	6,470	5,475	(995)
Reimbursed expenditures	1,043	1,043	7,817	6,774
Other	1,953	1,953	22,319	20,366
Total revenues	<u>17,104,695</u>	<u>17,104,695</u>	<u>17,025,436</u>	<u>(79,259)</u>
Expenditures				
Current:				
Personnel services	13,994,148	13,994,148	13,818,505	175,643
Contractual services	1,397,356	1,786,707	1,640,388	146,319
Commodities	808,227	795,876	634,737	161,139
Capital outlay	181,261	156,261	152,257	4,004
Debt service:				
Principal	1,246,933	849,933	722,185	127,748
Interest	-	-	67,229	(67,229)
Total expenditures	<u>17,627,925</u>	<u>17,582,925</u>	<u>17,035,301</u>	<u>547,624</u>
Revenues over (under) expenditures	<u>(523,230)</u>	<u>(478,230)</u>	<u>(9,865)</u>	<u>468,365</u>
Other financing sources (uses)				
Transfers to other funds	-	(45,000)	(45,000)	-
Transfers from other funds	-	-	30,000	30,000
Total other financing sources (uses)	<u>-</u>	<u>(45,000)</u>	<u>(15,000)</u>	<u>30,000</u>
Net change in fund balances	(523,230)	(523,230)	(24,865)	498,365
Fund balances, beginning of year	<u>523,230</u>	<u>523,230</u>	<u>3,271,922</u>	<u>2,748,692</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,247,057</u>	<u>\$ 3,247,057</u>

SEDGWICK COUNTY, KANSAS

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

Debt Service Fund: County Bond and Interest For the year ended December 31, 2015

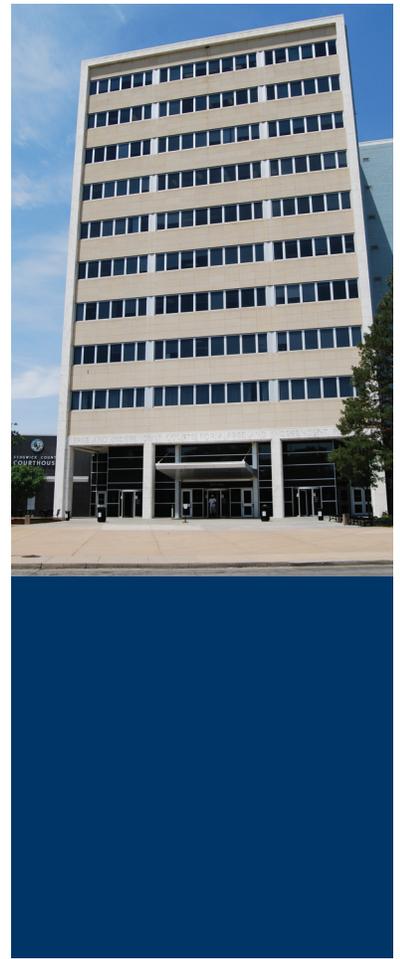
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 16,791,741	\$ 16,791,741	\$ 16,590,802	\$ (200,939)
Intergovernmental	192,281	192,281	84,796	(107,485)
Charges for services	498,479	498,479	638,371	139,892
Total revenues	<u>17,482,501</u>	<u>17,482,501</u>	<u>17,313,969</u>	<u>(168,532)</u>
Expenditures				
Current:				
Contractual services	20,000	20,000	1,725	18,275
Debt service:				
Principal	15,453,566	15,453,566	14,005,000	1,448,566
Interest and fiscal charges	5,877,852	5,877,852	5,454,126	423,726
Total expenditures	<u>21,351,418</u>	<u>21,351,418</u>	<u>19,460,851</u>	<u>1,890,567</u>
Revenues over (under) expenditures	<u>(3,868,917)</u>	<u>(3,868,917)</u>	<u>(2,146,882)</u>	<u>1,722,035</u>
Other financing sources				
Transfers from other funds	3,612,646	3,612,646	3,612,646	-
Total other financing sources	<u>3,612,646</u>	<u>3,612,646</u>	<u>3,612,646</u>	<u>-</u>
Net change in fund balances	(256,271)	(256,271)	1,465,764	1,722,035
Fund balances, beginning of year	<u>256,271</u>	<u>256,271</u>	<u>1,624,603</u>	<u>1,368,332</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,090,367</u>	<u>\$ 3,090,367</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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	25,790	25,790
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,790</u>	<u>\$ 25,790</u>



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Internal Service Funds

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

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

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

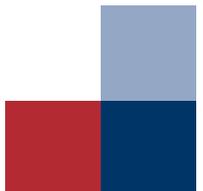
Workers' Compensation Reserve – provides for the payment of workers' compensation claims and related costs.

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



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SEDGWICK COUNTY, KANSAS

Combining Statement of Net Position Internal Service Funds December 31, 2015

	<u>Fleet Management</u>	<u>Health/Dental/ Life Insurance Reserve</u>	<u>Workers' Compensation Reserve</u>
Assets			
Current assets:			
Cash, including investments	\$ 8,303,709	\$ 8,938,012	\$ 4,369,127
Accounts receivable	401	-	-
Inventories, at cost	130,201	-	-
Total current assets	<u>8,434,311</u>	<u>8,938,012</u>	<u>4,369,127</u>
Noncurrent assets:			
Capital assets:			
Land	40,580	-	-
Buildings and improvements	8,319,354	-	-
Machinery and equipment	31,152,032	-	-
Less accumulated depreciation	(23,829,797)	-	-
Total capital assets (net of accumulated depreciation)	<u>15,682,169</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 24,116,480</u>	<u>\$ 8,938,012</u>	<u>\$ 4,369,127</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 221,498	\$ 205,515	\$ 18,358
Accrued wages	16,138	4,307	4,707
Estimated claims costs payable	-	1,900,000	854,100
Total current liabilities	<u>237,636</u>	<u>2,109,822</u>	<u>877,165</u>
Noncurrent liabilities:			
Estimated claims costs payable	-	-	228,000
Total liabilities	<u>237,636</u>	<u>2,109,822</u>	<u>1,105,165</u>
Net position			
Investment in capital assets	15,682,169	-	-
Unrestricted	8,196,675	6,828,190	3,263,962
Total net position	<u>23,878,844</u>	<u>6,828,190</u>	<u>3,263,962</u>
Total liabilities and net position	<u>\$ 24,116,480</u>	<u>\$ 8,938,012</u>	<u>\$ 4,369,127</u>

Risk Management Reserve	Totals
\$ 2,378,521	\$ 23,989,369
-	401
-	130,201
<u>2,378,521</u>	<u>24,119,971</u>
-	40,580
-	8,319,354
234,489	31,386,521
(98,750)	(23,928,547)
<u>135,739</u>	<u>15,817,908</u>
<u>\$ 2,514,260</u>	<u>\$ 39,937,879</u>
\$ 200,078	\$ 645,449
3,387	28,539
-	2,754,100
<u>203,465</u>	<u>3,428,088</u>
-	228,000
<u>203,465</u>	<u>3,656,088</u>
135,739	15,817,908
<u>2,175,056</u>	<u>20,463,883</u>
<u>2,310,795</u>	<u>36,281,791</u>
<u>\$ 2,514,260</u>	<u>\$ 39,937,879</u>

SEDGWICK COUNTY, KANSAS

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

For the Twelve Months Ended December 31, 2015

	Fleet Management	Health/Dental/ Life Insurance Reserve	Workers' Compensation Reserve
Operating revenues:			
Charges for services	\$ 7,337,567	\$ 28,402,916	\$ 2,123,883
Other revenue	61,010	355,744	10,700
Total operating revenues	<u>7,398,577</u>	<u>28,758,660</u>	<u>2,134,583</u>
Operating expenses:			
Salaries and benefits	955,893	151,526	204,431
Contractual services	358,610	1,408,676	26,907
Utilities	65,299	-	-
Supplies and fuel	2,726,989	24,751	2,359
Administrative charges	177,752	-	-
Depreciation	2,684,779	-	-
Claims expense	-	25,344,621	1,062,392
Total operating expenses	<u>6,969,322</u>	<u>26,929,574</u>	<u>1,296,089</u>
Operating income (loss)	<u>429,255</u>	<u>1,829,086</u>	<u>838,494</u>
Nonoperating revenues:			
Investment income	-	4,599	2,126
Gain (loss) on sale of assets	357,114	-	-
Total nonoperating revenues	<u>357,114</u>	<u>4,599</u>	<u>2,126</u>
Income (loss) before transfers	786,369	1,833,685	840,620
Transfers			
Transfers from other funds	26,045	-	-
Change in net position	812,414	1,833,685	840,620
Net position, beginning of year	<u>23,066,430</u>	<u>4,994,505</u>	<u>2,423,342</u>
Net position, end of period	<u>\$ 23,878,844</u>	<u>\$ 6,828,190</u>	<u>\$ 3,263,962</u>

Risk Management Reserve	Totals
\$ -	\$ 37,864,366
335,080	762,534
<u>335,080</u>	<u>38,626,900</u>
217,334	1,529,184
787,731	2,581,924
-	65,299
9,094	2,763,193
-	177,752
32,335	2,717,114
586,751	26,993,764
<u>1,633,245</u>	<u>36,828,230</u>
<u>(1,298,165)</u>	<u>1,798,670</u>
751	7,476
<u>-</u>	<u>357,114</u>
<u>751</u>	<u>364,590</u>
(1,297,414)	2,163,260
<u>1,381,960</u>	<u>1,408,005</u>
84,546	3,571,265
<u>2,226,249</u>	<u>32,710,526</u>
<u>\$ 2,310,795</u>	<u>\$ 36,281,791</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Cash Flows Internal Service Funds For the year ended December 31, 2015

	Fleet Management	Health/Dental/Life Insurance Reserve	Worker's Compensation Reserve
Cash flows from operating activities			
Receipts from customers	\$ -	\$ -	\$ -
Receipts from interfund services provided	7,398,176	28,402,916	2,123,883
Other operating revenues	-	355,744	10,700
Payments to suppliers for goods and services	(3,170,552)	(24,672,299)	(1,177,393)
Payments to employees for services	(955,893)	(151,526)	(204,431)
Net cash provided by (used in) operating activities	<u>3,271,731</u>	<u>3,934,835</u>	<u>752,759</u>
Cash flows from noncapital financing activities			
Transfers from other funds	26,045	-	-
Net cash provided (used in) noncapital financing activities	<u>26,045</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities			
Proceeds on disposal of capital assets	413,085	-	-
Purchases of capital assets	(3,248,779)	-	-
Net cash provided by (used in) capital and related financing activities	<u>(2,835,694)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Interest on investments	-	4,599	2,126
Net cash provided by investing activities	<u>-</u>	<u>4,599</u>	<u>2,126</u>
Net increase (decrease) in cash and cash equivalents	462,082	3,939,434	754,885
Cash and cash equivalents, beginning of year	<u>7,841,627</u>	<u>4,998,578</u>	<u>3,614,242</u>
Cash and cash equivalents, end of year	<u>\$ 8,303,709</u>	<u>\$ 8,938,012</u>	<u>\$ 4,369,127</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 429,255	\$ 1,829,086	\$ 838,494
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	2,684,779	-	-
Decrease (increase) in accounts receivable	(401)	-	-
Decrease (Increase) in inventories	72,903	-	-
Increase (decrease) in accounts payable	85,195	205,749	7,165
Increase (decrease) in estimated claims payable	-	1,900,000	(92,900)
Total adjustments	<u>2,842,476</u>	<u>2,105,749</u>	<u>(85,735)</u>
Net cash provided by (used in) operating activities	<u>\$ 3,271,731</u>	<u>\$ 3,934,835</u>	<u>\$ 752,759</u>

Risk Management Reserve	Totals
\$ 335,080	\$ 335,080
-	37,924,975
-	366,444
(1,189,175)	(30,209,419)
<u>(217,334)</u>	<u>(1,529,184)</u>
<u>(1,071,429)</u>	<u>6,887,896</u>
<u>1,381,960</u>	<u>1,408,005</u>
<u>1,381,960</u>	<u>1,408,005</u>
-	413,085
<u>-</u>	<u>(3,248,779)</u>
-	<u>(2,835,694)</u>
<u>751</u>	<u>7,476</u>
<u>751</u>	<u>7,476</u>
311,282	5,467,683
<u>2,067,239</u>	<u>18,521,686</u>
<u>\$ 2,378,521</u>	<u>\$ 23,989,369</u>
<u>\$ (1,298,165)</u>	<u>\$ 1,798,670</u>
32,335	2,717,114
-	(401)
-	72,903
194,401	492,510
-	<u>1,807,100</u>
<u>226,736</u>	<u>5,089,226</u>
<u>\$ (1,071,429)</u>	<u>\$ 6,887,896</u>

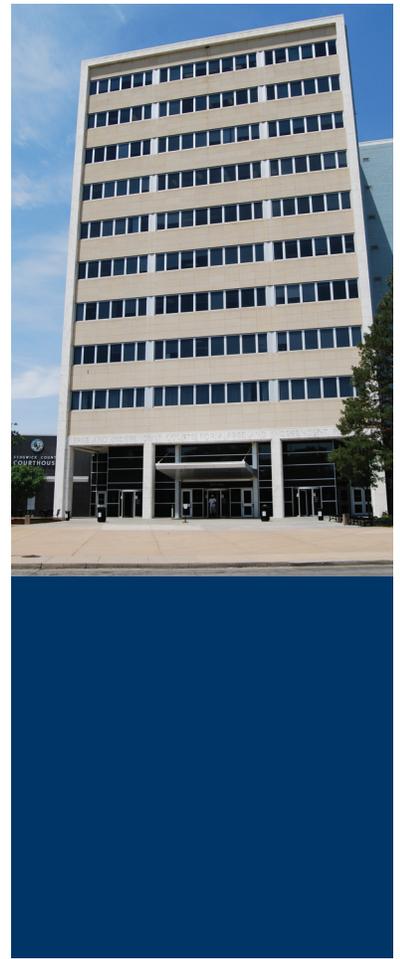
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Agency Funds

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

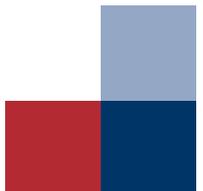


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SEDGWICK COUNTY, KANSAS

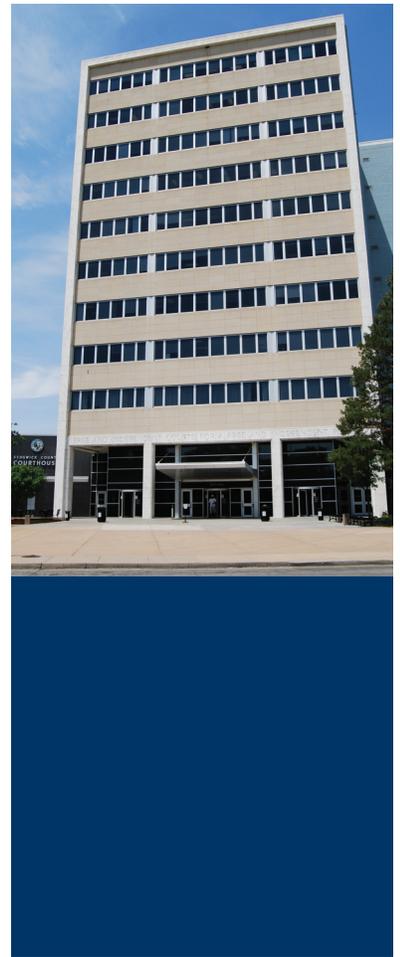
Combining Statement of Changes in Assets and Liabilities All Agency Funds For the Year Ended December 31, 2015

	Balance January 1, 2014	Additions	Deductions	Balance December 31, 2015
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets				
Cash	\$ 320,123,706	\$ 3,234,581,398	\$ (3,213,396,287)	\$ 341,308,817
Accounts receivable	449	-	-	449
Property tax levied	212,966,219	541,381,813	(539,868,472)	214,479,560
Total assets	\$ 533,090,374	\$ 3,775,963,211	\$ (3,753,264,759)	\$ 555,788,826
Liabilities				
Accrued liabilities	\$ 8,664,234	\$ 2,177,395,789	\$ (2,172,789,820)	\$ 13,270,203
Due to other governmental units	524,426,140	1,598,567,422	(1,580,474,939)	542,518,623
Total liabilities	\$ 533,090,374	\$ 3,775,963,211	\$ (3,753,264,759)	\$ 555,788,826
 <u>TAX COLLECTION AND DISTRIBUTION ACCOUNTS</u>				
Assets				
Cash	\$ 311,459,921	\$ 1,057,185,609	\$ (1,040,606,467)	\$ 328,039,063
Property tax levied	212,966,219	541,381,813	(539,868,472)	214,479,560
Total assets	\$ 524,426,140	\$ 1,598,567,422	\$ (1,580,474,939)	\$ 542,518,623
Liabilities				
Due to other governmental units	\$ 524,426,140	\$ 1,598,567,422	\$ (1,580,474,939)	\$ 542,518,623
Total liabilities	\$ 524,426,140	\$ 1,598,567,422	\$ (1,580,474,939)	\$ 542,518,623
 <u>CLEARING/OTHER FEE COLLECTIONS</u>				
Assets				
Cash	\$ 8,663,785	\$ 2,177,395,789	\$ (2,172,789,820)	\$ 13,269,754
Accounts receivable	449	-	-	449
Total assets	\$ 8,664,234	\$ 2,177,395,789	\$ (2,172,789,820)	\$ 13,270,203
Liabilities				
Accrued liabilities	\$ 8,664,234	\$ 2,177,395,789	\$ (2,172,789,820)	\$ 13,270,203
Total liabilities	\$ 8,664,234	\$ 2,177,395,789	\$ (2,172,789,820)	\$ 13,270,203

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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.

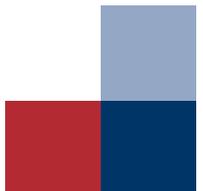


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SEDGWICK COUNTY, KANSAS

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>	E - 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>	E - 7
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	E - 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>	E - 15
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	E - 17

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

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 192,131,802	\$ 198,389,307	\$ 204,548,962	\$ 240,044,637	\$ 268,738,532	\$ 282,471,201	\$ 294,690,938	\$ 298,113,489	\$ 310,035,285	\$ 320,464,675
Restricted	97,202,499	103,756,016	150,861,408	129,664,044	93,119,068	61,027,411	56,123,063	57,021,635	59,952,665	55,946,964
Unrestricted	49,132,760	72,304,957	74,229,923	84,307,304	77,461,046	93,115,134	85,371,059	85,568,811	80,894,088	(34,661,211)
Total governmental activities net position	\$ 338,467,061	\$ 374,450,280	\$ 429,640,293	\$ 454,015,985	\$ 439,318,636	\$ 436,613,746	\$ 436,185,060	\$ 440,703,935	\$ 450,882,038	\$ 341,750,428
Business-type activities										
Net investment in capital assets	\$ 14,767,218	\$ 41,565,756	\$ 110,766,423	\$ 183,396,054	\$ 182,094,430	\$ 173,139,907	\$ 165,857,656	\$ 160,701,886	\$ 155,902,064	\$ 152,003,174
Restricted	113,402,445	171,294,796	101,769,649	21,188,982	13,780,015	11,631,039	10,619,276	9,977,286	9,196,893	8,247,858
Unrestricted	134,256	379,987	384,616	10,791	1,371,399	166,572	2,599,671	3,745,044	4,340,525	5,072,058
Total business-type activities net position	\$ 128,303,919	\$ 213,240,539	\$ 212,920,688	\$ 204,595,827	\$ 197,245,844	\$ 184,937,518	\$ 179,076,603	\$ 174,424,196	\$ 169,439,482	\$ 165,323,090
Primary government										
Net investment in capital assets	\$ 206,899,020	\$ 239,955,063	\$ 315,315,385	\$ 423,440,691	\$ 450,832,962	\$ 455,611,108	\$ 460,548,594	\$ 458,815,375	\$ 465,937,349	\$ 472,467,849
Restricted	210,604,944	275,050,812	252,631,057	150,853,026	106,899,073	72,658,450	66,742,339	66,998,901	69,149,558	64,194,822
Unrestricted	49,267,016	72,684,944	74,614,539	84,318,095	78,832,445	93,281,706	87,970,730	89,313,855	85,234,613	(29,589,153)
Total primary government net position	\$ 466,770,980	\$ 587,690,819	\$ 642,560,981	\$ 658,611,812	\$ 638,564,480	\$ 621,551,264	\$ 615,261,663	\$ 615,128,131	\$ 620,321,520	\$ 507,073,518

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

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

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

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

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 44,304,048	\$ 46,618,528	\$ 51,279,084	\$ 48,207,197	\$ 51,626,927	\$ 51,164,331	\$ 52,946,017	\$ 46,738,513	\$ 45,631,487	\$ 44,076,129
Public safety	116,403,399	122,371,034	126,348,632	134,712,863	143,066,732	136,614,471	134,847,877	136,948,209	141,461,365	140,226,506
Public works	24,948,572	21,920,559	21,171,258	26,918,844	30,471,325	28,598,830	29,963,817	31,112,309	31,607,297	31,455,330
Health and welfare	65,515,975	63,734,178	65,583,467	66,495,063	66,600,199	66,002,246	58,600,471	56,476,803	56,346,131	55,876,955
Culture and recreation	8,778,118	10,110,047	10,343,796	11,840,940	11,814,466	11,247,354	11,069,797	10,824,309	11,024,934	16,808,103
Economic development	14,302,864	11,156,066	17,607,805	12,626,170	16,466,134	14,981,790	15,462,057	15,119,439	20,937,889	17,841,996
Interest on long-term debt	5,868,171	6,315,457	5,439,606	6,934,908	7,113,384	7,078,866	6,607,782	7,124,165	7,124,165	8,914,547
Total governmental activities expenses	280,121,147	282,225,869	297,773,648	307,735,985	327,149,167	315,687,888	310,393,378	303,827,364	314,133,288	315,199,566
Business-type activities:										
Pavilion/Arena	2,936,214	3,097,901	3,407,526	3,707,728	6,933,493	8,823,760	7,072,571	5,672,159	5,580,194	5,087,691
Total business-type activities expenses	2,936,214	3,097,901	3,407,526	3,707,728	6,933,493	8,823,760	7,072,571	5,672,159	5,580,194	5,087,691
Total primary government expenses	\$ 283,057,361	\$ 285,323,770	\$ 301,181,174	\$ 311,443,713	\$ 334,082,660	\$ 324,511,648	\$ 317,465,949	\$ 309,499,523	\$ 319,713,482	\$ 320,287,257
Program Revenues										
Charges for services:										
General government	\$ 18,457,307	\$ 22,386,703	\$ 21,901,043	\$ 22,167,092	\$ 25,747,664	\$ 22,112,904	\$ 25,248,415	\$ 16,583,118	\$ 17,671,949	\$ 17,568,111
Public safety	18,755,303	19,807,231	24,960,511	20,626,141	17,371,731	24,791,564	23,064,255	23,253,320	25,399,717	25,207,446
Public works	1,232,909	1,335,895	1,275,836	1,345,707	1,838,058	1,803,395	1,893,058	1,883,805	2,116,756	2,012,791
Health and welfare	31,042,066	33,120,649	34,497,702	34,379,717	29,672,759	30,214,621	24,989,604	23,820,227	23,134,337	24,776,064
Culture and recreation	633,362	488,140	502,431	593,759	572,101	347,183	299,983	322,965	328,772	437,640
Economic development	76,210	1,793,518	90,778	5,310,076	52,172	70,094	394,528	135,469	251,390	221,467
Operating grants and contributions:										
General government	91,132	1,113,614	1,084,056	839,565	947,601	986,886	1,475,519	5,099,931	2,107,925	2,240,299
Public safety	12,526,097	14,904,521	17,621,937	18,136,629	17,971,430	17,612,533	15,235,719	16,522,478	16,175,844	14,937,514
Public works	7,142,161	5,614,317	5,796,503	5,933,226	5,778,017	5,251,826	4,655,174	5,072,272	5,210,949	4,851,463
Health and welfare	25,409,052	22,074,899	23,578,890	22,327,054	19,861,573	20,877,847	20,722,097	20,679,329	21,056,655	21,595,015
Culture and recreation	-	-	-	505,279	-	35,000	-	-	-	-
Economic development	2,595,006	1,621,763	2,163,177	5,318,201	6,867,203	2,274,887	2,681,365	1,399,510	12,646,001	7,776,397
Capital grants and contributions:										
Public works	2,734,262	1,964,342	1,275,875	447,927	2,131,839	-	181,201	480,486	133,975	6,066,050
Culture and recreation	-	-	4,808,892	1,089,882	415,799	851,451	1,464,287	1,464,287	4,703,168	8,865,065
Total governmental activities program revenues	120,694,867	126,225,592	139,557,631	139,020,255	130,624,906	126,388,403	121,637,706	116,717,197	130,937,438	136,355,122
Business-type activities:										
Charges for services:										
Coliseum/Arena	1,933,702	2,269,722	2,552,686	1,956,551	2,546,279	1,939,862	1,211,656	846,169	595,480	971,299
Total business-type activities program revenues	1,933,702	2,269,722	2,552,686	1,956,551	2,546,279	1,939,862	1,211,656	846,169	595,480	971,299
Total primary government program revenues	\$ 122,628,569	\$ 128,495,314	\$ 142,110,317	\$ 140,976,806	\$ 133,171,185	\$ 128,328,265	\$ 122,849,362	\$ 117,563,366	\$ 131,532,918	\$ 137,326,421
Net (Expense)/Revenue										
Governmental activities	\$ (159,426,280)	\$ (156,000,277)	\$ (158,216,017)	\$ (168,715,730)	\$ (196,524,261)	\$ (189,299,485)	\$ (188,755,672)	\$ (187,110,167)	\$ (183,195,830)	\$ (178,844,444)
Business-type activities	(1,002,512)	(828,179)	(854,840)	(1,751,177)	(4,387,214)	(6,883,898)	(5,860,915)	(4,825,990)	(4,984,714)	(4,116,392)
Total primary government net expense	\$ (160,428,792)	\$ (156,828,456)	\$ (159,070,857)	\$ (170,466,907)	\$ (200,911,475)	\$ (196,183,383)	\$ (194,616,587)	\$ (191,936,157)	\$ (188,180,544)	\$ (182,960,836)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 128,920,197	\$ 145,277,955	\$ 155,298,965	\$ 157,669,623	\$ 154,371,208	\$ 153,102,405	\$ 155,437,762	\$ 156,571,499	\$ 157,680,267	\$ 160,388,971
Sales taxes	24,438,223	25,812,643	26,330,302	25,225,445	24,575,414	24,886,782	25,907,161	26,890,523	27,737,784	28,402,456
Other taxes	2,734,609	3,304,335	3,303,621	3,062,011	3,146,170	2,948,834	3,075,138	3,128,768	3,251,092	2,980,963
Investment earnings	13,336,229	22,229,269	16,402,810	7,753,307	4,758,857	5,656,574	4,677,886	5,344,751	4,704,790	5,761,660

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

	Fiscal Year				
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund					
Reserved	\$ 1,643,047	\$ 6,074,440	\$ 6,081,736	\$ 6,439,464	\$ 5,480,843
Unreserved	40,836,970	60,925,726	60,289,793	62,369,959	60,871,094
Total general fund	<u>\$ 42,480,017</u>	<u>\$ 67,000,166</u>	<u>\$ 66,371,529</u>	<u>\$ 68,809,423</u>	<u>\$ 66,351,937</u>
All Other Governmental Funds					
Reserved	22,457,395	24,088,196	56,468,812	40,306,524	23,543,417
Unreserved					
Designated					
Special revenue funds	8,078,864	6,340,911	8,025,265	7,303,953	9,469,114
Capital projects funds	13,031,065	14,171,633	46,683,969	37,306,220	12,448,839
Undesignated					
Special revenue funds	30,877,268	38,511,440	44,192,815	43,354,555	37,889,024
Capital projects funds	<u>(1,231,505)</u>	<u>(1,830,687)</u>	<u>(24,551,310)</u>	<u>(6,663,343)</u>	<u>13,593,302</u>
Total all other governmental funds	<u>\$ 73,213,087</u>	<u>\$ 81,281,493</u>	<u>\$ 130,819,551</u>	<u>\$ 121,607,909</u>	<u>\$ 96,943,696</u>
General Fund					
Nonspendable	\$ 4,788,374	\$ 4,469,663	\$ 7,041,238	\$ 9,560,858	\$ 9,272,182
Restricted	2,292,205	-	-	-	-
Committed	-	-	-	5,300,000	-
Assigned	14,853,724	13,216,543	12,634,724	15,540,068	16,057,287
Unassigned	44,295,545	48,366,230	47,164,833	38,225,843	39,680,121
Total general fund	<u>\$ 66,229,848</u>	<u>\$ 66,052,436</u>	<u>\$ 66,840,795</u>	<u>\$ 68,626,769</u>	<u>\$ 65,009,590</u>
All Other Governmental Funds					
Nonspendable	\$ 1,123,491	\$ 1,020,014	\$ 843,430	\$ 444,259	\$ 567,326
Restricted	71,086,679	84,089,630	75,127,288	151,771,314	132,094,838
Committed	14,543,401	10,863,452	9,943,967	8,193,709	8,428,869
Assigned	20,385,544	13,824,536	14,034,940	14,010,003	13,517,004
Unassigned	<u>(2,006,662)</u>	<u>(2,688,735)</u>	<u>(2,208,780)</u>	<u>(6,545,056)</u>	<u>(822,095)</u>
Total all other governmental funds	<u>\$ 105,132,453</u>	<u>\$ 107,108,897</u>	<u>\$ 97,740,845</u>	<u>\$ 167,874,229</u>	<u>\$ 153,785,942</u>

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

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 156,092	\$ 174,395	\$ 184,933	\$ 185,948	\$ 182,093	\$ 180,938	\$ 184,420	\$ 186,591	\$ 188,670	\$ 191,772
Special assessments	3,711	3,654	3,528	3,615	3,196	3,359	2,375	1,955	1,617	1,301
Intergovernmental	47,763	45,329	50,245	53,060	51,426	47,014	44,647	45,482	46,276	50,454
Charges for services	63,949	66,864	68,337	65,648	59,753	66,922	62,599	62,257	63,029	65,890
Uses of money and property	13,336	22,229	16,322	7,240	16,322	5,474	4,352	5,222	4,477	5,128
Fines and forfeits	296	288	458	361	258	460	1,348	678	255	212
License and permits	7,676	12,205	11,026	16,383	530	546	471	156	122	138
Reimbursed expenditures	1,139	1,074	1,831	3,721	13,495	10,287	11,728	7,186	17,396	7,434
Other	294,599	326,288	337,259	336,508	315,498	315,000	311,940	309,527	321,842	322,329
Total revenues										
	37,885	42,320	48,089	45,283	44,398	43,723	44,564	37,953	36,329	36,367
Expenditures										
General government	115,244	118,380	122,499	131,426	139,386	133,111	130,477	133,750	138,131	142,612
Public safety	12,652	13,467	14,980	14,462	15,326	14,613	13,442	13,649	13,944	13,874
Health and welfare	66,994	64,632	66,688	67,811	67,818	67,811	60,151	58,328	58,261	59,844
Culture and recreation	7,176	7,883	8,206	9,536	9,284	8,919	8,621	8,301	8,771	14,482
Economic development	14,337	11,170	17,616	12,612	16,294	13,394	13,836	18,869	19,391	25,961
Debt service										
Principal	12,445	12,574	12,403	14,251	14,113	14,071	14,989	20,954	16,312	22,842
Interest and fiscal charges	6,078	6,084	5,964	7,125	7,347	6,910	7,208	6,768	6,355	8,082
Debt issuance costs	-	309	390	268	340	462	340	195	858	280
Capital outlay	34,493	32,412	34,381	53,598	42,665	26,327	26,081	28,042	34,745	28,775
Total expenditures	307,304	309,231	331,216	356,372	357,071	329,007	319,709	326,809	333,097	353,119
Excess of revenues over (under) expenditures	(12,705)	17,057	6,043	(19,864)	(41,573)	(14,007)	(7,769)	(17,282)	(11,255)	(30,790)
Other financing sources (uses)										
Transfers from other funds	31,005	35,793	39,580	47,685	54,143	27,356	13,955	23,879	18,976	15,602
Transfers to other funds	(32,980)	(37,551)	(41,291)	(49,315)	(55,080)	(27,929)	(14,937)	(24,766)	(19,976)	(17,010)
Premium from issuance of revenue bonds	-	-	-	-	-	-	-	-	2,765	-
Premium from issuance of refunding bonds	-	-	-	-	-	-	-	-	3,318	1,046
Premium from issuance of general obligation bonds	-	-	-	-	-	-	-	-	-	559
Sale of general capital assets	-	-	-	-	-	-	-	-	1,382	8,060
Issuance of refunding bonds	-	-	-	-	-	-	-	-	-	9,230
Issuance of revenue bonds	-	-	-	-	-	-	-	-	-	-
Issuance of general obligation bonds	-	-	-	-	-	-	-	-	-	-
Proceeds from Capital Lease	-	-	-	4,376	-	-	-	-	-	-
Debt premium	-	186	748	1,099	2,190	1,064	1,224	1,214	-	-
Debt issuance	5,065	15,445	43,830	27,485	28,320	26,680	23,795	14,665	-	-
Payment to refunded bond	-	-	-	-	-	(6,370)	-	-	-	(5,785)
Payment to refunding bond escrow agent	-	-	-	(18,240)	(16,915)	-	(14,469)	(6,290)	-	-
Total other financing sources (uses)	3,090	15,531	42,867	13,090	14,451	22,074	9,568	8,702	83,174	13,084
Net change in fund balances	\$ (9,615)	\$ 32,588	\$ 48,910	\$ (6,774)	\$ (27,122)	\$ 8,067	\$ 1,799	\$ (8,580)	\$ 71,919	\$ (17,706)
Debt service as a percentage of noncapital expenditures	7.1%	7.3%	6.8%	7.6%	6.7%	6.8%	7.4%	9.0%	7.5%	9.2%

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

SEDGWICK COUNTY PRIMARY GOVERNMENT
 (Dollars in Thousands)

Fiscal Year ^{2,4}	Real Property			Personal Property ⁵			Total ¹		
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed/Actual Ratio
2006	3,179,041	22,334,988	1,130,307	4,867,631	4,309,348	27,202,619	15.84%	31.315	
2007	3,445,044	24,095,166	1,110,690	4,813,130	4,555,734	28,908,296	15.76%	31.333	
2008	3,679,637	25,653,996	1,082,535	4,741,103	4,762,172	30,395,099	15.67%	30.377	
2009	3,758,852	26,248,229	1,027,863	4,526,469	4,786,715	30,774,698	15.55%	29.868	
2010	3,811,787	26,558,303	994,685	4,379,156	4,806,471	30,937,459	15.54%	29.359	
2011	3,836,821	26,769,748	986,674	4,330,616	4,823,494	31,100,364	15.51%	29.428	
2012	3,804,616	26,515,320	995,806	4,369,975	4,800,422	30,885,295	15.54%	29.446	
2013	3,833,553	26,686,105	1,009,300	4,434,274	4,842,853	31,120,379	15.56%	29.377	
2014	3,913,588	27,240,503	989,209	4,463,330	4,902,796	31,703,833	15.46%	29.478	
2015	3,974,529	27,659,847	1,003,376	4,427,781	4,977,905	32,087,628	15.51%	29.383	

SEDGWICK COUNTY FIRE DISTRICT #1
 (Dollars in Thousands)

Fiscal Year ^{2,4}	Real Property			Personal Property ⁵			Total ¹		
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed/Actual Ratio	Total Direct Tax Rate ³	
2006	488,541	3,465,068	246,490	1,038,254	735,030	4,503,322	16.32%	18.469	
2007	528,394	3,738,821	259,831	1,112,285	788,225	4,851,106	16.25%	18.482	
2008	550,815	3,882,393	270,080	1,141,461	820,895	5,023,854	16.34%	18.501	
2009	571,200	4,661,019	236,221	1,030,927	807,421	5,691,946	14.19%	18.447	
2010	586,829	4,148,095	275,346	1,158,260	862,175	5,306,355	16.25%	18.336	
2011	633,522	4,301,089	283,376	1,182,125	916,898	5,483,214	16.72%	18.397	
2012	589,141	4,163,066	295,874	1,236,184	885,015	5,399,250	16.39%	18.398	
2013	594,565	4,344,936	301,604	1,258,648	896,171	5,603,584	15.99%	18.348	
2014	611,796	4,347,654	303,078	1,267,844	914,875	5,615,498	16.29%	18.367	
2015	618,449	4,411,878	305,207	1,270,196	923,656	5,682,074	16.26%	18.371	

¹ Represents the equalized valuation of tangible property, including motor vehicles
² Taxes levied support the subsequent year's budget, e.g., 2014 taxes levied finance 2015 spending
³ Tax rates are per \$1,000 of assessed value
⁴ 2009, 2010 and 2011 amounts have been updated from previous Comprehensive Annual Financial Reports
⁵ Beginning in 2015 values exclude watercraft and 16M/20M motor vehicles

Source: Sedgwick County Clerk

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

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

	Year Taxes Are Payable									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
County Direct Rates										
General	\$ 23.925	\$ 20.887	\$ 21.958	\$ 23.615	\$ 22.005	\$ 21.516	\$ 22.003	\$ 21.790	\$ 21.915	\$ 22.249
Road and bridge	1.015	1.239	1.408	1.506	1.178	1.042	1.256	1.194	1.093	1.129
Mental health	0.589	0.638	0.704	0.607	0.714	0.624	0.460	0.584	0.613	0.585
Noxious weeds	0.089	0.088	0.096	0.081	0.089	0.091	0.106	0.084	0.081	0.088
Emergency medical services	1.363	1.722	1.049	0.904	0.706	0.427	0.896	0.688	0.577	0.603
Aging	0.545	0.582	0.573	0.561	0.608	0.601	0.564	0.539	0.497	0.560
WSU program development	1.500	1.500	1.500	1.500	1.502	1.500	1.500	1.500	1.500	1.500
Debt service	2.289	4.677	3.089	1.094	2.557	3.627	2.661	2.998	3.202	2.669
Total direct rate	31.315	31.333	30.377	29.868	29.359	29.428	29.446	29.377	29.478	29.383
Fire District Rates										
Andale	18.469	18.482	18.501	18.447	18.336	18.397	18.398	18.348	18.367	18.371
City Rates										
Andale	39.374	40.929	41.894	42.492	42.361	42.511	44.025	46.893	44.016	41.862
Bentley	48.566	45.556	45.033	53.545	53.633	53.690	53.762	53.761	53.736	53.629
Cheney	49.519	53.674	56.605	56.842	55.116	55.126	58.381	57.808	57.833	60.740
Clearwater	44.294	43.964	43.661	41.767	46.000	49.943	49.897	49.873	53.993	53.999
Colwich	34.249	32.100	42.227	53.784	33.328	40.054	40.230	41.988	46.041	47.911
Derby	48.176	48.155	47.756	47.773	47.818	47.340	47.153	47.054	47.148	47.009
Eastborough	58.221	60.252	62.241	58.351	57.944	59.999	62.073	64.597	64.664	64.597
Garden Plain	48.250	47.300	49.863	49.509	49.347	50.075	49.119	49.058	48.964	48.874
Goddard	14.053	14.061	16.426	18.789	27.146	28.114	28.048	33.057	33.085	31.164
Haysville	45.204	48.441	48.408	48.425	48.421	48.436	48.425	48.672	48.609	48.646
Kechi	21.154	24.037	23.954	33.857	33.774	33.676	33.714	33.706	33.866	33.699
Maize	41.321	43.251	43.022	42.427	43.323	43.132	42.868	43.270	43.036	43.030
Mount Hope	51.357	51.049	51.008	50.945	51.332	51.251	51.002	50.460	50.636	54.612
Mulvane	56.664	53.330	53.359	53.414	53.753	52.759	46.531	41.923	42.406	42.262
Sedgwick	51.210	47.993	51.033	51.316	65.055	65.420	66.475	63.272	63.273	62.783
Valley Center	49.731	48.761	48.367	48.516	48.448	51.172	53.630	53.630	55.443	55.446
Viola	14.408	14.928	14.200	14.087	14.677	19.662	20.019	21.360	21.202	22.181
Wichita	31.953	31.979	32.056	32.142	32.272	32.359	32.471	32.509	32.652	32.686
Bel Aire	23.959	33.503	34.908	35.970	39.050	46.118	46.162	45.695	45.730	46.246
Park City	37.236	37.145	37.450	37.332	37.395	37.792	39.607	39.890	40.051	40.111
Townships	.109-16.716	.102-16.041	.088-19.167	.073-21.737	.010-23.745	1.630-24.029	1.613-24.009	1.677-24.077	1.663-22.726	1.722-23.243
School Districts	40.681-66.593	43.007-63.580	42.413-65.327	44.194-66.534	42.809-70.835	43.481-70.072	43.433-70.409	46.067-69.816	38.164-66.358	41.667-66.599
Cemetery Districts	.157-1.792	.164-1.772	.194-1.771	.133-2.006	.132-2.006	0.136-2.913	0.141-2.932	0.141-2.928	0.139-2.826	0.141-2.891
Drainage Districts	.902-9.052	.885-2.141	.872-2.997	.888-2.972	.898-2.712	0.923-2.749	0.940-2.734	0.942-2.707	0.974-2.582	1.007-2.435
Improvement Districts	1.060-14.399	1.042-17.090	1.000-17.091	0.967-17.043	.978-12.077	0.000-16.102	0.000-16.195	0.000-17.694	0.000-17.525	0.000-17.368
Other Districts	1.876-22.873	1.014-21.167	1.013-20.101	1.987-19.808	1.137-22.804	1.138-19.357	0.509-19.504	0.489-19.151	0.483-19.073	0.451-19.032

Source: Sedgwick County Tax Administration System
SC Clerks Website 2015 Tax Levies

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

	Fiscal Year 2015			Fiscal Year 2006		
	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.	\$ 114,817,134	1	2.64%	\$ 73,162,880	1	1.93%
Spirit Aerosystems, Inc.	97,282,539	2	2.24%	37,342,624	4	0.98%
Hawker Beechcraft Corp (formerly Raytheon Aircraft)	41,446,159	3	0.95%	18,303,417	8	0.48%
The Boeing Company	37,608,806	4	0.86%	-	-	-
Cessna Aircraft	37,506,203	5	0.86%	-	-	-
Walmart	31,785,736	6	0.73%	-	-	-
City of Wichita	29,481,524	7	0.68%	19,290,058	6	0.51%
Simon Property Group	27,161,042	8	0.62%	18,411,522	7	0.49%
Kansas Gas Service - A Division of Oneok	25,628,794	9	0.59%	15,854,817	9	0.42%
Southwestern Bell Telephone	16,500,008	10	0.38%	49,683,265	2	1.31%
Mid Western Aircraft Systems	-	-	-	47,959,446	3	1.26%
Wesley Medical Center, LLC	-	-	-	26,165,336	5	0.69%
Basick Chemicals Co., Inc.	-	-	-	12,797,850	10	0.34%
	<u>\$ 459,217,945</u>		<u>10.56%</u>	<u>\$ 318,971,215</u>		<u>8.41%</u>

Source: Sedgwick County Clerk

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

SEDGWICK COUNTY PRIMARY GOVERNMENT

Tax Year ¹	Taxes Levied for the Fiscal Year (Original Levy)		Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
	Amount ²	Percentage of Original Levy			Amount	Percentage of Adjusted Levy		Amount	Percentage of Adjusted Levy
2005	103,184,139		(473,529)	102,710,610	99,887,609	96.81%	2,622,563	102,510,172	99.80%
2006	121,793,520		(473,822)	121,319,698	117,958,001	96.85%	3,366,421	121,324,422	100.00%
2007	128,747,504		(440,767)	128,306,737	124,575,078	96.76%	3,733,046	128,308,124	100.00%
2008	130,983,921		(1,035,315)	129,948,606	125,701,736	95.97%	4,244,455	129,946,192	100.00%
2009	129,522,134		(1,565,747)	127,956,386	123,962,799	95.71%	2,480,587	126,443,386	98.82%
2010	129,182,341		343,543	129,525,884	124,101,517	96.07%	2,441,035	126,542,552	97.70%
2011	130,016,010		269,245	130,285,255	125,349,762	96.41%	2,182,877	127,532,639	97.89%
2012	129,216,721		108,339	129,325,060	125,129,425	96.84%	1,904,621	127,034,046	98.23%
2013	129,639,393		26,690	129,666,083	125,508,033	96.81%	1,312,988	126,821,021	97.81%
2014	130,922,296		(218,999)	130,703,297	127,648,264	97.50%	<i>Not Applicable</i>	127,648,264	97.66%

SEDGWICK COUNTY FIRE DISTRICT #1

Tax Year ¹	Taxes Levied for the Fiscal Year (Original Levy)		Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
	Amount ²	Percentage of Original Levy			Amount	Percentage of Adjusted Levy		Amount	Percentage of Adjusted Levy
2005	11,996,353		(60,712)	11,935,641	11,716,988	97.67%	203,296	11,920,284	99.87%
2006	12,109,011		(52,953)	12,056,058	11,815,566	97.58%	232,662	12,048,228	99.94%
2007	13,009,881		(56,695)	12,953,186	12,680,055	97.46%	237,257	12,917,312	99.72%
2008	13,581,460		(160,583)	13,420,877	13,096,204	96.43%	324,407	13,420,611	100.00%
2009	13,861,628		(60,613)	13,801,015	13,373,141	96.48%	230,684	13,603,825	98.57%
2010	14,285,305		(127,003)	14,158,302	13,857,862	97.01%	255,081	14,112,943	99.68%
2011	14,603,909		(166,083)	14,437,826	14,172,661	97.05%	165,786	14,338,447	99.31%
2012	14,721,733		(74,201)	14,647,532	14,382,596	97.70%	180,537	14,563,133	99.42%
2013	14,857,310		(96,016)	14,761,294	14,484,501	97.49%	138,273	14,622,774	99.06%
2014	15,134,136		(120,732)	15,013,404	14,739,202	97.39%	<i>Not Applicable</i>	14,739,202	98.17%

¹ Taxes levied support the subsequent year's budget, e.g., 2014 taxes financed 2015 spending

² Net of refunding warrants

³ Excludes interest penalties

Source: Sedgwick County Treasurer Tax Abstract

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

Fiscal Year	Governmental Activities							Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Public Building Commission	Special Assessments	KDOT Revolving Loan	Capital Leases					
2006	85,810,000	34,530,000	15,965,000	3,200,353	823,251		140,328,604	0.7%	300	
2007	77,855,000	47,425,000	14,250,000	3,071,631	2,256,509		144,858,140	0.7%	305	
2008	70,190,000	88,685,000	12,540,000	2,937,940	1,932,286		176,285,226	0.8%	365	
2009	75,180,000	83,850,000	7,855,000	7,175,585	1,595,100		175,655,685	0.9%	358	
2010	78,082,751	79,600,000	7,257,249	6,845,245	2,955,239		174,740,484	0.9%	350	
2011	78,800,000	87,875,000	5,415,000	6,528,784	3,633,318		182,252,102	0.8%	364	
2012	80,615,000	83,575,000	4,345,000	6,199,824	2,908,377		177,643,201	0.8%	353	
2013	75,462,051	83,670,000	3,667,949	-	2,264,555		165,064,555	0.7%	327	
2014	66,957,000	153,825,000	3,343,000	-	2,718,464		226,843,464	1.0%	446	
2015	64,400,000	146,290,000	2,820,000	-	1,996,279		215,506,279	0.9%	421	

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

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

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

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

Fiscal Year	General Bond Debt Outstanding			Percentage of Personal Income ²	Percentage of Actual Value of Taxable Property ³	Per Capita ²
	General Obligation Debt ¹	Less: Amounts Restricted to Repaying Principal	Total			
2006	120,340,000	(2,583,216)	117,756,784	0.61%	0.43%	251
2007	125,280,000	(4,086,468)	121,193,532	0.60%	0.42%	255
2008	158,875,000	(11,609,796)	147,265,204	0.67%	0.48%	305
2009	159,030,000	(12,136,187)	146,893,813	0.72%	0.48%	299
2010	157,682,751	(9,903,860)	147,778,891	0.76%	0.48%	296
2011	166,675,000	(7,670,437)	159,004,563	0.74%	0.51%	318
2012	164,190,000	(14,651,936)	149,538,064	0.65%	0.49%	297
2013	159,132,051	(8,500,583)	150,631,468	0.66%	0.48%	298
2014	220,782,000	(43,678,059)	177,103,941	0.75%	0.56%	348
2015	210,690,000	(40,719,420)	169,970,580	0.72%	0.53%	332

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

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

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

Personal income and population data has been updated since previous report

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

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Statutory debt capacity:										
Equalized assessed valuation of taxable tangible property	\$ 3,796,641	\$ 4,025,083	\$ 4,218,727	\$ 4,245,447	\$ 4,244,709	\$ 4,312,927	\$ 4,286,965	\$ 4,301,085	\$ 4,348,562	\$ 4,410,040
Estimated tangible valuation of motor vehicles	512,707	530,651	543,445	537,340	537,340	523,812	523,435	538,413	549,522	567,865
Estimated tangible valuation for computation of bonded indebtedness limitations	\$ 4,309,348	\$ 4,555,734	\$ 4,762,172	\$ 4,782,787	\$ 4,782,049	\$ 4,836,739	\$ 4,810,400	\$ 4,839,498	\$ 4,898,084	\$ 4,977,905
Debt limit (3% of total valuation)	\$ 129,280	\$ 136,672	\$ 142,865	\$ 143,464	\$ 143,461	\$ 145,102	\$ 144,312	\$ 145,185	\$ 146,943	\$ 149,337
Amount of debt applicable to limit										
Total bonded indebtedness	139,505	142,602	174,353	174,061	171,785	178,619	174,735	162,800	224,125	213,510
Less exempt issues	(91,441)	(95,537)	(130,957)	(133,779)	(130,303)	(133,462)	(141,906)	(128,319)	(197,118)	(186,522)
Total net debt applicable to limit	48,064	47,065	43,396	40,282	41,482	45,157	32,829	34,481	27,007	26,988
Legal debt margin	\$ 81,216	\$ 89,607	\$ 99,469	\$ 103,202	\$ 101,979	\$ 99,945	\$ 111,483	\$ 110,704	\$ 119,935	\$ 122,349
Total net debt applicable to the limit as a percentage of debt limit	37.18%	34.44%	30.38%	28.07%	28.92%	31.12%	22.75%	23.75%	18.38%	18.07%

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

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

Fiscal Year	Special Assessment Collections	Principal	Interest	Coverage
2006	3,711	1,585	751	1.59
2007	3,654	1,715	699	1.51
2008	3,528	1,710	635	1.50
2009	3,615	1,785	559	1.54
2010	3,196	1,295	338	1.96
2011	3,359	1,182	245	2.35
2012	2,375	1,070	200	1.87
2013	1,955	655	163	2.39
2014	1,617	325	140	3.48
2015	1,301	328	131	2.84

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

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

Calendar Year	Actual Special Tax Levy Revenue ¹	Existing Bond Debt Service Requirements ²	Balance Available for University Program Expenditures ³	Debt Service Coverage Ratio ⁴
2006	6,098,636	1,595,733	4,502,903	3.82
2007	6,433,665	1,586,853	4,846,812	4.05
2008	6,798,738	1,587,603	5,211,135	4.28
2009	7,076,919	1,585,852	5,491,067	4.46
2010	7,031,298	1,586,478	5,444,820	4.43
2011	7,027,579	1,590,202	5,437,377	4.42
2012	7,120,438	1,586,895	5,533,543	4.49
2013	7,162,443	1,580,363	5,582,080	4.53
2014	7,223,079	1,476,008	5,747,071	4.89
2015	7,322,161	1,478,125	5,844,036	4.95

¹ Total Proceeds from the Special Tax Levy

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

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

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

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

Year	Personal Income ²		Public School Enrollment ³	Unemployment Rate ⁴
	Population ¹	(thousands of dollars)		
2006	468,338	19,180,937	88,151	4.6%
2007	475,075	20,106,901	88,612	4.1%
2008	482,317	21,855,372	89,248	4.3%
2009	490,864	20,414,793	90,467	8.7%
2010	499,264	19,408,900	91,071	8.8%
2011	500,715	21,539,879	91,302	8.0%
2012	503,438	22,839,184	92,273	7.0%
2013	505,415	22,870,525	92,988	6.4%
2014	508,803	23,516,335	93,502	5.6%
2015	511,885	<i>Not Available</i>	93,672	4.0%

Notes:

¹ 2015 Population is estimated. Population for 2006-2014 is from the U.S. Census Bureau.

² U.S. Bureau of Economic Analysis

³ Ks State Department of Education

⁴ Kansas Department of Labor

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

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

	Fiscal Year 2015			Fiscal Year 2006		
	Employees	Rank	Percentage of Total Wichita MSA ¹	Employees	Rank	Percentage of Total Wichita MSA ¹
Spirit AeroSystems, Inc.	10,900	1	3.63%	8,300	2	2.67%
Via Christi Health	6,027	2	2.01%	4,810	6	1.55%
Wichita Public Schools USD #259	5,620	3	1.87%	5,033	5	1.62%
State of Kansas	4,803	4	1.60%	3,977	7	1.28%
McConnell Air Force Base	4,576	5	1.52%	-	-	0.00%
Koch Industries Inc.	3,600	6	1.20%	-	-	-
City of Wichita	2,752	7	0.92%	3,070	9	0.99%
U.S. Government	2,658	8	0.88%	5,435	4	1.75%
Sedgwick County	2,542	9	0.85%	2,719	10	0.88%
Wesley Medical Center & Galichia Heart Hospital	2,072	10	0.69%	-	-	-
Cessna Aircraft Company	-	-	-	9,393	1	3.02%
Raytheon Aircraft Corporation	-	-	-	6,259	3	2.02%
Boeing IDS Wichita	-	-	-	3,700	8	1.19%
	<u>45,550</u>		<u>15.17%</u>	<u>52,696</u>		<u>16.97%</u>

¹ Includes Sedgwick, Butler, Harvey and Sumner counties for 2015. Data for 2006 includes Sedgwick, Butler, Harvey and Sumner counties.

Source: Wichita Business Journal.

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

Function/Program	Full-time Employees as of December 31									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government	454	442	446	477	475	446	429	409	422	444
Public safety	1,443	1,471	1,509	1,549	1,542	1,476	1,420	1,438	1,406	1,326
Public works	132	126	126	132	124	111	115	116	116	119
Health and welfare	549	560	593	614	610	557	529	509	522	520
Culture and recreation	135	126	128	127	112	105	96	94	96	104
Economic development	9	13	11	12	12	13	6	6	6	11
	<u>2,722</u>	<u>2,738</u>	<u>2,813</u>	<u>2,911</u>	<u>2,875</u>	<u>2,708</u>	<u>2,595</u>	<u>2,572</u>	<u>2,568</u>	<u>2,524</u>

Source: Sedgwick County finance department as of December 31, 2015

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

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Number of registered voters	236,000	237,135	246,928	252,101	259,888	261,038	274,369	271,013	275,499	274,961
Number of taxable real estate parcels	205,079	207,530	210,889	217,134	217,684	212,725	212,765	212,744	212,917	213,261
Documents filed with register of deeds	97,789	94,454	84,578	83,406	75,458	68,485	78,147	82,749	69,651	76,939
Real estate records processed	66,900	67,956	68,456	78,725	62,700	53,957	46,893	77,608	64,450	74,132
Average monthly investment portfolio (in millions)	\$ 288.3	\$ 377.7	\$ 413.3	\$ 378.0	\$ 317.5	\$ 299.2	\$ 297.4	\$ 290.0	\$ 284.1	\$ 269.5
Average number of bids per purchase	4.5	4.5	4.7	5.0	4.4	6.5	7.1	6.2	8.8	9.1
Public safety										
Average monthly number of incoming 911 calls	36,030	37,722	35,170	38,627	36,635	37,145	39,502	40,328	40,901	47,304
Average monthly number of EMS responses	3,834	4,040	4,000	4,150	4,401	4,520	4,714	4,836	5,051	5,337
Number of residential structural fires per 100,000 households	308	208	256	280	161	74	89	70	91	167
Average monthly number of medical responses by Fire	214	239	288	248	292	206	330	378	415	462
Average daily population, juveniles in detention	124	120	109	106	113	110	60	55	62	64
Average daily population in custody of Sheriff	1,514	1,522	1,533	1,645	1,561	1,502	1,442	1,418	1,359	1,406
Percent of autopsy reports filed within 90 days	94	78	62	57	69	89	59	75	78	74
Public works										
Miles of road improved	103	88	113	61	76	121	172	163	97	186
Miles of road maintained	622	622	622	617	617	626	617	600	603	603
Household hazardous waste tonnage disposed (in tons)	394	457	489	521	594	653	664	580	576	598
Health and welfare										
Number of mental health program clients	12,246	13,319	12,253	11,934	12,483	12,126	12,299	12,344	12,559	12,940
Number of Individuals eligible for developmental disability services	1,958	2,082	2,102	2,285	2,278	2,331	2,410	2,482	2,536	2,554
Number of health clinic patient encounters	149,507	165,039	178,812	188,205	174,841	164,037	176,230	153,529	155,316	170,960
Number of immunizations provided	29,000	27,170	26,015	27,327	23,588	19,057	16,396	13,402	13,230	13,285
Number of tuberculosis encounters	8,005	6,223	6,357	4,742	4,205	3,061	2,731	2,806	2,741	3,819
Culture and recreation										
Number of events per year at Intrust Bank Arena	*	*	*	*	109	63	70	80	100	107
Annual attendance at Intrust Bank Arena events	*	*	*	*	492,532	391,801	349,612	411,121	298,825	439,767
Number of events per year at Kansas Pavilions	123	137	122	110	55	39	*	*	*	*
Annual attendance at Kansas Pavilions events	541,949	557,334	543,519	500,801	202,922	203,800	*	*	*	*
Annual attendance at Sedgwick County Zoo	484,014	593,428	584,076	654,494	548,919	553,098	515,634	511,306	527,981	581,773
Annual attendance at Sedgwick County Park	730,972	932,486	1,131,339	1,060,267	966,792	1,028,339	872,349	922,713	959,101	944,320
Economic development										
Total value of merchandise moving through foreign trade zone (in millions)	\$ 18.4	\$ 19.6	\$ 20.3	\$ 25.7	\$ 1,159.0	\$ 1,698.7	\$ 36.4	\$ 297.4	\$ 226.0	\$ 91.9
Average monthly number of Sec. 8 housing clients	315	304	318	306	294	297	244	230	214	193

* Information not available.

Source: County operating departments

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

Function/Program	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government										
Auto License buildings	4	4	4	4	4	4	4	4	4	4
Total fleet vehicles	460	462	464	473	464	469	468	466	462	462
Public safety										
Adult detention facility capacity	1,122	1,115	1,145	1,158	1,158	1,158	1,158	1,158	1,158	1,158
Fire stations	8	8	8	9	9	9	9	9	9	9
EMS posts	13	13	14	15	15	15	15	15	15	15
Public Safety vehicles	*	260	278	291	294	290	288	274	278	279
Public works										
Bridges maintained	652	645	645	639	593	593	601	583	582	593
Miles of roads maintained	622	622	622	617	617	626	600	600	603	603
Culture and recreation										
Sedgwick County Park acreage	400	400	400	400	400	400	400	400	400	400
Lake Afton Park acreage	828	828	828	828	828	828	828	828	828	828

* Information not available

Source: County budget department and individual county departments