

ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of
**THE COUNTY OF
SEDGWICK, KANSAS**
for the
Year Ended December 31, 2023

Prepared by:
DIVISION OF FINANCE
Lindsay Poe Rousseau, Chief Financial Officer
Brent Shelton, Deputy Chief Financial Officer
Hope Hernandez, Director of Accounting

COUNTY OF SEDGWICK, KANSAS BOARD OF COUNTY COMMISSIONERS

2023

Chairman
Peter F. Meitzner

Chair Pro-Tem
James M. Howell

Commissioner
Sarah Lopez

Commissioner
David T. Dennis

Commissioner
Ryan K. Baty

County Manager
Thomas J. Stolz

2024

Chairman
Ryan K. Baty

Chair Pro-Tem
Sarah Lopez

Commissioner
Peter F. Meitzner

Commissioner
David T. Dennis

Commissioner
James M. Howell

County Manager
Thomas J. Stolz

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 St #304, Wichita, Kansas, 67203. Phone (316) 660-7058.

SEDGWICK COUNTY, KANSAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2023

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SEDGWICK COUNTY, KANSAS

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Sedgwick County...
working for you

County Manager's Office

100 N. Broadway, Suite 630, Wichita, KS 67202 - www.sedgwickcounty.org - TEL: 316-660-9393

May 13, 2024

Board of County Commissioners
Sedgwick County Courthouse
100 N. Broadway, Suite 660
Wichita, KS 67202

Dear Commissioners:

The administration is pleased to present to you the Annual Comprehensive Financial Report of the County of Sedgwick, Kansas for the fiscal year ended December 31, 2023. 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 Lindsay Poe Rousseau, Deputy Chief Financial Officer Brent Shelton, Accounting Director Hope Hernandez, and the Accounting team of David Floyd, Lisette Foster, Cassandra Maestas, Lynn Newby, Elizaveta Roberts, Michelle Stroot, and Ammi Walters.

Sincerely,

Tom Stolz
County Manager



*Sedgwick County...
working for you*

Division of Finance

100 N. Broadway, Ste. 610, Wichita, KS 67202 - www.sedgwickcounty.org - TEL: 316-660-7591

May 8, 2024

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 financial 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 Annual Comprehensive Financial Report of Sedgwick County for the fiscal year ended December 31, 2023. 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.

The firm of FORVIS, LLP 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. Sedgwick County has implemented a control environment that has been built into, not onto, its business practices. The objective of this control environment is to provide reasonable assurance that its financial statements are free of material misstatements. The cost of providing absolute assurance far exceeds the potential benefits derived from absolute assurance. 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 Generally Accepted Accounting Principles, (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

History

Originally a camping ground of the Osage and Wichita Indian tribes, Sedgwick County, Kansas, is thought to be a place of discovery for such explorers as Francisco Coronado and Kit Carson. The earliest European settler to the region was M. DuTissenet, a Frenchman operating under the direction of the governor of Louisiana in 1719. DuTissenet brought with him soldiers, traders, and hunters who soon populated and transformed the region from prairie to a land of opportunity.

Sedgwick County was officially established nearly 150 years later on February 26, 1867, and bears the name of Civil War hero Major General John Sedgwick of the Union Army who was killed during the battle of Spotsylvania Courthouse in Virginia. After an initial failed attempt at establishing an official county government, the Governor of the State of Kansas appointed three Commissioners to aid in the effort. In April 1870, the first county officials were elected and the county seat of Wichita was chosen.

Geography

Occupying 1,008 square miles of land in south central Kansas, Sedgwick County falls within the borders of the Arkansas River Lowlands. It is noted for its extreme flatness, as its highest point is only 1,540 feet above sea level. The County's lowest point, approximately 1,220 feet above sea level, occurs along the southern border where the Arkansas River leaves the county. Sedgwick County's largest city is Wichita, which is located along Interstate 35 with service areas to Interstate 135, U.S. 54, and various other highways.

Population

Sedgwick County is in a growing region, currently home to approximately 500,000 citizens. The County's population has increased 5.1 percent since 2010, and has increased faster than the population of Kansas as a whole (2.9 percent since the 2010 census). According to 2020 census estimates, Sedgwick County continues to have surpassed the half-million mark with an estimated 520,467 people in 2021. The population of Sedgwick County is expected to grow to approximately 643,186 by 2070. In addition to a strong growth trend, the *U.S. Census Bureau, 2021 American Community Survey*, reports Sedgwick County is a relatively young community, with 84.6 percentage of its population younger than the age of 65. By 2070, however, the number of citizens age 65 and older is expected to increase to 170,079, over a 150.0 percent change from 2015-2070.

GOVERNMENT

Elected Officials

Sedgwick County is governed by a five-member Board of County Commissioners (BOCC) that meets in regular weekly sessions, with the exception of the last Wednesday of every month. Commissioners are elected according to geographical area (districts) and serve four-year terms with those terms overlapping. The Commissioners are full-time County officials and perform all executive, legislative, and policy-related functions. The Board also governs Sedgwick County Fire District 1, a separate special-purpose local government. The Chairman of the Board is elected by the Commissioners and serves a one-year term, January through December.

In addition to the BOCC, citizens of Sedgwick County elect the following positions:

- County Clerk
- Register of Deeds

- County Treasurer
- Sheriff
- District Attorney
- 18th Judicial District Judges

Appointed Officials

Sedgwick County was recognized by the International City-County Management Association (ICMA) in 1981 as a Council-Manager form of government. Therefore, the Board appoints a professional County Manager to administer most County functions and to implement policy decisions. Tasks of the County Manager range from the management of special projects to the daily functions of the County's nearly 3,000 employees. A Deputy County Manager and two Assistant County Managers aid the County Manager in his duties.

The BOCC also appoints the:

- County Counselor
- County Appraiser
- County Engineer
- Director of the MABCD

The Kansas Secretary of State is responsible for appointing an Election Commissioner for Sedgwick County.

In addition to the County government, Sedgwick County contains 26 townships, 20 cities, 20 unified school districts, 10 improvement districts (eight improvement districts levy taxes), 11 recreation commissions, 12 active tax increment financing districts, seven cemetery districts, five drainage districts, four watershed districts, two library districts, one redevelopment district, one fire district, one hospital district and one groundwater district. Ten of the unified school districts, two of the cities, two of the cemetery districts, three of the drainage districts, one of the improvement districts, one of the library districts, and nine of the recreation commission districts cross the border into at least one other county.

Services

Sedgwick County prides itself on being a full-service government for all of its citizens. Community residents are familiar with the concept that Sedgwick County provides services from A-Z: everything from Animal Control to the Sedgwick County Zoo. In addition to the aforementioned services provided by the elected and appointed officials, Sedgwick County provides services pertaining to community development, culture and recreation, finance, health, human services, information technology, operations, and public safety.

The annual budget process begins 12 months before the start of each fiscal year, when the Budget Department prepares a 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 receives input from the Capital Improvement Program Committee. This Committee ranks projects with significant multi-year benefits, such as buildings, drainage, and infrastructure. It also receives input from the Technology Review Board, a team that evaluates new and replacement of technology that connects to the County's network. Eleven months before the start of the new fiscal year, the Budget Department prepares and distributes a base budget for all County departments. Department managers identify the service implications of the base budget and, if necessary, submit requests for additional funding or staff. Three months later, the BOCC holds budget review sessions to discuss service levels, resource allocations, and funding strategies for the upcoming year. The County Manager prepares a proposed budget in conjunction with his Budget Team and Budget Department staff. He presents this recommended budget to the Commission about

five months before the New Year. The Commissioners hold public hearings to receive input from citizens. The budget is adopted approximately three to four months before the start of the new fiscal year and is submitted to the County Clerk 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. Legally appropriated annual budgets are statutorily required for most, but not all, operations. 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-79 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-81.

ECONOMIC CONDITION AND OUTLOOK

Sedgwick County is a regional economic center with 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.

Employment/Income

The United States Department of Labor reported that the average 2023 Labor Force for the Wichita Metropolitan Statistical Area (MSA) was 323,015 residents, an increase of 1.3 percent from 2022. Of those eligible for employment, approximately 97.1 percent (313,630) were employed in 2023. Wichita MSA's 2023 average unemployment rate was 2.9 percent, more than the Kansas average of 2.7 percent. Sedgwick County's unemployment rate has varied since 2002, but was consistently around 4.3 percent in 2006, 2007, and 2008. In 2009, the rate increased to 8.8 percent, peaked at 9.0 percent in 2010, and steadily declined for 9 years. In 2020, the COVID-19 pandemic resulted in unemployment rates as high as 18.0 percent in the month of April and averaged 8.3 percent for the year. Unemployment rates moderated to an average of 4.4 percent in 2021 and returned to a more consistent level of 3.0 percent in 2022.

According to the *American Community Survey*, the 2022 median household income increased to \$64,286 in Sedgwick County from \$60,364 in 2021, but fell below the median of \$68,925 for the State of Kansas. Sedgwick County nonfamily household income grew more than 16 percent during 2022, with a median of \$39,393 up from \$33,847 in 2021. In 2022, 43.1 percent of Sedgwick County households earned a median income of \$75,000 or more, 29.5\ earned \$35,000-\$74,999, 17.7 percent earned \$15,000-\$34,999 and 9.7 percent of households earned less than \$14,999.

A final economic indicator for Sedgwick County is the percentage of families whose income had been below the poverty level throughout the past 12 months. According to the U.S. Census Bureau, American Community Survey, Sedgwick County's percentage of impoverished families during 2022 was 16.0 percent. Families with children younger than 18 years of age experienced higher poverty rates at 20.5 percent with 19.7 percent representing households with children younger than five years of age. Ages 65 and over experiencing poverty account for approximately 12.6 percent Sedgwick County households.

Property Values/Tax Payers

Similar to other jurisdictions, Sedgwick County has continued to address modest growth in property valuations by making operational changes. Prior to the national recession, assessed property valuations grew by an average of 5.5 percent annually between 1999 and 2009. Since that time, assessed valuations were below 1.0 percent for three years (2010 to 2012), and fell in value for the 2013 budget by

0.7 percent. Assessed values in 2017, 2018, and 2019 increased by 3.2 percent, 3.9 percent, and 4.5 percent respectively. Assessed valuation for 2021 was 3.6 percent and 2.7 percent in 2022 and 7.3 percent in 2023. In Sedgwick County, residential property accounts for the largest percentage (65 percent) of the total assessed value of real property. The second largest is commercial property, comprising 31.8 percent of the County's total assessed value of real property. The large percentage of residential property shows that individuals and families recognize the County as a growing community where they can purchase a home and establish roots, while the large portion of commercial property shows that the County's business environment is also favorable.

Another economic indicator is the total assessed value of the five largest taxpayers compared to the total assessed valuation of the County. A concentrated property tax base can be detrimental to a community in times of economic downturn, especially if a jurisdiction's largest taxpayers are in the same industry. Sedgwick County's largest five taxpayers comprised 6.48 percent of the County's total assessed value in 2022.

Cost of Living/Housing

The current overall cost of living in Wichita is below the national average of 100.0 on the Overall Cost of Living Index. Compared to Oklahoma City, Oklahoma (85.7), Omaha, Nebraska (91.9), Dallas, Texas (107.7), and Kansas City, Missouri-Kansas (95.5), the overall cost of living for area residents (90.8) is comparable to other area communities. As of the fourth quarter of 2022, the median home sales price in Wichita was \$210,100 for an existing home, approximately \$168,300 less than the national average. The home-ownership rate for Sedgwick County for 2021 was 62.0 percent, which was a slight decrease from both 2019 and 2020 at 62.3 percent. Home vacancy rates have been mixed. In 2002, vacancy rates in Sedgwick County were low at 1.2 percent, but increased to 3.4 percent in 2005. In 2009, vacancy rates decreased back to 1.4 percent. In 2011 and 2012, the vacancy rates sharply increased to 3.3 percent and 9.6 percent, respectively, and the rate held at 9.6 percent for 2013 before increasing to 10.6 percent in 2014 then slightly dropping to 10.2 percent in 2015, 9.6 percent in 2016, and increased again in 2017 to 10.5 percent, with a slight drop in 2018 to 10.4 percent. Vacancy rates fell again in 2020 to 9.7 percent and again in 2021 to 9.4 percent. The number of households owning homes in reporting years has hovered around 63.0 percent while vacancy rates have gone down slightly.

Expected long-term benefits of tax abatements

Economic Development incentives are necessary because of the inherent competition between localities for new businesses and jobs and therefore shall be used prudently on projects where incentives can make a difference to either remain or locate in Sedgwick County. The objective of offering economic development incentives to businesses and developers shall be to encourage business and community development by the following guidelines: creating and retaining quality jobs, broadening and diversifying the tax base, encouraging capital investments, increasing the regions global competitiveness, promoting the growth and welfare of Sedgwick County, reducing crime, improving community reputation, redevelopment of key neighborhoods, encouraging regional cooperation and educating the community about public benefits. The job creation, capital investment and proposed tax exemption is captured through a fiscal analysis conducted by the Center for Economic Development and Business Research (CEDBR) which includes inputs and outputs that breakdown the benefit to cost ratio over a 10 year and 20 year period. A minimum of 1:1 (break-even) ratio is the guideline followed for public benefit vs. public cost, however the County may alter that ratio for projects of substantial nature, or projects that diversify the local economy. Calculations can then be completed thereafter through the County's master list tax exemption report and tax system to show the estimated amount of tax that will come back onto the tax roll beginning year 11.

COUNTY BUSINESS AND FINANCIAL FORECAST

Financial Forecast

Sedgwick County continues to demonstrate a very strong financial position. 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 but is generally well positioned to meet them financially. Like many communities, the County experienced rapid growth in homes sales, strong growth in property values, and near historic levels of retail tax growth following the COVID-19 pandemic, leading to strong revenues. Those surges in revenues have begun to decelerate and are returning to more typical growth rates, with the exception of investment income, which has grown significantly as national interest rates have rapidly increased. At the same time, persistent inflation, supply chain disruptions, utility cost volatility, and workforce shortages have increased pressure on County expenditures, with management expecting workforce pressures to continue as local unemployment remains very low. Recent geopolitical conflicts have also created uncertainty with supply chains. However, as this report demonstrates, the County has substantial reserves and a demonstrated history of making financial course corrections when needed to balance the budget. The health of the reserves will allow the County to make deliberate and strategic decisions, pending the impacts of these challenges.

The County continues to closely monitor revenue collections and expenses going into the next financial forecast update.

The most recent forecast update anticipates operating surpluses in the General Fund in 2024 and 2025 due to strong investment income and expenditure control. Other County property-tax-supported funds have been budgeted to attain or preserve targeted fund balances. Other funds, particularly grant funds, are projected to experience a mix of operating surpluses and deficits, particularly as Federal American Rescue Plan Act funds are utilized after the County received the funds in two tranches in 2021 and 2022. These financial forecast projections will certainly be impacted as conditions changes, but the County's objective remains to maintain prudent fund balances through strategic management

Major initiatives of the County include the following:

- Aligning compensation with market peers and local employers to provide a competitive employment environment to attract and retain a diverse and high performance workforce
- Maintaining budget balance, while also meeting competitive pay and space needs for county government, like administration, public safety, and elections
- Investment in the mental health and substance use community response to improve access to care and reduce demands on the public safety system, including construction of an expanded community crisis center and a partnership with the State of Kansas to construct a State mental health hospital within Sedgwick County
- Pursue and administer federal grant opportunities in compliance with applicable rules and regulations
- Upgrade to the County's enterprise data system with financial system implementation in the next fiscal year

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 2023 totaled \$25,339,652, including projects for road improvements, infrastructure, equipment, and continued upgrades to County owned and leased buildings. Planned capital spending for 2024 totals \$29,574,765. Total projected spending in the 2024-2028 CIP is \$168,321,086 and is comprised of the following: \$50,091,946 for facilities and drainage, \$96,489,010 for roads, and \$21,740,130 for bridges. 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 2023, as authorized by a comprehensive written investment policy, idle County funds were composed of Time deposits, Demand deposits, U.S. Treasury securities, government agency securities and Kansas Municipal Investment Pool securities. Investments had a maximum maturity of four years. The weighted average maturity was 123 days and the average yield to maturity was 3.8 percent. The fair value of investments totaled \$706,530,537 at December 31, 2023.

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. Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. 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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. This was the 42nd 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 Annual Comprehensive 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 2023 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 41 consecutive years.

For the 18th time, Sedgwick County received GFOA's Popular Annual Financial Reporting (PAFR) Award for 2022 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, FORVIS, LLP. I sincerely appreciate this significant support. The citizens of Sedgwick County are extraordinarily well served by all members of the Division of Finance who contributed to this annual financial report of the County's financial results in their daily work throughout the year and their individual fiscal year-end tasks.

In particular, I want to applaud the efforts of the Accounting Staff, whose service to the County is invaluable. I express special appreciation to the Board of County Commissioners for their continued support for maintaining the highest standards of professionalism in the management of Sedgwick County's finances.

Respectfully,



Lindsay Poe Rousseau
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Sedgwick
Kansas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

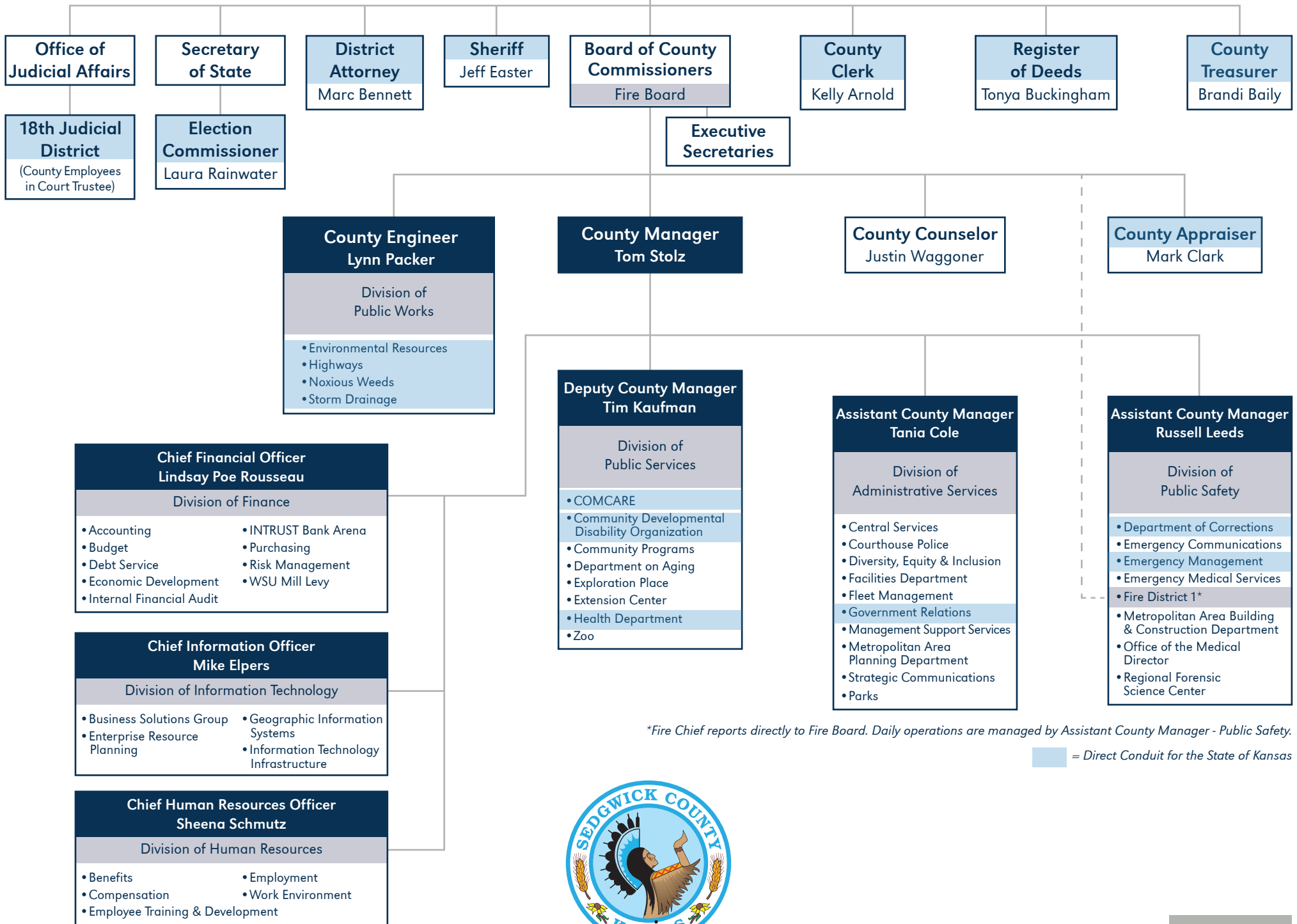
Christopher P. Morill

Executive Director/CEO

**SEDGWICK COUNTY, KANSAS
PRINCIPAL OFFICIALS
December 31, 2023**

Elected Positions	Name	Date of Appointment
Commissioner, 1 st District	Peter F. Meitzner	January 13, 2019
Commissioner, 2 nd District	Sarah Lopez	January 10, 2021
Commissioner, 3 rd District	David T. Dennis	January 8, 2017
Commissioner, 4 th District	Ryan K. Baty	January 13, 2019
Commissioner, 5 th District	James M. Howell	January 11, 2015
Administrative Judge, 18 th Judicial District	Jeffrey Goering	June 30, 2019
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	Brandi Baily	October 10, 2021

Appointed Positions	Name	Date of Appointment
County Manager	Thomas J. Stolz	February 20, 2019
Deputy County Manager, Public Services	Tim Kaufman	July 24, 2016
Assistant County Manager, Administrative Services	Tania Cole	April 3, 2019
Assistant County Manager, Public Safety	Russell Leeds	September 25, 2017
Chief Financial Officer	Lindsay Poe Rousseau	February 15, 2017
County Counselor	Justin M. Waggoner	June 14, 2023
County Appraiser	Mark Clark	February 12, 2020
County Engineer	Lynn Packer	March 22, 2023
Chief Information Officer	Mike Elpers	April 11, 2021
Director of Health Department	Adrienne Byrne	May 18, 2014
Chief Human Resources Officer	Sheena Schmutz	November 26, 2018
Director, Metropolitan Area Planning Department	Scott Wadle	March 23, 2020
Director, Metropolitan Area Building and Construction Department	Chris W. Labrum	June 5, 2017



*Fire Chief reports directly to Fire Board. Daily operations are managed by Assistant County Manager - Public Safety.

 = Direct Conduit for the State of Kansas





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Independent Auditor's Report

Board of County Commissioners
Sedgwick County, Kansas
Wichita, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Sedgwick County, Kansas (the County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 the County, as of December 31, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note IV.E. to the financial statements, in 2023, the County adopted Governmental Accounting Standards Board Statement Number 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension, and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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 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 fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 8, 2024, on our consideration of 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County's 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.

FORVIS, LLP

Wichita, Kansas
May 8, 2024

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, 2023. 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

- On March 11, 2020, the World Health Organization declared the novel coronavirus, COVID-19, a pandemic. After receiving nearly \$109 million in Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funds to assist with response in 2020, Sedgwick County was awarded \$100.2 million in Federal recovery funding through the Federal American Rescue Plan Act (ARPA) in 2021. These funds are permitted to be obligated for eligible uses through 2024 and must be spent by December 31, 2026. The Board of County Commissioners has adopted a spending plan through 2024, which includes funding for premium pay for front-line workers during the worst of the pandemic; public health response; measures for employee safety related to COVID-19 and other respiratory protections; facility measures and additional workforce necessary to resolve the 18th Judicial District Court system backlog; and other programs. In 2023, the Commission directed staff to bring the Spending Plan back to the BOCC for revision and approval each quarter; the revised Plan is shared on the County's ARPA web page for public viewing.
- After strong economic growth in 2022 following the worst of the pandemic, growth moderated in 2023 in those categories that typically reflect the condition of the local economy, such as retail sales and use taxes of \$39.0 million and motor vehicle taxes of \$19.8 million. However, investment income increased significantly to \$10.2 million due to higher interest rates and targeted investment strategies.
- Like the rest of the country, Sedgwick County's behavioral health system has been challenged to meet the level of need as the effects of the pandemic have rippled throughout the community. In 2022, the State of Kansas designated Sedgwick County COMCARE as a Certified Community Behavioral Health Clinic (CCBHC), which expanded access to mental health care and significantly changed the funding model. This resulted in significant new revenue to COMCARE in 2023. Additionally in 2023, the State of Kansas allocated \$40.0 million to Sedgwick County for the construction of a new State Regional Psychiatric Hospital to address mounting challenges in the number of inmates detained in the Sedgwick County Adult Detention Facility with possible mental health issues awaiting evaluation to stand trial. At the Governor's direction, an advisory panel was established to oversee plans for the hospital, as well as future concerns regarding operations and workforce. Of the \$40.0 million, \$25.0 million is from the State's \$1.6 billion ARPA allocation.
- After several years of requests from Sedgwick County to the Kansas Legislature, counties were given authority to create new funds: a special revenue fund related to opioid settlement revenue and expense activity, as well as a new enterprise fund for code and inspection enforcement fiscal activities. This latter action resulted in a significant year-end Interfund transfer of the restricted fund balance for the Metropolitan Area Building & Construction Department (MABCD) from the County General Fund to the new fund in 2023. The Legislature also authorized expanded uses of the County Equipment Reserve Fund which took effect July 1, 2023.
- Total net position of Sedgwick County increased \$10.9 million to \$557.8 million. Governmental funds increased \$8.0 million, and enterprise funds, consisting of the Arena Fund and the newly added Code Inspection & Enforcement Fund, increased \$2.9 million. This new enterprise fund will be used by the County beginning in 2024, but a transfer of cash for \$8.1 million was initiated between the General Fund and the Code Inspection & Enforcement Fund in 2023, representing the restricted balance associated with these operations in the General Fund through year-end. Of the total net position, (\$4.5) million is reported as unrestricted, an increase of \$0.7 million from the prior year of \$(3.8) million.

- 2023 expenses were \$420 million, an increase of \$35 million. This increase in expenses is largely related to a one-time capital contribution to Exploration Place, a one-time funding agreement for a capital campaign for the Child Advocacy Center, and medical professional services by the Sheriff's Office for Adult Detention Facility services. The increase in personnel costs is primarily due to an increase in rates of pay and an increase in positions filled in the Sheriff's Office compared to 2022.
- Program revenues were \$153 million, an increase of \$1.6 million. Charges for services increased by \$12.3 million in Public Safety and Health and Welfare due to increased revenues in EMS, Comcare, and Sheriff billings. Sheriff started receiving a new source of revenues from the Kansas Department of Aging and Disabilities for housing of prisoners awaiting competency assessments or placement in a State mental hospital. Grants and contributions decreased by \$10.7 million due to a decrease in insurance proceed funding and building asset investments at the Sedgwick County Zoo, and less grant revenue for INTRUST Bank Arena.
- Property taxes were \$209 million, an increase of \$11 million. This is primarily due to growth in the County's assessed valuation of 7.3% for the 2023 budget year
- Sales taxes were \$39 million, an increase of \$0.5 million. This increase can be attributed to an improved, but moderating, economy with low unemployment rates causing higher wages, but also higher inflation.
- Uses of money and property were \$24.5 million, an increase of \$29.1 million. This increase is the result of more strategic investments and rising interest rates (\$16.2 million), as well as increase in interest on current taxes (\$3.2 million).
- The County adopted Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements* in 2023. Comparative 2022 information presented herein has not been restated for its adoption.

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 explain in more detail 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-28 through A-87 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, although unique one-time revenues or expenses may cause changes in the net position without indicating structural financial concerns.

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, cultural and recreation, and community development. In 2022, the County had a single business-type activity, the Arena Fund, which was used to account for the assets, liabilities, revenues and expenses associated with INTRUST Bank Arena. In 2023, the Code & Inspection Enforcement Fund was added. This new enterprise fund was funded by a transfer of cash for \$8.1 million between the General Fund and the Code Inspection & Enforcement Fund in 2023. It will be used in 2024 and in the future to report Code Inspection & Enforcement activities.

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

The government-wide financial statements can be found on pages A-17 through A-27 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 32 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 nonmajor 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-19 through A-27 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 an enterprise fund to account for the Arena complex. Additional information regarding INTRUST Bank Arena is provided in the combining schedule in the Enterprise Fund subsection. See the note above regarding the addition of a second enterprise fund in 2023.

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-23 through A-25 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 has four fiduciary funds classified as custodial funds. These four 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 Custodial Funds subsection. Additionally, the County reports its 457 Plan as a pension (and other employee benefits) trust fund in accordance with GASB 84.

The basic fiduciary fund financial statement can be found on page A-26 through A-28 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-28 of this report.

Other Required Supplementary Information

This section is found on pages A-79 through A-86 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 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. Combining and individual fund statements and schedules can be found on pages B-1 through D-3 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 and deferred outflows of resources of the primary government exceeded liabilities and deferred inflows of resources by \$558 million at the end of 2023.

Sedgwick County, Kansas
Net Position
As of December 31, 2023
With Comparatives as of December 31, 2022
(Millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and other assets	\$563.6	\$546.6	\$10.8	\$5.2	\$574.4	\$551.8
Capital assets	419.9	419.8	130.5	133.1	550.4	552.9
Total assets	<u>983.5</u>	<u>966.4</u>	<u>141.3</u>	<u>138.3</u>	<u>1,124.8</u>	<u>1,104.7</u>
Deferred Outflows:						
Deferred outflows – other postemployment benefits	2.6	2.7			2.6	2.7
Deferred outflows – pensions	63.9	72.9	-	-	63.9	72.9
Total deferred outflows	<u>66.5</u>	<u>75.6</u>	<u>-</u>	<u>-</u>	<u>66.5</u>	<u>75.6</u>
Liabilities:						
Long-term liabilities	347.0	362.7	-	-	347.0	362.7
Other liabilities	59.2	71.0	.09	-	59.2	71.0
Total liabilities	<u>406.2</u>	<u>433.7</u>	<u>.09</u>	<u>-</u>	<u>406.2</u>	<u>433.7</u>
Deferred Inflows:						
Deferred property tax revenues	202.4	187.9	-	-	202.4	187.9
Deferred inflows –other postemployment benefits	10.5	8.1	-	-	10.5	8.1
Deferred inflows - pensions	14.3	3.7	-	-	14.3	3.7
Total deferred inflows	<u>227.2</u>	<u>199.7</u>	<u>-</u>	<u>-</u>	<u>227.2</u>	<u>199.7</u>
Net position:						
Net investment in capital assets	355.9	350.2	130.5	133.0	486.4	483.2
Restricted	65.2	67.4	10.7	-	75.9	67.4
Unrestricted (deficit)	(4.5)	(9.0)	-	5.2	(4.5)	(3.8)
Total net position	<u>\$416.6</u>	<u>\$408.6</u>	<u>\$141.2</u>	<u>\$138.2</u>	<u>\$557.8</u>	<u>\$546.8</u>

The largest portion of the County's net position (87.2%) 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 15.6% of net position and is resources that are subject to external restrictions on how they may be used. The remaining balance of (\$4.5 million) is *unrestricted net position*.

Change in Net Position

The County's net position for governmental activities increased \$8.0 million or 2.0%. Net position of the County's business-type activities increased \$3.0 million representing an increase of 2.2% during 2023. Overall, net position increased \$11.0 million or 2.0%. Changes in net position were as follows:

Sedgwick County, Kansas
Change in Net Position
Fiscal Year Ended December 31, 2023
With Comparatives for the Year Ended December 31, 2022
(Millions of dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$84.8	\$72.2	\$1.5	\$1.8	\$86.3	\$ 74.0
Operating grants and contributions	65.8	65.4	-	5.3	65.8	70.7
Capital grants and contributions	1.0	6.8	-	-	1.0	6.8
General revenues:						
Property taxes	209.2	198.5	-	-	209.2	198.5
Sales taxes	39.0	38.5	-	-	39.0	38.5
Other taxes	4.0	4.1	-	-	4.0	4.1
Investment earnings	25.4	(4.4)	-	-	25.4	(4.4)
Transfers	(8.3)	-	8.4	-	0.1	-
Total revenues	<u>420.9</u>	<u>381.1</u>	<u>9.9</u>	<u>7.1</u>	<u>430.08</u>	<u>388.2</u>
Expenses						
General government	80.1	81.5	-	-	80.1	81.5
Public safety	188.9	169.3	-	-	188.9	169.3
Public works	32.5	33.3	-	-	32.5	33.3
Health and welfare	76.9	64.9	-	-	76.9	64.9
Culture and recreation	18.2	14.1	-	-	18.2	14.1
Community development	13.5	12.4	-	-	13.5	12.4
Interest on long-term debt	3.6	3.8	-	-	3.6	3.8
Arena	-	-	6.9	6.1	6.9	6.1
Total expenses	<u>413.7</u>	<u>379.3</u>	<u>6.9</u>	<u>6.1</u>	<u>420.6</u>	<u>385.4</u>
Increase (decrease) in net position	7.2	1.8	2.9	1.0	10.1	2.8
Net position, beginning, as restated	409.4	406.8	138.3	137.2	547.7	544.0
Net position, ending	<u>\$416.6</u>	<u>\$408.6</u>	<u>\$141.2</u>	<u>\$138.2</u>	<u>\$557.8</u>	<u>\$546.8</u>

Charges for services in governmental activities increased \$12.6 million, or 17.5%, in 2023. This increase is largely due to the new Certified Behavioral Health Clinic (CCHBC) billing structure that started in June 2022. In 2022, \$10.8 million was charged through seven months, while in 2023, Comcare earned \$23.6 million for a full year of service. The new billing structure has resulted in greater revenues in charges for services for health and welfare departments.

Operating grants and contributions increased \$0.4 million or 0.6%.

Capital grants and contributions decreased \$5.8 million or 85.2% due to a decrease in insurance proceed funding & building asset investments at the Sedgwick County Zoo.

Property tax collections increased \$10.7 million, or 5.3%. The County's assessed valuation grew 7.3% for the 2023 budget year. Sales tax collections increased \$0.5 million, or 1.3%. This small increase is attributed to an improved, but moderating, economy with low unemployment rates causing higher wages, but also higher inflation.

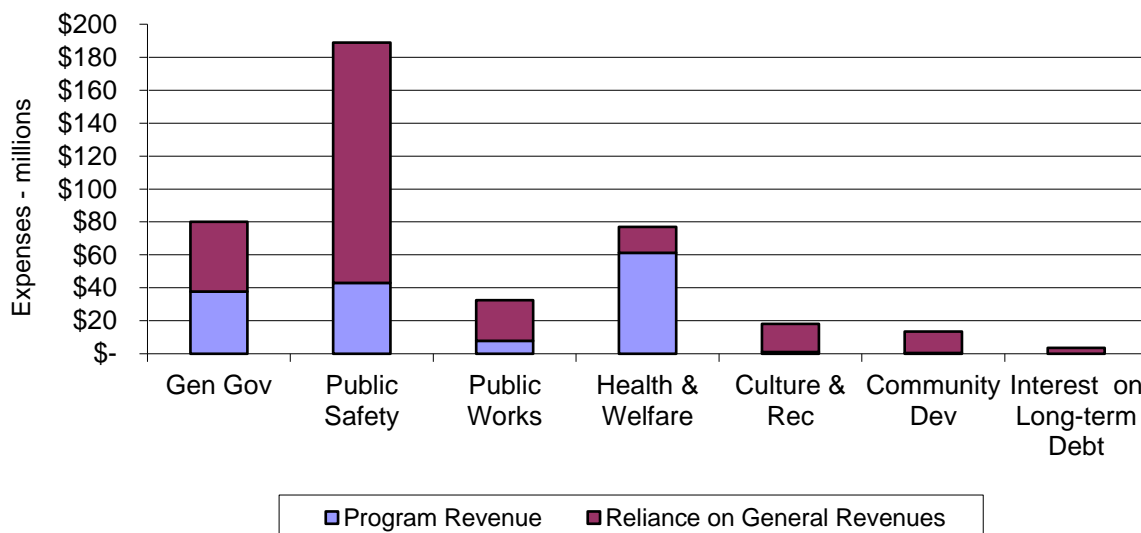
Expenses for governmental activities increased \$34.4 million, or 9.1%, from 2022 to 2023. General government expenses decreased \$1.4 million, or 1.6%. This decrease is largely contributed to grant awards issued to the public using COVID relief funding. Public safety expenses increased \$19.6 million, or 11.6%. This increase can be largely attributed to personnel expenses for pay adjustments for various public safety departments. Additional expenses were incurred for multiple CIP projects such as upgrades at the jail and remodeling at the Sedgwick County courthouse. Public works decreased \$0.8 million, or 2.4%. Health and welfare expenses increased \$12.0 million, or 18.5%. This increase can be largely contributed to the new billing structure for CCBHC which helped fill vacant positions in the Comcare department. Another large expense was temporary employment services that were utilized to fill positions for COVID-related programs. Culture and recreation expenses increased \$4.1 million, or 29.1%. Community development expenses increased \$1.1 million, or 8.8%. Interest on long-term debt decreased \$0.2 million, or 7.8%, for 2023.

Governmental Activities

Governmental activities incurred \$413,725,778 in expenses during 2023. The following list breaks this expense down into percentages by function with the corresponding dollar amounts:

○ Public safety	45.7%	\$188,917,773
○ General government	19.3%	80,144,673
○ Health and welfare	18.6%	76,939,270
○ Public works	7.8%	32,500,948
○ Culture and recreation	4.4%	18,182,848
○ Community development	3.3%	13,533,122
○ Interest on long-term debt	0.9%	3,507,144
○ Total governmental activities expenses		<u>\$413,725,778</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 principally taxes and investment earnings.



As reflected in the chart, no function of government is self-supporting. For that reason, there is a 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
○ Interest on long-term debt	100.0%	\$ 3,507,144	\$ -
○ Community development	96.1%	13,005,896	527,225
○ Culture and recreation	94.0%	17,091,346	1,091,502
○ Public safety	77.2%	145,838,093	43,079,680
○ Public works	75.7%	24,600,058	7,900,890
○ General government	52.9%	42,397,087	37,747,587
○ Health and welfare	20.3%	15,632,338	61,306,932
Total reliance on general revenues		<u>\$262,071,962</u>	<u>\$151,653,816</u>

Business-type Activities

In addition to the Arena Fund's activities, a new enterprise fund was established in 2023. Net position for fiscal year 2023 increased by \$3.0 million to \$141.2 million. Of that \$141.2 million, \$130.5 million is invested in capital assets. The increase in net position can be attributed to fewer COVID-related restrictions on gathering size and spacing, as well as more touring shows in 2023.

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 \$263.8 million, an increase of \$13.6 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 (As Restated)	Ending Fund Balance	Change in Fund Balance
General	\$ 83,227,428	\$ 89,718,564	\$ 6,491,136
Federal/State Assistance	31,707,484	36,506,264	4,798,780
Public Building Commission	42,904,055	42,294,688	(609,367)
Debt Service	2,241,355	6,048,662	3,807,307
Debt Proceeds	7,621,418	4,153,711	(3,467,707)
Other Governmental	82,458,673	85,060,055	2,601,382
Total Governmental Funds	\$ 250,160,413	\$ 263,781,944	\$13,621,531

The General Fund is the chief operating fund of Sedgwick County. Ending fund balance in the General Fund increased \$6.5 million to \$89.7 million, compared to a decrease of \$5.0 million a year ago.

Revenues of the General Fund increased \$40.2 million, to \$244.5 million, in 2023. Property tax increased \$10.2 million, or 6.9%, from 2022, primarily due to assessed valuation growth of 7.3% for the 2023 budget year. Charges for services increased \$2.1 million, or 7.1%, from 2022 to 2023, due primarily to a new law passed in 2023 (Senate Bill 228) that provides reimbursements for fees for housing prisoners awaiting competency hearings. Charges for service also increased because of fees collected by EMS for Medicaid, setoff program charges, and building rental revenue collected by the Department of Corrections for housing inmates.

Licenses and permits decreased \$1.3 million, or 14.0%, from 2023. This is due to a decrease in permits issued by the MABCD for commercial and residential projects through 2023 compared to 2022.

General Fund expenditures increased \$17.4 million, or 8.8%, to \$215.7 million.

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 36.2% of total General Fund expenditures, while total fund balance represents 41.6%. 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 \$36.5 million which is \$4.8 million more than 2022. Revenues increased \$10.2 million over the prior year, to \$89.9 million. Charges for service increased \$9.0 million, or 44.7%, from 2022. This increase is due primarily to the new Comcare billing structure for its CCBHC (Certified Community Behavioral Health Clinic) certification. The CCHBC billing structure started in June 2022 and \$10.8 million was charged through seven months, while in 2023, Comcare earned \$23.6 million for a full year of service. The new billing structure has resulted in greater revenues in charges for services for Comcare.

Intergovernmental revenues decreased \$2.9 million from 2022. This increase is due to greater revenues in Corrections grants to support Adult and Juvenile services provided through annual state grants. Other Human Services departments received more revenues from the Kansas Department of Aging and Disability Services for programs that support the Mobile Crisis unit, 988 Suicide Hotline, and Developmental Disability services.

Federal/State Assistance Fund expenditures increased \$4.8 million, or 5.9%, from 2022. General government expenditures increased \$2.2 million, or 5.9%, due to fewer expenditures related to and funded through COVID funds. Health and welfare expenditures increased \$7.6 million, or 15.3%, from 2022 due to increases in Comcare expenditures for mental health. Comcare received additional grants in 2023 compared to 2022, as well as a new CCBHC billing structure.

The Sedgwick County Public Building Commission (SCPBC) fund is a special revenue fund to account for revenues and expenditures derived from the contracts to fund construction for other governmental entities. The SCPBC fund ended the year with a fund balance of \$42.3 million, which is a small decrease from the previous year of \$0.6 million.

The Debt Service Fund balance increased by \$3.8 million in 2023 compared to 2022 resulting from less debt issues in 2022 and 2023 than anticipated, amounting to decreased 2023 principal and interest payments from what was funded through the adopted budget.

The Debt Proceeds Fund is a capital projects fund that receives proceeds from general obligation bond issues and other long-term financing sources. This fund decreased \$3.5 million from 2022 to 2023 resulting from the allocation of Series 2018B, 2019A, 2020A and 2022A general obligation bond proceeds to capital project expenditures.

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 INTRUST Bank Arena. Through a management agreement, 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, naming rights fees, and a portion of facility fees generated through Arena events. The Arena Fund had an operating loss of \$5.4 million. The majority of the loss can be attributed to \$5.2 million in depreciation expense.

After several years of requests from Sedgwick County to the Kansas Legislature, counties were given authority to create a new proprietary fund: a new enterprise fund for code and inspection enforcement fiscal activities. This action resulted in a significant year-end Interfund transfer of the restricted fund balance for the Metropolitan Area Building & Construction Department (MABCD) of \$8.1 from the County General Fund to the new fund on December 31, 2023.

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 net position in 2023 of \$2.1 million, to \$25.9 million. The workers' compensation expenses exceeded charges billed to departments and the Fund ended the year with a fund balance of \$4.6 million. The Risk Management Fund decreased \$0.2 million in 2023 to \$1.0 million. Sedgwick County expended \$3.4 million for property and liability insurance during 2023 and also paid \$0.3 million 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. The County uses a self-funded insurance model for health insurance and dental insurance. The Fund had an increase of \$0.7 million during 2023, increasing net position to \$12.2 million at the end of the year.

General Fund Budgetary Highlights

The County did not amend the budget during fiscal year 2023, although appropriations were shifted between line items in the General Fund.

Actual revenue was \$9.3 million, or 3.7%, above both the original and final budgets. Four of the 10 major revenue sources ended the year above budget. Property taxes were \$3.9 million below budget when considering back taxes, though current property taxes exceeded budget by \$1.4 million. Sales taxes were \$1.7 million above budget due to a moderate but steady economy. Charges for services were \$1.0 million above budget. Uses of money and property were \$10.3 million above budget due to higher interest rates, which affected investment income. Licenses and permits were \$0.5 million below budget due to a decrease in permits issued by the MABCD for commercial and residential projects through 2023 compared to 2022.

General Fund expenditures totaled \$220.7 million, and were \$18.0 million and 8.2% less than the final budget. Expenditures for personnel services were less than the final budget by \$11.4 million due to significant workforce challenges, which resulted in a focus on compensation in the 2023 budget. Contractual services ended the year \$4.6 million lower than the final budget. The County budgets a contingency for disaster recovery each year, which is included in contractual services. Overall budgetary fund balance in the General Fund decreased \$2.2 million in 2023.

Capital Asset and Debt Administration

Sedgwick County's investment in capital assets for its governmental and business-type activities as of December 31, 2023, totaled \$551,519,324 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, roads, bridges, improvements, machinery and equipment, software, and INTRUST Bank Arena.

Capital Assets
December 31, 2023
(Net of Depreciation and Amortization)

	Governmental Activities	Business-Type Activities	Total
Land	\$ 28,483,226	\$ 13,038,358	\$ 41,521,584
Buildings and improvements	180,224,791	112,425,105	292,649,896
Improvements other than buildings	9,623,207		9,623,207
Machinery and equipment	25,491,239	4,635,777	30,127,016
Infrastructure	139,044,080		139,044,080
Construction in progress	30,598,155	363,801	30,961,956
Leases and subscriptions	6,477,509		6,477,509
Total	<u>\$ 419,942,207</u>	<u>\$ 130,463,041</u>	<u>\$550,405,248</u>

Additional information regarding capital assets can be found in Note III. C, beginning on page A-36.

Long-term Debt

At the end of 2023, Sedgwick County had total general obligation bonds outstanding of \$33.8 million. This amount includes \$1.9 million of special assessment bonds. The County's long-term obligations also include revenue bonds totaling \$63.5 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 2023, Sedgwick County did not issue general obligation debt or special assessment debt.

Outstanding general obligation bonds of the County and lease revenue bonds of the SCPBC 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").

Additional information about the County's long-term debt can be found in Note III. E, beginning on page A-49 of this report.

Economic Factors and Next Year's Budgets and Rates

- 2022 County property tax levy funds the 2023 budget; 2022 property tax (mill levy) rate is 29.370
- Unemployment rate for Wichita MSA was 2% at the end of 2023, a 1% decrease from 2022
- 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 Aero Systems, and Bombardier Learjet.
- Cost of living index in Wichita is a moderate 90.8, almost 10% below the national urban area average of 100.
- Continued community recovery from the effects of the worldwide pandemic associated with the novel coronavirus, referred to as COVID-19, while addressing ongoing challenges from historic levels of inflation, supply chain disruptions, and workforce shortages.
- Continuing efforts to align compensation with market peers and local employers to provide a competitive employment environment to attract and retain a diverse and high performance workforce, particularly in public safety.
- Maintaining budget balance while also meeting competitive pay and space needs for county government, like administration, public safety, and elections.
- Commission goal to diversify revenues to reduce County reliance on property tax as the primary revenue source for many State-mandated programs and services operated by County departments.
- Upgrade to the County's enterprise data system with financial system implementation in 2025

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, 100 N. Broadway, Suite 610 Wichita, Kansas 67202.

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SEDGWICK COUNTY, KANSAS

Statement of Net Position December 31, 2023

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Cash, including investments	\$ 294,875,451	\$ 9,635,797	\$ 304,511,248
Receivables, net	260,162,761	1,191,740	261,354,501
Due from other agencies	4,022,996	-	4,022,996
Inventories, at cost	850,209	-	850,209
Prepaid items	2,183,898	-	2,183,898
Restricted assets:			
Cash, including investments	1,521,504	-	1,521,504
Capital assets:			
Land and construction in progress	59,081,381	13,402,159	72,483,540
Other capital assets, net of depreciation and amortization	360,860,826	117,060,882	477,921,708
Total assets	983,559,026	141,290,578	1,124,849,604
Deferred Outflows of Resources			
Deferred outflows-OPEB	2,582,155	-	2,582,155
Deferred outflows-pensions	63,906,398	-	63,906,398
Total deferred outflows of resources	66,488,553	-	66,488,553
Liabilities			
Accounts payable and other current liabilities	5,040,022	93,097	5,133,119
Accrued interest payable	1,592,249	-	1,592,249
Due to other entities	725,164	-	725,164
Advance - grants	51,816,848	-	51,816,848
Noncurrent liabilities:			
Due within one year	24,882,655	-	24,882,655
Due in more than one year	322,128,852	-	322,128,852
Total liabilities	406,185,790	93,097	406,278,887
Deferred Inflows of Resources			
Deferred property tax revenue	202,377,358	-	202,377,358
Deferred inflows-OPEB	10,521,502	-	10,521,502
Deferred inflows-pensions	14,334,859	-	14,334,859
Total deferred inflows of resources	227,233,719	-	227,233,719
Net Position			
Net investment in capital assets	355,960,808	-	355,960,808
Invested in capital assets	-	130,463,041	130,463,041
Restricted for:			
Capital improvements	27,915,856	-	27,915,856
Capital improvements and operations	-	10,734,440	10,734,440
Debt service	7,105,728	-	7,105,728
Federal/State assistance	2,533,092	-	2,533,092
Community Development	3,255,468	-	3,255,468
Equipment and technology improvements	1,822,612	-	1,822,612
Fire protection	8,842,497	-	8,842,497
Public Safety	5,599,807	-	5,599,807
Court Operations	2,599,306	-	2,599,306
Health and welfare	1,366,828	-	1,366,828
Other purposes	4,156,098	-	4,156,098
Unrestricted	(4,530,030)	-	(4,530,030)
Total net position	\$ 416,628,070	\$ 141,197,481	\$ 557,825,551

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

SEDGWICK COUNTY, KANSAS

Statement of Activities

For the Year Ended December 31, 2023

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 80,144,673	\$ 21,851,478	\$ 15,896,109	\$ -	\$ (42,397,086)	\$ -	\$ (42,397,086)
Public safety	188,917,773	30,685,786	12,393,894	-	(145,838,093)	-	(145,838,093)
Public works	32,500,948	2,541,123	4,864,085	495,682	(24,600,058)	-	(24,600,058)
Health and welfare	76,939,270	29,269,260	32,037,672	-	(15,632,338)	-	(15,632,338)
Cultural and recreation	18,182,848	470,725	114,224	506,553	(17,091,346)	-	(17,091,346)
Community development	13,533,121	12,809	514,416	-	(13,005,896)	-	(13,005,896)
Interest on long-term debt	3,507,144	-	-	-	(3,507,144)	-	(3,507,144)
Total governmental activities	<u>413,725,778</u>	<u>84,831,181</u>	<u>65,820,400</u>	<u>1,002,235</u>	<u>(262,071,962)</u>	<u>-</u>	<u>(262,071,962)</u>
Business-type activities:							
Arena	6,904,962	1,486,737	-	-	-	(5,418,225)	(5,418,225)
Code Inspection & Enforcement	-	-	-	-	-	-	-
Total business-type activities	<u>6,904,962</u>	<u>1,486,737</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,418,225)</u>	<u>(5,418,225)</u>
Total primary government	<u>\$ 420,630,740</u>	<u>\$ 86,317,918</u>	<u>\$ 65,820,400</u>	<u>\$ 1,002,235</u>	<u>(262,071,962)</u>	<u>(5,418,225)</u>	<u>(267,490,187)</u>
			General revenues:				
			Property taxes		209,159,099	-	209,159,099
			Sales taxes		39,023,272	-	39,023,272
			Other taxes		4,017,239	-	4,017,239
			Investment earnings		25,408,138	-	25,408,138
			Transfers		(8,341,539)	8,341,539	-
			Total general revenues		<u>269,266,209</u>	<u>8,341,539</u>	<u>277,607,748</u>
			Change in net position		<u>7,194,247</u>	<u>2,923,314</u>	<u>10,117,561</u>
			Net position, beginning of year, as previously reported		<u>408,607,611</u>	<u>138,274,167</u>	<u>546,881,778</u>
			Change in accounting principle		<u>826,212</u>	<u>-</u>	<u>826,212</u>
			Net position, beginning of year, as restated		<u>409,433,823</u>	<u>138,274,167</u>	<u>547,707,990</u>
			Net position, end of year		<u>\$ 416,628,070</u>	<u>\$ 141,197,481</u>	<u>\$ 557,825,551</u>

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

SEDGWICK COUNTY, KANSAS

*Balance Sheet
Governmental Funds
December 31, 2023*

	General Fund	Federal/State Assistance Fund	Public Building Commission Fund	Debt Service Fund	Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
Assets:							
Cash, including investments	\$ 82,368,812	\$ 85,656,662	\$ 18,184	\$ 6,048,662	\$ 4,153,711	\$ 83,416,764	\$ 261,662,795
Restricted investment	-	-	1,521,504	-	-	-	1,521,504
Due from other funds	1,157,799	-	-	-	-	-	1,157,799
Due from other agencies	408,884	3,613,612	-	-	-	500	4,022,996
Accounts receivable	4,735,977	2,001,798	-	-	-	1,774	6,739,549
Property tax receivable	157,442,451	-	-	7,224,021	-	37,710,886	202,377,358
Sales tax receivable	3,410,027	-	-	-	-	3,410,027	6,820,054
Interest receivable	845,789	-	-	-	-	-	845,789
Prepaid items	1,879,898	-	-	-	-	-	1,879,898
Notes receivable							
Noncurrent	-	-	40,755,000	1,861,945	-	-	42,616,945
Delinquent (including interest)	-	-	-	743,396	-	-	743,396
Inventories, at cost	37,445	37,427	-	-	-	450,011	524,883
Total assets	\$ 252,287,082	\$ 91,309,499	\$ 42,294,688	\$ 15,878,024	\$ 4,153,711	\$ 124,989,962	\$ 530,912,966
Liabilities, Deferred Inflows of Resources and Fund Balances:							
Accounts payable	\$ 1,731,682	\$ 1,983,129	\$ -	\$ -	\$ -	\$ 988,722	\$ 4,703,533
Advance - grants	-	51,816,848	-	-	-	-	51,816,848
Due to other funds	-	-	-	-	-	779,470	779,470
Advance payable	-	-	-	-	-	378,329	378,329
Due to other entities	651,167	1,497	-	-	-	72,500	725,164
Total liabilities	2,382,849	53,801,474	-	-	-	2,219,021	58,403,344
Deferred Inflows of Resources:							
Deferred property tax revenue	157,442,451	-	-	7,224,021	-	37,710,886	202,377,358
Unavailable revenue - accounts receivable	2,743,218	1,001,761	-	-	-	-	3,744,979
Unavailable revenue - special assessments	-	-	-	2,605,341	-	-	2,605,341
Total deferred inflows of resources	160,185,669	1,001,761	-	9,829,362	-	37,710,886	208,727,678
Fund balances:							
Nonspendable:							
Inventories	37,445	37,427	-	-	-	450,011	524,883
Prepaid items	1,879,898	-	-	-	-	-	1,879,898
Restricted:							
General Government	-	28,791	-	-	-	4,144,884	4,173,675
Debt Service	-	-	18,184	6,048,662	-	25,790	6,092,636
Public Safety	-	1,974,184	-	-	-	17,041,610	19,015,794
Public Works	-	-	-	-	-	4,380,472	4,380,472
Health and Welfare	-	532,454	-	-	-	1,444,221	1,976,675
Culture and Recreation	-	-	-	-	-	115,248	115,248
Community Development	-	4,233,287	42,276,504	-	-	9,500	46,519,291
Capital Outlay	-	-	-	-	4,153,711	25,167,069	29,320,780
Committed:							
Public Safety	-	11,494	-	-	-	-	11,494
Capital Outlay	-	-	-	-	-	8,859,445	8,859,445
Health and Welfare	-	3,521,921	-	-	-	-	3,521,921
Assigned:							
General Government	9,230,742	-	-	-	-	-	9,230,742
Public Safety	308,011	822,304	-	-	-	2,845,929	3,976,244
Public Works	7,391	-	-	-	-	1,009,236	1,016,627
Health and Welfare	49,008	25,346,739	-	-	-	-	25,395,747
Culture and Recreation	11,773	-	-	-	-	-	11,773
Capital Outlay	-	-	-	-	-	20,346,110	20,346,110
Unassigned	78,194,297	(2,337)	-	-	-	(779,470)	77,412,490
Total fund balances	89,718,564	36,506,264	42,294,688	6,048,662	4,153,711	85,060,055	263,781,944
Total liabilities, deferred inflows of resources and fund balances	\$ 252,287,082	\$ 91,309,499	\$ 42,294,688	\$ 15,878,024	\$ 4,153,711	\$ 124,989,962	\$ 530,912,966

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

SEDGWICK COUNTY, KANSAS

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position December 31, 2023

Total fund balances of governmental funds		\$ 263,781,944
<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 \$868,162,661 and the accumulated depreciation is \$461,244,203, excluding internal service fund capital assets.</p>		405,693,199
<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>		43,653,576
<p>Certain accounts receivable resulting from charges for services are not considered available to pay current period expenditures and are therefore deferred in the funds.</p>		
Special assessments	2,605,341	
Miscellaneous other	3,744,979	6,350,320
<p>Other deferred outflows of resources do not decrease net position until a future period and therefore are not reported in the funds</p>		
Deferred outflows - OPEB	2,582,155	
Deferred outflows - pensions	63,906,398	66,488,553
<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	(35,605,000)	
Bond premium	(4,149,082)	
Revenue bonds payable	(63,510,000)	
Finance purchase payable	(2,171,693)	
Lease payable	(2,933,604)	
Subscription payable	(2,922,559)	
Compensated absences	(9,850,000)	
Net pension liability	(201,010,311)	
Total OPEB liability	(20,738,663)	
Accrued interest payable	(1,592,249)	(344,483,161)
<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 - OPEB	(10,521,502)	
Deferred inflows - pensions	(14,334,859)	(24,856,361)
Net position of governmental activities		\$ 416,628,070

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

SEDGWICK COUNTY, KANSAS

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2023

	General Fund	Federal/State Assistance Fund	Public Building Commission Fund	Debt Service Fund	Debt Proceeds Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Property taxes	\$ 158,311,401	\$ -	\$ -	\$ 12,222,512	\$ -	\$ 38,625,186	\$ 209,159,099
Emergency telephone services taxes	-	-	-	-	-	3,574,388	3,574,388
Sales taxes	21,109,202	-	-	-	-	17,914,070	39,023,272
Special assessments	-	-	-	401,166	-	-	401,166
Other taxes	206,359	37,500	-	-	-	198,992	442,851
Intergovernmental	810,140	60,007,368	-	-	-	5,344,663	66,162,171
Charges for services	31,116,992	29,302,010	-	-	-	9,562,682	69,981,684
Uses of money and property	21,292,123	43,602	1,879,459	-	-	1,251,977	24,467,161
Fines and forfeits	1,216,391	358,409	-	-	-	-	1,574,800
Licenses and permits	8,038,966	-	-	-	-	87,243	8,126,209
Other	2,445,324	200,343	-	-	-	2,502,822	5,148,489
Total revenues	244,546,898	89,949,232	1,879,459	12,623,678	-	79,062,023	428,061,290
Expenditures							
Current:							
General government	45,004,890	14,949,718	-	-	23,464	5,997,724	65,975,796
Public safety	135,450,603	12,603,628	-	-	-	25,955,171	174,009,402
Public works	2,754,250	32,480	-	-	-	11,411,608	14,198,338
Health and welfare	14,698,452	57,392,651	-	-	-	3,195,219	75,286,322
Cultural and recreation	14,124,913	131,415	-	-	-	44,558	14,300,886
Community Development	1,975,842	540,292	-	-	-	9,756,226	12,272,360
Capital outlay	1,482,405	-	-	-	-	31,456,423	32,938,828
Debt service:							
Principal	243,093	684,571	640,000	8,851,255	1,013,745	1,187,501	12,620,165
Interest and fiscal charges	-	-	1,848,826	2,294,504	-	69,274	4,212,604
Total expenditures	215,734,448	86,334,755	2,488,826	11,145,759	1,037,209	89,073,704	405,814,701
Excess (deficiency) of revenues over (under) expenditures	28,812,450	3,614,477	(609,367)	1,477,919	(1,037,209)	(10,011,681)	22,246,589
Other financing sources (uses)							
Transfers from other funds	4,516,745	1,184,303	-	2,329,388	-	17,903,477	25,933,913
Transfers to other funds	(26,838,059)	-	-	-	(2,430,498)	(5,757,004)	(35,025,561)
Financed purchases	-	-	-	-	-	466,590	466,590
Total other financing sources (uses)	(22,321,314)	1,184,303	-	2,329,388	(2,430,498)	12,613,063	(8,625,058)
Net change in fund balances	6,491,136	4,798,780	(609,367)	3,807,307	(3,467,707)	2,601,382	13,621,531
Fund balances, beginning of year	83,227,428	31,707,484	42,904,055	2,241,355	7,621,418	82,458,673	250,160,413
Fund balances, end of year	\$ 89,718,564	\$ 36,506,264	\$ 42,294,688	\$ 6,048,662	\$ 4,153,711	\$ 85,060,055	\$ 263,781,944

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

SEDGWICK COUNTY, KANSAS

**Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
December 31, 2023**

Net change in fund balances - total governmental funds		\$ 13,621,531
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those capitalized assets is allocated over estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.		
Capital outlays capitalized	17,403,833	
Loss on disposal of assets	(86,917)	
Depreciation expense	<u>(26,335,526)</u>	(9,018,610)
Contributed capital assets are recognized as revenues on the statement of activities		506,553
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.		(247,255)
Repayment of bond principal and other long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bonds payable	4,665,000	
Revenue bond payable	5,840,000	
Lease payables	1,027,305	
Subscription payables	1,787,311	
Financed purchases payable	<u>1,052,517</u>	14,372,133
Bond proceeds and financed purchases provide current financial resources to governmental funds, but represent an increase in long-term liabilities in the statement of net position.		(466,590)
Financed purchases		
Bond costs - governmental funds report the effect of premiums, discounts and similar items when the debt is issued, whereas these amounts are deferred and amortized in the statement of activities		671,480
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditures are not reported until due.		125,374
In the statement of activities, compensated absences are measured by the amounts earned during the year, instead of by the amount paid.		(2,250,000)
Payment of other postemployment benefits (OPEB) contributions is an expenditure in the governmental funds, but reduces the total OPEB liability in the statement of net position. Additionally, the effect of changes in deferred outflows and inflows for OPEB are only recorded in the statement of activities.		(184,170)
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.		(13,691,522)
Internal service funds are used by management to charge the costs of fleet management and insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		<u>3,755,323</u>
Change in net position of governmental activities		\$ <u>7,194,247</u>

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

SEDGWICK COUNTY, KANSAS

**Statement of Net Position
Proprietary Funds
December 31, 2023**

	Business-type Activities Enterprise Funds		Total Enterprise Funds	Governmental Activities
	Arena Fund	Code Inspection & Enforcement Fund		Internal Service Funds
Assets				
Current assets:				
Cash, including investments	\$ 1,553,337	\$ 8,082,460	\$ 9,635,797	\$ 33,212,656
Accounts receivable	1,191,740	-	1,191,740	19,670
Prepays	-	-	-	304,000
Inventories, at cost	-	-	-	325,326
Total current assets	<u>2,745,077</u>	<u>8,082,460</u>	<u>10,827,537</u>	<u>33,861,652</u>
Noncurrent assets:				
Capital assets:				
Land	13,038,358	-	13,038,358	40,580
Buildings and improvements	173,569,953	-	173,569,953	8,319,354
Machinery and equipment	12,988,564	-	12,988,564	39,276,029
Construction in progress	363,801	-	363,801	-
Subscription assets	-	-	-	160,594
Less accumulated depreciation and amortization	(69,497,635)	-	(69,497,635)	(33,547,549)
Total capital assets (net of accumulated depreciation and amortization)	<u>130,463,041</u>	<u>-</u>	<u>130,463,041</u>	<u>14,249,008</u>
Total assets	<u>133,208,118</u>	<u>8,082,460</u>	<u>141,290,578</u>	<u>48,110,660</u>
Liabilities				
Current liabilities:				
Accounts payable	93,097	0	93,097	336,489
Estimated claims costs payable	-	-	-	3,395,800
Subscription liabilities	-	-	-	48,126
Total current liabilities	<u>93,097</u>	<u>-</u>	<u>93,097</u>	<u>3,780,415</u>
Noncurrent liabilities:				
Estimated claims costs payable	-	-	-	627,300
Subscription liabilities	-	-	-	49,369
Total liabilities	<u>93,097</u>	<u>-</u>	<u>93,097</u>	<u>4,457,084</u>
Net position				
Net investment in capital assets	130,463,041	-	130,463,041	14,151,513
Unrestricted	2,651,980	8,082,460	10,734,440	29,502,063
Total net position	<u>\$ 133,115,021</u>	<u>\$ 8,082,460</u>	<u>\$ 141,197,481</u>	<u>\$ 43,653,576</u>

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 Year Ended December 31, 2023

	Business-type Activities Enterprise Funds			Governmental Activities
	Arena Fund	Code Inspection & Enforcement Fund	Total Enterprise Funds	Internal Service Funds
Operating revenues:				
Charges for services	\$ 1,486,737	\$ -	\$ 1,486,737	\$ 45,683,560
Other revenue	-	-	-	3,677,726
Total operating revenues	<u>1,486,737</u>	<u>-</u>	<u>1,486,737</u>	<u>49,361,286</u>
Operating expenses:				
Salaries and benefits	-	-	-	1,753,108
Contractual services	636,430	-	636,430	5,159,518
Utilities	-	-	-	62,103
Supplies and fuel	-	-	-	4,198,102
Administrative charges	-	-	-	247,445
Depreciation and amortization expense	5,245,202	-	5,245,202	3,368,174
Claims expense	-	-	-	37,315,468
Other expense	1,023,330	-	1,023,330	1,764,375
Total operating expenses	<u>6,904,962</u>	<u>-</u>	<u>6,904,962</u>	<u>53,868,293</u>
Operating loss	<u>(5,418,225)</u>	<u>-</u>	<u>(5,418,225)</u>	<u>(4,507,007)</u>
Nonoperating revenues:				
Investment income	-	-	-	940,976
Capital Contributions	-	-	-	6,550,859
Gain on sale of assets	-	-	-	20,386
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,512,221</u>
(Loss) income before transfers	<u>(5,418,225)</u>	<u>-</u>	<u>(5,418,225)</u>	<u>3,005,214</u>
Transfers:				
Transfers from other funds	259,079	8,082,460	8,341,539	2,923,048
Transfers to other funds	-	-	-	(2,172,939)
Change in net position	<u>(5,159,146)</u>	<u>8,082,460</u>	<u>2,923,314</u>	<u>3,755,323</u>
Net position, beginning of year, as previously reported	<u>138,274,167</u>	<u>-</u>	<u>138,274,167</u>	<u>39,884,848</u>
Change in accounting principle	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,405</u>
Net position, beginning of year, as restated	<u>138,274,167</u>	<u>-</u>	<u>138,274,167</u>	<u>39,898,253</u>
Net position, end of year	<u>\$ 133,115,021</u>	<u>\$ 8,082,460</u>	<u>\$ 141,197,481</u>	<u>\$ 43,653,576</u>

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

SEDGWICK COUNTY, KANSAS

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2023

	Business-type Activities			Governmental
	Enterprise Funds			Activities
	Arena Fund	Code Inspection & Enforcement Fund	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities				
Receipts from customers	\$ 1,272,498		\$ 1,272,498	\$ 961,473
Receipts from interfund services provided	-	-	-	45,774,178
Other operating revenues	-	-	-	2,609,470
Payments to suppliers for goods and services	(1,566,663)		(1,566,663)	(48,458,173)
Payments to employees for services	-	-	-	(1,753,108)
Net cash (used in) operating activities	<u>(294,165)</u>	<u>-</u>	<u>(294,165)</u>	<u>(866,160)</u>
Cash flows from noncapital financing activities				
Transfers from other funds	259,079	8,082,460	8,341,539	2,923,048
Transfers to other funds	-	-	-	(2,172,939)
Net cash provided by noncapital financing activities	<u>259,079</u>	<u>8,082,460</u>	<u>8,341,539</u>	<u>750,109</u>
Cash flows from capital and related financing activities				
Proceeds from sale of capital assets	-	-	-	230,723
Purchases and construction of capital assets	(2,659,616)	-	(2,659,616)	-
Principal paid on subscription liabilities	-	-	-	(49,694)
Net cash (used in) provided by capital and related financing activities	<u>(2,659,616)</u>	<u>-</u>	<u>(2,659,616)</u>	<u>181,029</u>
Cash flows from investing activities				
Interest on investments	-	-	-	940,976
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>940,976</u>
Net (decrease) increase in cash and cash equivalents	(2,694,702)	8,082,460	5,387,758	1,005,954
Cash and cash equivalents, beginning of the year	4,248,039	-	4,248,039	32,206,702
Cash and cash equivalents, end of the year	<u>\$ 1,553,337</u>	<u>\$ 8,082,460</u>	<u>\$ 9,635,797</u>	<u>\$ 33,212,656</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities				
Operating loss	\$ (5,418,225)	\$ -	\$ (5,418,225)	\$ (4,507,007)
Adjustments to reconcile operating loss to net cash (used in) operating activities:				
Depreciation expense	5,245,202	-	5,245,202	3,368,174
Increase in accounts receivable	(214,239)	-	(214,239)	(16,165)
Decrease in inventories	-	-	-	27,180
Increase in accounts payable	93,097	-	93,097	121,558
Increase in estimated claims payable	-	-	-	140,100
Net cash (used in) operating activities	<u>\$ (294,165)</u>	<u>\$ -</u>	<u>\$ (294,165)</u>	<u>\$ (866,160)</u>

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

SEDGWICK COUNTY, KANSAS

Statement of Fiduciary Net Position Fiduciary Funds December 31, 2023

	Pension (and Other Employee Benefit) Trust Fund - 457(b) Plan	Custodial Funds
Assets		
Cash and cash equivalents	\$ -	\$ 437,028,515
Investments		
Mutual Funds	74,502,415	-
Notes receivable from participants	1,254,001	-
Property tax levied	-	342,836,751
Total assets	75,756,416	779,865,266
Liabilities		
Accounts payable	-	79,034,256
Due to other governmental entities	-	700,647,041
Total liabilities	-	779,681,297
Net Position		
Restricted for Employee Benefits	75,756,416	-
Restricted for Sheriff Inmates	-	183,969
Total net position	\$ 75,756,416	\$ 183,969

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

SEDGWICK COUNTY, KANSAS

Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Year Ended December 31, 2023

	<u>Pension (and Other Employee Benefit) Trust Fund - 457(b) Plan</u>	<u>Custodial Funds</u>
Additions		
Contributions	\$ 5,584,911	\$ -
Property tax collections for other governments	-	1,489,239,792
Motor vehicle tax collections for other governments	-	124,025,052
Finance holdings	-	2,493,337,370
Inmate deposits	-	3,483,066
State clerk fee	-	1,708,772
Other fees	-	2,602,490
Fines, penalties and forfeitures	-	1,431,652
Other	-	31,391,248
Investment earnings		
Net increase in the fair value of investments	10,015,241	-
Interest	<u>1,861,098</u>	<u>-</u>
Total investment earnings	11,876,339	-
Less investment expense	<u>(178,450)</u>	<u>-</u>
Net investment earnings	<u>11,697,889</u>	<u>-</u>
Total additions	<u>17,282,800</u>	<u>4,147,219,442</u>
 Deductions		
Plan fees	6,188	-
Plan withdrawals	6,003,780	-
Payment of property taxes to other governments	-	1,489,239,792
Motor vehicle tax to other governments	-	124,025,052
Finance holdings	-	2,493,337,370
State court fees	-	1,708,772
Inmate payments	-	3,440,677
Other	<u>-</u>	<u>35,422,338</u>
Total deductions	<u>6,009,968</u>	<u>4,147,174,001</u>
Change in net position	11,272,832	45,441
Net position, beginning of year	<u>64,483,584</u>	<u>138,528</u>
Net position, end of year	<u>\$ 75,756,416</u>	<u>\$ 183,969</u>

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

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

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SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

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

Sedgwick County Fire District 1 (Fire District) is governed by the Sedgwick County Board of County Commissioners (BOCC), 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's 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 projects funds within the County's financial statements. The blending method is used because the Fire District's governing body is identical to the County's governing board and because the County's Finance staff and resources will be used to create and oversee the Fire District's lease purchase agreements.

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 BOCC 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 through payments from the governmental entity that operates the facilities. The operating governmental entity guarantees the payments under the SCPBC agreement. 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 Fire District or the SCPBC.

Related Organizations

The Sedgwick County Zoological Society, Inc. (Society) and BOCC entered into an agreement on August 18, 1967, which employs the Society as an agent of the County to plan, establish, manage, operate, and develop zoological gardens and exhibits. Sedgwick County provides monies annually for the maintenance and operation of the facility. Such expenditures are financed within the general fund, the capital reserve fund, and the park and recreation fund of Sedgwick County.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

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. 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 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 and pension and OPEB liabilities are only recognized to the extent the liability is normally expected to be liquidated with expendable available resources.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

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 a pension (and other employee benefit) trust fund and three custodial funds.

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 loans to other government entities.
- The *Debt Service Fund* accounts for the servicing of general long-term debt, including special assessment debt that is secured by the full faith and credit of the County, not being financed by proprietary funds.
- The *Debt Proceeds Fund* accounts for the receipt of proceeds from general obligation bonds and transfers to capital projects for financing the costs of improvements.

The County reports the following major proprietary funds:

- The *Arena Fund* is a major fund accounting for activities of the County-owned downtown arena.
- The Code Inspection & Enforcement Fund which was established in 2023 through a fund transfer and will report future code inspection and enforcement activities.

Additionally, the County reports the following fund types:

- *Nonmajor special revenue funds* account for the proceeds of specific revenue sources (other than for debt service or capital projects) that are restricted or committed for specified purposes.
- *Nonmajor capital projects funds* account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of major capital facilities or improvements (other than those financed by proprietary funds).

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

I. Summary of Significant Accounting Policies (continued)

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

- *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.
- *Pension (and other employee benefit) trust fund* is used to account for fiduciary activities of the Sedgwick County, Kansas Section 457(b) Deferred Compensation Plan, which accumulates resources that allows eligible employees to supplement any existing retirement and pension benefits by saving and investing before-tax dollars through a voluntary salary contribution.
- *Custodial funds* are used to report fiduciary activities for tax collections and related distributions to other governments, as well as amounts held for individuals.

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, ambulance services, 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.
- *Community development* includes education, economic development, economic opportunity, and urban redevelopment & housing functions.
- *Capital outlay* includes construction of buildings, roads and major asset purchases.
- *Debt service* includes payment of principal, interest and debt issuance costs.

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 funds are charges to customers for services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation and amortization on capital assets. For internal service funds, operating revenues and expenses relate to goods or services provided to other funds. All revenues and expenses not meeting this definition

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

I. Summary of Significant Accounting Policies (continued)

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

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 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 investments of the proprietary fund types to be cash equivalents if such investments have original maturities of three months or less.

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 State Treasurer. This pool is not an SEC registered pool. The Pooled Money Investment Board (PMIB) provides the regulatory oversight for this pool. The fair value of the PMIB investments approximates the value of pool shares; and,
- A municipal investment pool established through the trust department of commercial banks that have offices in Sedgwick County.

In addition to the preceding authorized investments, the County's investment policy and Kansas law (K.S.A. 10-131) allow investment of proceeds of bonds and temporary notes in the following:

- U.S. government and agency obligations;
- Time deposits with banks and trust companies in Sedgwick County;
- FNMA, FHLB, and FHLMC obligations;
- Collateralized repurchase agreements;
- Investment agreements with financial institutions, including broker/dealers whose obligations are rated in one of the three highest rating categories by either Moody's or Standard & Poor's;

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

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)

- 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 2023, the County invested in demand deposits, time deposits, repurchase agreements, U.S. government and agency obligations, and the Kansas Municipal Investment Pool.

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 noncurrent 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 nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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

Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property and are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as deferred inflows of resources in both the government-wide and 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 is accounted for within the Debt Service Fund.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

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)

Special assessments receivable (continued)

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.

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

Prepaid items represent payments made in advance of the benefitting period and are recognized under the consumption method (recognized proportionally over the periods that service is provided.)

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 are 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 acquisition 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 expensed in the period in which the cost is incurred in accordance with GASB 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

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 and amortized 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
Lease Land	4-16
Lease Building	4-6
Office furniture and equipment	5
Operating equipment	3-5
Software	5
Vehicles	3
Lease Equipment	2

6. Compensated Absences

It is the County's policy to permit employees who have 40 hour work weeks to accumulate a maximum of 200 hours of vacation. Upon termination or resignation from service to the County, employees who have worked six months or longer for the County 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 general 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, 2023

I. Summary of Significant Accounting Policies (continued)

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

8. Pensions and OPEB

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.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

9. Net Position/Fund Balance Classifications

In the government-wide statements, net position is classified into three components:

- Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation and amortization, 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. If no debt is attributable to the capital assets, net position is reported as “invested in capital 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 does 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:

- Nonspendable - Amounts 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 - Amounts 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.
- Committed - Amounts with a purpose formally imposed by resolution by the BOCC, binding unless modified or rescinded by the BOCC.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

I. **Summary of Significant Accounting Policies (continued)**

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

9. Net Position/Fund Balance Classifications (continued)

- 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 BOCC or (2) a body or official to whom the BOCC has delegated the authority to. The BOCC 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 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 20% 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 and fund balance sheet 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 assets that applies to a future reporting period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure/reduction of liability) until then. The County has two items that qualify for reporting in this category in the government-wide statement of net position; deferred outflows for pensions, and deferred outflows for other postemployment benefits. See Note IV. G for more information on other postemployment benefits.

In addition to liabilities, the statement of financial position and fund balance sheet 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 assets that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has four types of items: unavailable revenue, deferred revenue, deferred inflows for pensions, and deferred inflows for other postemployment benefits, 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. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows are reported in both the government-wide statement of net position and the governmental funds balance sheet for property tax receivable and for leases under GASB 87. Property taxes are not recognized as revenue until the period for which they are levied. Deferred inflows for pensions and deferred inflows for other postemployment benefits, are reported on the government-wide statement of net position. See Note IV. F. and Note IV. G. for more information on these deferred inflows.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

I. Summary of Significant Accounting Policies (continued)

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

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, deferred outflows and deferred inflows of resources, [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.

12. Leases

During fiscal year 2022, the County implemented Governmental Accounting Standards Board Statement No. 87, *Leases* (GASB 87). Leases having a greater than twelve month lease term are analyzed to determine if the arrangement is subject to GASB 87. If the County is found to be either the lessee or the lessor in the agreement, GASB 87 accounting principles are applied.

County as Lessee

The County as a lessee recognizes a lease liability and a right-to-use asset at the commencement of a lease, unless the lease is considered short-term or transfers ownership of the underlying assets. The County recognizes short-term lease payments as outflows of resources (expense) based on the lease agreement's payment provisions. The lease liability and right-to-use asset are measured based on the net present value of the remaining lease payments on the lease commencement date, discounted using the County's incremental borrowing rate. Remeasurement of the lease liability occurs when there is a change in the lease term and/or there are other changes that are likely to have a significant impact on the lease liability. When a lease is either partially or fully terminated, the County will reduce the carrying value of the lease payable and the right-to-use asset and record a gain or loss for the difference.

The County applies lease payments first to any accrued interest liability, then to the lease principal due for that period. Right-to-use assets are depreciated over the shorter of the lease term or useful life of the underlying asset. Variable lease payments are based on usage or performance of the underlying assets and are not included in the lease liability calculations and are recognized as outflows of resources in the periods in which the obligation for the payments is incurred

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 Elected Official Land Technology Fund and the Township Dissolution Fund do not require annual legally adopted budgets. The statutes provide for the following sequence and timetable of the legal annual operating budget:

- Last day to notify county clerk of intent to levy above the Revenue Neutral Rate is July 20th.
- Revenue Neutral Rate hearing must be held between August 20th and September 20th each hearing must be published at least 10 days prior to the hearing date.
- If not intending to exceed the Revenue Neutral Rate the budget must be submitted to the county clerk by August 25th. If intending to exceed the Revenue Neutral Rate the budget must be adopted between August 20th and October 1st.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

II. Stewardship, Compliance, and Accountability

A. Budgetary Information (continued)

- Certified budgets must be turned in to the county clerk between August 30th and October 1st.

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

There were no budget amendments in 2023.

All unencumbered appropriations (legal budget expenditure authority) lapse at year-end, except for capital projects fund appropriations, which are carried forward until such time as the project is completed or terminated. Encumbered appropriations are not appropriated 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/State Assistance Fund
Public Building Commission Fund
Fire District Research and Development
Auto License
Prosecuting Attorney Training
Technology
Court Alcohol/Drug Safety Action Program
Court Trustee Operations

Non-Budgeted Internal Service Funds

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

B. Deficit Fund Balance

The Building and Equipment Fund, a nonmajor capital project fund, had a fund balance deficit of \$779,470, as of December 31, 2023. This deficit will be recovered through transfers from the Debt Proceeds Fund.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds

A. Deposits and Investments

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

At December 31, 2023, the County had the following investments:

Investment Type	Fair Value	Modified Duration (in years)	Percent of Total Pooled Funds
U.S. Agency Securities	\$ 350,971,984	0.979	49.68%
U.S. Treasury Securities	39,848,768	0.041	5.64%
Time Deposits	3,046,425	0.749	0.43%
Demand Deposits	311,122,212	-	44.04%
Kansas Municipal Investment Pool ¹	19,643	-	0.00%
 Subtotal general operating portfolio	 705,009,032		
 Assets held by trustee:			
Security Bank of Kansas City	<u>1,521,505</u>	-	<u>0.22%</u>
Subtotal assets held by trustee	1,521,505		
 Total Investments	 <u><u>\$706,530,537</u></u>		 <u><u>100.00%</u></u>

Portfolio modified duration 0.314

¹Interest rate risk for the Kansas Municipal Investment Pool is based on the weighted average maturity of the pool. As of December 31, 2023 the weighted average maturity of the pool was 77 days.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Custodial credit risk

Custodial credit risk is the risk that in the event of a bank failure or failure of the investment counterparty, the County's deposits may not be returned to the County, or the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have any treasury or agency coupon 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.

The County does not accept peak period collateral agreements. 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.

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, 2023, 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 AAA by Standard & Poor's. The County also holds investments with the Kansas Municipal Investment Pool, which was not rated for 2023.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Concentration of credit risk

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

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

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

At December 31, 2023 the County held \$66.4 million, or 9.42%, of its portfolio in investments issued by the Federal Home Loan Bank, \$47.6 million, or 6.76%, in investments were issued by the Federal Farm Credit Bank, \$24.1 million, or 3.42%, in investments were issued by Federal Home Loan Mortgage Loan Corp., and \$212.9 million, or 30.21% in investments were issued 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	\$ 304,511,248
Restricted cash, including investments, Statement of Net Position	1,521,504
Cash, including investments, custodial funds	437,028,515
Total	\$ 743,061,267

The above total is comprised of:

Deposits	\$ 36,530,730
Total Investments	706,530,537
Total	\$ 743,061,267

Fair Value Investments

GAAP defines fair value as 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. GAAP establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Fair Value Investments (continued)

- Level 1** Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position/balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2023:

	<u>12/31/2023</u>	<u>Fair Value Measurements Using</u>		
		<u>Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments				
U.S. Agency Securities	\$350,971,984	350,971,984	-	-
U.S. Treasury Securities	39,848,768	39,848,768	-	-
Time Deposits	3,046,425	3,046,425	-	-
Demand Deposits	311,122,212	311,122,212	-	-
Kansas Municipal Investment Pool1	19,643	19,643	-	-
Subtotal general operating portfolio	<u>\$705,009,032</u>	<u>705,009,032</u>	-	-
Assets held by trustee:				
State & Local Govt. Securities	\$1,521,505	1,521,505	-	-
Subtotal assets held by trustee	<u>\$1,521,505</u>	<u>1,521,505</u>	-	-
Total investments	<u><u>\$706,530,537</u></u>	<u><u>706,530,537</u></u>	-	-
Total investments per previous page	\$706,530,537			
Deposits	<u>36,530,730</u>			
Total	<u><u>\$743,061,267</u></u>			

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

B. Receivables

Amounts are aggregated into a single accounts receivable line for certain funds and aggregated columns. Below is the detail of receivables for the general, fed/state assistance, SCPBC, debt service, nonmajor governmental, internal service and Arena funds in the aggregate as of December 31, 2023:

III. Detailed Notes on All Funds (continued)

Receivables	Accounts Receivable	Property Taxes Receivable	Sales Taxes Receivable	Interest Receivable	Lease Receivable	Notes Receivable	Special Assessment Receivable	Total
General Fund	\$ 4,735,977	\$ 157,442,451	\$ 3,410,027	\$ 845,789				\$ 166,434,244
Fed/State Assistance Fund	2,001,798							2,001,798
Public Building Commission						40,755,000		40,755,000
Debt Service Fund		7,224,021					2,605,341	9,829,362
Nonmajor Governmental Funds	1,774	37,710,886	3,410,027					41,122,687
Internal Service Fund	19,670							19,670
Total Governmental Activities	<u>6,759,219</u>	<u>202,377,358</u>	<u>6,820,054</u>	<u>845,789</u>	<u>-</u>	<u>40,755,000</u>	<u>2,605,341</u>	<u>260,162,761</u>
Arena	1,191,740	-	-	-	-	-	-	1,191,740
Total Business-Type Activities	<u>1,191,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,191,740</u>
Total Net Receivables	<u>\$ 7,950,959</u>	<u>\$ 202,377,358</u>	<u>\$ 6,820,054</u>	<u>\$ 845,789</u>	<u>\$ -</u>	<u>\$ 40,755,000</u>	<u>\$ 2,605,341</u>	<u>\$ 261,354,501</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

C. Capital Assets

Capital assets activity of the primary government, which includes the internal service funds, for the year ended December 31, 2023, was as follows:

	January 1, 2023	Increases	Decreases	December 31, 2023
Governmental Activities:	(As Restated)			
Capital assets, not being depreciated/amortized				
Land	\$ 27,982,042	660,684	(159,500)	\$ 28,483,226
Construction in progress	25,877,670	8,898,209	(4,177,724)	30,598,155
Total capital assets, not being depreciated/amortized	<u>53,859,712</u>	<u>9,558,892</u>	<u>(4,337,224)</u>	<u>59,081,381</u>
Capital assets, being depreciated/amortized				
Buildings and improvements	371,099,173	1,946,784	(304,199)	372,741,758
Leasehold improvements	2,234,871			2,234,871
Improvements other than buildings	46,177,661	407,292	(216,302)	46,368,651
Machinery and equipment	98,878,770	11,533,768	(8,086,804)	102,325,735
Infrastructure	317,294,660	5,408,533		322,703,193
Lease Land	1,173,323			1,173,323
Lease Building	3,459,896			3,459,896
Lease Equipment	11,544		(11,544)	-
Lease Software	4,589,713	1,093,558		5,683,271
Total capital assets being depreciated/amortized	<u>844,919,611</u>	<u>20,389,934</u>	<u>(8,618,848)</u>	<u>856,690,697</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	(183,302,404)	(9,506,303)	291,740	(192,516,966)
Leasehold improvements	(2,234,871)			(2,234,871)
Improvements other than buildings	(34,732,472)	(2,226,799)	213,827	(36,745,444)
Machinery and equipment	(77,856,883)	(6,741,122)	7,763,509	(76,834,495)
Infrastructure	(175,504,511)	(8,154,601)		(183,659,113)
Leased Assets	(759,825)	(3,090,701)	11,544	(3,838,982)
Total accumulated depreciation/amortization	<u>(474,390,965)</u>	<u>(29,719,526)</u>	<u>8,280,620</u>	<u>(495,829,871)</u>
Total capital assets being depreciated/amortized, net	<u>370,528,646</u>	<u>(9,329,591)</u>	<u>(338,228)</u>	<u>360,860,826</u>
Governmental activities capital assets, net	<u>\$ 424,388,358</u>	<u>\$ 229,301</u>	<u>\$ (4,675,452)</u>	<u>\$ 419,942,207</u>
	<u>January 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>December 31, 2023</u>
Business-Type Activities:				
Capital assets, not being depreciated				
Land	\$ 13,038,358			\$ 13,038,358
Construction in progress	3,363,717	363,801	(3,363,717)	363,801
Total capital assets, not being depreciated	<u>16,402,075</u>	<u>363,801</u>	<u>(3,363,717)</u>	<u>13,402,159</u>
Capital assets, being depreciated				
Buildings and improvements	172,407,864	1,162,089		173,569,953
Machinery and equipment	8,491,121	4,497,443		12,988,564
Total capital assets being depreciated	<u>180,898,985</u>	<u>5,659,532</u>	<u>-</u>	<u>186,558,517</u>
Less accumulated depreciation for:				
Buildings and improvements	(56,255,811)	(4,889,037)		(61,144,848)
Machinery and equipment	(7,996,622)	(356,165)		(8,352,787)
Total accumulated depreciation	<u>(64,252,433)</u>	<u>(5,245,202)</u>	<u>-</u>	<u>(69,497,635)</u>
Total capital assets being depreciated, net	<u>116,646,552</u>	<u>414,330</u>	<u>-</u>	<u>117,060,882</u>
Business-type activities capital assets, net	<u>\$ 133,048,627</u>	<u>\$ 778,131</u>	<u>\$ (3,363,717)</u>	<u>\$ 130,463,041</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

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

Governmental activities:	
General government	\$ 3,420,640
Public safety	6,546,641
Public works, including depreciation of general infrastructure assets	8,564,021
Health and welfare	235,574
Cultural and recreation	3,427,590
Community development, conserve/natural resources	1,099,772
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	3,318,761
Leased Assets	<u>3,090,701</u>
Total depreciation/amortization expense – governmental activities	<u><u>29,703,699</u></u>
Business-type activities:	
Arena fund	<u>\$ 5,245,202</u>

There is a difference between total 2023 governmental activity depreciation by function and total 2023 governmental activity depreciation by asset class on the tables above totaling \$15,827. This is due to prior year adjustments made to the Sedgwick County Zoo's depreciation amounts following their most recent audit. This affects the "Increases" amount on the depreciation by asset class, but has no effect on the depreciation by function for the fiscal year

Construction Commitments

The County had outstanding construction commitments for various capital projects and improvements totaling \$15,717,292 at December 31, 2023. 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.

D. PBC Funding

For 2023 the Debt Service Fund levied 1.156 mills, a decrease of 0.705 mills from the 2022 budget. The Debt Service Fund is budgeted to maintain a specific level of fund balance on a budgetary basis.

E. 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 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 amortized at 30% principal repayment within five years and 60% repayment within ten years.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

General obligation bonds outstanding at December 31, 2023 are as follows:

Purpose	Interest Rate	Amount
Governmental Activities – Road and Bridge	2.00 – 5.00%	\$ 13,521,008
Governmental Activities – Facilities	2.00 – 5.00%	12,408,992
Governmental Activities – Refunding	2.00 – 5.00%	4,295,000
Governmental Activities – Comm. Development	4.00 – 5.00%	3,530,000
 Total general obligation bonds outstanding		 \$ 33,755,000

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

Governmental Activities			
Year ending December 31	Principal	Interest	Totals
2024	\$ 4,261,000	\$ 1,178,661	\$ 5,439,661
2025	4,041,000	1,028,896	5,069,896
2026	3,276,000	886,506	4,162,506
2027	3,216,000	759,554	3,975,554
2028-2032	11,281,000	2,211,435	13,492,435
2033-2037	5,770,000	796,058	6,566,058
2038-2042	1,910,000	107,581	2,017,581
 Total	 \$ 33,755,000	 \$ 6,968,691	 \$ 40,723,691

During 2023, Sedgwick County did not issue general obligation debt.

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 or 20-year serial bonds with a level repayment schedule. During 2023, Sedgwick County did not issue special assessment debt. Special assessment bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount
Governmental activities – Street and Sewer	2.75 – 5.00%	\$ 1,850,000

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

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

	Governmental Activities		
Year ending December 31	Principal	Interest	Totals
2024	\$ 314,000	\$ 76,174	\$ 390,174
2025	319,000	61,436	380,436
2026	119,000	45,771	164,771
2027	104,000	40,611	144,611
2028-2032	504,000	138,576	642,576
2033-2037	365,000	56,568	421,568
2038-2042	125,000	15,000	140,000
	<u>\$ 1,850,000</u>	<u>\$ 434,136</u>	<u>\$ 2,284,136</u>

Sedgwick County Public Building Commission Revenue Bonds

The 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 through payments from the governmental entity which operates the facilities. The operating governmental entity guarantees the payments under the SCPBC agreement. 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. SCPBC bonds do not constitute a debt or pledge the full faith and credit of Sedgwick County, except to the extent the agreement constitutes an unconditional obligation of the County. The County is the operating governmental entity on three of the five issues outstanding with repayment schedules ranging from 10 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	Int rate	Amount
Public Safety Facilities & Equipment 2011-1	2.00 - 4.00%	\$5,870,000
Juvenile Justice Complex 2014-1 Refunding	1.75 - 5.00%	2,060,000
Technical Education Complex 2014-2 Refunding	1.50 - 5.00%	14,220,000
^*WSU Experiential Engineering 2014-3	1.50 - 5.00%	38,895,000
^*WSU Experiential Engineering (Taxable) 2014-4	1.95 - 3.90%	2,465,000
Total		<u>\$63,510,000</u>

^: These bond issues do not constitute an unconditional obligation of the County.

*: Direct borrowings

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

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

Year ending December 31	Component Unit - SCPBC		
	Principal	Interest	Total
2024	\$ 4,625,000	\$ 2,517,473	\$ 7,142,473
2025	4,815,000	2,327,904	7,142,904
2026	4,960,000	2,197,433	7,157,433
2027-2031	13,770,000	9,154,104	22,924,104
2032-2036	4,850,000	7,530,491	12,380,491
2037-2041	6,115,000	6,220,228	12,335,228
2042-2046	7,785,000	4,513,400	12,298,400
2047-2051	9,700,000	2,571,950	12,271,950
2052-2055	6,890,000	454,200	7,344,200
	\$ 63,510,000	\$ 37,487,182	\$ 100,997,182

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 constructing, furnishing, and equipping the first project part of the University's Innovation Campus. The proceeds of the bonds were deposited into an escrow trust account.

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

Year ending December 31	Principal	Interest	Total
2024	\$ 660,000	\$ 1,827,041	\$ 2,487,041
2025	680,000	1,803,416	2,483,416
2026	705,000	1,777,958	2,482,958
2027	735,000	1,750,199	2,485,199
2028	760,000	1,720,239	2,480,239
2029-2033	4,305,000	8,102,884	12,407,884
2034-2038	5,295,000	7,062,836	12,357,836
2039-2043	6,735,000	5,580,566	12,315,566
2044-2048	8,530,000	3,763,450	12,293,450
2049-2053	10,560,000	1,695,625	12,255,625
2054	2,395,000	51,625	2,446,625
	\$ 41,360,000	\$ 35,135,838	\$ 76,495,838

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

Direct Borrowings & Direct Placements

In accordance with GASB 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, which was implemented during the year ended on December 31, 2019, the County is now required to disclose information about direct borrowings and direct placements of debt separately from other debt. The County's outstanding notes from direct borrowings and direct placements related to governmental activities total \$41,360,000. There are no unused lines of credit or assets pledged as collateral for debt at December 31, 2023.

Fire District Finance Purchase Agreements

In 2019, 2021 and 2022, the County entered into five finance purchase agreements for the acquisition of major equipment for the Fire District. During 2023, the County initiated the early buyout of the 2022 finance purchase and as of December 31 the agreement has been paid in full. The assets acquired through the agreements are as follows:

	<u>Government Activities</u>
Asset:	
Machinery and equipment	\$ 5,812,895
Less: accumulated depreciation	(2,846,140)
Total	\$ 2,966,755

The future minimum finance purchase obligations and the net present value of the minimum finance purchase payments as of December 31, 2023, were as follows:

Year ending December 31	Governmental Activities
2024	\$ 376,931
2025	625,753
2026	501,092
2027	376,432
<u>2028</u>	<u>376,432</u>
Total minimum payments	2,256,640
Less: amount representing interest	84,948
Total	\$ 2,171,693

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

Lease Liabilities

In accordance with GASB 87, *Leases*, which was implemented during the year ended on December 31, 2022, the County is now required to disclose information about lease contracts for nonfinancial assets-including vehicles, heavy equipment, and buildings-but excludes nonexchange transactions, including donated assets, and leases on intangible assets (such as patents and software licenses.) For the year ended December 31, 2023, The County's principal and interest from lease contract obligations related to governmental activities total \$3,068,152. The County has entered into various lease agreements to lease buildings, land and equipment. Details for each lease are outlined below:

<u>Description and purpose</u>	<u>Date of lease agreement</u>	<u>Amount of original agreement</u>	<u>Lease term</u>	<u>Interest rates</u>	<u>Balance as of December 31, 2023</u>
Administrative building lease	6/1/2022	\$ 2,046,622	37 months	1.868%	\$ 1,051,115
COMCARE building lease	1/1/2022	1,413,233	69 months	0.769%	928,426
Cheney tower lease	1/1/2022	979,301	188 months	1.240%	889,299
Goddard tower lease	1/1/2022	194,022	43 months	0.512%	86,133
		<u>\$ 4,633,178</u>			<u>\$ 2,954,973</u>

The principal and interest requirements to maturity as of December 31, 2023, are as follows:

Year Ending December 31, 2023	Principal	Interest	Totals
2024	\$ 1,044,643	\$ 31,033	\$ 1,075,676
2025	682,574	16,522	699,095
2026	301,467	11,996	313,463
2027	243,069	9,449	252,518
2028	57,859	8,147	66,005
2029 - 2033	331,904	29,040	360,944
2034 - 2037	293,458	6,993	300,451
	<u>\$ 2,954,973</u>	<u>\$ 113,180</u>	<u>\$ 3,068,152</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

E. 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 \$4,023,100 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 General Fund, compensated absences and the total other postemployment benefits (OPEB) liability are liquidated by the General Fund. Noncurrent liability activity for the year ended December 31, 2023, is as follows:

	Beginning Balance (As Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 38,112,000	\$ -	\$ 4,357,000	\$ 33,755,000	\$ 4,261,000
Revenue bonds	69,350,000	-	5,840,000	63,510,000	4,625,000
Special assessment debt with government commitment	2,158,000	-	308,000	1,850,000	314,000
Total bonds payable	109,620,000	-	10,505,000	99,115,000	9,200,000
Finance purchase payable	2,757,620	466,590	1,052,518	2,171,693	376,931
Lease liability	3,982,278	-	1,027,305	2,954,973	936,429
Subscription liability	3,799,612	1,057,448	1,837,005	3,020,055	1,832,965
Claims payable	3,882,999	32,292,656	32,173,925	4,001,730	3,376,550
Compensated absences	7,600,000	9,851,431	7,601,431	9,850,000	9,159,780
Governmental activities	131,642,509	43,668,124	54,197,183	121,113,451	24,882,655
Premium/(Discount)	4,820,562	-	671,480	4,149,082	-
Noncurrent liabilities	<u>\$ 136,463,071</u>	<u>\$ 43,668,124</u>	<u>\$ 54,868,663</u>	<u>\$ 125,262,533</u>	<u>\$ 24,882,655</u>
			Total OPEB liability	20,738,663	
			Net pension liability	201,010,311	
			Total noncurrent liabilities	<u>\$ 347,011,507</u>	

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

F. Interfund Transfers

A summary of interfund transfers is as follows:

	Transfers In:								Totals
	General Fund	Federal/State Assistance Fund	Debt Service Fund	Debt Proceeds Fund	Nonmajor Governmental Funds	Arena Fund	Code Inspection & Enforcement Fund	Internal Service Funds	
Transfers out:									
General Fund	\$ -	\$ 835,350	\$ 1,678,080	\$ -	\$ 13,060,042	\$ 259,079	\$ 8,082,460	\$ 2,923,048	\$ 26,838,059
Federal/State Assistance Fund	-	-	-	-	-	-	-	-	-
Debt Proceeds Fund	-	-	-	-	2,430,498	-	-	-	2,430,498
Nonmajor Governmental Funds	4,516,745	348,953	651,308	-	239,998	-	-	-	5,757,004
Internal Service Funds	-	-	-	-	2,172,939	-	-	-	2,172,939
Total	\$ 4,516,745	\$ 1,184,303	\$ 2,329,388	\$ -	\$ 17,903,477	\$ 259,079	\$ 8,082,460	\$ 2,923,048	\$ 37,198,500

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.

G. 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.

A summary of interfund receivables and payables at December 31, 2023 is as follows:

	Interfund Receivable	Interfund Payable
Debt Proceeds Fund	\$779,470	\$ -
Nonmajor Capital Projects Funds:		
Building and Equipment Fund	-	779,470
	<u>\$779,470</u>	<u>\$779,470</u>

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

III. Detailed Notes on All Funds (continued)

G. Interfund Receivables and Payables (continued)

During 2013 and 2014, interfund loans were made between the General Fund and the Capital Improvement Fund to provide for the funding of Fire Stations 34, 35 and 36. These advance receivables and payables are supported by note agreements amended in 2023, retiring the interfund loans through lump sum payments in 2023 and 2024. A summary of interfund loans at December 31, 2023 is as follows:

	Advance Receivables	Advance Payables
General Fund	\$ 378,329	
Nonmajor Capital Projects Fund:		
Capital Improvement Fund		\$ 378,329
	\$ 378,329	\$ 378,329

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 \$2,400,000 have been accrued as a liability. In 2023, \$30,809,656 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.

Workers' Compensation

The County provides workers' compensation benefits through a self-insured plan that has been approved by the State of Kansas. Workers' compensation claims are administered by Risk Management, with the assistance of a contract attorney. Funding (premiums) for this self-insurance plan is allocated to County departments. Premiums are determined by a formula that uses both paid claims and the actual number of claims. The County does maintain reserves and pays all expenses for this plan from the Workers' Compensation Reserve Fund.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

A. Risk Management (continued)

Risk Management Reserve Fund

The Risk Management Reserve Fund was established for the purpose of providing a contingency fund to pay self-insured claims, retentions and deductibles, and to provide an additional source of funding for the self-insured law enforcement liability, general liability, and public official's liability. Property insurance is maintained with a commercial carrier. Property claims have a \$250,000 deductible per claim. In 2023, \$1,110,797 was paid on claims.

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

	Workers' Compensation	Health/Dental Life Insurance
December 31, 2021 liability balances	1,516,200	\$ 2,400,000
2022 Claims and changes in estimates	1,342,279	27,689,562
2022 Claim payments	(1,375,479)	(27,689,562)
December 31, 2022 liability balances	\$ 1,483,000	\$ 2,400,000
2023 Claims and changes in estimates	1,250,897	28,946,174
2023 Claim payments	(1,110,797)	(28,946,174)
December 31, 2023 liability balances	\$ 1,623,100	\$ 2,400,000

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

Health/Dental/Life Insurance Reserve Fund	\$ 12,189,817
Workers' Compensation Reserve Fund	4,602,234
Risk Management Reserve Fund	998,488

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 a 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

B. Commitments (continued)

Encumbrances (continued)

As of December 31, 2023, the County's governmental funds had a total of \$31.83 million in encumbrances, which were reported as following:

	<u>General Fund</u>	<u>Federal/State Assistance Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Restricted				
General Government	\$ 173,109	\$ -	\$ -	\$ 173,109
Public Safety	308,011	13,434,933	795	13,743,739
Public Works	10,102	384,495	138,733	533,330
Health & Welfare	49,008	1,543,321	56,413	1,648,742
Capital Outlay				
Road Improvements	-	-	4,894,318	4,894,318
Bridge Improvements	-	-	4,991,141	4,991,141
Committed				
Capital Outlay				
Buildings	-	-	5,255	5,255
Building Improvements	-	-	2,784,237	2,784,237
Other Improvements	-	-	786,488	786,488
Equipment Upgrades	-	-	2,024,697	2,024,697
Outdoor Warning Devices	-	-	-	-
Drainage Improvements	-	-	231,155	231,155
Assigned				
General Government	-	-	-	-
Debt Service	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health & Welfare	-	-	-	-
Culture & Recreation	11,773	-	2,267	14,040
Community Development	-	-	-	-
Capital Outlay				
Buildings	-	-	-	-
Building Improvements	-	-	-	-
Other Improvements	-	-	-	-
Equipment Upgrades	-	-	-	-
Total Reserved for Encumbrances	\$ 552,003	\$ 15,362,749	\$ 15,915,499	\$ 31,830,250

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, 2023

IV. Other Information (continued)

D. Tax Abatements

There are currently two programs being utilized in Sedgwick County that offer tax abatements for economic development purposes. Both operate by granting an exemption on part or all of a property's assessed, or taxable, valuation.

Economic Development Exemptions (EDX)

Article 11, Section 13 of the Kansas Constitution gives counties and cities the authority to exempt from ad valorem taxation all or any portion of the valuation of buildings, land or other improvements used to facilitate business expansion and new employment creation. Such economic development exemptions may be in effect for up to 10 years.

Exempt Industrial Revenue Bonds (IRB)

Kansas Statutes Annotated 79-213 et.seq. establish procedures by which the taxable value of real or personal property being financed by industrial revenue bonds may be wholly or partially exempt. In Sedgwick County, IRB exemptions granted by the County and several of the cities are currently in effect. The table below shows taxes that are foregone by the County government and the Fire District for both EDX & IRB abatements whether issued by the County or by another municipal government that reduce County revenues.

Economic Development Tax Abatements Abated Taxes

Location of Exempt Property	Sedgwick County	Sedgwick County Fire District	Total
IRB			
County	\$ 1,837,908	\$ 1,114,948	\$ 2,952,856
Cities	2,068,674	473,462	2,542,136
Total IRB	\$ 3,906,582	\$ 1,588,410	\$ 5,494,992
EDX			
County	\$ -	\$ -	\$ -
Cities	359,078	20,152	379,230
Total EDX	\$ 359,078	\$ 20,152	\$ 379,230
Tax Abatements	\$ 4,265,660	\$ 1,608,562	\$ 5,874,222

The abated taxes reflect the amounts that would have been levied on behalf of the County and the Fire District on the 2022 tax roll to fund expenditures during calendar year 2023 were it not for the tax exemption.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

E. Accounting Pronouncements

Adopted in 2023:

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96), which was implemented by the County during 2023. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for subscriptions by governments. GASB 96 requires recognition of certain right-to-use subscription assets and the corresponding liabilities. The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

Due to the implementation of GASB 96, the risk management internal service fund's beginning right-to-use subscription asset increased \$160,594, subscription liability increased \$147,189 and net position increased \$13,405 as of January 1, 2023. The governmental activities' beginning subscription asset balance increased \$4,589,713, subscription liability increased \$3,799,612, amounts expensed in prior periods of \$22,706 was capitalized and net position increased \$826,212 as of January 1, 2023.

RISK MANAGEMENT RESERVE ACTIVITIES:	Balance as of January 1, 2023	Additions	Reductions	Balance as of December 31, 2023
Subscription Assets				
Software				
Risk Management Software (Assure Claims)	\$ 160,594	-	-	\$ 160,594
Total Software Subscription Assets	\$ 160,594	-	-	\$ 160,594
Total Subscription Assets	\$ 160,594	-	-	\$ 160,594
Subscription Accumulated Amortization				
Software				
Risk Management Software (Assure Claims)	-	49,413	-	49,413
Total Software Subscription Accumulated Amortization	-	49,413	-	49,413
Total Subscription Accumulated Amortization	-	\$ 49,413	-	\$ 49,413

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

E. Accounting Pronouncements (continued)

The adoption of GASB 96 resulted in a net Subscription liability for governmental activities of \$3,020,055 as of December 31, 2023. The following is a summary of the Subscription Liability and assets:

GOVERNMENTAL ACTIVITIES:	Balance as of			Balance as of
	January 1, 2023 (As Restated)	Additions	Reductions	December 31, 2023
Subscription Liability				
Software				
Carahsoft - Cloud Services	500,069	-	124,925	375,144
Carahsoft License	375,935	-	122,656	253,279
Cisco Flex	-	273,233	93,647	179,586
ClearGov Subscription	94,853	-	19,950	74,903
Granicus Software	47,678	-	15,903	31,775
HRFP BPO Platform	236,842	-	61,500	175,342
HRFP Subscription	152,096	-	38,765	113,331
HealthEMS	-	434,069	37,408	396,661
Learning Library	102,539	-	49,459	53,079
Nutrition MIS	-	72,430	25,000	47,430
PsychConsult	421,492	-	278,382	143,110
Public Works Civil Engineering Design Software (AutoDesl	141,351	-	35,343	106,008
ReDi - Volunteer Management	4,957	-	4,957	-
Risk Management Software (Assure Claims)	147,189	-	49,694	97,495
SAP Enterprise Resource Planning	981,963	-	484,722	497,241
SAP Successfactors Employee Central and Employee Cei	592,264	-	300,000	292,264
SpraySync Subscription	384	-	-	384
Tyler Software	-	89,890	30,650	59,240
ZxCorp Systems	-	187,827	64,044	123,783
Total Software Subscription Liability	3,799,612	1,057,448	1,837,005	3,020,054
Total Subscription Liability	\$ 3,799,612	\$ 1,057,448	\$ 1,837,005	\$ 3,020,054

GOVERNMENTAL ACTIVITIES:	Balance as of			Balance as of
	January 1, 2023 (As Restated)	Additions	Reductions	December 31, 2023
Subscription Assets				
Software				
Carahsoft - Cloud Services	500,069	-	-	500,069
Carahsoft License	398,961	-	-	398,961
Cisco Flex	-	273,233	-	273,233
ClearGov Subscription	98,453	-	-	98,453
Granicus Software	47,678	-	-	47,678
HRFP BPO Platform	267,442	-	-	267,442
HRFP Subscription	211,596	-	-	211,596
HealthEMS	-	434,069	-	434,069
Learning Library	102,539	-	-	102,539
Nutrition MIS	-	72,430	-	72,430
PsychConsult	1,079,412	-	-	1,079,412
Public Works Civil Engineering Design Software (AutoDesl	141,351	-	-	141,351
ReDi - Volunteer Management	7,007	-	-	7,007
Risk Management Software (Assure Claims)	160,594	-	-	160,594
SAP Enterprise Resource Planning	981,963	-	-	981,963
SAP Successfactors Employee Central and Employee Cei	592,264	-	-	592,264
SpraySync Subscription	384	-	-	384
Tyler Software	-	126,000	-	126,000
ZxCorp Systems	-	187,827	-	187,827
Total Software Subscription Assets	4,589,713	1,093,558	-	5,683,271
Total Subscription Assets	\$ 4,589,713	\$ 1,093,558	\$ -	\$ 5,683,271

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

E. Accounting Pronouncements (continued)

Below is the maturity schedule related to GASB 96:

Amount of Subscription Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Subscription Asset Value	Accumulated Amortization
Software	\$ 5,683,271	\$ 2,056,230
Total Subscriptions	\$ 5,683,271	\$ 2,056,230

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 1,756,679	\$ 76,286	\$ 1,832,965
2025	760,727	31,528	792,255
2026	335,612	12,099	347,711
2027	116,370	3,264	119,634
2028	50,667	393	51,060
Total Principal Payments	\$ 3,020,054	\$ 123,570	\$ 3,143,624

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, the objectives of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). GASB 94 is effective for financial statements for the County's fiscal year beginning January 1, 2023. Adoption of GASB 94 had no effect on the beginning net position of fund balance.

GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB statements and (2) accounting and financial reporting for financial guarantees. The requirements of this statement are effective at various dates based on topics addressed. This standard was partially adopted for 2023.

Not Yet Effective for 2023:

GASB Statement 100, *Accounting Changes and Error Corrections*- an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2023 which is the fiscal year beginning January 1, 2024.

GASB Statement No. 101, *Compensated Absences*. This objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 which is the fiscal year beginning January 1, 2024.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

F. Defined Benefit Pension Plans

General Information about the Pension Plans

Plan description. The County participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of a cost-sharing multiple-employer defined benefit pension plan as provided by 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 Annual Comprehensive 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 and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Benefits are established by statute and may only be changed by the Legislature. Members (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, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into, and disbursed from, the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement, a member may receive a lump sum payment of up to 50% of the actuarial present value of the members 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 60 years of age 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.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

F. Defined Benefit Pension Plans (continued)

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 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 and the statutory contribution rate (not including the 1.00% contribution rate for the Death and Disability Program) was 8.43% for KPERS and 22.86% for KP&F for the fiscal year ended December 31, 2023. Contributions to the pension plan from the County were \$10,410,906 for KPERS and \$8,675,874 for KP&F for the year ended December 31, 2023.

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 resources, and pension expense are determined separately for each group of the plan. The County participates in the local KPERS group and the KP&F group.

At December 31, 2023, the County reported a liability of \$112,280,565 for KPERS and \$88,729,746 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, 2023, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to the measurement date of June 30, 2023. 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, 2023. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2023, the County's proportion and change from its proportion measured as of June 30, 2022 were as follows:

	Net pension liability as of December 31, 2023	Proportion as of June 30, 2023	Increase(decrease) in proportion from June 30, 2022
KPERS (local)	\$ 112,280,565	5.352%	(0.386%)
KP&F	88,729,746	5.555%	(0.887%)
	\$ 201,010,311		

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

F. Defined Benefit Pension Plans (continued)

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

For the year ended December 31, 2023, the County recognized pension expense of \$17,843,251 for KPERS and \$14,935,051 for KP&F. At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<i>KPERS</i>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 9,333,743	\$ (15,813)
Net difference between projected and actual earnings on pension plan investments	6,557,808	-
Changes in proportionate share	4,192,052	(5,177,633)
Changes in assumptions	11,900,176	-
County contributions subsequent to measurement date	<u>5,346,802</u>	<u>-</u>
Total	<u>\$ 37,330,581</u>	<u>\$ (5,193,446)</u>
<i>KP&F</i>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 8,214,470	\$ -
Net difference between projected and actual earnings on pension plan investments	3,997,164	-
Changes in proportionate share	2,841,480	(9,141,413)
Changes in assumptions	7,184,141	-
County contributions subsequent to measurement date	<u>4,338,562</u>	<u>-</u>
Total	<u>\$ 26,575,817</u>	<u>\$ (9,141,413)</u>

The \$9,685,364 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 ending December 31, 2024.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

F. Defined Benefit Pension Plans (continued)

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

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:

KPERS

Year ended December 31:	Deferred Outflows (Inflows) of Resources
2024	\$ 9,106,224
2025	5,323,270
2026	11,345,533
2027	999,600
2028	15,706
	\$ 26,790,333

KP&F

Year ended December 31:	Deferred Outflows (Inflows) of Resources
2024	\$ 4,527,941
2025	2,440,370
2026	6,263,487
2027	(123,020)
2028	(12,936)
	\$ 13,095,842

Actuarial assumptions

The total pension liability for KPERS in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.75% (no change from prior year)
Salary increases	3.50% to 12.00%, including inflation (no change from prior year)
Investment rate of return	7.00%, compounded annually, net of investment expense and including price inflation (no change from prior year)

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study conducted for the three-year period beginning January 1, 2016. The experience study is dated January 7, 2020.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

F. Defined Benefit Pension Plans (continued)

Actuarial assumptions (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. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equities	23.50%	5.20%
Non-U.S. Equities	23.50	6.40
Private Equity	8.00	9.50
Private Real Estate	11.00	4.45
Yield Driven	8.00	4.70
Real return	11.00	3.25
Fixed Income	11.00	1.55
Short-term investments	4.00	0.25
Total	100.00%	

Discount rate

The discount rate used by KPERS to measure the total pension liability at the measurement date of June 30, 2023 was 7.00%, which was unchanged from the prior year. The projection of cash flows used to determine the discount rate was based on member and employer contributions. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993 and subsequent legislation, the employer contribution rates certified by the KPERS' Board of Trustees for this group may not increase by more than the statutory cap. The statutory cap for the State fiscal year 2021 was 1.2%. The Local employers are currently contributing the full actuarial contribution rate. Employers contribute the full actuarial determined rate for KP&F. The expected employer actuarial contribution rate was modeled for future years for these groups, assuming all actuarial assumptions are met in the 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, 2023

IV. Other Information (continued)

F. 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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's KPERs proportionate share of the net pension liability	\$ 160,998,343	\$112,280,565	\$ 71,693,575
County's KP&F proportionate share of the net pension liability	119,652,656	88,729,746	62,911,705
	\$ 280,650,999	\$201,010,311	\$134,605,280

Pension plan fiduciary net position

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

G. Postemployment Benefits Other than Pensions

County's OPEB Plan

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 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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. There is no stand-alone financial report for the plan.

Benefits Provided

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 OPEB.

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, 2023

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

County's OPEB Plan (continued)

Funding Policy

The premium requirements of plan members and the County are established and may be amended by the BOCC. The required premium is based on projected pay-as-you-go financing requirements. For year ended December 31, 2023, Sedgwick County's benefit payments were \$455,201. County retirees pay 100% of their healthcare premiums; the County is not required to share costs of retiree premiums.

Covered Employees

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	232
Active employees	2,658
TOTAL	2,890

Total OPEB Liability

The County's total OPEB liability of \$18,192,171 was measured as of December 31, 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost-method	Entry-age
Inflation	2.50%
Salary increases	2.50%
Discount rate	3.88%
Healthcare cost trend rates	6.00% for 2024, decreased by 0.25% per year to an ultimate rate of 4.5% for 2030 and later years
Retiree share of benefit cost	Retirees and spouses pay 102% of the group premium rates

Changes in assumptions relate to changing the discount rate from 4.18% to 3.88%. The total OPEB liability increased \$545,298 due to the change in discount rate.

The discount rate was based on the average of the S&P Municipal Bond 20 Year High Grade and Fidelity GO AA-20 Year published yields.

Mortality rates were based on the PUBH-2010 General Employees and Public Safety Mortality and the MP-2021 Improvement Scale.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

County's OPEB Plan (continued)

Actuarial Assumptions and Other Inputs (continued)

Disability and retirement rates were based on those utilized for the KPERS-Local and KP&F-Local pension valuations.

The actuarial assumptions used in the December 31, 2023 valuation were based on an experience analysis of the plans past experience, the actuary's experience with plans of similar size, plan design, retiree contribution level and assumptions used in the County's participation in the corresponding pension plan through KPERS and KP&F, as applicable.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at January 1, 2023	\$20,251,607
Changes for the year:	
Service cost	1,098,282
Interest	836,018
Differences between expected and actuarial experience	(4,031,485)
Changes in assumptions or other inputs	545,298
Benefit payments	(455,201)
Interest rate subsidy fulfillment	(52,348)
Net changes	(2,059,436)
Balance at December 31, 2023	\$18,192,171

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.88%) or 1 percentage point higher (4.88%) than the current discount rate:

	1% Decrease (2.88%)	Current Discount Rate (3.88%)	1% Increase (4.88%)
Total OPEB liability	\$ 20,146,777	\$ 18,192,171	\$ 16,445,480

The table below presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.0% decreasing to 3.5%) or 1 percentage point higher (7.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (5.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (6.0% decreasing to 4.5%)	1% Increase (7.0% decreasing to 5.5%)
Total OPEB liability	\$ 16,070,461	\$ 18,192,171	\$ 21,037,554

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended December 31, 2023, the County recognized OPEB expense of \$867,959. At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 4,852,442
Changes in assumptions	2,165,276	4,100,274
Total	\$ 2,165,276	\$ 8,952,716

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

	Deferred Outflows (Inflows) of Resources
Year ended December 31:	
2024	\$ (1,066,341)
2025	(1,066,341)
2026	(1,101,781)
2027	(1,278,756)
2028	(1,298,278)
Thereafter	(975,943)
	\$ (6,787,440)

KPERS Death and Disability OPEB Plan

Plan Description

The County participates in an agent multiple-employer defined benefit other post-employment benefit (OPEB) plan which is administered by KPERS. The Plan provides long-term disability benefits and life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. Because the trust's assets are used to pay employee benefits other than OPEB, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. There is no stand-alone financial report for the plan.

Benefits provided

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60% (prior to January 1, 2006, 66 2/3%) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver premium provision.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

Long-term disability benefit

Monthly benefit is 60% of the member's monthly compensation, with a minimum of \$100 and maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers' compensation benefits, other disability benefits from any other source by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability occurs after age 60, benefits are payable while disability continues, for a period of 5 years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the term of the disability or 24 months per lifetime, whichever is less. There are no automatic cost-of-living increase provisions. KPERS has the authority to implement an ad hoc cost-of living increase.

Group life waiver of premium benefit

Upon the death of an employee who is receiving monthly disability benefits, the plan will pay a lump-sum benefit to eligible beneficiaries. The benefit amount will be 150% of the greater of the member's annual rate of compensation at the time of disability or the member's previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for 5 or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price before the life insurance benefit is computed. The indexing is based on the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual life insurance policy.

Employees covered by benefit terms

At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	21
Active employees	<u>1,882</u>
TOTAL	<u><u>1,903</u></u>

Total OPEB Liability

The County's total OPEB liability of \$2,546,492 was measured as of June 30, 2023 and was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

Total OPEB Liability (continued)

Actuarial assumptions and other inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise noted:

Price Inflation	2.75%
Payroll growth	3.00%
Salary increases	3.50 – 10.00%, including price inflation
Discount rate	3.65%
Healthcare cost trend rates	Not applicable for the coverage in this plan
Retiree share of benefit cost	Not applicable for the coverage in this plan

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Mortality rates were based on the RP-2014 Mortality tables, as appropriate, with adjustment for mortality improvements based on Scale MP-2021.

The actuarial assumptions used in the June 30, 2023 valuation were based on an actuarial experience for the three-year period beginning January 1, 2016. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2022 KPERS pension valuation.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at beginning of year	<u>\$2,833,953</u>
Changes for the year:	
Service cost	254,817
Interest	103,512
Effect of economic/demographic gains or losses	(300,570)
Effect of assumptions changes or inputs	(12,897)
Benefit payments	<u>(332,323)</u>
Net changes	<u>(287,461)</u>
Balance at end of year	<u><u>\$2,546,492</u></u>

Changes of assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period and demographic assumption updates based on the most recent KPERS experience study. The discount rate increased from 3.54% on June 30, 2022 to 3.65% on June 30, 2023.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

Changes in the Total OPEB Liability (continued)

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	\$ 2,663,490	\$ 2,546,492	\$ 2,429,808

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERs. Therefore, there is no sensitivity to a change in healthcare trend rates.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the County recognized OPEB expense of \$196,818. At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 60,218	\$ 910,168
Changes in assumptions	190,499	658,618
Benefit payments subsequent to the measurement date	166,162	-
Total	\$ 416,879	\$ 1,568,786

The \$166,162 benefit payments made subsequent to the measurement date will be recognized as a reduction in the total OPEB liability for the year ended December 31, 2024. Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Deferred Outflows (Inflows) of Resources
Year ended December 31:	
2024	\$ (161,511)
2025	(161,511)
2026	(157,848)
2027	(153,631)
2028	(157,828)
Thereafter	(525,740)
	\$ (1,318,069)

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

G. Postemployment Benefits Other than Pensions (continued)

Summary of OPEB Plans

As of December 31, 2023, the County's total OPEB liability, deferred inflows of resources and OPEB expense associated with the two OPEB plans are summarized as follows:

	<u>2023</u>
Total OPEB liability	\$ (20,738,663)
Deferred outflows of resources	2,582,155
Deferred inflows of resources	(10,521,502)
OPEB expense	1,064,777

H. Sedgwick County, Kansas Section 457(b) Deferred Compensation Plan

Plan Description

The County offers its employees a deferred compensation, defined contribution plan (Plan) created in accordance with Internal Revenue Code Section 457. A governmental 457(b) deferred compensation plan (457b Plan) is a retirement savings plan that allows eligible employees to supplement any existing retirement and pension benefits by saving and investing before-tax dollars through a voluntary salary contribution. Contributions and any earnings on contributions are tax-deferred until money is withdrawn. Distributions are subject to ordinary income tax. The plan is administered by Empower. Participants are comprised of all eligible employees of the County. All full-time employees are eligible.

2023 Participant Count	
Participants who are currently employed and have an ending account balance	2,166
Participants who terminated employment and have an ending account balance	2,065
Participants with a zero ending account balance	272

The 457b plan was established by County resolution and the 457(b) Deferred Compensation Committee has the power to amend the plan. The Committee has nine voting members include the Director or Human Resources, The Chief Financial Officer, The County Counselor or designee, one retired participant, two full time current employee appointed by the County Manager, and three elected current Sedgwick County employees. The assets of the plan are held in trust, with the County as trustee, for the exclusive benefit of the plan participants and their beneficiaries. The assets cannot be diverted for any other purpose.

Investment Policy

The deposits and investments of the 457(b) Plan are held separately from those of other County funds. Participating employees have the ability to invest in multiple mutual funds as investment options along with the ability to use a self-directed brokerage account for access to additional investment options.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

H. Sedgwick County, Kansas Section 457(b) Deferred Compensation Plan (continued)

Valuation of Investments

All investments in the 457(b) Plan are measured and reported at fair value and recorded as of the trade date. Fair value is based on quoted market prices at December 31, 2022. The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of fiduciary net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2022:

	Fair Value Measurements Using			
	12/31/2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities				
Mutual Funds-Equity	\$ 74,502,415	\$ 74,502,415	\$ -	\$ -

Level 1 Includes quoted prices (unadjusted) for identical assets or liabilities in an active market that the County can access at the measurement date.

Level 2 Includes inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets for liabilities.

Level 3 Includes unobservable inputs for an asset or liability

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. None of the Plan's investments at December 31, 2023 are subject to custodial credit, interest or credit risk.

SEDGWICK COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

IV. Other Information (continued)

I. COVID-19 Funding

Following widespread calls for greater federal action to provide financial relief to governments across the United States, President Biden and Congress provided additional funding related to COVID-19 through the American Rescue Plan Act (the “ARPA” or the “Plan”).

Enacted into law on March 11, 2020 and building on previously enacted aid measures, such as the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), the Plan adds \$350 billion in emergency funding to state and local governments. However, unlike the CARES Act, which limited expenditures to costs directly related or incurred due to the pandemic, ARPA allows governments to use funding for a broader array of eligible purposes, though with additional compliance requirements.

To assist with the response, Sedgwick County nearly \$109 million in Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funds to assist with response in 2020, Sedgwick County was awarded \$100.2 million in Federal recovery funding through the Federal American Rescue Plan Act (ARPA) in 2021. These funds are permitted to be obligated for eligible uses through 2024 and must be spent by December 31, 2026. The Board of County Commissioners has adopted a spending plan through 2024, which includes funding for premium pay for front-line workers during the worst of the pandemic; public health response; measures for employee safety related to COVID-19 and other respiratory protections; facility measures and additional workforce necessary to resolve the 18th Judicial District Court system backlog; and other programs. In 2023, the Commission directed staff to bring the Spending Plan back to the BOCC for revision and approval each quarter; the revised Plan is shared on the County’s ARPA web page for public viewing.

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2023

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget to Actual – Budgetary Basis General Fund For the Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 162,179,361	\$ 162,179,361	\$ 158,311,401	\$ (3,867,961)
Sales taxes	37,474,122	37,474,122	39,150,986	1,676,863
Other taxes	261,512	261,512	206,359	(55,153)
Intergovernmental	758,493	758,493	665,121	(93,372)
Charges for services	31,722,691	31,722,691	32,720,420	997,729
Uses of money and property	4,729,966	4,729,966	15,032,973	10,303,007
Fines and forfeits	188,199	188,199	1,216,391	1,028,192
Licenses and permits	8,546,335	8,546,335	8,038,966	(507,369)
Reimbursed expenditures	5,603,922	5,603,922	5,533,614	(70,308)
Other	2,305,559	2,305,559	2,239,899	(65,660)
Total revenues	<u>253,770,162</u>	<u>253,770,162</u>	<u>263,116,129</u>	<u>9,345,967</u>
Expenditures				
Personnel Services	166,620,552	163,310,450	151,862,985	11,447,465
Contractual services	81,213,919	64,319,036	59,731,012	4,588,024
Commodities	8,858,482	9,019,829	7,927,128	1,092,701
Capital Outlay	4,519,033	2,013,269	1,135,249	878,020
Total expenditures	<u>261,211,986</u>	<u>238,662,585</u>	<u>220,656,375</u>	<u>18,006,210</u>
Revenues over (under) expenditures	<u>(7,441,824)</u>	<u>15,107,577</u>	<u>42,459,754</u>	<u>27,352,177</u>
Other financing uses				
Transfers from other funds	4,591,218	4,591,218	4,516,745	(74,473)
Transfers to other funds	(23,363,806)	(45,913,207)	(44,815,986)	1,097,222
Total other financing uses	<u>(18,772,588)</u>	<u>(41,321,989)</u>	<u>(40,299,240)</u>	<u>1,022,749</u>
Net change in fund balances	\$ (26,214,412)	\$ (26,214,412)	\$ 2,160,514	\$ 28,374,926
Fund balances beginning of year	26,214,412	26,214,412	89,277,604	88,286,471
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,438,118</u>	<u>\$ 91,438,118</u>

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2023

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, 2023
Fund balance, budgetary basis	\$ 91,438,118
Current year encumbrances	552,003
Fair value adjustment of investments	6,259,151
Interdepartmental charges	(1,603,429)
Accrued revenues	(9,048,492)
Accrued expenditures	<u>(4,369,923)</u>
Fund balance, GAAP basis	<u>\$ 83,227,429</u>

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2023

Defined Benefit Pension Plans

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the collective net pension liability:										
KPERS (local group)	5.352%	5.738%	5.232%	5.331%	5.386%	5.362%	5.445%	5.344%	5.525%	5.403%
KP&F (police & firemen)	5.555%	6.442%	5.981%	6.191%	6.430%	6.451%	6.655%	6.735%	6.858%	6.825%
County's proportionate share of the collective net pension liability	\$201,010,311	\$206,982,388	\$119,859,652	\$168,762,539	\$140,339,426	\$136,810,111	\$141,282,887	\$145,221,592	\$122,343,954	\$111,262,101
County's covered payroll ^	\$152,303,102	\$153,098,073	\$133,875,573	\$137,559,196	\$142,457,639	\$138,127,377	\$134,047,537	\$127,025,880	\$127,247,391	\$122,530,074
County's proportionate share of the collective net pension liability as a percentage of its covered payroll	132%	135%	90%	122.68%	98.51%	99.05%	105.40%	114.32%	96.15%	90.80%
Plan fiduciary net position as a percentage of the total pension liability	70.70%	69.75%	76.40%	66.30%	69.88%	70.95%	67.12%	65.10%	64.95%	66.60%

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

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2023

Defined Benefit Pension Plans (continued)

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$19,086,780	\$17,571,235	\$18,827,831	\$17,121,387	\$17,610,863	\$15,903,065	\$14,547,001	\$18,215,161	\$16,216,371	\$14,137,345
Contributions in relation to the contractually required contribution	(19,086,780)	(17,571,235)	(18,827,831)	(17,121,387)	(17,610,863)	(15,903,065)	(14,547,001)	(18,215,161)	(16,216,371)	(14,137,345)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll ^	\$160,525,321	\$136,216,075	\$151,009,203	\$137,763,316	\$138,555,937	\$134,392,946	\$131,611,804	\$126,822,618	\$127,537,022	\$124,775,254
Contributions as a percentage of covered payroll	11.89%	12.90%	12.47%	12.43%	12.71%	11.83%	11.05%	14.36%	12.72%	11.33%

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

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2023

Defined Benefit Pension Plans (continued)

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% and eliminated the reduction of employee contributions to 2.0% after 32 years of service. In addition, the maximum retirement benefit increased to 90% of final average salary (reached at 36 years of service). Before this change the maximum retirement benefit was limited to 80% 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% and then on January 1, 2015, increase to 6.0%, with an increase in benefit multiplier to 1.85% for future years of service. For KPERS 2 members retired after July 1, 2012, the cost of living adjustment (COLA) is eliminated, but members will receive a 1.85% 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.

For the state fiscal year 2017, the KP&F group had a change in benefit terms. The Legislature changed the duty-related death benefit for KP&F members to the greater of 50% of Final Average Salary and member's accrued retirement benefit under the 100% joint and survivor option, payable to the member's spouse. Including any benefits that may be due to child beneficiaries, the total monthly benefits may not exceed 90% of the member's Final Average Salary. Prior to this bill, the duty-related spousal death benefit for KP&F member was 50% of the Final Average Salary, and the maximum available to the family was 75% of the member's Final Average Salary.

For the state fiscal year 2017, the Legislature changed the working after retirement rules for members who retire on or after January 1, 2018. The key changes to the working after retirement rules were to lengthen the waiting period for KPERS members to return to work from 60 days to 180 days for members who retire before attaining age 62, remove the earnings limitation for all retirees and establish a single-employer contribution schedule for all retirees.

For the state fiscal year 2021, the Legislature provided an increased benefit for disabled members who pass away prior to retirement if the disability was service-connected. The monthly benefit is equal to 50% of the member's final average salary at disability plus 10% for each dependent child up to a maximum of 75% or the retirement benefit the member would have received if the member had retired on the date of death if there are no dependent children.

For the state fiscal year 2023, the Legislature expanded the Deferred Retirement Option Plan (DROP) in KP&F to all employers as of April 27, 2023. Prior to this change, only members employed by the Kansas Highway Patrol and Kansas Bureau of Investigation were eligible.

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION December 31, 2023

Defined Benefit Pension Plans (continued)

Changes in assumptions for KPERS. As a result of the experience study completed in November 2016, there were several changes made to the actuarial assumptions and methods since the prior valuation. The changes that impact all groups were effective December 31, 2016 and include:

- The price inflation assumption was lowered from 3.00% to 2.75%.
- The investment return assumption was lowered from 8.00% to 7.75%.
- The general wage growth assumption was lowered from 4.00% to 3.50%.
- The payroll growth assumption was lowered from 4.00% to 3.00%.

Changes from the November 2016 experience study that impacted individual groups are listed below:

KPERS:

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERS groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups.
- The termination of employment assumption was increased for all three groups.
- The interest crediting rate assumption for KPERS 3 members was lowered from 6.50% to 6.25%.

KP&F:

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table with 1-year age set forward and the MP-2016, is used to anticipate future mortality improvements.
- The mortality assumption for disabled members was changed to the RP-2014 Disabled Lives Table (generational using MP-2016) with a 1-year age set forward.
- The active member mortality assumption was modified to the RP-2014 Employee Mortality Table with a 1-year age set forward with a 90% scaling factor.
- The retirement rates for Tier 1 were lowered and the ultimate assumed retirement age was changed from 63 to 65 for Tier 2.
- The termination of employment rates for Tier 2 were increased to better match the observed experience.

As a result of the experience study completed in January 2020, there were several changes made to the actuarial assumptions and methods since the prior valuation. The changes that impact all groups were effective December 31, 2019 and include:

- The investment return assumption was lowered from 7.75% to 7.50%.
- The general wage growth assumption was lowered from 3.50% to 3.25%.
- The payroll growth assumption was lowered from 3.00% to 2.75%.

December 31, 2020 assumption changes included a decrease of the investment return assumption from 7.75% to 7.25%.

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2023

Defined Benefit Pension Plans (continued)

Changes from the January 2020 experience study that impacted individual groups are listed below:

KPERS:

- Retirement rates were adjusted to partially reflect observed experience.
- Termination rates were increased for most KPERS groups.
- Disability rates were reduced.
- Factors for the State group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

KP&F:

- Retirement rates were adjusted to partially reflect observed experience.
- Factors for the KP&F group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

December 31, 2021, assumption changes included the following:

For all groups, the investment rate of return assumption decreased from 7.25% to 7.00%.

KPERS:

- Interest crediting rate assumption for KPERS 3 members was lowered from 6.25% to 6.00%.
- Annuity interest rate assumption for KPERS 3 members was lowered from 5.75% to 5.00%.

SEDGWICK COUNTY, KANSAS

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2023

Postemployment Benefits Other than Pensions

**Schedule of Changes in the County's
Total OPEB Liability and Related Ratios**

Last Six Fiscal Years*

County OPEB Plan

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 1,098,282	\$ 1,583,364	\$ 1,767,311	\$ 1,422,927	\$ 1,238,660	\$ 1,231,438
Interest	836,018	472,091	464,507	605,637	677,684	635,526
Differences between expected and actuarial experience	(4,031,485)	-	(1,598,264)	-	(994,321)	(180,089)
Change in assumptions	545,298	(4,591,828)	(412,529)	2,414,187	1,627,505	(944,160)
Benefit payments	(455,201)	(429,864)	(951,041)	(792,681)	(580,938)	(648,319)
Implicit rate subsidy	(52,348)	(49,434)	(109,370)	(114,423)	(199,699)	-
Net change in total OPEB liability	(2,059,436)	(3,015,671)	(839,386)	3,535,647	1,768,891	94,396
Total OPEB liability - beginning	20,251,607	23,267,278	24,106,664	20,571,017	18,802,126	18,707,730
Total OPEB liability - ending	\$ 18,192,171	\$ 20,251,607	\$ 23,267,278	\$ 24,106,664	\$ 20,571,017	\$ 18,802,126
Covered-employee payroll	\$ 159,417,538	\$ 119,214,390	\$ 119,214,390	\$ 118,276,383	\$ 118,276,383	\$ 120,999,328
 Total OPEB liability as a percentage of covered-employee payroll	 11.41%	 16.99%	 19.52%	 20.38%	 17.39%	 15.54%

* GASB 75 requires presentation of ten years. As of December 31, 2023, only six years of information is available.

There are no assets accumulated in the trust to pay related benefits.

Changes in assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period:

- The discount rate decreased from 3.68% on December 31, 2018 to 3.01% on December 31, 2019.
- The discount rate decreased from 3.01% on December 31, 2019 to 1.97% on December 31, 2020.
- The discount rate increased from 1.97% on December 31, 2020 to 2.05% on December 31, 2021.
- The discount rate increased from 2.05% on December 31, 2021 to 4.18% on December 31, 2022.
- The discount rate decreased from 4.18% on December 31, 2022 to 3.88% on December 31, 2023.

Changes in assumptions and other inputs reflect the effects of changes in mortality assumption changes:

- December 31, 2019 - updated mortality assumption to the PUBH-2010 General Employees and Public Safety Mortality Tables reflecting the MP-2019 Projection Scale.
- December 31, 2020 - mortality improvement scale changed to MP-2020 scale.
- December 31, 2021 - mortality improvement scale changed to MP-2021 scale.

SEDGWICK COUNTY, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

Postemployment Benefits Other than Pensions (continued)

Schedule of Changes in the County's
Death & Disability Total OPEB Liability and Related Ratios

Last Seven Fiscal Years*

KPERS Death and Disability Plan

Measurement Date	2023	2022	2021	2020	2019	2018	2017
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability							
Service cost	\$ 254,817	\$ 393,989	\$ 401,405	\$ 349,556	\$ 332,742	\$ 330,335	\$ 347,567
Interest	103,512	90,259	89,414	123,629	134,426	115,650	93,246
Effect of economic/demographic gains or losses	(300,570)	(561,941)	(104,868)	(37,336)	(191,626)	158,126	-
Effect of assumptions changes or inputs	(12,897)	(746,946)	8,580	262,694	57,662	(47,001)	(110,687)
Benefit payments	(332,323)	(250,853)	(257,695)	(215,421)	(365,577)	(268,341)	(439,378)
Net change in total OPEB liability	(287,461)	(1,075,492)	136,836	483,122	(32,373)	288,769	(109,252)
Total OPEB liability - beginning	2,833,953	3,909,445	3,772,609	3,289,487	3,321,860	3,033,091	3,142,343
Total OPEB liability - ending	\$ 2,546,492	\$ 2,833,953	\$ 3,909,445	\$ 3,772,609	\$ 3,289,487	\$ 3,321,860	\$ 3,033,091
Covered payroll	\$ 152,303,102	\$ 153,098,073	\$ 133,875,573	\$ 137,559,196	\$ 142,457,639	\$ 138,127,377	\$ 134,047,537
Total OPEB liability as a percentage of covered payroll	1.67%	1.85%	2.92%	2.74%	2.31%	2.40%	2.26%

* GASB 75 requires presentation of ten years. As of December 31, 2023, only seven years of information is available.

There are no assets accumulated in the trust to pay related benefits.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period:

- The discount rate increased from 2.85% on June 30, 2016 to 3.58% on June 30, 2017.
- The discount rate increased from 3.58% on June 30, 2017 to 3.87% on June 30, 2018.
- The discount rate decreased from 3.87% on June 30, 2018 to 3.50% on June 30, 2019.
- The discount rate decreased from 3.50% on June 30, 2019 to 2.21% on June 30, 2020.
- The discount rate decreased from 2.21% on June 30, 2020 to 2.16% on June 30, 2021.
- The discount rate increased from 2.16% on June 30, 2021 to 3.54% on June 30, 2022.
- The discount rate increased from 3.54% on June 30, 2022 to 3.65% on June 30, 2023.

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet Nonmajor Governmental Funds December 31, 2023

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
Assets:				
Cash, including investments	\$ 31,495,163	\$ 25,790	\$ 51,895,811	\$ 83,416,764
Due from other agencies	-	-	500	500
Accounts receivable	1,774	-	-	1,774
Property tax receivable	37,710,886	-	-	37,710,886
Sales tax receivable	-	-	3,410,027	3,410,027
Inventories, at cost	450,011	-	-	450,011
Total assets	\$ 69,657,834	\$ 25,790	\$ 55,306,338	\$ 124,989,962
Liabilities:				
Accounts payable	\$ 433,337	\$ -	\$ 555,385	\$ 988,722
Due to other funds	-	-	779,470	779,470
Advance payable	-	-	378,329	378,329
Due to other entities	72,500	-	-	72,500
Total liabilities	505,837	-	1,713,184	2,219,021
Deferred Inflows of Resources:				
Deferred property tax revenue	37,710,886	-	-	37,710,886
Fund balances:				
Nonspendable:				
Inventories	450,011	-	-	450,011
Restricted:				
General Government	4,144,884	-	-	4,144,884
Debt Service	-	25,790	-	25,790
Public Safety	17,041,610	-	-	17,041,610
Public Works	4,380,472	-	-	4,380,472
Health and Welfare	1,444,221	-	-	1,444,221
Culture and Recreation	115,248	-	-	115,248
Community Development	9,500	-	-	9,500
Capital Outlay	-	-	25,167,069	25,167,069
Committed:				
Capital Outlay	-	-	8,859,445	8,859,445
Assigned:				
Public Safety	2,845,929	-	-	2,845,929
Public Works	1,009,236	-	-	1,009,236
Capital Outlay	-	-	20,346,110	20,346,110
Unassigned	-	-	(779,470)	(779,470)
Total fund balances	31,441,111	25,790	53,593,154	85,060,055
Total liabilities, deferred inflows of resources and fund balances	\$ 69,657,834	\$ 25,790	\$ 55,306,338	\$ 124,989,962

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
 December 31, 2023

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Assets:				
Cash, including investments	\$ 9,500	\$ 23,416	\$ 2,845,916	\$ 1,371,986
Accounts receivable	-	-	13	-
Property tax receivable	9,365,629	-	-	2,403,845
Inventories, at cost	-	-	450,011	-
Total assets	<u>\$ 9,375,129</u>	<u>\$ 23,416</u>	<u>\$ 3,295,940</u>	<u>\$ 3,775,831</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 28,574
Due to other entities	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,574</u>
Deferred Inflows of Resources:				
Deferred property tax revenue	9,365,629	-	-	2,403,845
Fund balances:				
Nonspendable:				
Inventories	-	-	450,011	-
Restricted:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	23,416	-	1,343,412
Culture and Recreation	-	-	-	-
Community Development	9,500	-	-	-
Committed:				
Public Safety	-	-	-	-
Assigned:				
Public Works	-	-	-	-
Public Safety	-	-	2,845,929	-
Unassigned	-	-	-	-
Total fund balances	<u>9,500</u>	<u>23,416</u>	<u>3,295,940</u>	<u>1,343,412</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,375,129</u>	<u>\$ 23,416</u>	<u>\$ 3,295,940</u>	<u>\$ 3,775,831</u>

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 3,677,677		\$ 2,140,428	\$ 128,786	\$ 5,615,523	\$ 2,374,227
1,614	100	47	-	-	-
4,632,865	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,312,156</u>	<u>\$ 100</u>	<u>\$ 2,140,475</u>	<u>\$ 128,786</u>	<u>\$ 5,615,523</u>	<u>\$ 2,374,227</u>
\$ 255,967	\$ 100	\$ 101,591	\$ 13,538	\$ 15,716	\$ 19
72,500	-	-	-	-	-
<u>328,467</u>	<u>100</u>	<u>101,591</u>	<u>13,538</u>	<u>15,716</u>	<u>19</u>
4,632,865	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	5,599,807	2,374,208
2,748,787	-	1,631,685	-	-	-
-	-	-	-	-	-
-	-	-	115,248	-	-
-	-	-	-	-	-
-	-	-	-	-	-
602,037	-	407,199	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,350,824</u>	<u>-</u>	<u>2,038,884</u>	<u>115,248</u>	<u>5,599,807</u>	<u>2,374,208</u>
<u>\$ 8,312,156</u>	<u>\$ 100</u>	<u>\$ 2,140,475</u>	<u>\$ 128,786</u>	<u>\$ 5,615,523</u>	<u>\$ 2,374,227</u>

(Continued)

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
 December 31, 2023

	Special Alcohol and Drug Programs	Auto License	Court Alcohol/Drug Safety Action Program	Prosecuting Attorney Training
Assets				
Cash, including investments	\$ 77,393	\$ 2,325,366	\$ 188,552	\$ 36,546
Accounts receivable	-	-	-	-
Property tax receivable	-	-	-	-
Inventories, at cost	-	-	-	-
Total assets	<u>\$ 77,393</u>	<u>\$ 2,325,366</u>	<u>\$ 188,552</u>	<u>\$ 36,546</u>
Liabilities:				
Accounts payable	\$ -	\$ 3,094	\$ -	\$ -
Due to other entities	-	-	-	-
Total liabilities	<u>-</u>	<u>3,094</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:				
Deferred property tax revenue	-	-	-	-
Fund balances:				
Nonspendable:				
Inventories	-	-	-	-
Restricted:				
General Government	-	2,322,272	-	-
Public Safety	-	-	188,552	36,546
Public Works	-	-	-	-
Health and Welfare	77,393	-	-	-
Culture and Recreation	-	-	-	-
Community Development	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Assigned:				
Public Works	-	-	-	-
Public Safety	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>77,393</u>	<u>2,322,272</u>	<u>188,552</u>	<u>36,546</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 77,393</u>	<u>\$ 2,325,366</u>	<u>\$ 188,552</u>	<u>\$ 36,546</u>

Elected Official Land Technology Fund	Fire District Operating	Fire District Research and Development	Township Dissolution	Totals
\$ 1,824,186	\$ 8,819,435	\$ 36,226	\$ -	\$ 31,495,163
-	-	-	-	1,774
-	21,308,547	-	-	37,710,886
-	-	-	-	450,011
<u>\$ 1,824,186</u>	<u>\$ 30,127,982</u>	<u>\$ 36,226</u>	<u>\$ -</u>	<u>\$ 69,657,834</u>
\$ 1,574	\$ 13,164	\$ -	\$ -	\$ 433,337
-	-	-	-	72,500
<u>1,574</u>	<u>13,164</u>	<u>-</u>	<u>-</u>	<u>505,837</u>
-	21,308,547	-	-	37,710,886
-	-	-	-	450,011
1,822,612	-	-	-	4,144,884
-	8,806,271	36,226	-	17,041,610
-	-	-	-	4,380,472
-	-	-	-	1,444,221
-	-	-	-	115,248
-	-	-	-	9,500
-	-	-	-	-
-	-	-	-	1,009,236
-	-	-	-	2,845,929
-	-	-	-	-
<u>1,822,612</u>	<u>8,806,271</u>	<u>36,226</u>	<u>-</u>	<u>31,441,111</u>
<u>\$ 1,824,186</u>	<u>\$ 30,127,982</u>	<u>\$ 36,226</u>	<u>\$ -</u>	<u>\$ 69,657,834</u>

SEDGWICK COUNTY, KANSAS

Combining Balance Sheet Nonmajor Capital Projects Funds December 31, 2023

	Building and Equipment	Street, Bridge and Other	Sales Tax Road and Bridge
Assets			
Cash, including investments	\$ -	\$ 3,240	\$ 21,920,080
Due from other agencies	-	-	500
Sales tax receivable	-	-	3,410,027
	-	-	3,410,027
Total assets	\$ -	\$ 3,240	\$ 25,330,607
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 163,538
Due to other funds	779,470	-	-
Advance payable	-	-	-
	-	-	-
Total liabilities	779,470	-	163,538
Fund balances:			
Restricted:			
Capital Outlay	-	-	25,167,069
Committed:			
Capital Outlay	-	3,240	-
Assigned:			
Capital Outlay	-	-	-
Unassigned	(779,470)	-	-
Total fund balance	(779,470)	3,240	25,167,069
Total liabilities and fund balances	\$ -	\$ 3,240	\$ 25,330,607

Road and Bridge Equipment	Highway Improvement	Capital Improvements	Equipment Reserve	Fire District Special Equipment	Totals
\$ -	\$ 29,014	\$ 9,601,885	\$ 16,197,277	\$ 4,144,315	\$ 51,895,811
-	-	-	-	-	500
-	-	-	-	-	3,410,027
<u>\$ -</u>	<u>\$ 29,014</u>	<u>\$ 9,601,885</u>	<u>\$ 16,197,277</u>	<u>\$ 4,144,315</u>	<u>\$ 55,306,338</u>
\$ -	\$ -	\$ 367,351	\$ 24,496	\$ -	\$ 555,385
-	-	-	-	-	779,470
-	-	378,329	-	-	378,329
-	-	745,680	24,496	-	1,713,184
-	-	-	-	-	25,167,069
-	-	8,856,205	-	-	8,859,445
-	29,014	-	16,172,781	4,144,315	20,346,110
-	-	-	-	-	(779,470)
<u>-</u>	<u>29,014</u>	<u>8,856,205</u>	<u>16,172,781</u>	<u>4,144,315</u>	<u>53,593,154</u>
<u>\$ -</u>	<u>\$ 29,014</u>	<u>\$ 9,601,885</u>	<u>\$ 16,197,277</u>	<u>\$ 4,144,315</u>	<u>\$ 55,306,338</u>

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SEDGWICK COUNTY, KANSAS

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023*

	Special Revenue Funds	Fire District Debt Service	Capital Projects Funds	Totals
Revenues				
Property taxes	\$ 38,625,186	\$ -	\$ -	\$ 38,625,186
Emergency telephone services taxes	3,574,388	-	-	3,574,388
Sales taxes	-	-	17,914,070	17,914,070
Other taxes	198,992	-	-	198,992
Intergovernmental	4,903,655	-	441,008	5,344,663
Charges for services	9,562,682	-	-	9,562,682
Uses of money and property	1,049,248	-	202,729	1,251,977
Licenses and permits	87,243	-	-	87,243
Other	84,944	-	2,417,878	2,502,822
Total revenues	<u>58,086,338</u>	<u>-</u>	<u>20,975,685</u>	<u>79,062,023</u>
Expenditures				
Current:				
General government	5,997,724	-	-	5,997,724
Public safety	25,955,171	-	-	25,955,171
Public works	11,411,608	-	-	11,411,608
Health and welfare	3,195,219	-	-	3,195,219
Culture and recreation	44,558	-	-	44,558
Community Development	9,756,226	-	-	9,756,226
Capital outlay	-	-	31,456,423	31,456,423
Debt service:				
Principal	1,187,501	-	-	1,187,501
Interest and fiscal charges	69,274	-	-	69,274
Total expenditures	<u>57,617,281</u>	<u>-</u>	<u>31,456,423</u>	<u>89,073,704</u>
Excess (deficiency) of revenues over (under) expenditures	<u>469,057</u>	<u>-</u>	<u>(10,480,738)</u>	<u>(10,011,681)</u>
Other financing sources (uses)				
Transfers from other funds	676,955	-	17,226,522	17,903,477
Transfers to other funds	(5,591,448)	-	(165,556)	(5,757,004)
Financed purchases	-	-	466,590	466,590
Total other financing sources (uses)	<u>(4,914,493)</u>	<u>-</u>	<u>17,527,556</u>	<u>12,613,063</u>
Net change in fund balances	<u>(4,445,436)</u>	<u>-</u>	<u>7,046,818</u>	<u>2,601,382</u>
Fund balances, beginning of year	<u>35,886,547</u>	<u>25,790</u>	<u>46,546,336</u>	<u>82,458,673</u>
Fund balances, end of year	<u>\$ 31,441,111</u>	<u>\$ 25,790</u>	<u>\$ 53,593,154</u>	<u>\$ 85,060,055</u>

SEDGWICK COUNTY, KANSAS

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

	Wichita State University Program Development	Comprehensive Community Care	Emergency Medical Services	Aging Services
Revenues				
Property taxes	\$ 9,734,867	\$ -	\$ -	\$ 2,493,737
Emergency telephone services taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	16,841
Uses of money and property	-	-	-	-
Licenses and permits	-	-	-	-
Other	-	-	-	1,803
Total revenues	<u>9,734,867</u>	<u>-</u>	<u>-</u>	<u>2,512,381</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	868,738	-
Public works	-	-	-	-
Health and welfare	-	772,707	-	2,422,512
Culture and recreation	-	-	-	-
Community Development	9,756,226	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>9,756,226</u>	<u>772,707</u>	<u>868,738</u>	<u>2,422,512</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,359)</u>	<u>(772,707)</u>	<u>(868,738)</u>	<u>89,869</u>
Other financing (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	(256,840)	(4,175,390)	(195,638)
Total other financing (uses)	<u>-</u>	<u>(256,840)</u>	<u>(4,175,390)</u>	<u>(195,638)</u>
Net change in fund balances	(21,359)	(1,029,547)	(5,044,128)	(105,769)
Fund balances, beginning of year	<u>30,859</u>	<u>1,052,963</u>	<u>8,340,068</u>	<u>1,449,181</u>
Fund balances, end of year	<u>\$ 9,500</u>	<u>\$ 23,416</u>	<u>\$ 3,295,940</u>	<u>\$ 1,343,412</u>

Public Works Highways	Noxious Weeds	Solid Waste	Special Parks and Recreation	Emergency Telephone Services	Court Trustee Operations
\$ 4,825,837	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	3,574,388	-
-	-	-	79,498	-	-
4,873,905	-	-	-	-	-
-	-	2,193,390	-	-	1,055,957
-	-	-	-	184,098	-
19,650	-	57,393	-	-	-
59,351	-	-	-	-	-
<u>9,778,743</u>	<u>-</u>	<u>2,250,783</u>	<u>79,498</u>	<u>3,758,486</u>	<u>1,055,957</u>
-	-	-	-	-	-
-	-	-	-	2,265,902	861,011
9,526,734	23,587	1,861,287	-	-	-
-	-	-	-	-	-
-	-	-	44,558	-	-
-	-	-	-	-	-
35,343	-	-	-	99,641	-
1,247	-	-	-	11,928	-
<u>9,563,324</u>	<u>23,587</u>	<u>1,861,287</u>	<u>44,558</u>	<u>2,377,471</u>	<u>861,011</u>
<u>215,419</u>	<u>(23,587)</u>	<u>389,496</u>	<u>34,940</u>	<u>1,381,015</u>	<u>194,946</u>
-	-	-	-	-	-
-	(82,008)	-	-	(651,308)	-
-	(82,008)	-	-	(651,308)	-
215,419	(105,595)	389,496	34,940	729,707	194,946
3,135,405	105,595	1,649,388	80,308	4,870,100	2,179,262
<u>\$ 3,350,824</u>	<u>\$ -</u>	<u>\$ 2,038,884</u>	<u>\$ 115,248</u>	<u>\$ 5,599,807</u>	<u>\$ 2,374,208</u>

SEDGWICK COUNTY, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023

	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	119,494	-	-	-
Intergovernmental	-	29,750	-	-
Charges for services	-	4,773,434	3,603	23,068
Uses of money and property	-	60,303	-	-
Licenses and permits	-	-	-	-
Other	-	4,378	-	-
Total revenues	<u>119,494</u>	<u>4,867,865</u>	<u>3,603</u>	<u>23,068</u>
Expenditures				
Current:				
General government	-	4,982,445	-	-
Public safety	-	-	-	38,799
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Community Development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>4,982,445</u>	<u>-</u>	<u>38,799</u>
Excess (deficiency) of revenues over (under) expenditures	<u>119,494</u>	<u>(114,580)</u>	<u>3,603</u>	<u>(15,731)</u>
Other financing (uses)				
Transfers from other funds	-	374,295	-	-
Transfers to other funds	<u>(153,315)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing (uses)	<u>(153,315)</u>	<u>374,295</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(33,821)</u>	<u>259,715</u>	<u>3,603</u>	<u>(15,731)</u>
Fund balances, beginning of year	<u>111,214</u>	<u>2,062,557</u>	<u>184,949</u>	<u>52,277</u>
Fund balances, end of year	<u>\$ 77,393</u>	<u>\$ 2,322,272</u>	<u>\$ 188,552</u>	<u>\$ 36,546</u>

Elected Official Land Technology Fund	Fire District Operating	Fire District Research and Development	Township Dissolution	Totals
\$ -	\$ 21,570,745	\$ -	\$ -	\$ 38,625,186
-	-	-	-	3,574,388
-	-	-	-	198,992
-	-	-	-	4,903,655
779,835	716,554	-	-	9,562,682
84,958	718,105	1,784	-	1,049,248
-	10,200	-	-	87,243
-	19,412	-	-	84,944
<u>864,793</u>	<u>23,035,016</u>	<u>1,784</u>	<u>-</u>	<u>58,086,338</u>
1,015,279	-	-	-	5,997,724
-	21,920,721	-	-	25,955,171
-	-	-	-	11,411,608
-	-	-	-	3,195,219
-	-	-	-	44,558
-	-	-	-	9,756,226
-	1,052,517	-	-	1,187,501
-	56,099	-	-	69,274
<u>1,015,279</u>	<u>23,029,337</u>	<u>-</u>	<u>-</u>	<u>57,617,281</u>
<u>(150,486)</u>	<u>5,679</u>	<u>1,784</u>	<u>-</u>	<u>469,057</u>
-	302,660	-	-	676,955
<u>(2,507)</u>	<u>(74,442)</u>	<u>-</u>	<u>-</u>	<u>(5,591,448)</u>
<u>(2,507)</u>	<u>228,218</u>	<u>-</u>	<u>-</u>	<u>(4,914,493)</u>
(152,993)	233,897	1,784	-	(4,445,436)
<u>1,975,605</u>	<u>8,572,374</u>	<u>34,442</u>	<u>-</u>	<u>35,886,547</u>
<u>\$ 1,822,612</u>	<u>\$ 8,806,271</u>	<u>\$ 36,226</u>	<u>\$ -</u>	<u>\$ 31,441,111</u>

SEDGWICK COUNTY, KANSAS

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2023*

	<u>Building and Equipment</u>	<u>Street, Bridge and Other</u>	<u>Sales Tax Road and Bridge</u>	<u>Road and Bridge Equipment</u>
Revenues				
Sales taxes	\$ -	\$ -	\$ 17,914,070	\$ -
Intergovernmental	-	-	441,008	-
Uses of money and property	-	-	-	-
Other revenue	-	-	39,117	-
Total revenues	<u>-</u>	<u>-</u>	<u>18,394,195</u>	<u>-</u>
Expenditures				
Capital outlay	-	-	17,551,414	-
Total expenditures	<u>-</u>	<u>-</u>	<u>17,551,414</u>	<u>-</u>
(Deficiency) of revenues (under) expenditures	<u>-</u>	<u>-</u>	<u>842,781</u>	<u>-</u>
Other financing sources (uses)				
Transfers from other funds	-	-	1,700,566	16,609
Transfers to other funds	-	-	(140,474)	-
Financed purchases	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,560,092</u>	<u>16,609</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>2,402,873</u>	<u>16,609</u>
Fund balances (deficits), beginning of year	<u>(779,470)</u>	<u>3,240</u>	<u>22,764,196</u>	<u>(16,609)</u>
Fund balances (deficits), end of year	<u>\$ (779,470)</u>	<u>\$ 3,240</u>	<u>\$ 25,167,069</u>	<u>\$ -</u>

Highway Improvement	Capital Improvements	Equipment Reserve	Fire District Special Equipment	Totals
\$ -	\$ -	\$ -	\$ -	\$ 17,914,070
-	-	-	-	441,008
-	-	-	202,729	202,729
-	2,369,030	9,731	-	2,417,878
-	2,369,030	9,731	202,729	20,975,685
-	6,589,022	6,765,505	550,482	31,456,423
-	6,589,022	6,765,505	550,482	31,456,423
-	(4,219,992)	(6,755,774)	(347,753)	(10,480,738)
-	4,932,079	10,494,353	82,915	17,226,522
(16,609)	-	-	(8,473)	(165,556)
-	-	-	466,590	466,590
(16,609)	4,932,079	10,494,353	541,032	17,527,556
(16,609)	712,087	3,738,579	193,279	7,046,818
45,623	8,144,118	12,434,202	3,951,036	46,546,336
<u>\$ 29,014</u>	<u>\$ 8,856,205</u>	<u>\$ 16,172,781</u>	<u>\$ 4,144,315</u>	<u>\$ 53,593,154</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive/ (Negative)
Revenues				
Taxes	\$ 9,789,953	\$ 9,789,953	\$ 9,734,867	\$ (55,086)
Other	500,000	500,000	-	(500,000)
Total revenues	<u>10,289,953</u>	<u>10,289,953</u>	<u>9,734,867</u>	<u>(555,086)</u>
Expenditures				
Current:				
Contractual services	10,289,953	10,289,953	9,756,226	533,727
Total expenditures	<u>10,289,953</u>	<u>10,289,953</u>	<u>9,756,226</u>	<u>533,727</u>
Revenues over (under) expenditures	<u>(0)</u>	<u>(0)</u>	<u>(21,359)</u>	<u>(21,359)</u>
Net change in fund balances	\$ -	\$ -	(21,359)	\$ (21,359)
Fund balances, beginning of year	-	-	30,859	30,859
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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
Contractual services	772,623.00	772,623	772,623	-
Commodities	-	-	-	-
Total expenditures	<u>772,623.00</u>	<u>772,623</u>	<u>772,623</u>	<u>-</u>
Revenues over (under) expenditures	<u>(772,623)</u>	<u>(772,623)</u>	<u>(772,623)</u>	<u>-</u>
Other financing uses				
Transfers to other funds	(256,840)	(256,840)	(256,840)	-
Total other financing uses	<u>(256,840)</u>	<u>(256,840)</u>	<u>(256,840)</u>	<u>-</u>
Net change in fund balances	\$ (1,029,463)	\$ (1,029,463)	(1,029,463)	\$ -
Fund balances, beginning of year	<u>1,029,463</u>	<u>1,029,463</u>	<u>1,033,756</u>	<u>4,293</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>4,293</u>	<u>\$ 4,293</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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current:				
Contractual services	868,738	868,738	868,738	-
Total expenditures	868,738	868,738	868,738	-
Revenues over (under) expenditures	(868,738)	(868,738)	(868,738)	-
Other financing uses				
Transfers to other funds	(4,175,390)	(4,175,390)	(4,175,390)	-
Total other financing uses	(4,175,390)	(4,175,390)	(4,175,390)	-
Net change in fund balances	\$ (5,044,128)	\$ (5,044,128)	(5,044,128)	\$ -
Fund balances, beginning of year	5,044,128	5,044,128	8,243,482	3,199,354
Fund balances, end of year	\$ -	\$ -	3,199,354	\$ 3,199,354

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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,513,098	\$ 2,513,098	\$ 2,493,737	\$ (19,361)
Intergovernmental	-	-	-	-
Charges for Services	21,626	21,626	16,841	(4,785)
Other	4,762	4,762	1,804	(2,958)
Total revenues	<u>2,539,486</u>	<u>2,539,486</u>	<u>2,512,382</u>	<u>(27,103)</u>
Expenditures				
Current:				
Personnel services	838,090	838,090	763,245	74,845
Contractual services	1,821,833	1,819,713	1,604,658	215,055
Commodities	59,327	61,447	26,097	35,350
Total expenditures	<u>2,719,250</u>	<u>2,719,250</u>	<u>2,394,000</u>	<u>325,249</u>
Revenues over (under) expenditures	<u>(179,764)</u>	<u>(179,764)</u>	<u>118,382</u>	<u>298,145</u>
Other financing uses				
Transfers to other funds	<u>(323,794)</u>	<u>(323,794)</u>	<u>(195,638)</u>	<u>128,156</u>
Total other financing uses	<u>(323,794)</u>	<u>(323,794)</u>	<u>(195,638)</u>	<u>128,156</u>
Net change in fund balances	\$ (503,558)	\$ (503,558)	\$ (77,256)	\$ 426,301
Fund balances, beginning of year	<u>503,558</u>	<u>503,558</u>	<u>1,412,679</u>	<u>909,121</u>
Fund balances, end of year	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ 1,335,423</u>	<u>\$ 1,335,422</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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive/ (Negative)
Revenues				
Taxes	\$ 4,863,105	\$ 4,863,105	\$ 4,825,837	\$ (37,267)
Intergovernmental	5,156,483	5,156,483	4,873,905	(282,578)
Fines and forfeits	100	100	-	(100)
Licenses and permits	22,253	22,253	19,650	(2,603)
Reimbursed expenditures	27,309	27,309	47,804	20,495
Other	22,323	22,323	11,548	(10,775)
Total revenues	<u>10,091,573</u>	<u>10,091,573</u>	<u>9,778,744</u>	<u>(312,828)</u>
Expenditures				
Current:				
Personnel services	6,803,725	6,803,725	5,050,271	1,753,455
Contractual services	4,551,141	4,468,596	4,154,230	314,366
Commodities	412,672	420,425	290,214	130,211
Capital outlay	-	74,792	74,792	-
Total expenditures	<u>11,767,538</u>	<u>11,767,538</u>	<u>9,569,507</u>	<u>2,198,032</u>
Revenues over (under) expenditures	<u>(1,675,966)</u>	<u>(1,675,966)</u>	<u>209,238</u>	<u>1,885,204</u>
Net change in fund balances	\$ (1,675,965)	\$ (1,675,965)	\$ 209,237	\$ 1,885,203
Fund balances, beginning of year	<u>1,675,965</u>	<u>1,675,965</u>	<u>2,912,409</u>	<u>1,236,444</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,121,646</u>	<u>\$ 3,121,647</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive/ (Negative)
Revenues				
Charges for services	\$ 2,118,948	\$ 2,118,948	\$ 2,193,390	\$ 74,442
Licenses and permits	57,243	57,243	57,393	150
Other	221	221		(221)
Total revenues	<u>2,176,412</u>	<u>2,176,412</u>	<u>2,250,783</u>	<u>74,371</u>
Expenditures				
Current:				
Personnel services	951,283	951,283	862,541	88,741
Contractual services	1,306,554	1,306,554	961,980	344,574
Commodities	79,165	79,165	54,493	24,672
Total expenditures	<u>2,337,002</u>	<u>2,337,002</u>	<u>1,879,014</u>	<u>457,987</u>
Revenues over (under) expenditures	<u>(160,590)</u>	<u>(160,590)</u>	<u>371,769</u>	<u>532,359</u>
Other financing sources (uses)				
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	\$ (160,589)	\$ (160,589)	\$ 371,768	\$ 532,358
Fund balances, beginning of year	<u>160,589</u>	<u>160,589</u>	<u>1,616,379</u>	<u>1,455,790</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,988,147</u>	<u>\$ 1,988,148</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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 54,303	\$ 54,303	\$ 79,498	\$ 25,195
Total revenues	<u>54,303</u>	<u>54,303</u>	<u>79,498</u>	<u>25,195</u>
Expenditures				
Current:				
Contractual services	54,342	47,129	42,919	4,210
Commodities	-	7,213	(1,284)	8,496
Total expenditures	<u>54,342</u>	<u>54,342</u>	<u>41,635</u>	<u>12,707</u>
Revenues over (under) expenditures	<u>(39)</u>	<u>(39)</u>	<u>37,863</u>	<u>37,901</u>
Net change in fund balances	\$ (38)	\$ (38)	\$ 37,863	\$ 37,900
Fund balances (deficit), beginning of year	<u>38</u>	<u>38</u>	<u>76,427</u>	<u>76,389</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,290</u>	<u>\$ 114,289</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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 3,521,752	\$ 3,521,752	\$ 3,574,388	\$ 52,636
Charges for services	479	479	-	(479)
Uses of money and property	1,279	1,279	184,099	182,820
Other	761	761	-	(761)
Total revenues	<u>3,524,271</u>	<u>3,524,271</u>	<u>3,758,486</u>	<u>234,215</u>
Expenditures				
Current:				
Contractual services	2,518,432	2,423,072	2,287,886	135,186
Commodities	<u>55,968</u>	<u>151,328</u>	<u>125,640</u>	<u>25,689</u>
Total expenditures	<u>2,574,400</u>	<u>2,574,400</u>	<u>2,413,525</u>	<u>160,875</u>
Revenues over (under) expenditures	<u>949,871</u>	<u>949,871</u>	<u>1,344,961</u>	<u>395,090</u>
Other financing uses				
Transfers to other funds	<u>(651,308)</u>	<u>(651,308)</u>	<u>(651,308)</u>	<u>-</u>
Total other financing uses	<u>(651,308)</u>	<u>(651,308)</u>	<u>(651,308)</u>	<u>-</u>
Net change in fund balances	\$ 298,562	\$ 298,562	\$ 693,653	\$ 395,091
Fund balances (deficit), beginning of year	<u>(298,562)</u>	<u>(298,562)</u>	<u>4,603,330</u>	<u>4,901,892</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,296,983</u>	<u>\$ 5,296,983</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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 106,626	\$ 106,626	\$ 119,494	\$ 12,868
Total revenues	<u>106,626</u>	<u>106,626</u>	<u>119,494</u>	<u>12,868</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>106,626</u>	<u>106,626</u>	<u>119,494</u>	<u>12,868</u>
Other financing sources (uses)				
Transfers from other funds	(153,315)	(153,315)	(153,315)	-
Total other financing sources (uses)	<u>(153,315)</u>	<u>(153,315)</u>	<u>(153,315)</u>	<u>-</u>
Net change in fund balances	\$ (46,689)	\$ (46,689)	\$ (33,820)	\$ 12,868
Fund balances, beginning of year	<u>46,689</u>	<u>46,689</u>	<u>111,213</u>	<u>64,524</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,393</u>	<u>\$ 77,392</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		(Negative)
Revenues				
Taxes	\$ 21,395,866	\$ 21,395,866	\$ 21,570,745	\$ 174,879
Charges for services	804,959	804,959	716,554	(88,405)
Uses of money and property	6,635	6,635	718,105	711,470
Licenses and permits	9,169	9,169	10,200	1,031
Reimbursed expenditures	-	-	1,252	1,252
Other	51,185	51,185	18,160	(33,024)
Total revenues	<u>22,267,814</u>	<u>22,267,814</u>	<u>23,035,016</u>	<u>767,202</u>
Expenditures				
Current:				
Personnel services	16,439,442	17,011,266	17,010,460	807
Contractual services	4,581,202	4,088,378	3,915,949	172,428
Commodities	829,026	904,026	783,665	120,361
Capital outlay	250,000	246,000	245,907	93
Debt service:				
Principal	1,372,375	1,147,933	-	1,147,933
Capital Lease	-	-	1,052,517	(1,052,517)
Interest	-	-	56,099	(56,099)
Total expenditures	<u>23,472,045</u>	<u>23,397,603</u>	<u>23,064,597</u>	<u>333,005</u>
Revenues over (under) expenditures	<u>(1,204,231)</u>	<u>(1,129,789)</u>	<u>(29,581)</u>	<u>1,100,207</u>
Other financing uses				
Transfers to other funds	-	(74,442)	(74,442)	-
Transfers from other funds	-	-	302,660	302,660
Total other financing uses	<u>-</u>	<u>(74,442)</u>	<u>228,218</u>	<u>302,660</u>
Net change in fund balances	\$ (1,204,231)	\$ (1,204,231)	\$ 198,637	\$ 1,402,867
Fund balances (deficit), beginning of year	<u>1,204,231</u>	<u>1,204,231</u>	<u>7,853,385</u>	<u>6,649,154</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,052,022</u>	<u>\$ 8,052,021</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ 12,585,552	\$ 12,585,552	\$ 12,623,677	\$ 38,125
Intergovernmental	86,583	86,583	-	(86,583)
Uses of money and property	57,266	57,266	-	(57,266)
Total revenues	<u>12,729,401</u>	<u>12,729,401</u>	<u>12,623,677</u>	<u>(105,724)</u>
Expenditures				
Current:				
Contractual services	20,000	20,000	11,850	8,150
Debt service:				
Principal	15,035,014	15,035,014	8,851,255	6,183,759
Interest and fiscal charges	-	-	2,282,653	(2,282,653)
Total expenditures	<u>15,055,014</u>	<u>15,055,014</u>	<u>11,145,758</u>	<u>3,909,256</u>
Revenues over (under) expenditures	<u>(2,325,613)</u>	<u>(2,325,613)</u>	<u>1,477,919</u>	<u>3,803,532</u>
Other financing sources				
Transfers from other funds	2,476,565	2,476,565	2,329,388	(147,177)
Total other financing sources	<u>2,476,565</u>	<u>2,476,565</u>	<u>2,329,388</u>	<u>(147,177)</u>
Net change in fund balances	\$ 150,952	\$ 150,952	\$ 3,807,307	\$ 3,656,355
Fund balances, beginning of year	(150,952)	(150,952)	2,241,359	2,392,311
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,048,666</u>	<u>\$ 6,048,666</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	-	-	25,791	25,791
Fund balances, end of year	\$ -	\$ -	\$ 25,791	\$ 25,791

SEDGWICK COUNTY, KANSAS

Combining Statement of Net Position

Internal Service Funds

December 31, 2023

	<u>Fleet Management</u>	<u>Health/Dental/ Life Insurance Reserves</u>	<u>Workers' Compensation Reserves</u>	<u>Risk Management Reserves</u>	<u>Totals</u>
Assets					
Current assets:					
Cash, including investments	\$ 11,692,316	\$ 14,289,840	\$ 6,226,371	\$ 1,004,129	\$ 33,212,656
Accounts receivable	1,068	-	-	18,602	19,670
Prepays	-	304,000	-	-	304,000
Inventories, at cost	325,326	-	-	-	325,326
Total current assets	<u>12,018,710</u>	<u>14,593,840</u>	<u>6,226,371</u>	<u>1,022,731</u>	<u>33,861,652</u>
Noncurrent assets:					
Capital assets:					
Land	40,580	-	-	-	40,580
Construction in progress	-	-	-	-	-
Buildings and improvements	8,319,354	-	-	-	8,319,354
Machinery and equipment	39,276,029	-	-	-	39,276,029
Subscriptions assets	-	-	-	160,594	160,594
Less accumulated depreciation and amortization	(33,498,136)	-	-	(49,413)	(33,547,549)
Total capital assets (net of accumulated depreciation and amortization)	<u>14,137,827</u>	<u>-</u>	<u>-</u>	<u>111,181</u>	<u>14,249,008</u>
Total assets	<u>\$ 26,156,537</u>	<u>\$ 14,593,840</u>	<u>\$ 6,226,371</u>	<u>\$ 1,133,912</u>	<u>\$ 48,110,660</u>
Liabilities					
Current liabilities:					
Accounts payable	\$ 293,500	\$ 4,023	\$ 1,037	\$ 37,929	\$ 336,489
Estimated claims costs payable	-	2,400,000	995,800	-	3,395,800
Subscription liabilities	-	-	-	48,126	48,126
Total current liabilities	<u>293,500</u>	<u>2,404,023</u>	<u>996,837</u>	<u>86,055</u>	<u>3,780,415</u>
Noncurrent liabilities:					
Estimated claims costs payable	-	-	627,300	-	627,300
Subscription liabilities	-	-	-	49,369	49,369
Total liabilities	<u>293,500</u>	<u>2,404,023</u>	<u>1,624,137</u>	<u>135,424</u>	<u>4,457,084</u>
Net position					
Net investment in capital assets	14,137,827	-	-	13,686	14,151,513
Unrestricted	11,725,210	12,189,817	4,602,234	984,802	29,502,063
Total net position	<u>25,863,037</u>	<u>12,189,817</u>	<u>4,602,234</u>	<u>998,488</u>	<u>43,653,576</u>
Total liabilities and net position	<u>\$ 26,156,537</u>	<u>\$ 14,593,840</u>	<u>\$ 6,226,371</u>	<u>\$ 1,133,912</u>	<u>\$ 48,110,660</u>

SEDGWICK COUNTY, KANSAS

**Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2023**

	<u>Fleet Management</u>	<u>Health/Dental/ Life Insurance Reserves</u>	<u>Workers' Compensation Reserves</u>	<u>Risk Management Reserves</u>	<u>Totals</u>
Operating revenues:					
Charges for services	\$ 8,625,494	\$ 34,915,694	\$ 2,142,372	\$ -	\$ 45,683,560
Other revenue	90,358	2,512,662	96,808	977,898	3,677,726
Total operating revenues	<u>8,715,852</u>	<u>37,428,356</u>	<u>2,239,180</u>	<u>977,898</u>	<u>49,361,286</u>
Operating expenses:					
Salaries and benefits	1,089,654	244,778	173,353	245,323	1,753,108
Contractual services	474,690	1,085,117	182,938	3,416,773	5,159,518
Utilities	62,103	-	-	-	62,103
Supplies and fuel	4,024,263	25,500	49,077	99,262	4,198,102
Administrative charges	247,445	-	-	-	247,445
Depreciation and amortization	3,318,761	-	-	49,413	3,368,174
Claims expense	-	35,975,691	988,952	350,825	37,315,468
Other	1,764,375	-	-	-	1,764,375
Total operating expenses	<u>10,981,291</u>	<u>37,331,086</u>	<u>1,394,320</u>	<u>4,161,596</u>	<u>53,868,293</u>
Operating income (loss)	<u>(2,265,439)</u>	<u>97,270</u>	<u>844,860</u>	<u>(3,183,698)</u>	<u>(4,507,007)</u>
Nonoperating revenues:					
Investment income	-	647,344	285,013	8,619	940,976
Capital Contributions	6,550,859	-	-	-	6,550,859
Gain on sale of assets	20,386	-	-	-	20,386
Total nonoperating revenues	<u>6,571,245</u>	<u>647,344</u>	<u>285,013</u>	<u>8,619</u>	<u>7,512,221</u>
Income (loss) before transfers	4,305,806	744,614	1,129,873	(3,175,079)	3,005,214
Transfers					
Transfers from other funds	-	-	-	2,923,048	2,923,048
Transfers to other funds	<u>(2,172,939)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,172,939)</u>
Change in net position	2,132,867	744,614	1,129,873	(252,031)	3,755,323
Net position, beginning of year, as previously reported	23,730,170	11,445,203	3,472,361	1,237,114	39,884,848
Change in accounting principle	-	-	-	13,405	13,405
Net position, beginning of year, as restated	<u>23,730,170</u>	<u>11,445,203</u>	<u>3,472,361</u>	<u>1,250,519</u>	<u>39,898,253</u>
Net position, end of period	<u>\$ 25,863,037</u>	<u>\$ 12,189,817</u>	<u>\$ 4,602,234</u>	<u>\$ 998,488</u>	<u>\$ 43,653,576</u>

SEDGWICK COUNTY, KANSAS

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2023**

	Fleet Management	Health/Dental/Life Insurance Reserves	Worker's Compensation Reserves	Risk Management Reserves	Totals
Cash flows from operating activities					
Receipts from customers	\$ -	\$ -	\$ -	\$ 961,473	\$ 961,473
Receipts from interfund services provided	8,716,112	34,915,694	2,142,372	-	45,774,178
Other operating revenues	-	2,512,662	96,808	-	2,609,470
Payments to suppliers for goods and services	(6,456,065)	(37,084,462)	(1,083,370)	(3,834,276)	(48,458,173)
Payments to employees for services	<u>(1,089,654)</u>	<u>(244,778)</u>	<u>(173,353)</u>	<u>(245,323)</u>	<u>(1,753,108)</u>
Net cash provided by (used in) operating activities	<u>1,170,393</u>	<u>99,116</u>	<u>982,457</u>	<u>(3,118,126)</u>	<u>(866,160)</u>
Cash flows from noncapital financing activities					
Transfers from other funds	-	-	-	2,923,048	2,923,048
Transfers to other funds	<u>(2,172,939)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,172,939)</u>
Net cash provided by (used in) noncapital financing activities	<u>(2,172,939)</u>	<u>-</u>	<u>-</u>	<u>2,923,048</u>	<u>750,109</u>
Cash flows from capital and related financing activities					
Proceeds from sale of capital assets	230,723	-	-	-	230,723
Purchases of capital assets	-	-	-	-	-
Principal paid on subscription liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(49,694)</u>	<u>(49,694)</u>
Net cash used in capital and related financing activities	<u>230,723</u>	<u>-</u>	<u>-</u>	<u>(49,694)</u>	<u>181,029</u>
Cash flows from investing activities					
Interest on investments	-	647,344	285,013	8,619	940,976
Net cash provided by investing activities	<u>-</u>	<u>647,344</u>	<u>285,013</u>	<u>8,619</u>	<u>940,976</u>
Net increase (decrease) in cash and cash equivalents	(771,823)	746,460	1,267,470	(236,153)	1,005,954
Cash and cash equivalents, beginning of year	<u>12,464,139</u>	<u>13,543,380</u>	<u>4,958,901</u>	<u>1,240,282</u>	<u>32,206,702</u>
Cash and cash equivalents, end of year	<u>\$ 11,692,316</u>	<u>\$ 14,289,840</u>	<u>\$ 6,226,371</u>	<u>\$ 1,004,129</u>	<u>\$ 33,212,656</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (2,265,439)	\$ 97,270	\$ 844,860	\$ (3,183,698)	\$ (4,507,007)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation expense	3,318,761	-	-	49,413	3,368,174
(Increase) decrease in accounts receivable	260	-	-	(16,425)	(16,165)
Decrease in inventories	27,180	-	-	-	27,180
Increase (decrease) in accounts payable	89,631	1,846	(2,503)	32,584	121,558
Increase in estimated claims payable	<u>-</u>	<u>-</u>	<u>140,100</u>	<u>-</u>	<u>140,100</u>
Total adjustments	<u>3,435,832</u>	<u>1,846</u>	<u>137,597</u>	<u>65,572</u>	<u>3,640,847</u>
Net cash provided by (used in) operating activities	<u>\$ 1,170,393</u>	<u>\$ 99,116</u>	<u>\$ 982,457</u>	<u>\$ (3,118,126)</u>	<u>\$ (866,160)</u>

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SEDGWICK COUNTY, KANSAS

Combining Statement of Fiduciary Net Position Fiduciary Funds All Custodial Funds December 31, 2023

	County Treasurer Custodial Fund	18th Judicial District Court Custodial Fund	Sheriff Inmate Custodial Fund	Totals
Assets				
Cash, including investments	\$ 430,484,169	\$ 6,360,377	\$ 183,969	\$ 437,028,515
Property tax levied	342,836,751	-	-	342,836,751
Total assets	<u>773,320,920</u>	<u>6,360,377</u>	<u>183,969</u>	<u>779,865,266</u>
Liabilities				
Accounts payable	79,034,256	-	-	79,034,256
Due to inmates	-	-	-	-
Due to other governmental entities	694,286,664	6,360,377	-	700,647,041
Total liabilities	<u>773,320,920</u>	<u>6,360,377</u>	<u>-</u>	<u>779,681,297</u>
Net Position				
Restricted for Sheriff Inmates	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,969</u>	<u>\$ 183,969</u>

SEDGWICK COUNTY, KANSAS

**Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
All Custodial Funds
For the Year Ended December 31, 2023**

	County Treasurer Custodial Fund	18th Judicial District Court Custodial Fund	Sheriff Inmate Custodial Fund	Totals
Additions				
Property tax collections for other governments	\$ 1,489,239,792	\$ -	\$ -	\$ 1,489,239,792
Motor vehicle tax collections for other governments	124,025,052	-	-	124,025,052
Finance holdings	2,493,337,370	-	-	2,493,337,370
Inmate deposits	-	-	3,483,066	3,483,066
State clerk fee	-	1,708,772	-	1,708,772
Fines, penalties and forfeitures	-	1,431,652	-	1,431,652
Other fees	-	2,602,490	-	2,602,490
Other	1,144,232	30,243,964	3,052	31,391,248
Total additions (decreases)	4,107,746,446	35,986,878	3,486,118	4,147,219,442
Deductions				
Payment of property taxes to other governments	1,489,239,792	-	-	1,489,239,792
Motor vehicle tax to other governments	124,025,052	-	-	124,025,052
Finance holdings	2,493,337,370	-	-	2,493,337,370
State court fees	-	1,708,772	-	1,708,772
Inmate payments	-	-	3,440,677	3,440,677
Other	1,144,232	34,278,106	-	35,422,338
Total deductions	4,107,746,446	35,986,878	3,440,677	4,147,174,001
Change in net position	-	-	45,441	45,441
Net position, beginning of year	-	-	138,528	138,528
Net position, end of year	\$ -	\$ -	\$ 183,969	\$ 183,969

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SEDGWICK COUNTY, KANSAS

STATISTICAL SECTION

This part of Sedgwick County's Annual Comprehensive 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>Table of 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 - 3
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 - 8
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 - 12
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 - 16
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 - 19

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

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental activities										
Net investment in capital assets	\$ 310,035,285	\$ 320,464,675	\$ 329,243,600	\$ 309,371,709	\$ 324,991,641	\$ 326,931,145	\$ 338,966,153	\$ 345,924,285	\$ 350,253,178	-
Restricted	59,952,665	55,946,964	50,528,123	73,793,333	46,396,561	43,711,354	44,419,567	61,978,662	55,772,308	32,751,406
Unrestricted	80,894,088	(34,661,211)	(35,519,210)	(41,255,917)	(31,557,425)	(22,820,997)	7,315,725	(1,133,729)	(9,032,095)	-
Total governmental activities net position	\$ 450,882,038	\$ 341,750,428	\$ 344,252,513	\$ 341,909,125	\$ 339,830,777	\$ 347,821,502	\$ 390,701,445	\$ 406,769,218	\$ 396,993,391	\$ 32,751,406
Business-type activities										
Net investment in capital assets	\$ 155,902,064	\$ 152,003,174	\$ 148,147,767	\$ 146,047,762	\$ 142,881,673	\$ 138,939,177	\$ 137,493,341	\$ 132,454,408	\$ 132,398,626	\$ -
Restricted	9,196,893	8,247,858	6,615,262	3,114,029	722,308	-	-	-	-	-
Unrestricted	4,340,525	5,072,058	5,904,885	7,183,527	8,029,740	7,670,554	3,220,449	4,787,106	5,225,540	-
Total business-type activities net position	\$ 169,439,482	\$ 165,323,090	\$ 160,667,914	\$ 156,345,318	\$ 151,633,721	\$ 146,609,731	\$ 140,713,790	\$ 137,241,514	\$ 137,624,166	\$ -
Primary government										
Net investment in capital assets	\$ 465,937,349	\$ 472,467,849	\$ 477,391,367	\$ 455,419,471	\$ 467,873,314	\$ 465,870,322	\$ 476,459,494	\$ 478,378,693	\$ 482,651,804	\$ 130,463,041
Restricted	69,149,558	64,194,822	57,143,385	76,907,362	47,118,869	43,711,354	44,419,567	61,978,662	55,772,308	43,485,846
Unrestricted	85,234,613	(29,589,153)	(29,614,325)	(34,072,390)	(23,527,685)	(15,150,443)	10,536,174	3,653,377	(3,806,555)	-
Total primary government net position	\$ 620,321,520	\$ 507,073,518	\$ 504,920,427	\$ 498,254,443	\$ 491,464,498	\$ 494,431,233	\$ 531,415,235	\$ 544,010,732	\$ 534,617,557	\$ 173,948,887

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

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

The County's 2015 net position has 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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	\$ 45,631,487	\$ 44,076,129	\$ 47,430,448	\$ 52,508,805	\$ 54,849,656	\$ 56,019,543	\$ 109,933,474	\$ 124,105,807	\$ 81,530,708	\$ 80,144,673
Public safety	141,461,365	140,226,506	144,411,990	149,481,681	155,753,795	163,535,655	163,393,621	157,967,953	169,298,708	188,917,773
Public works	31,607,297	31,455,330	35,205,540	36,196,087	33,795,769	31,694,099	27,094,579	30,997,570	33,313,784	32,500,948
Health and welfare	56,346,131	55,876,955	53,319,338	52,924,647	54,714,236	56,904,126	56,349,711	53,007,670	64,919,618	76,939,270
Culture and recreation	11,024,934	16,808,103	12,378,012	12,752,767	13,638,446	15,679,763	15,268,317	15,000,255	14,077,870	18,182,848
Community development	20,937,889	17,841,996	14,210,390	16,269,689	19,385,943	11,761,470	11,933,184	12,365,262	12,438,100	13,533,121
Interest on long-term debt	7,124,165	8,914,547	7,218,937	6,956,141	6,301,245	5,234,624	4,960,515	4,056,403	3,743,799	3,507,144
Total governmental activities expenses	314,133,268	315,199,566	314,174,655	327,089,817	338,439,090	340,829,280	388,933,401	397,500,920	379,322,586	413,725,778
Business-type activities:										
Arena	5,580,194	5,087,691	5,248,238	5,472,682	5,294,694	5,933,968	6,518,660	9,349,194	6,712,932	6,904,962
Total business-type activities expenses	5,580,194	5,087,691	5,248,238	5,472,682	5,294,694	5,933,968	6,518,660	9,349,194	6,712,932	6,904,962
Total primary government expenses	\$ 319,713,462	\$ 320,287,257	\$ 319,422,893	\$ 332,562,499	\$ 343,733,784	\$ 346,763,248	\$ 395,452,061	\$ 406,850,114	\$ 386,035,518	\$ 420,630,740
Program Revenues										
Charges for services:										
General government	\$ 17,671,949	\$ 17,568,111	\$ 19,267,415	\$ 24,879,696	\$ 24,437,736	\$ 21,891,036	\$ 23,181,293	\$ 24,910,171	\$ 23,489,378	\$ 21,851,478
Public safety	25,399,717	25,207,446	22,752,389	25,057,768	23,040,607	26,972,838	24,456,481	24,778,061	25,158,257	30,685,786
Public works	2,116,756	2,012,791	1,671,982	2,037,175	1,877,994	2,055,547	2,635,643	2,562,023	2,476,003	2,541,123
Health and welfare	23,134,337	24,776,064	21,132,561	20,301,262	20,378,294	19,927,585	13,877,056	14,369,337	20,532,474	29,269,260
Culture and recreation	328,772	437,640	446,867	463,752	369,439	380,869	608,070	472,701	537,546	470,725
Community development	251,390	221,467	223,238	376,000	10,117	13,450	5,686	5,053	9,680	12,809
Operating grants and contributions:										
General government	2,107,925	2,240,299	2,818,734	168,600	194,931	1,017	81,057,493	52,669,901	16,041,087	15,896,109
Public safety	16,175,844	14,937,314	15,285,556	14,092,580	14,827,946	13,525,420	13,583,211	13,144,848	11,395,037	12,393,894
Public works	5,210,949	4,651,463	4,987,773	5,519,877	5,186,028	7,150,252	5,130,220	5,147,680	4,868,871	4,864,085
Health and welfare	21,056,655	21,595,015	20,188,655	21,438,843	23,901,512	25,554,332	27,874,213	28,214,472	32,488,507	32,037,672
Culture and recreation	-	-	-	-	90,188	90,188	-	67,641	114,224	114,224
Community development	12,646,001	7,776,397	1,667,328	1,156,278	693,926	726,435	738,090	618,878	529,699	514,416
Capital grants and contributions:										
Public works	133,975	6,066,050	2,994,738	2,712,271	2,853,935	2,265,434	360,305	202,828	285,969	495,682
Culture and recreation	4,703,168	8,865,065	2,287,532	415,779	960,941	1,724,029	8,763,486	8,946,864	6,471,211	506,553
Total governmental activities program revenues	130,937,438	136,355,122	115,724,768	118,619,881	118,823,594	122,278,432	202,271,247	176,110,458	144,397,943	151,653,816
Business-type activities:										
Charges for services:										
Arena	595,480	971,299	593,062	1,150,086	753,403	909,978	622,719	1,154,846	1,817,656	1,486,737
Operating grants and contributions:										
Arena	-	-	-	-	-	-	-	4,722,072	5,277,928	-
Total business-type activities program revenues	595,480	971,299	593,062	1,150,086	753,403	909,978	622,719	5,876,918	7,095,584	1,486,737
Total primary government program revenues	\$ 131,532,918	\$ 137,326,421	\$ 116,317,830	\$ 119,769,967	\$ 119,576,997	\$ 123,188,410	\$ 202,893,966	\$ 181,987,376	\$ 151,493,527	\$ 153,140,553
Net (Expense)/Revenue										
Governmental activities	\$ (183,195,830)	\$ (178,844,444)	\$ (198,449,887)	\$ (208,469,936)	\$ (219,615,496)	\$ (218,550,848)	\$ (186,662,154)	\$ (221,390,462)	\$ (234,924,643)	\$ (262,071,962)
Business-type activities	(4,984,714)	(4,116,392)	(4,655,176)	(4,322,596)	(4,541,291)	(5,023,990)	(5,895,941)	(3,472,276)	382,652	(5,418,225)
Total primary government net expense	\$ (188,180,544)	\$ (182,960,836)	\$ (203,105,063)	\$ (212,792,532)	\$ (224,156,787)	\$ (223,574,838)	\$ (192,558,095)	\$ (224,862,738)	\$ (234,541,991)	\$ (267,490,187)

General Revenues and Other Changes in Net Position

Governmental activities:

Property taxes	\$ 157,680,267	\$ 160,388,971	\$ 162,790,600	\$ 166,801,051	\$ 172,620,033	\$ 178,745,661	\$ 185,622,713	\$ 194,224,778	\$ 198,528,763	\$ 209,159,099
Sales taxes	27,737,784	28,402,456	28,899,247	28,073,924	29,776,859	30,423,553	30,735,040	35,832,414	38,530,070	39,023,272
Other taxes	3,251,092	2,980,953	3,381,978	3,279,473	3,421,680	3,592,849	3,636,160	3,642,342	4,088,672	4,017,239
Investment earnings	4,704,790	5,761,660	6,423,364	7,972,100	9,919,659	13,779,510	9,458,184	3,758,701	(4,384,470)	25,408,138
Miscellaneous	-	511,960	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	(8,341,539)
Extraordinary item	-	-	(543,217)	-	-	-	-	-	-	-
Total governmental activities	193,373,933	198,046,000	200,951,972	206,126,548	215,738,231	226,541,573	229,452,097	237,458,235	236,763,035	269,266,209

Business-type activities:

Sales taxes	-	-	-	-	-	-	-	-	-	-
Special items	-	-	-	-	(170,306)	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	8,341,539
Total business-type activities	-	-	-	-	(170,306)	-	-	-	-	8,341,539

Total primary government	\$ 193,373,933	\$ 198,046,000	\$ 200,951,972	\$ 206,126,548	\$ 215,567,925	\$ 226,541,573	\$ 229,452,097	\$ 237,458,235	\$ 236,763,035	\$ 277,607,748
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Change in Net Position

Governmental activities	\$ 10,178,103	\$ 19,201,556	\$ 2,502,085	\$ (2,343,388)	\$ (3,877,265)	\$ 7,990,725	\$ 42,879,943	\$ 16,067,773	\$ 1,838,392	\$ 7,194,247
Business-type activities	(4,984,714)	(4,116,392)	(4,655,176)	(4,322,596)	(4,711,597)	(5,023,990)	(5,895,941)	(3,472,276)	382,652	2,923,314

Total primary government	\$ 5,193,389	\$ 15,085,164	\$ (2,153,091)	\$ (6,665,984)	\$ (8,588,862)	\$ 2,966,735	\$ 36,984,002	\$ 12,595,497	\$ 2,221,044	\$ 10,117,561
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SEDGWICK COUNTY, KANSAS
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Nonspendable	\$ 9,560,858	\$ 9,272,182	\$ 8,977,327	\$ 8,676,004	\$ 7,804,065	\$ 7,254,903	\$ 6,932,379	\$ 6,368,150	\$ 1,945,118	\$ 1,917,343
Restricted	-	-	-	2,291,675	3,537,109	5,411,145	5,617,491	6,554,033	16,097,820	8,082,460
Committed	5,300,000	-	-	-	-	-	-	-	-	-
Assigned	15,540,068	16,057,287	12,265,769	15,376,618	13,048,524	13,173,708	13,182,144	25,981,957	19,810,708	9,606,924
Unassigned	<u>38,225,843</u>	<u>39,680,121</u>	<u>41,765,023</u>	<u>39,828,125</u>	<u>42,546,605</u>	<u>45,864,280</u>	<u>68,187,847</u>	<u>49,382,330</u>	<u>62,891,663</u>	<u>78,194,297</u>
Total general fund	<u>\$ 68,626,769</u>	<u>\$ 65,009,590</u>	<u>\$ 63,008,119</u>	<u>\$ 66,172,422</u>	<u>\$ 66,936,303</u>	<u>\$ 71,704,036</u>	<u>\$ 93,919,861</u>	<u>\$ 88,286,470</u>	<u>\$ 100,745,309</u>	<u>\$ 97,801,024</u>
All Other Governmental Funds										
Nonspendable	\$ 444,259	\$ 567,326	\$ 530,417	\$ 518,403	\$ 492,315	\$ 495,663	\$ 658,087	\$ 490,469	\$ 482,053	\$ 487,438
Restricted	151,771,314	132,094,838	89,417,200	78,963,001	53,166,420	56,185,687	51,471,922	61,075,992	72,115,756	111,594,571
Committed	8,193,709	8,428,869	11,134,933	6,985,035	10,619,491	14,026,259	12,241,804	13,818,357	15,009,655	12,392,860
Assigned	14,010,003	13,517,004	15,377,091	13,069,403	16,966,591	21,783,946	35,642,489	34,821,121	64,008,903	50,370,318
Unassigned	<u>(6,545,056)</u>	<u>(822,095)</u>	<u>(614,398)</u>	<u>(655,728)</u>	<u>(848,699)</u>	<u>(791,526)</u>	<u>(791,526)</u>	<u>(791,526)</u>	<u>(796,079)</u>	<u>(781,807)</u>
Total all other governmental funds	<u>\$ 167,874,229</u>	<u>\$ 153,785,942</u>	<u>\$ 115,845,243</u>	<u>\$ 98,880,114</u>	<u>\$ 80,396,118</u>	<u>\$ 91,700,029</u>	<u>\$ 99,222,776</u>	<u>\$ 109,414,413</u>	<u>\$ 150,820,288</u>	<u>\$ 174,063,380</u>

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

	2014	2015	2016	2017	2018	2019	2020 ²	2021	2022	2023
Revenues										
Taxes	\$ 188,670	\$ 191,772	\$ 195,072	\$ 198,154	\$ 205,819	\$ 212,762	\$ 219,994	\$ 233,700	\$ 241,148	\$ 252,200
Special assessments	1,617	1,301	919	630	749	569	525	427	340	401
Intergovernmental	46,276	50,454	47,323	45,234	46,525	49,084	126,872	101,145	62,970	66,162
Charges for services	63,029	65,890	63,631	59,426	56,191	60,413	53,838	55,611	59,553	69,982
Uses of money and property	4,477	5,128	6,928	7,028	8,911	12,784	9,032	3,750	(4,683)	24,467
Fines and forfeits	255	212	260	167	179	261	255	391	445	1,575
Licenses and permits	122	138	861	7,975	8,372	8,292	8,035	8,384	9,394	8,126
Reimbursed expenditures	-	-	9,304	5,728	-	-	-	-	-	0
Other	17,396	7,434	-	-	3,977	3,556	2,989	3,889	3,760	5,148
Total revenues	<u>321,842</u>	<u>322,329</u>	<u>324,298</u>	<u>324,342</u>	<u>330,723</u>	<u>347,721</u>	<u>421,540</u>	<u>407,297</u>	<u>372,926</u>	<u>428,061</u>
Expenditures										
General government	36,329	36,367	38,834	42,790	45,276	44,275	101,091	112,153	68,898	65,976
Public safety	138,131	142,612	139,425	143,919	149,609	156,624	154,803	156,497	157,098	174,009
Public works	13,944	13,874	12,769	13,468	13,910	14,240	14,000	13,504	13,422	14,198
Health and welfare	58,261	59,844	55,094	54,659	56,514	58,563	57,128	55,941	64,319	75,286
Culture and recreation	8,771	14,482	9,282	9,446	10,037	12,198	11,839	11,944	10,366	14,301
Community development	19,391	25,961	45,471	17,651	18,283	10,615	10,725	11,287	11,204	12,272
Debt service										
Principal	16,312	22,842	24,419	15,649	40,692	16,171	14,337	13,261	13,610	12,620
Interest and fiscal charges	6,355	8,082	8,337	7,627	7,097	5,726	5,507	5,091	4,678	4,213
Debt issuance costs	858	280	1	-	212	-	-	-	-	-
Capital outlay	<u>34,745</u>	<u>28,775</u>	<u>30,583</u>	<u>32,807</u>	<u>22,044</u>	<u>25,777</u>	<u>26,416</u>	<u>23,076</u>	<u>22,413</u>	<u>32,939</u>
Total expenditures	<u>333,097</u>	<u>353,119</u>	<u>364,215</u>	<u>338,016</u>	<u>363,674</u>	<u>344,189</u>	<u>395,847</u>	<u>402,754</u>	<u>366,008</u>	<u>405,815</u>
Excess of revenues over (under) expenditures	<u>(11,255)</u>	<u>(30,790)</u>	<u>(39,917)</u>	<u>(13,674)</u>	<u>(32,951)</u>	<u>3,532</u>	<u>25,693</u>	<u>4,543</u>	<u>6,917</u>	<u>22,247</u>
Other financing sources (uses)										
Transfers from other funds	18,976	15,602	20,756	18,306	31,319	15,646	38,449	11,427	13,707	25,934
Transfers to other funds	(19,976)	(17,010)	(20,630)	(18,433)	(31,773)	(15,557)	(39,352)	(13,937)	(14,273)	(35,026)
Premium from issuance of revenue bonds	2,765	-	-	-	-	-	-	-	-	-
Premium from issuance of refunding bonds	3,318	1,046	-	-	-	-	179	-	-	-
Premium from issuance of general obligation bonds	-	559	-	-	935	1,056	224	-	203	-
Extraordinary item	-	-	(543)	-	-	-	-	-	-	-
Sale of general capital assets	-	1,382	-	-	1,725	-	-	-	-	-
Issuance of refunding bonds	31,875	8,060	-	-	-	-	1,600	-	-	-
Issuance of revenue bonds	44,945	-	-	-	-	-	-	-	-	-
Issuance of Leases	-	-	-	-	-	-	-	-	2,047	-
Issuance of general obligation bonds	-	9,230	-	-	-	9,770	2,945	-	2,445	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-	-
Proceeds from Capital Lease	1,271	-	391	-	13,025	1,625	-	2,525	-	467
Debt premium	-	-	-	-	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-	-	-	-	-
Payment to refunded bond	-	(5,785)	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>83,174</u>	<u>13,084</u>	<u>(26)</u>	<u>(127)</u>	<u>15,231</u>	<u>12,540</u>	<u>4,045</u>	<u>15</u>	<u>4,129</u>	<u>(8,625)</u>
Net change in fund balances	\$ 71,919	\$ (17,706)	\$ (39,943)	\$ (13,801)	\$ (17,720)	\$ 16,072	\$ 29,738	\$ 4,558	\$ 11,046	\$ 13,622
Debt service as a percentage of noncapital expenditures	7.5%	9.2%	9.4% ¹	7.3%	13.5%	6.7%	5.3%	4.7%	5.2%	4.3%

¹ Percentage has been updated from prior year report.

² Numbers updated from prior year report.

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/ Actual Ratio	Total Direct Tax Rate ³
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
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
2016	4,096,071	28,525,984	1,019,388	4,500,910	5,115,459	33,026,895	15.49%	29.393
2017	4,235,262	29,583,823	1,035,677	4,935,193	5,270,939	34,519,016	15.27%	29.393
2018	4,414,311	30,914,157	1,051,492	5,020,096	5,465,803	35,934,253	15.21%	29.383
2019	5,107,708	32,447,937	1,075,608	4,730,455	5,703,957	37,178,391	15.34%	29.384
2020	4,878,145	34,362,160	1,059,670	4,646,615	5,937,815	39,008,775	15.22%	29.376
2021	5,071,822	36,047,619	1,082,530	4,749,578	6,152,352	40,797,198	15.08%	29.370
2022	5,494,350	39,187,322	1,042,373	4,573,819	6,536,723	43,761,142	14.94%	29.368
2023	6,019,990	43,346,149	1,068,868	4,701,941	7,088,858	48,048,090	14.75%	28.988

SEDGWICK COUNTY FIRE DISTRICT 1
(Dollars in Thousands)

Fiscal Year ^{2,4}	Real Property		Personal Property ⁵		Total ¹		Assessed/ Actual Ratio	Total Direct Tax Rate ³
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
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
2016	638,936	4,569,487	312,177	1,297,088	951,112	5,866,575	16.21%	18.414
2017	669,773	4,789,488	321,881	1,481,541	991,654	6,271,029	15.81%	18.392
2018	709,412	5,072,483	327,978	1,557,343	1,037,389	6,629,826	15.65%	18.163
2019	756,281	5,409,418	332,984	1,375,988	1,089,267	6,785,407	16.05%	17.896
2020	800,077	5,757,019	315,630	1,297,837	1,115,709	7,054,856	15.81%	17.891
2021	835,769	6,096,256	312,444	1,291,890	1,148,214	7,388,147	15.54%	17.817
2022	927,468	6,728,835	276,918	1,150,463	1,204,387	7,879,298	15.29%	17.912
2023	1,019,671	7,504,071	285,775	1,187,261	1,305,446	8,691,332	15.02%	17.883

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

² Taxes levied support the subsequent year's budget, e.g., 2016 taxes levied finance 2017 spending

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

⁴ 2019 amounts have been updated from previous Annual Comprehensive 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									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
County Direct Rates										
General	\$ 21.915	\$ 22.249	\$ 22.814	\$ 22.528	\$ 22.342	\$ 23.151	\$ 22.869	\$ 24.363	\$ 24.926	\$ 25.205
Road and bridge	1.093	1.129	1.026	0.780	0.720	0.872	0.951	0.990	0.710	0.742
Mental health	0.613	0.585	0.590	0.495	0.494	1.500	1.500	-	-	-
Noxious weeds	0.081	0.088	0.059	0.065	0.070	0.070	0.060	-	-	-
Emergency medical services	0.577	0.603	0.277	0.906	1.059	0.634	0.617	-	-	-
Aging	0.497	0.560	0.523	0.494	0.428	0.916	0.745	0.482	0.371	0.385
WSU program development	1.500	1.500	1.500	1.500	1.500	0.468	0.441	1.500	1.500	1.500
Debt service	3.202	2.669	2.604	2.625	2.770	1.773	2.193	2.035	1.861	1.156
Total direct rate	29.478	29.383	29.393	29.393	29.383	29.384	29.376	29.370	29.368	28.988
Fire District Rates	18.367	18.371	18.414	18.392	18.163	17.896	17.891	17.817	17.912	17.883
City Rates										
Andale	44.016	41.862	48.575	52.218	48.274	49.739	47.653	50.639	48.693	48.957
Bel Aire	45.730	46.246	45.726	45.719	45.725	45.774	45.798	43.565	43.462	43.000
Bentley	53.736	53.629	58.571	59.601	59.460	59.232	57.086	58.334	61.789	61.734
Cheney	57.833	60.740	60.808	60.753	59.426	61.814	60.616	60.378	59.782	59.303
Clearwater	53.993	53.999	56.061	56.144	59.681	62.384	64.022	64.022	64.006	64.044
Colwich	46.041	47.911	52.347	56.589	58.315	57.210	56.926	57.778	50.470	43.509
Derby	47.148	47.009	48.021	48.075	48.063	48.049	48.040	47.417	46.978	46.068
Eastborough	64.597	64.664	63.637	63.637	61.934	61.298	65.349	63.495	59.989	58.422
Garden Plain	48.964	48.874	48.855	50.856	52.979	54.284	54.369	59.333	59.329	59.181
Goddard	33.085	31.164	31.228	33.230	33.230	33.223	33.226	33.204	31.309	31.298
Haysville	48.609	48.646	48.618	48.500	48.424	48.239	47.570	45.448	45.432	41.959
Kechi	33.866	33.699	36.727	36.726	36.768	36.760	35.070	36.740	36.687	36.667
Maize	43.036	43.030	43.059	43.117	42.925	43.043	43.061	43.289	43.008	42.980
Mount Hope	50.636	54.612	56.072	55.933	54.543	53.394	52.834	58.989	66.312	66.888
Mulvane	42.406	42.262	44.247	44.304	46.603	46.590	46.599	46.604	57.570	57.300
Park City	40.051	40.111	40.224	41.325	44.560	44.641	44.643	44.534	44.459	43.943
Sedgwick	63.273	62.783	67.599	74.977	74.927	74.888	74.990	74.975	74.990	74.983
Valley Center	55.443	55.446	55.640	54.951	54.977	54.955	55.012	54.848	54.856	54.844
Viola	21.202	22.181	25.526	26.185	28.060	24.980	24.935	24.430	23.447	21.920
Wichita	32.652	32.686	32.625	32.667	32.692	32.721	32.749	32.758	32.762	32.743
Townships	1.663-22.726	1.722-23.243	2.088-21.321	2.075-21.632	2.054-21.495	2.059-20.828	2.162-20.115	2.597-17.718	2.959-19.533	3.120-18.452
School Districts	38.164-66.358	41.667-66.599	42.000-65.341	42.644-67.592	42.266-67.612	42.973-67.736	45.172-67.859	45.057-67.417	50.188-67.337	50.927-67.474
Cemetery Districts	0.139-2.826	0.141-2.891	0.136-2.844	0.277-2.807	0.272-2.784	0.269-2.769	0.270-2.716	0.269-3.037	0.245-3.041	0.220-2.967
Drainage Districts	0.974-2.582	1.007-2.435	0.994-2.395	0.999-2.369	0.994-2.328	0.530-1.569	0.290-1.583	0.811-1.556	0.673-1.506	0.599-1.409
Improvement Districts	0.000-17.525	0.000-17.368	0.911-11.053	0.914-12.130	0.912-15.735	0.371-17.000	1.777-18.170	1.726-18.081	1.592-17.266	1.302-23.561
Other Districts	0.483-19.073	0.451-19.032	0.000-18.647	1.253-3.327	1.237-2.792	1.159-2.719	1.152-2.650	0.699-2.566	0-2.267	0-2.118

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

	<u>Fiscal Year 2023</u>			<u>Fiscal Year 2014</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>
Evergy Kansas South INC/Evergy Kansas Central INC	149,909,270	1	2.33%			
Spirit Aerosystems Inc/Mid-Western Aircraft Systems Inc.	106,772,187	2	1.66%			
Textron: Beechcraft/Cessna/Flight Safety	63,814,409	3	0.99%			
Kansas Gas Service - A Division of One Gas	43,516,517	4	0.68%	24,975,182	8	0.57%
Wal Mart Real Estate/Sam's	29,388,908	5	0.46%	20,848,864	10	0.48%
Wesley Medical Center/Wesley Endowment Foundation	29,144,454	6	0.45%			
Wichita Fulfillment DST	17,213,668	7	0.27%			
Phillips 66 Carrier LLC	15,483,882	8	0.24%			
Bradley Fair Properties/Hotel Wichita Bradley Fair LP	14,967,061	9	0.23%			
Simon Property Group	12,812,451	10	0.20%	25,806,503	9	0.59%
Kansas Gas & Electric - A Westar Co.	-	-	-	78,852,060	1	1.81%
Spirit Aerosystems, Inc.	-	-	-	54,896,564	2	1.26%
Boeing Company	-	-	-	45,774,150	3	1.05%
Mid Western Aircraft Systems				44,515,671	4	1.02%
Hawker Beechcraft Corp				42,101,960	5	0.97%
Cessna Aircraft				38,573,736	6	0.89%
City of Wichita	-	-	-	28,664,053	7	0.66%
	<u>\$ 483,022,807</u>		<u>7.51%</u>	<u>\$ 405,008,743</u>		<u>9.31%</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		Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
	(Original Levy)	Adjustments		Amount ²	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2013	129,639,393	26,690	129,666,083	125,508,033	96.81%	2,584,244	128,092,277	98.79%
2014	130,922,296	(215,999)	130,706,297	127,648,264	97.50%	2,632,681	130,280,945	99.67%
2015	131,704,711	(195,108)	131,509,603	128,621,614	97.66%	2,559,818	131,181,432	99.75%
2016	135,147,416	(94,878)	135,052,538	132,021,791	97.69%	2,670,510	134,692,301	99.73%
2017	139,633,113	(108,238)	139,524,875	136,474,410	97.74%	2,691,224	139,165,634	99.74%
2018	144,941,192	80,789	145,021,980	141,872,711	97.88%	2,753,358	144,626,068	99.73%
2019	151,812,108	343,232	152,155,340	148,748,424	97.98%	2,715,982	151,464,406	99.55%
2020	158,566,117	305,309	158,871,426	155,790,468	98.25%	1,236,829	157,027,297	98.84%
2021	164,035,216	220,458	164,255,674	161,031,607	98.17%	1,426,278	162,457,885	98.91%
2022	176,060,134	7,209	176,067,344	172,160,552	97.79%	<i>Not Applicable</i>	172,160,552	97.78%

SEDGWICK COUNTY FIRE DISTRICT 1

Tax Year ¹	Taxes Levied for the Fiscal Year		Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
	(Original Levy)	Adjustments		Amount ²	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2013	14,857,310	(96,016)	14,761,294	14,484,501	97.49%	212,596	14,697,097	99.57%
2014	15,134,136	(120,732)	15,013,404	14,739,202	97.39%	247,595	14,986,797	99.82%
2015	15,272,821	(77,053)	15,195,768	14,951,500	97.90%	229,075	15,180,575	99.90%
2016	15,766,541	(20,373)	15,746,168	15,488,312	98.24%	237,585	15,725,897	99.87%
2017	16,444,620	(36,289)	16,408,331	16,176,028	98.37%	221,090	16,397,118	99.93%
2018	17,023,773	(25,540)	16,998,233	16,750,228	98.39%	232,555	16,982,783	99.91%
2019	17,658,012	(316,690)	17,341,322	17,243,673	97.65%	224,498	17,468,171	100.73%
2020	18,087,732	(17,169)	18,070,563	17,783,577	98.32%	(204,514)	17,579,063	97.28%
2021	18,505,374	(55,720)	18,449,654	18,177,803	98.23%	131,349	18,309,152	99.24%
2022	19,642,033	(58,409)	19,583,625	19,304,329	98.28%	<i>Not Applicable</i>	19,304,329	98.57%

¹ Taxes levied support the subsequent year's budget, e.g., 2020 taxes financed 2021 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 ²	Per Capita ²
	General Obligation Bonds	Public Building Commission	Special Assessments	Financed Purchases	Lease Liability ³	Subscription Liability ³	Premium (Discount) ¹			
2014	66,957,000	153,825,000	3,343,000	2,718,464	-	-	10,865,354	237,708,818	0.93%	465
2015	64,400,000	146,290,000	2,820,000	1,996,279	-	-	11,464,461	226,970,740	0.92%	442
2016	54,548,000	133,025,000	2,192,000	1,713,961	-	-	8,509,062	199,988,023	0.83%	388
2017	46,457,000	126,290,000	1,958,000	1,124,818	-	-	7,260,566	183,090,384	0.72%	354
2018	50,941,000	94,495,000	1,999,000	727,322	-	-	6,883,527	155,045,849	0.59%	300
2019	52,920,000	88,520,000	1,746,000	1,946,437	-	-	6,784,651	151,917,088	0.56%	292
2020	47,807,000	82,370,000	1,913,000	1,504,503	-	-	6,275,132	139,869,635	0.50%	267
2021	41,920,000	75,960,000	1,585,000	3,393,502	-	-	5,364,587	128,223,089	0.43%	244
2022	38,112,000	69,350,000	2,158,000	2,757,620	3,960,909	-	4,820,562	121,159,091	0.39%	231
2023	33,755,000	63,510,000	1,850,000	2,171,693	2,954,973	3,020,054	4,149,082	111,410,802	<i>Not Available</i>	211

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

¹ Information added to table in 2017

² Population and personal income data can be found in Schedules E-16

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

Personal income and population data has been updated since previous report

³ Information added to table in 2023

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

Fiscal Year	General Bond Debt Outstanding			Total	Percentage of Personal Income ²	Percentage of Actual Value of Taxable Property ³	Per Capita ²
	General Obligation Debt ¹	Add: Premium (Discount) ⁴	Less: Amounts Restricted to Repaying Principal ⁵				
2014	220,782,000	10,865,354	(43,678,059)	187,969,295	0.74%	0.59%	368
2015	210,690,000	11,464,461	(40,719,420)	181,435,041	0.74%	0.57%	353
2016	187,573,000	8,509,062	(31,921,481)	164,160,581	0.68%	0.50%	318
2017	172,747,000	7,260,566	(29,492,294)	150,515,272	0.59%	0.44%	291
2018	145,436,000	6,883,527	(2,613,230)	149,706,297	0.57%	0.42%	289
2019	141,440,000	6,784,651	(2,170,980)	146,053,671	0.54%	0.39%	281
2020	130,177,000	6,275,132	(1,050,040)	135,402,092	0.49%	0.35%	258
2021	117,880,000	5,364,587	(1,492,742)	121,751,845	0.40%	0.30%	232
2022	107,462,000	4,820,562	(2,311,119)	109,971,443	0.35%	0.25%	209
2023	97,265,000	4,149,082	(6,118,426)	95,295,656	<i>Not Available</i>	0.20%	181

¹ Includes general obligation and SCPBC debt; excludes Fire District, special assessment debt, KDOT revolving loan and capital leases

² Population and personal income data can be found in Schedule E-16
 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-8

⁴ Information added in to table 2019

⁵ 2018 and 2022 amounts have been updated from previous Annual Financial Reports

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

	<u>2014</u> ¹	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	2021	2022	2023
Statutory debt capacity:										
Equalized assessed valuation of taxable tangible property	\$ 4,353,274	\$ 4,410,040	\$ 4,531,486	\$ 4,675,742	\$ 4,858,133	\$ 5,077,374	\$ 5,309,726	\$ 5,499,917	\$ 5,901,351	\$ 6,433,935
Estimated tangible valuation of motor vehicles	<u>549,522</u>	<u>567,865</u>	<u>583,973</u>	<u>595,197</u>	<u>607,670</u>	<u>626,583</u>	<u>628,089</u>	<u>652,435</u>	<u>635,372</u>	<u>654,923</u>
Estimated tangible valuation for computation of bonded indebtedness limitations	<u>\$ 4,902,796</u>	<u>\$ 4,977,905</u>	<u>\$ 5,115,459</u>	<u>\$ 5,270,939</u>	<u>\$ 5,465,803</u>	<u>\$ 5,703,957</u>	<u>\$ 5,937,815</u>	<u>\$ 6,152,352</u>	<u>\$ 6,536,723</u>	<u>\$ 7,088,858</u>
Debt limit (3% of total valuation)	\$ 147,084	\$ 149,337	\$ 153,464	\$ 158,128	\$ 163,974	\$ 171,119	\$ 178,134	\$ 184,571	\$ 196,102	\$ 212,666
Amount of debt applicable to limit										
Total bonded indebtedness	224,125	213,510	189,765	174,705	147,435	143,186	132,090	119,465	109,620	99,115
Less exempt issues	<u>(197,118)</u>	<u>(186,522)</u>	<u>(166,900)</u>	<u>(157,655)</u>	<u>(125,439)</u>	<u>(117,151)</u>	<u>(110,059)</u>	<u>(100,148)</u>	<u>(92,824)</u>	<u>(85,024)</u>
Total net debt applicable to limit	27,007	26,988	22,865	17,050	21,996	26,035	22,031	19,317	16,796	14,091
Legal debt margin	<u>\$ 120,077</u>	<u>\$ 122,349</u>	<u>\$ 130,599</u>	<u>\$ 141,078</u>	<u>\$ 141,978</u>	<u>\$ 145,084</u>	<u>\$ 156,103</u>	<u>\$ 165,254</u>	<u>\$ 179,306</u>	<u>\$ 198,575</u>
Total net debt applicable to the limit as a percentage of debt limit	18.36%	18.07%	14.90%	10.78%	13.41%	15.21%	12.37%	10.47%	8.56%	6.63%

¹ Assessed valuations of taxable tangible property updated from prior year Annual Comprehensive Financial Reports

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

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

<u>Fiscal Year</u>	<u>Special Assessment Collections</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>
2014	1,617	325	140	3.48
2015	1,108	328	131	2.42
2016	919	228	108	2.73
2017	630	234	90	1.94
2018	604	239	84	1.87
2019	569	253	83	1.69
2020	525	273	78	1.49
2021	427	328	74	1.06
2022	340	252	63	1.08
2023	401	308	75	1.05

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**

<u>Calendar Year</u>	<u>Actual Special Tax Levy Revenue¹</u>	<u>PBC Series 2014 Bonds Debt Service Requirements²</u>	<u>KDFA Series 2023J Bond Debt Service Requirement³</u>	<u>Balance Available for University Program Expenditures⁴</u>	<u>Debt Service Coverage Ratio⁵</u>
2014	7,223,079	1,476,008	-	5,747,071	4.89
2015	7,322,161	1,478,125	-	5,844,036	4.95
2016	7,449,554	1,476,250	-	5,973,304	5.05
2017	7,624,392	3,766,586	-	3,857,806	2.02
2018	7,880,749	2,497,888	-	5,382,861	3.15
2019	8,163,700	2,495,375	-	5,668,325	3.27
2020	8,487,913	2,495,229	-	5,992,684	3.40
2021	8,897,485	2,497,895	-	6,399,590	3.56
2022	9,122,288	2,499,135	-	6,623,153	3.65
2023	9,734,867	2,498,493	-	7,236,374	3.90

¹ Total Proceeds from the Special Tax Levy

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

³ Debt service requirements for additional bonds paid from such proceeds

⁴ Balance available to be distributed to the Board of Trustees of Wichita State University for University program expenditures

⁵ Debt service coverage ratio for bonds paid from such proceeds

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

Year	Population ^{1,5}	Increase %	Personal Income ^{2,5} (thousands of dollars)	Per Capita Personal Income ^{2,5}	Public School Enrollment ^{3,6}	Unemployment Rate ⁴
2014	510,899	0.46%	25,447,081	49,808	93,502	5.6%
2015	513,482	0.51%	24,572,823	47,855	93,672	4.0%
2016	516,035	0.50%	24,118,992	46,739	93,254	4.4%
2017	516,557	0.10%	25,339,739	49,055	93,748	3.4%
2018	517,505	0.18%	26,177,518	50,584	93,976	3.4%
2019	520,687	0.61%	27,244,001	52,323	93,900	3.3%
2020	524,786	0.79%	27,864,880	53,098	90,791	4.4%
2021	524,481	-0.06%	30,082,214	57,356	87,846	3.2%
2022	525,525	0.20%	31,411,750	59,772	91,641	3.0%
2023	527,552	0.39%	<i>Not Available</i>	<i>Not Available</i>	90,826	2.4%

Notes:

¹ 2023 Population is estimated. Population for 2014-2022 is from the U.S. Census Bureau.

² U.S. Bureau of Economic Analysis

³ Kansas 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

⁶ As of 2021, reports from KS Dept of Education no longer include "Special Ed 3 & 4 Yr", "Nongraded", "Preschool-Aged At-Risk (3 years old)" or "Preschool-Aged At Risk (4 years old)"

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

	Fiscal Year 2023			Fiscal Year 2014		
	Full Time Employees	Rank	Percentage of Total Wichita MSA ¹	Full Time Employees	Rank	Percentage of Total Wichita MSA ¹
Spirit AeroSystems, Inc.	11,500	1	3.65%	10,900	1	3.63%
Textron Aviation	9,600	2	3.05%	-	-	-
McConnell Air Force Base	5,917	3	1.88%	5,094	4	1.70%
Wichita Public Schools USD #259	5,556	4	1.76%	5,606	3	1.87%
Steven Enterprises	3,529	5	1.12%	-	-	-
Ascension Via Christi Health Inc.	3,239	6	1.03%	5,899	2	1.96%
Koch Industries Inc.	2,987	7	0.95%	3,300	6	1.10%
City of Wichita	2,791	8	0.89%	2,800	8	0.93%
Sedgwick County	2,556	9	0.81%	-	-	-
Wichita State University	2,465	10	0.78%	-	-	-
State of Kansas	-	-	-	3,992	5	1.33%
Bombardier Learjet	-	-	-	2,855	7	0.95%
US Government	-	-	-	2,620	9	0.87%
Boeing IDS Wichita	-	-	-	2,618	10	0.87%
	<u>50,140</u>		<u>15.91%</u>	<u>45,684</u>		<u>15.21%</u>

¹ Includes Sedgwick, Butler, Harvey, Kingman and Sumner counties

Source: Wichita Business Journal and Kansas Department of Labor

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

Full-time Employees as of December 31

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government	422	386	404	410	404	408	416	411	407	434
Public safety	1,406	1,413	1,404	1,429	1,419	1,463	1,418	1,321	1,253	1,368
Public works	116	130	129	125	127	128	121	118	110	112
Health and welfare	522	489	476	479	500	510	524	521	575	601
Culture and recreation	96	103	99	106	107	101	107	107	101	112
Community development	<u>6</u>	<u>3</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,568</u>	<u>2,524</u>	<u>2,515</u>	<u>2,550</u>	<u>2,558</u>	<u>2,610</u>	<u>2,586</u>	<u>2,478</u>	<u>2,446</u>	<u>2,627</u>

Source: Sedgwick County Division of Finance

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

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government										
Number of registered voters	275,499	274,961	294,138	292,029	303,571	301,756	322,575	321,697	333,714	333,374
Number of taxable real estate parcels	212,917	213,261	212,851	213,810	215,067	216,109	217,966	219,121	220,714	222,823
Documents filed with register of deeds	69,651	76,939	77,642	75,504	71,249	73,037	89,683	103,866	78,739	64,419
Real estate records processed	64,450	74,132	56,606	74,665	73,029	74,432	79,348	92,867	78,202	70,288
Average monthly investment portfolio (in millions)	\$ 284.1	\$ 269.5	\$ 276.4	\$ 273.4	\$ 282.1	\$ 300.4	\$ 382.6	\$ 398.0	\$ 436.1	\$ 460.0
Average number of bids per purchase	8.8	9.1	8.4	9.4	8.3	8.7	9.2	10.9	9.6	9.3
Public safety										
Average monthly number of incoming 911 calls	40,901	47,304	49,009	44,158	41,973	44,662	42,447	44,582	42,082	42,523
Average monthly number of EMS responses	5,051	5,337	5,182	5,171	5,300	5,531	5,476	5,819	5,639	5,674
Number of residential structural fires	104	65	64	73	69	55	47	60	66	61
Average monthly number of medical responses by Fire	317	350	317	299	298	273	267	290	310	315
Average daily population, juveniles in detention	62	64	55	52	53	55	44	43	45	38
Average daily population in custody of Sheriff	1,359	1,406	1,373	1,448	1,421	1,529	1,503	1,422	1,442	1,189
Percent of autopsy reports filed within 90 days	78%	74%	63%	86%	91%	73.50%	55.83%	38.82%	26.56%	29.96%
Public works										
Miles of road improved	97	186	122	144	106	105	101	104	97	89
Miles of road maintained	603	603	603	597	609	609	609	604	603	603
Household hazardous waste tonnage disposed (in tons)	576	598	571	650	599	631	885	791	639	468
Health and welfare										
Number of mental health program clients	12,559	12,940	13,476	13,572	13,132	15,603	11,467	11,586	10,820	11,275
Number of Individuals eligible for developmental disability services	2,536	2,554	2,592	2,521	2,538	2,589	2,604	2,653	2,649	2,692
Number of health clinic patient encounters	200,891	159,631	147,750	141,722	130,328	*	*	*	*	*
Number of Health Department patient encounters (Not Covid-19 related)	*	*	*	*	*	126,751	95,860	97,408	112,515	88,829
Number of Health Department Covid-19 patient encounters	*	*	*	*	*	*	260,099	176,191	94,722	145
Number of immunizations provided (Not Covid-19 related)	22,011	21,829	22,030	17,573	20,886	19,059	14,919	15,438	11,170	20,695
Number of Covid-19 immunizations provided	*	*	*	*	*	*	1,890	272,987	19,946	1,469
Number of tuberculosis encounters	2,741	3,819	3,050	3,033	1,986	*	*	*	*	*
Culture and recreation										
Number of events per year at INTRUST Bank Arena	100	107	102	87	84	93	29	71	71	68
Annual attendance at INTRUST Bank Arena events	298,825	439,767	371,280	338,190	352,285	348,357	140,126	133,561	280,075	319,281
Annual attendance at Sedgwick County Zoo	527,981	581,773	710,629	581,227	504,118	518,446	302,901	634,267	637,411	625,861
Annual attendance at Sedgwick County Park	959,101	944,320	1,000,806	1,021,314	995,375	997,945	1,073,618	1,110,019	1,001,942	1,045,881
Economic development										
Total value of merchandise moving through foreign trade zone (in millions)	\$ 226.0	\$ 91.9	\$ 103.4	\$ 79.3	\$ 72.2	\$ 42.9	\$ -	\$ -	\$ 15.8	\$ 29.2
Average monthly number of Sec. 8 housing clients	214	193	155	144	*	*	*	*	*	*

* Information not available.

¹ Numbers updated from prior year report

Source: County operating departments

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

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government										
Auto License buildings	4	4	4	4	4	2	2	2	2	2
Total fleet vehicles	462	462	464	468	472	477	477	414	443	400
Public safety										
Adult detention facility capacity	1,158	1,158	1,158	1,158	1,158	1,158	1,226	1,226	1,226	1,226
Fire stations	9	9	9	9	9	9	9	9	9	9
EMS posts	15	15	15	15	15	17	18	18	18	18
Public Safety vehicles	278	279	279	280	281	283	286	300	303	335
Public works										
Bridges maintained	582	593	598	598	600	600	600	600	600	600
Miles of roads maintained	603	603	601	600	600	600	600	600	600	600
Culture and recreation										
Sedgwick County Park acreage	400	400	400	400	400	400	400	400	400	400
Lake Afton Park acreage	720	720	720	720	720	720	720	720	720	720

Source: County budget department and individual county departments

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Sedgwick County, Kansas

Single Audit Reports

December 31, 2023

Sedgwick County, Kansas
December 31, 2023

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Sedgwick County, Kansas

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2023

Agency/Program	Clusters	ALN	Award/Contract Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture:					
Pass-Through Program From:					
Kansas Department of Education					
National School Breakfast Program	1	10.553	2011N109943	\$	9,978
National School Lunch Program	1	10.555	2011N109943		19,853
Kansas Department of Health & Environment					
WIC - Women Infants & Children FY22		10.557			(1,299)
WIC - Women Infants & Children FY23		10.557			1,429,458
WIC - Women Infants & Children FY24		10.557			482,504
Total WIC - Women Infants & Children					<u>1,910,663</u>
Total U.S. Department of Agriculture					<u>1,940,494</u>
U.S. Department of Housing & Urban Development:					
Continuum of Care Program (SPC-Consolidated) FY '23		14.267	KS0012L7P022114		206,021
Continuum of Care Program (SPC-Consolidated) FY '24		14.267	KS0012L7P022115		308,395
Subtotal Direct Programs					<u>514,416</u>
Total U.S. Department of Housing & Urban Development					<u>514,416</u>
U.S. Department of Interior:					
Payment in Lieu of Taxes		15.226			3,246
Refuge Revenue Sharing Act		15.659			1,618
Subtotal Direct Programs					<u>4,864</u>
Pass-Through Program From:					
Kansas Department of Wildlife, Parks and Tourism -					
Sport Fish Restoration - Community Fisheries Assistance Program	4	15.605			<u>90,188</u>
Subtotal Indirect Programs					<u>90,188</u>
Total U.S. Department of Interior					<u>95,052</u>
U.S. Department of Justice:					
Internet Crimes Against Children (Title IV, JJDP) '22		16.543	15PJDP-22-GK-04873-MECP	30,050	226,118
State Criminal Alien Assistance Program '22		16.606	15PBJA-22-RR-05390-SCAA		61,106
State Criminal Alien Assistance Program '23		16.606	15PBJA-23-RR-05702-SCAA		30,129
COPS Office Law Enforcement Mental Health and Wellness Act		16.710	15JCOPS-22-GG-04067-LEMH		33,155
Byrne Justice Assistance Grant '19 (JAG)		16.738	2019-DJ-BX-0523		(1,641)
Byrne Justice Assistance Grant '20 (JAG)		16.738	2020-DJ-BX-0927	96,021	114,493
Byrne Justice Assistance Grant '21 (JAG)		16.738	15PBJA-21-GG-01490-JAGX	1,458	167,623
Byrne Justice Assistance Grant '22 (JAG)		16.738	15PBJA-22-GG-02077-JAGX	44,843	153,209
Byrne Justice Assistance Grant '23 (JAG)		16.738	15PBJA-23-GG-03412-JAGX		75,525
Total Byrne Justice Assistance Grant				<u>142,322</u>	<u>509,209</u>
DNA Backlog Reduction Program '21 (NIJ)		16.741	15PBJA-21-GG-03125-DNAX		87,272
DNA Backlog Reduction Program '22 (NIJ)		16.741	15PBJA-22-GG-01652-DNAX		94,684
DNA Backlog Reduction Program '32 (NIJ)		16.741	15PBJA-23-GG-01280-DNAX		34,902
Total DNA Backlog Reduction Program					<u>216,858</u>
Paul Coverdell National Forensic Science Improvement Act Competitive FY '25		16.742	15PBJA-22-GG-03639-COVE		59,414
Veteran's Treatment Court '23-25		16.753	15PBJA-22-GG-00126-BRND		62,796
Equitable Sharing Program USMS		16.922			16,360
Subtotal Direct Programs				<u>172,372</u>	<u>1,215,145</u>
Pass-Through Program From:					
Kansas Governor Federal Grants Program					
Federal Victims of Crime Act Asst Program (VOCA) '23		16.575	23-VOCA-49		26,471
Federal Victims of Crime Act Asst Program (VOCA) '24		16.575	24-VOCA-49		11,948
Total Federal Victims of Crime Act Asst Program					<u>38,419</u>
Paul Coverdell National Forensic Science Improvement Act FY '22		16.742	15PBJA-21-GG-02905-COVE (22-NFSIA-02)		25,300
Paul Coverdell National Forensic Science Improvement Act FY '23		16.742	15PBJA-22-GG-01968-COVE (23-NFSIA-02)		58,979
Subtotal Indirect Programs					<u>122,698</u>
Total U.S. Department of Justice				<u>172,372</u>	<u>1,337,843</u>
U.S. Department of Transportation:					
Pass-Through Program From:					
Kansas Dept. of Transportation					
Formula Grants for Rural Areas Section 5311 - FY23		*20.509	KS2016014, KS2019012, KS2022013 (PT-1109-	474,706	522,074
Formula Grants for Rural Areas Section 5311 - FY24		*20.509	KS2022013 (PT-1109-24)	<u>301,839</u>	<u>384,047</u>
Total Formula Grants for Rural Areas				776,545	906,121
Highway Safety Project - Click Step	3	20.600	69A37521300004020KS0 (SP-1300-22)		7,699

Sedgwick County, Kansas

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2023

Agency/Program	Clusters	ALN	Award/Contract Number	Passed Through to Subrecipients	Federal Expenditures
City of Wichita -					
COVID-19 Enhanced Mobility of Seniors & Disabled					
Section 5310- FY22 - CARES	5	20.513	KS-2021-011-00		\$ 39,536
Enhanced Mobility of Seniors & Disabled Section 5310- FY24	5	20.513	KS-2023-010-00		4,884
The Adjutant General's Department State of Kansas					
Hazardous Materials Emergency Preparedness '20		20.703	693JK31940016HMEP		5,950
Hazardous Materials Emergency Preparedness '21		20.703	693JK31940016HMEP		21,330
Subtotal Indirect Programs				<u>776,545</u>	<u>985,520</u>
Total U.S. Department of Transportation				<u>776,545</u>	<u>985,520</u>
U.S. Department of the Treasury					
COVID-19 Coronavirus State and Local Fiscal Recovery Program - Direct Allocation		*21.027	SLFRP2098	447,444	15,459,663
Subtotal Direct Programs				<u>447,444</u>	<u>15,459,663</u>
Total U.S. Department of the Treasury				<u>447,444</u>	<u>15,459,663</u>
U.S. Department of Health & Human Services:					
Federal Overdose Data to Action Program '22		93.136	6 NH28CE003546-01-01		22,632
COVID-19 Provider Relief Fund		*93.498			576,751
Certified Community Behavioral Health Clinics ICT IA - FY23-26		93.696	1H79SM086992-01		477,661
Section 223 Demonstration Programs to Improve Community Mental Health Services		93.829	1H79SM083120-01		365,927
Healthy Start Initiative FFY22		93.926	5 H49MC11254-14-00		(20)
Healthy Start Initiative FFY23		93.926	6 H49MC11254-15-01		265,077
Healthy Start Initiative FFY24		93.926	6 H49MC11254-16-01		512,254
Total Healthy Start Initiative					<u>777,311</u>
Subtotal Direct Programs					2,220,282
Pass-Through Program From:					
Kansas Department For Aging And Disability Services					
COVID-19 Title III, Part D - Disease Prevention & Health Promotion - ARPA		93.043		-	3,424
Title III, Part D - Disease Prevention & Health Promotion - FY23		93.043		7,457	26,642
Title III, Part D - Disease Prevention & Health Promotion - FY24		93.043		225	5,829
Total Title III, Part D - Disease Prevention & Health Promotion				<u>7,682</u>	<u>35,895</u>
COVID-19 Title III, Part B - Support Services - ARPA	2	93.044		52,781	210,891
Title III, Part B - Support Services - FY23	2	93.044		149,164	296,125
Title III, Part B - Support Services - FY24	2	93.044		20,516	55,828
Expanding Access to COVID-19 Vaccines via the					
Aging Network Grant Agreement	2	93.044	2101KSVAC5-00		8,346
Title III, Part C(1) - Administration - FY23	2	93.045			83,783
Title III, Part C(1) - Administration - FY24	2	93.045			33,133
COVID-19 Title III, Part C(1) - Congregate Meals - ARPA	2	93.045			60,000
Title III, Part C(1) - Congregate Meals - FY23	2	93.045		499,991	508,338
Title III, Part C(1) - Congregate Meals - FY24	2	93.045		57,795	58,644
COVID-19 Title III, Part C (2) - Home Delivered Meals - ARPA	2	93.045			90,199
Title III, Part C (2) - Home Delivered Meals - FY23	2	93.045		828,370	836,897
Title III, Part C (2) - Home Delivered Meals - FY24	2	93.045			3,399
Senior Medicare Patrol FY23		93.048	90MPPG0037-02-00		9,975
COVID-19 Aging & Disability Resource Center		93.048	90NWC30044-01-00		5,231
No Wrong Door COVID-19 Vaccine Project		93.048	90NCW50033-01-02		67,172
Total Special Programs for the Aging, Title IV, and Title II, Discretionary Projects					<u>82,378</u>
COVID-19 Title III, Part E - National Family Caregiver Support Program ARPA		93.052			7,238
Title III, Part E - National Family Caregiver Support Program FY23		93.052		41,915	277,104
Title III, Part E - National Family Caregiver Support Program FY24		93.052		4,748	51,060
Total Title III, Part E - National Family Caregiver Support Program				<u>46,663</u>	<u>335,402</u>
Home Delivered & Congregate Meals NSIP	2	93.053		317,485	317,485
Medicare Improvements for Patients & Providers '23		93.071	2201KSMISH-00, 2201KSMIAA-00, 2201KSMIDR-00		2,426
Projects for Assistance in Transition from Homelessness FY23		93.150	1X06SM087115-01		61,192
988 Capacity		93.243			72,269
Senior Health Insurance Counseling FY23		93.324	90SAPG0093		4,999
Senior Health Insurance Counseling FY24		93.324	90SAPG0093		306
Total Senior Health Insurance Counseling					<u>5,305</u>
Senior Care Act FY23		93.667			68,455
Senior Care Act FY24		93.667			551,879
Total Senior Care Act					<u>620,334</u>

Sedgwick County, Kansas

Schedule of Expenditures of Federal Awards (Continued)

Year Ended December 31, 2023

Agency/Program	Clusters	ALN	Award/Contract Number	Passed Through to Subrecipients	Federal Expenditures
Block Grants for Community Mental Health Services FY23		93.958	6B09SM086008-01		\$ 122,876
Block Grants for Community Mental Health Services FY24		93.958	1B09SM082601-01		110,722
Total Block Grant for Community Mental Health Services					233,598
Substance Abuse (Beacon Health) Contract - SFY23		93.959			136,080
Substance Abuse (Beacon Health) Contract - SFY24		93.959			198,752
Total Substance Abuse (Beacon Health)					334,832
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)		93.323			631,700
Kansas Department of Health & Environment					
Medical Reserve Corps-STTRONG		93.008	1 U3REP230693-01-00		6,072
Public Health Emergency Preparedness (PHEP) '23		93.069	NU90TP922049-04		189,453
Public Health Emergency Preparedness (PHEP) '24		93.069	NU90TP922049-05		117,763
Total Public Health Emergency Preparedness (PHEP)					307,216
Tuberculosis Control Grant '13		93.116			4,521
Tuberculosis Control Grant '24		93.116			6,382
Total Tuberculosis Control Grant					10,903
Kansas Overdose Data to Action Program '22		93.136	1NU17CE9249980200		49,995
COVID-19 IAP Supplemental 4 - Vaccine Equity		93.268			180,385
IAP Immunization Cooperation FY23		93.268	NH23IP922627-04		15,403
IAP Immunization Cooperation FY24		93.268	NH23IP922627-05		14,228
Total Maternal and Child Health IAP Immunization Cooperation					29,631
STI/HIV Control Programs - Disease Intervention / Prevention FY23		93.977	NH25PS005173-04 & NH25PS005173-05		174,647
STI/HIV Control Programs - Disease Intervention / Prevention FY24		93.977	NH25PS005173-05 & NH25PS005173-06		128,965
Total STI/HIV Control Programs					303,612
Maternal and Child Health Services Block Grant FY22		93.994	B04MC40135-01 & B04MC45217-01		73,100
Maternal and Child Health Services Block Grant FY23		93.994	B04MC45217-01 & B04MC47419-01		57,752
Total Maternal and Child Health Services Block Grant					130,852
National Association of County and City Health Officials					
Medical Reserve Corps-RISE		93.008	5 HITEP200045-03-00		73,684
Subtotal Indirect Programs				1,980,447	6,070,749
Total U.S. Department of Health & Human Services				1,980,447	8,291,031
Corporation For National And Community Service:					
Retired and Senior Volunteer Program					
Retired and Senior Volunteer Program FY22		94.002	22SREKS006		13,774
Retired and Senior Volunteer Program FY23		94.002	22SREKS006		40,502
Subtotal Direct Programs					54,276
Total Corporation For National And Community Service					54,276
Executive Office of the President					
Kansas Bureau of Investigation					
High Intensity Drug Trafficking Areas Program FY22		95.001	G22MW0003A		28,042
High Intensity Drug Trafficking Areas Program FY23		95.001	G23MW0003A		4,875
Total Executive Office of the President					32,917
U.S. Department of Homeland Security					
Pass-Through Program From:					
Kansas Adjutant General - Division of Emergency Management					
Emergency Mgmt Performance Grant -Salary Reimbursement		97.042	DHS-23-GPD-042-07-01		153,248
Subtotal Indirect Programs					153,248
Total Department of Homeland Security					153,248
Total Expenditures of Federal Awards				\$ 3,376,808	\$ 28,864,460

Clusters:	Totals
1 - Child Nutrition Cluster =	29,831
2 - Aging Cluster =	2,563,068
3 - Highway Safety Cluster =	7,699
4 - Fish and Wildlife Cluster =	90,188
5 - Transit Services Program Cluster =	44,420

* Major Programs

Sedgwick County, Kansas
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the County under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Federal Loan Programs

The County does not administer any loan programs.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of County Commissioners
Sedgwick County
Wichita, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sedgwick County, Kansas (the County) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 8, 2024, which contained an emphasis of matter paragraph for a change in accounting principle.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORVIS, LLP

Wichita, Kansas
May 8, 2024



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Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Board of County Commissioners
Sedgwick County
Wichita, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Sedgwick County, Kansas' (the County)'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of County's major federal programs for the year ended December 31, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sedgwick County, Kansas (the County) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements. We issued our report thereon dated May 8, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare 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 the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS,LLP

Wichita, Kansas
May 8, 2024

Sedgwick County, Kansas
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section I – Summary of Auditor’s Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP was:

Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over compliance for major federal awards programs:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

5. Type of auditor’s report issued on compliance for major federal award programs:

Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Sedgwick County, Kansas
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2023

7. Identification of major programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.509	Formula Grants for Rural Areas Section 5311
21.027	Coronavirus State and Local Recovery Funds
93.498	COVID-19 Provider Relief Fund

8. Dollar threshold used to distinguish between Type A and Type B programs: \$865,934.

9. Auditee qualified as a low-risk auditee? Yes No

Section II – Financial Statement Findings

<u>Reference Number</u>	<u>Finding</u>
	No matters reportable.

Section III – Federal Awards Findings and Questioned Costs

<u>Reference Number</u>	<u>Finding</u>
	No matters reportable.

Sedgwick County, Kansas
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2023

**Reference
Number**

Finding

No matters reportable.