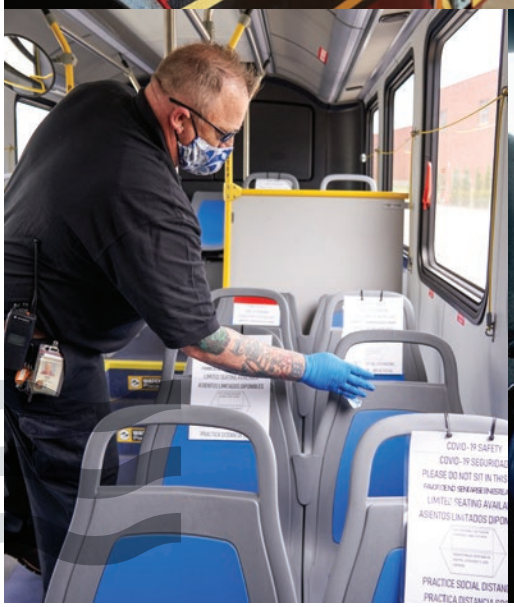
2021 Annual Comprehensive Financial Report











Fiscal Year Ended December 31, 2021

Celebrating the people making a difference

CITY OF WICHITA KANSAS

CITY OF WICHITA, KANSAS

Incorporated: 1870
City of the 1st Class: 1886
Council-Manager Form of Government Adopted: 1917

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended December 31, 2021

CITY OF WICHITA

City Council

Brandon Whipple, Mayor
Becky Tuttle, Vice Mayor (II)
Brandon Johnson, Council Member (I)
Michael Hoheisel, Council Member (III)
Jeff Blubaugh, Council Member (IV)
Bryan Frye, Council Member (V)
Maggie Ballard, Council Member (VI)

City Manager

Robert Layton, City Manager

Department of Finance

Mark Manning, Director of Finance

Prepared by the Controller's Office
Department of Finance

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CITY OF
WICHITA

CITY OF WICHITA, KANSAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended December 31, 2021

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Letter of Transmittal i
Certificate of Achievement xi
Organization Chart xii
Principal Officials xiii

FINANCIAL SECTION

Independent Auditor's Report A-1

Management Discussion and Analysis A-5

Basic Financial Statements:

Government-wide Financial Statements:
- Statement of Net Position A-18
- Statement of Activities A-20

Fund Financial Statements:
- Balance Sheet - Governmental Funds A-22
- Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position A-24
- Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds A-26
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities A-28
- Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budgetary Basis - General Fund A-29
- Statement of Net Position - Proprietary Funds A-30
- Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds A-34
- Statement of Cash Flows - Proprietary Funds A-36
- Statement of Fiduciary Net Position - Fiduciary Funds A-40
- Statement of Changes in Fiduciary Net Position - Fiduciary Funds A-41

Notes to the Financial Statements A-42

Required Supplementary Information:

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios:
- Wichita Employees' Retirement System A-112
- Police and Fire Retirement System A-114

Schedule of Employer Contributions:
- Wichita Employees' Retirement System A-116
- Police and Fire Retirement System A-118

Schedule of Changes in the Total OPEB Liability and Related Ratios - Other Post Employment Benefits (OPEB) A-120
Notes to Required Supplementary Information A-121

Combining and Individual Fund Financial Statements and Schedules:

Governmental Funds:

Combining Balance Sheet:
- Nonmajor Governmental Fund Types B-1
- Nonmajor Special Revenue Funds B-2
- Nonmajor Capital Projects Funds B-6

Combining Statement of Revenues, Expenditures and Changes in Fund Balances:
- Nonmajor Governmental Fund Types B-7
- Nonmajor Special Revenue Funds B-8
- Nonmajor Capital Projects Funds B-12

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Combining and Individual Fund Financial Statements and Schedules (Continued):

Governmental Funds (Continued):

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budgetary Basis:

General Fund B-14
General Fund - Economic Development Subfund B-18
Debt Service Fund B-19
Debt Service Fund - East Bank TIF District Subfund B-20
Debt Service Fund - West Bank TIF District Subfund B-21
Debt Service Fund - Old Town Cinema TIF District Subfund B-22
Debt Service Fund - Northeast Redevelopment TIF District Subfund B-23
Debt Service Fund - Southfork TIF District Subfund B-24
Debt Service Fund - Center City TIF District Subfund B-25
Debt Service Fund - Ken Mar TIF District Subfund B-26
Debt Service Fund - Douglas and Hillside TIF District Subfund B-27
Debt Service Fund - Union Station TIF District Subfund B-28
Homelessness Assistance Fund B-29
Tourism and Convention Promotion Fund B-30
Special Alcohol Program Fund B-31
Special Parks and Recreation Fund B-32
Landfill Fund B-33
Landfill Post-Closure Fund B-34
Metropolitan Area Building and Construction Department Fund B-35
Downtown Parking Fund B-36
Gilbert and Mosley TIF District Subfund B-37
North Industrial Corridor TIF District Subfund B-38
Self-Supported Municipal Improvement District Fund B-39
City/County Flood Control Subfund B-40
City/County Metropolitan Area Planning Department Subfund B-41
Municipal Court Restricted Fund B-42
Wichita Ice Center Fund B-43
Community Improvement Districts (CID) Fund B-44
Tourism Business Improvement District (TBID) Fund B-45
Sales Tax Construction Pledge Fund B-46
Cemetery Fund B-47

Enterprise Funds:

Combining Statement of Net Position - Nonmajor Enterprise Funds C-1
Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds C-2
Combining Statement of Cash Flows - Nonmajor Enterprise Funds C-3
Schedule of Revenues, Expenditures and Changes in Unencumbered Net Position - Budget and Actual - Budgetary Basis:
Water Utility Fund C-4
Sewer Utility Fund C-5
Airport Authority Fund C-6
Stormwater Utility Fund C-7
Transit Fund C-8
Golf Course System Fund C-9

Internal Service Funds:

Combining Statement of Net Position D-1
Combining Statement of Revenues, Expenses and Changes in Net Position D-2

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Combining and Individual Fund Financial Statements and Schedules (Continued):

Internal Service Funds (continued):

Combining Statement of Cash Flows..... D-3
Combining Schedule of Net Position - Self Insurance Fund..... D-4
Combining Schedule of Revenues, Expenses and Changes in Net Position - Self Insurance Fund..... D-5
Schedule of Revenues, Expenditures and Changes in Unencumbered Net Position - Budget and Actual - Budgetary Basis:
Information Technology Fund..... D-6
Fleet Fund..... D-7
Self Insurance Fund..... D-8

Fiduciary Funds:

Combining Statement of Fiduciary Net Position - Pension Trust Funds..... E-1
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds..... E-2

Additional Information:

Long-term Obligation Schedules:

Combined Schedule of Changes in Bonds Payable..... F-1
Reconciliation of Bonds Payable..... F-1
Summary of Debt Service Charges to Maturity:
General Obligation Bonds Payable from Governmental Fund Revenues..... F-2
General Obligation Bonds Payable from Proprietary Fund Revenues..... F-3
Revenue Bonds Payable from Proprietary Fund Revenues..... F-4
Revenue Bonds Payable from Governmental Fund Revenues..... F-6
Revenue Loan Payable from Proprietary Fund Revenues..... F-7
Statement of Outstanding Debt..... F-8

Insurance Schedule:

Schedule of Insurance in Force..... F-9

Combining Governmental Schedules:

Combining Balance Sheet:
General Fund..... F-10
Debt Service Fund..... F-11
Debt Service Fund - Economic Development TIF Districts Subfund..... F-12
Environmental TIF Districts Fund..... F-14
City-County Joint Operations Fund..... F-15
Community Improvement Districts (CID) Fund..... F-16
Combining Statement of Revenues, Expenditures and Changes in Fund Balances:
General Fund..... F-19
Debt Service Fund..... F-20
Economic Development TIF Districts Subfund..... F-22
Environmental TIF Districts Fund..... F-24
City-County Joint Operations Fund..... F-25
Community Improvement Districts (CID) Fund..... F-26

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TABLE OF CONTENTS (CONTINUED)

Page

STATISTICAL SECTION

Net Position by Component G-2
Changes in Net Position G-4
Fund Balances of Governmental Funds G-8
Changes in Fund Balances of Governmental Funds G-10
Governmental Own Source Revenues by Source G-12
Governmental Revenues by Source G-14
Governmental Expenditures by Function G-14
Assessed Value and Estimated Actual Value of Taxable Property G-16
Property Tax Rates G-17
Principal Property Taxpayers G-18
Principal Employers, Wichita Area G-18
Property Tax Levies and Collections G-19
Special Assessments Levies and Collections G-20
Ratios of General Obligation Bonded Debt Outstanding G-21
Ratio of Annual Debt Service Expenditures for General Obligation Debt to Total Governmental Expenditures G-21
Ratio of Net General Obligation (G.O.) Bonded Debt Expected to be Paid by Property Taxes to Assessed Value and Net G.O. Bonded Debt Per Capita G-22
Ratios of Outstanding Debt by Type G-24
Legal Debt Margin Information G-26
Computation of Direct and Overlapping Debt G-28
Demographic and Economic Statistics G-29
Pledged Revenue Coverage G-30
Capital Asset Statistics by Function G-31
Operating Indicators by Function G-32
City Government Employees by Function G-34

SINGLE AUDIT SECTION

Independent Auditor's 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* H-1
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance H-3
Independent Auditor's Report on Compliance for the Passenger Facility Charge Program and Report on Internal Control Over Compliance H-7
Schedule of Expenditures of Federal Awards H-10
Notes to the Schedule of Expenditures of Federal Awards H-13
Schedule of Findings and Questioned Costs H-14
Summary Schedule of Prior Audit Findings H-16

WATER UTILITIES SECTION

Message to the Bondholders I-1
Water Utilities Combined Statement of Net Position I-4
Water Utilities Combined Statement of Revenues, Expenses and Changes in Net Position I-7
Water Utilities Combined Statement of Cash Flows I-8
Notes for the Water Utilities I-10
Water Utilities Net Revenues Available for Debt Service and Capital Expenditures Made from Operating Revenues I-18
Property Insurance I-18
Water and Sewer Utility Statistics by Customer Class I-19
Water and Sewer Utility Rates I-21

INTRODUCTORY SECTION



CITY OF WICHITA KANSAS

INTRODUCTORY SECTION

The Introductory Section provides general information on the City's structure and personnel, as well, as information useful in assessing the City's economic condition. The key element of this section is the Transmittal Letter.

Department of Finance
Controller's Office
City Hall – Twelfth Floor
455 North Main Street
Wichita, Kansas 67202

June 27, 2022

To the Honorable Mayor, City Council and Citizens of the City of Wichita, Kansas:

We are pleased to submit the Annual Comprehensive Financial Report of the City of Wichita for the year ended December 31, 2021. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City and its blended component unit, the Airport Authority.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls established by management for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements free from any material misstatements.

Kansas statutes require an annual audit of all funds of the City by an independent certified public accountant or accounting firm. Eide Bailly, LLP, a certified public accounting firm, has issued an unmodified opinion on the City of Wichita's financial statements for the year ended December 31, 2021. The independent auditor's report is located on page A-1 in the Financial Section of this report.

In addition to meeting the requirements set forth in state statutes, the standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with the administration of federal and state awards. The auditor's reports related specifically to the single audit are included in the Single Audit Section. Details on the single audit finding, as well as management's response, are located in the Single Audit Section of this report.

The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides an introduction, overview and analysis of the basic financial statements. The MD&A complements this transmittal letter and should be read concurrently.

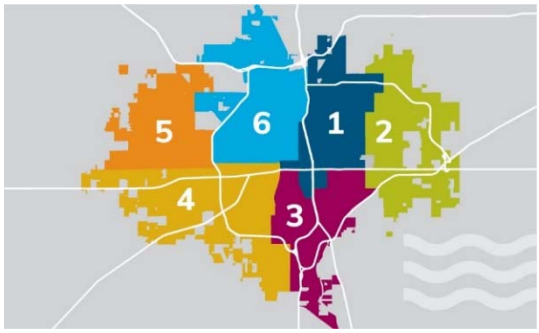
THE REPORTING ENTITY AND ITS SERVICES

With a population of 397,532[1], Wichita is the largest city in Kansas and is the county seat of Sedgwick County. Major highways, including the Kansas Turnpike and Interstate I-135, link the city with a large trade area that encompasses a population of more than one million[2] people within a 100-mile radius. The nearest large cities are Denver to the west, Kansas City to the northeast, Oklahoma City to the south and Tulsa to the southeast.

[1] Source: 2020 Census from U.S. Census Bureau.
[2] Source: Estimated by the (Center for Economic Development and Business Research (CEDBR) - W. Frank Barton School of Business – Wichita State University (WSU) and based on Nielsen 2013 population estimates, excluding the Oklahoma populations located within the 100-mile radius.

Wichita became a town in 1868, was incorporated in 1870 and has been a city of the first class since 1886. The original stimulus to the City's economic development was the extension of the Santa Fe Railway into Wichita in 1872. The City's early growth paralleled the expanding agricultural productivity of the Central Plains States, and by 1900 the City was an important regional center for the processing of agricultural products and the distribution of farm equipment. In 1914, the discovery of oil broadened the economic base, drawing to the city numerous services, distributive enterprises and metalworking industries. From the earliest days of the aircraft industry, Wichita has been a leading producer of general aviation and commercial aircraft. McConnell Air Force Base was activated in 1951 and has remained an important factor in the community.

In 1918, Wichita became one of the first municipalities in the United States to adopt the Commission-Manager form of government. Effective April 14, 1987, the title "City Commission" was changed to "City Council" and instead of being elected at-large, nominations were held for each of the five district's Council Members and the members were elected at-large. In November 1988, Wichita voters approved a referendum to elect a five-member City Council by pure district elections and a full-time Mayor by city-at-large elections. On February 10, 1989, Charter Ordinance 115 was adopted and provided for the five council member seats to be increased to six by subdividing the City into six districts based on the 1990 census (see district map to left). The six Council Members and the Mayor serve four-year terms, with the Council Members' terms overlapping. The City Manager is appointed by the City Council and is responsible to them for the management of all City employees and administration of all City affairs.



The City of Wichita provides a full range of municipal services, including police and fire protection; parks and recreation programs; libraries; cultural arts; public housing and community services; infrastructure improvements; public transportation; airports; water, sewer and stormwater utilities; planning and zoning; cemetery maintenance; internal support services and general administration.

The Budget Process: The budget process is impacted by Kansas statutes, organizational policies, accounting standards and budgeting practices. In addition, other planning processes are integrated into the budget process. Annually, a long-range financial plan is developed as part of the budget process. This financial planning process includes the development of three operating budgets each year. The current year Adopted Budget is revised based on updated data and assumptions. A Proposed Budget for the next year is also prepared and will become the Adopted Budget upon the City Council's approval. Finally, a Projected Budget is also prepared, which becomes the basis for the Proposed Budget next year.

The City's vision is to be a leading-edge organization serving a dynamic and inclusive community. Based on this vision, the formulation of the Budget is developed based on strategic priorities established by the City Council, which are clearly defined by the City's mission statement:

As an exceptionally well-run city, we will:
- *Keep Wichita safe,*
- *Grow our economy,*
- *Build dependable infrastructure and*
- *Provide conditions for living well.*

As the City strives to provide excellent service levels, the annual budget is developed based on three themes: (1) alignment to the City's mission and the City Council's goals; (2) a review of business processes, from both a financial operations view and a customer-focused view; and (3) the development of a financially sustainable and diversified revenue portfolio.

In the spring, senior staff and the City Manager conduct a review of revenue projections and departmental requests, balanced against current year priorities. The City Manager holds internal budget hearings which begin in March and continue through May. In April and May, budget retreats are held with the City Council to provide updated financial forecasts and are broadcast on the City's public access channel, City7. As a continuation of conversations, presentations are made to citizens, including to District Advisory Boards (one for each Council District) and other neighborhood groups. Budget information is

further communicated through various forms of social media and online tools, providing additional opportunities for citizen engagement on the budget. The Online Budget Simulator, launched in May, provided residents, employees and community groups the opportunity to increase or decrease service levels in order to develop a balanced budget. The Social Media Town Hall used Facebook, Twitter and Nextdoor to reach residents to continue conversations about potential service level adjustments that began during the City Council retreats.

Throughout the budget process, the City Council is briefed on strategic and policy issues, preliminary financial forecasts and departmental performance levels. Based on the City Council's policy direction, as well as information provided by departments and the public, a Proposed Budget is drafted and provided to the City Council for consideration in July. The City Council holds public hearings on the proposed budget in July and August, prior to adopting the final budget. The budget is required by Kansas law to be finalized, adopted and filed no later than October 1. The annual budget serves as a policy document, a financial plan, an operations guide and as a communication device.

Budgetary Control: The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund. The City also maintains an encumbrance accounting system to enhance budgetary control. Unencumbered appropriations lapse at year end, while encumbered appropriations are carried over into the next year for liquidation. As demonstrated by statements and schedules included in the Financial Section of this report, the City continues to meet its responsibility for sound financial management. Budget-to-actual comparisons are provided for each individual governmental fund for which an appropriated annual budget has been certified with the State of Kansas, or been approved by the City Council. For the General Fund, this comparison is presented on page A-29 as part of the basic financial statements, as well as a more detailed presentation beginning on page B-14. For governmental funds (other than the General Fund) with appropriated annual budgets, these comparisons are presented in the Governmental Funds Section of this report beginning on page B-19.

THE LOCAL ECONOMY[3]

The Wichita Metropolitan Statistical Area (MSA) has a diverse economic base, producing a wide variety of products and services. Approximately 48% of Wichita's employment is in service-providing industries; 21% is in goods-producing industries; 17% is in trade, transportation and utilities; and 14% is in government. The Wichita area is home to more than 15,000 business establishments, with approximately 97% of those employing fewer than 100 workers. Thirty-four employers in the Wichita area employ 500 or more workers. While every sector of the economy contracted in the second quarter of 2020, annual average employment increased by 1.7% in 2021. Growth is expected to continue in 2022 at a rate of 1.3%.

Prior to the pandemic, the service sector had consistently grown since 2012. The service and production sectors expanded rapidly, adding approximately 13,000 jobs between 2010 and 2019; however, many jobs were lost in 2020. In 2021, service sector job growth reached 10.9%.

Annual Average Wichita MSA Employment by Industry*

	2019 (a)	2020 (a)	2021 (e)	2022 (f)	2021-2022 Forecasted Level Change	2021-2022 Forecasted % Change
Service sectors	141,100	135,400	139,100	140,100	1,000	0.7%
Production sectors	71,700	63,200	62,800	64,400	1,600	2.5%
Trade, transportation and utilities	50,400	48,600	49,700	50,600	900	1.8%
Government	41,800	40,800	41,300	41,800	500	1.2%
Total nonfarm employment	305,000	288,000	292,900	296,900	4,000	1.4%

*Annual values are derived from average quarterly observations and projections. Data was downloaded from the U.S. Bureau of Labor Statistics' Website on March 10, 2021.

(a) actual (e) estimated (f) forecasted

Wichita's manufacturing sector is primarily concentrated in aerospace. Local aircraft companies produce a significant number of the world's general aviation aircraft and commercial aircraft parts. Wichita's manufacturing sector employment peaked in 2008 with 67,700 jobs; from 2008 to 2011, Wichita lost approximately 15,000 manufacturing jobs, with employment in the sector remaining relatively flat from 2011 to 2017. The sector added 4,600 jobs in 2018 and 2019 after announcements of major expansions and hiring by the area's largest aerospace firms.

[3] Information in this section is largely provided by the CEDBR, Frank Barton School of Business, Wichita State University.



Late 2019 and 2020 presented new challenges for Wichita's aviation manufacturers since Boeing froze production of its 737 Max airliner after grounding all 737 Max airplanes in March 2019. The 737 Max was ungrounded in late 2020, and Boeing has since ramped up production over the previous year which has led to aerospace manufacturing firms increasing their employment numbers.

Wichita's manufacturing sector has significantly diversified in recent years, adding 5,000 non-aerospace jobs since 2010, including 1,200 new non-aerospace manufacturing jobs in 2020. Recovery is expected to begin and continue throughout 2022, with the manufacturing sector forecasted to grow 2.3% relative to its 2021 level.

After gaining 100 workers in 2019, overall construction employment declined by 700 workers in 2020. The sector began its recovery in 2021, with growth reaching 1%. However, new home construction stayed strong throughout the pandemic with growth of 30% in 2020, due to a high demand for homes as a result of extremely low interest rates. The high level of new home construction and housing price appreciation are expected to grow at a slower pace into 2022, partly due to the expectation that interest rates will rise.

The professional and business services sector is one of the largest and typically fastest-growing service sectors in the Wichita economy. This sector added 5,100 new jobs from 2010 to 2019. Between 2020 and 2021, this sector grew by 1.3% and added 440 jobs. Wichita is also the home to several major companies' headquarters, including Koch Industries and the protein operations of Cargill.

The education and health care sector, the single largest sector in the Wichita economy, had an estimated 46,100 workers in 2021 which was a 1.7% decrease compared to 2020. The Wichita MSA has more than 100 nursing and assisted living facilities and 18 acute care and specialty hospitals, with other specialty clinics providing comprehensive patient care and same-day surgery services. The four-county MSA is home to more than 1,300 physicians and more than 300 dentists. In recent years, much of the sector's employment growth has occurred in the sector's non-hospital portion, which added 2,200 jobs and grew 7.6% from 2017 to 2019. Employment in the health care sector grew by 400 employees in 2020, which was followed by a decline of 600 workers in 2021 due to the workforce being strained by the pandemic. Sedgwick County's health care providers administered more than 400,000 tests for the Coronavirus in the first year of the pandemic. However, on a positive note, the construction of a new $75 million Kansas Health Science Center medical campus began in 2021 with applications being accepted for the 2022-2023 school year. This campus will include five renovated downtown Wichita buildings and will become the home of a new college of osteopathic medicine with the projection of creating 300 new jobs.



The education sector employs more than 12% of the total workforce in the education and health care sector and plays a significant role in the local economy. Wichita MSA is home to 12 colleges and universities, which provide a wide range of degrees and educational opportunities, including Wichita State University, Friends University, Newman University and the University of Kansas School of Medicine. In addition, eight unified public school districts serve the City of Wichita, the largest of which is Wichita USD 259 with an enrollment of 46,701 students at more than 80 schools as of fall of 2021.

Wichita's universities and colleges continue to grow and expand. Wichita State University's Campus of Applied Sciences and Technology, formerly known as Wichita Area Technical College, officially became affiliated with Wichita State University in 2018. Both Wichita State University and the Campus of Applied Sciences and Technology each reported record enrollment in the fall of 2019. Enrollment declined due to the pandemic in 2020, but the Campus of Applied Sciences and Technology enrollment was still the second-highest in school history.

Wichita State's campus continued to expand with the completion of an on-campus YMCA location and the NIAR Advanced Virtual Engineering and Testing Labs in early 2020. The new $50 million building for Wichita State's Barton School of Business, Woolsey Hall, began construction in 2020 and is expected to be completed in 2022.

Wichita's support sectors have flourished in recent years as the manufacturing base recovered and the service sectors expanded prior to the Coronavirus outbreak. The leisure and hospitality sector added almost 6,000 new jobs from 2010 to

2019 before contracting by 3,200 workers in 2020, the single largest contraction of any sector during the pandemic. In 2021, an estimated 3,130 of these jobs were gained back.

Unemployment Rates: After nine years of declining unemployment, the Coronavirus outbreak and recession caused the unemployment rate to more than double in both the city of Wichita and the Wichita Metropolitan Statistical Area (MSA), which can be seen in the table to the right (average annual unemployment rates for the last five years). Wichita was harder hit by the recession than the national average due to a sharp slowdown in the aerospace manufacturing sector caused by the Boeing 737 Max production freeze and the air traffic decline from the pandemic. Unemployment peaked in April 2020, followed by eight months of decline. At the end of 2020, the unemployment rate was 4.5%, which was only 1.2% higher than it had been one year prior and 4.7% lower than the 2020 annual average. Overall, recovery of the unemployment rate continued in 2021, weathering new mutations of the virus, and improving to an average annual unemployment rate of 5.8% in the city. Wichita's recovery will likely be more muted than the national average. Full recovery in aerospace manufacturing isn't expected until 2022 or later due to a slower return of air traffic in 2021.

Average Annual Unemployment Rates			
Year	Wichita	Wichita MSA	U.S.
2017	4.4%	4.2%	4.4%
2018	3.8%	3.6%	3.9%
2019	3.6%	3.4%	3.7%
2020	9.2%	8.4%	8.1%
2021	5.8%	5.0%	5.4%

While conditions have significantly improved since April 2020, economic uncertainty and recessionary risks are still above normal levels due to both national and local factors. Supply disruptions or mutations to the virus have the potential to reduce the speed of Wichita's recovery. Locally, the aerospace industry remains in a vulnerable position as it moves to fully recover.

CITY BUSINESS AND FINANCIAL PLAN

The City of Wichita uses a comprehensive financial planning approach that includes:

- A detailed two-year budget, the statutorily required one-year budget and one subsequent year;
- A five-year financial plan aligned to the budget and focused on strategic issues; and
- A ten-year financial model projecting funding sources and financing plans for the Capital Improvement Program (CIP).

This financial planning process is aligned to the City's mission and goals, and integrates other planning processes, such as the information technology plan, the community investments plan, the aquatics master plan, the branch library plan, neighborhood plans and the future water supply plan. The planning process is designed to provide continuity in the level of City services and to align expenditures with strategic outcomes by providing an early awareness of opportunities and challenges that could impact the financing of City services.

City operations are managed around strategies that are effective (producing relevant outcomes) and efficient (producing them at the lowest cost). The performance of these strategies in producing meaningful outcomes is evaluated by performance measures linked to the City's performance management plan. Strategies the City has used to improve efficiency include (1) using and investing in technology; (2) outsourcing functions with varying or seasonal demand or which are not aligned to core competencies of the City; and (3) reviewing and adjusting management hierarchies and organizational structures.

The City's strategic management model, coupled with a resident engagement process, facilitates annual budget allocations and has been used when the City is faced with financial challenges. This strategic model is useful in distinguishing the most critical services from those that are important, but more discretionary. In addition, the City has a very robust engagement effort, involving residents through a variety of in-person and on-line channels to collect feedback. This process, including an online Budget Simulator, encourages feedback on the importance of selected areas of the City Budget.

Adequate levels of reserves are an important and necessary component for the City's business operations and financial planning. The City policy requires General Fund reserves to be a minimum of 10% of the subsequent year's expenditure budget. The reserves of the General Fund assist to assure rating agencies of the City's financial stability and its ability to weather hardships without the need to incur debt for operating activities. Additionally, the General Fund reserve provides flexibility for cash flow and emergency needs. As of December 31, 2021, the fund balance of the City's General Fund, on a budgetary basis, was 15% of the 2022 Adopted Budget, including an appropriated reserve of $28.3 million. The City also maintains reserves equivalent to or in excess of 85% of the estimated landfill post-closure liability and a pension reserve in its Self Insurance Fund. In spite of the fluctuations in the financial markets, the City's Retirement Systems maintained funded ratios in excess of 97% as of December 31, 2021, which is well above many public pension systems.

The City manages a pooled funds investment program for all cash, guided by a comprehensive investment policy. Policy objectives (in order of priority) are safety, liquidity and yield. The investment policy is approved annually by the State of Kansas, and based on this review the City has long been authorized to utilize "expanded powers" in investing idle funds – which permits investment terms of up to four years.

The City's exposure to risk is managed through various risk management strategies, including maintaining various insurance policies and self-insurance. The City self-insures its health insurance and workers compensation, while maintaining stop-loss coverage on its self-insured risks to limit the City's potential exposure. To reduce workers compensation claims, the City utilizes staff to provide safety training and inspections.

RELEVANT POLICY CHANGES

Most of the City's key financial management policies remain unchanged, including a stable property tax rate, a balanced budget, the maintenance of a fund balance in the General Fund of at least 10% of the next year's budgeted expenditures and budget decisions driven by the strategic priorities adopted by the City Council. These policies provide the foundation for the City's financial planning and budget allocation decisions in the current economic environment.

The City has provided special assessment financing for new development, as a strategy to enhance the affordability of housing within Wichita. Past policy limited the term of special assessment bonds to 15 years (with a few exceptions). Recently, in response to higher construction costs and affordability challenges, the City Council approved a two-year pilot program to increase the term of Special Assessment debt for residential development to 20 years.

MAJOR INITIATIVES

The City is utilizing American Rescue Plan Act (ARPA) revenues to fund several significant initiatives. The City has been allocated $72.4 million in ARPA funds and has allocated approximately $10 million for workforce development and small business assistance. The City has allocated the first tranche of funding and will soon allocate a second tranche. These funds are being allocated based on an application process in which applications were evaluated based on their alignment to the objective of assisting those significant impacted by the pandemic, particularly those in disadvantaged communities.

KEEPING WICHITA SAFE

The City is committed to keeping Wichita a safe place to live and work. Accordingly, Wichita continues to prioritize public safety in its budget process.



In 2021, the *Wichita Fire Department* began the process of leveraging predictive analytics software to evaluate equipment, staffing and station needs to support data-driven deployment decisions. Results of this initiative are expected in summer of 2022. Further, the City's General Fund budget includes sufficient resources to fund the results of this fire optimization effort. The Capital Improvement Plan (CIP) also includes funding for new fire stations based upon data-driven decision making.

The *Wichita Fire and Police Departments* continue to work with community partners – Sedgwick County Emergency Medical Service (EMS) and COMCARE – on the Integrated Care Team (ICT1). The ICT1 is a multidisciplinary, co-responder program aimed at providing resources to those in the community experiencing a mental health crisis and is comprised of three team members – a law enforcement officer, a paramedic and a mental health professional – who respond to mental health emergencies from a dedicated response vehicle.

GROWING OUR ECONOMY

While the pandemic slowed many aspects of Wichita's economy, its economic development kept moving forward, which is expected to assist in Wichita's recovery.

Amazon: In October 2020, Amazon announced it was locating two new facilities in the Greater Wichita region, which is projected to create hundreds of jobs. In north Wichita, a $7.6 million, 250,000 square foot industrial space has been leased by Amazon for its delivery station facility and its fulfillment facility is located in Park City, a suburban city just north of Wichita. This facility opened in August of 2021.

Wichita State University (WSU): Construction of a new $33 million, 168,000 square foot facility began in October 2020 on WSU's Innovation Campus. This facility is intended to be leased to NetApp, one of the world's fastest growing global cloud management and data storage providers in the world. NetApp estimates it will invest another $17 million in additional facility improvements and equipment and employ at least 70 new employees over the next ten years.

In 2020, *Clemens Aviation, LLC* announced its intent to build two 18,000 square-foot facilities, investing approximately $4 million, at the Jabara Airport in northeast Wichita to support its charter operations, aircraft maintenance and more. In February 2022, Clemens announced their intent to build a fifth building at Jabara Airport. These facilities are expected to employ 41 employees within five years.

Open Road Brands designs and develops decorative products for brands such as Chevrolet, Shell, Coca-Cola and Marvel Comics and has its office headquarters in Wichita. The company has historically outsourced its manufacturing of products to China; however, with the imposition of tariffs, it has decided to purchase 10 acres of land and build a new $15.5 million, 83,000 square foot manufacturing facility in northeast Wichita.

The City of Wichita continues to invite private investment, striving for a diversified business and industry foundation. In December 2010, the City Council approved *Project Downtown: The Master Plan for Wichita*. This plan provides a blueprint that assists the private sector in making key investment decisions in Wichita's core and serves as a framework for the public sector to make strategic investments that foster private sector investment.

The Wichita Downtown Development Corporation (WDDC) was established to revitalize and energize downtown Wichita. Much of this transformation began with the adoption of *Project Downtown: The Master Plan for Wichita*. Since Project Downtown's adoption, Wichita has seen a combined investment in downtown Wichita by the private and public sectors in excess of $1 billion, with over $681 million from private investment. This includes the completion of more than 85 development projects over the past 10 years. In the past decade, 1,228 residential units have been completed, 204 units are currently under construction and more are in development. Downtown also has unique shops, restaurants and a nightlife that drive retail sales and provide an important employment base.

- Fidelity Bank completed a $16 million, 505-stall parking garage in 2021, and is currently evaluating future plans to build a 10-story, 135,000 square foot office tower in downtown Wichita.
- At the corner of Douglas Avenue and Emporia Street, a $21 million four-story, 75,000 square foot building was finished in February 2021. This building is occupied by IMA Financial Group and features a rooftop space with amenities.
- *West Bank Improvements:* In 2020, the City finished substantial construction on its new $75 million Riverfront Stadium and museum. The Wichita Wind Surge – the Double-A affiliate of the Minnesota Twins – completed a successful inaugural season in 2021, advancing to the Texas League Championship Series. The stadium has fixed seating capacity of 7,000 and a total capacity of 10,000.

  In the spring of 2022, the Wind Surge finalized plans to further develop land adjacent to Riverfront Stadium. This significant investment will include a new hotel, retail, commercial and entertainment space.



- *Historic Delano District* – In early 2021, a new $12.5 million extended-stay hotel opened in the historic Delano District. This hotel features 95 rooms, conference room space, an indoor pool, fire pits and a gathering space that connects to a new public greenway.



Hutton, a Wichita based construction company, also opened its new $5 million, 24,000 square foot headquarters in the Delano District. This headquarters houses over 50 employees with room for future growth.

A $40 million mixed-use private development project, known as 225 Sycamore, was completed in the second half of 2021. This development includes a five-story building with 204 residential units and 10,000 square feet of retail space on the ground level.

- In 2019, the City's Department of Transportation received a $14.2 million federal grant, which along with City funds, will provide for the construction of a *multi-modal center*. This center will handle regional connections from various commuter services to the downtown circulator and have transfer points to routes serving education and employment locations. The multi-modal center is key to the growth of the West Bank area of the Arkansas River. It will be home to approximately 500 parking spaces, Wichita's bike share program, charging areas for a portion of Wichita Transit's electric bus fleet and retail space. Groundwork has been started for this project with the goal of completion in 2023.

BUILDING DEPENDABLE INFRASTRUCTURE

Dependable infrastructure is crucial to a well-run city, as it impacts Wichita's ability to grow its economy, deliver prompt public safety services and provide conditions for living well.

Wichita North Junction: The Kansas Department of Transportation completed a concept study in 2015 for the Wichita North Junction; where I-135, I-235, K-254 and K-96 meet in north Wichita. The *Green Project*, which is the first of three phases, was completed in November 2021. This first phase of the project replaced aging pavement and deficient bridges over the Little Arkansas River and over Arkansas and Broadway Avenues. It also added auxiliary lanes on I-235 and improved ramp geometry at the Broadway Avenue Interchange.

In November 2020, a joint effort between the City of Wichita, Sedgwick County and the Kansas Department of Transportation began for approximately $85 million in improvements to the North Junction interchange, or the *Accelerated Gold Project*. This interchange is a vital transportation node for Wichita and Sedgwick County, providing a critical connection between two interstates and two state highways. This project is currently under construction and is expected to be substantially completed by 2026.

East Kellogg: The City is continuing the East Kellogg freeway project, a cooperative effort between the City of Wichita, Kansas Department of Transportation (KDOT) and the Kansas Turnpike Authority (KTA). Construction began in 2015 with the construction of two new interchanges and the widening of Kellogg to a six-lane freeway between Webb Road and K-96. In addition, new ramps were constructed for I-35/KTA and Kellogg. These improvements were fully complete in late 2021. Moving forward, the City is again partnering with KDOT, as well as Butler County, to continue the expansion of East Kellogg out to 159th St E. Construction is planned for 2024 and 2025.

Northwest Water Treatment Facility (NWWTF): The City has begun construction of its new $550 million Northwest Water Treatment Facility with substantial completion expected in 2024. This facility will replace the existing 80-year old facility, which was identified as a critical project nearly 25 years ago by the Integrated Local Water Supply Plan and is the next important step on the path to a sustainable water future. The City was able to secure very low-interest rate financing with the United States Environmental Protection Agency (EPA) and the Kansas Department of Health and Environment (KDHE) to fund the majority of this project, which has helped considerably to minimize ratepayer impacts and keep Wichita's utility services affordable. The City entered into a (1) Water Infrastructure Finance and Innovation Act (WIFIA) Bond with the EPA at 1.17% not to exceed $280.9 million in project costs and (2) a State Revolving Fund (SRF) loan with KHDE not to exceed $55 million at 1.48%, with the possibility of up to four additional loans for a total loan of $267.3 million.

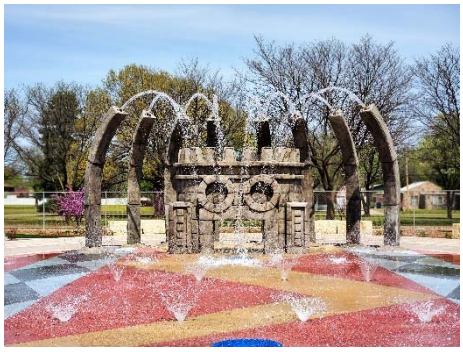


Biological Nutrient Removal Project: The City is also in the early stages of a second major project, which is driven by regulatory changes in Biological Nutrient Removal (BNR) standards. In-depth planning for the BNR project took place throughout 2020 and the City Council approved a project approach in early 2021. This project includes improvements of two existing facilities and some expansion to a lift station. Design work began in 2021 and construction is anticipated to start in early 2023 with completion by the end of 2027. The project is included in the City's Capital Improvement Program (CIP) and early estimates project the cost to be approximately $357 million. In early discussions with KDHE, the Utility learned that SRF financing is likely to be available for approximately half of the full project cost. The Utility is also pursuing WIFIA financing and submitted a letter of interest in 2021 for the remainder of the financing needed for this project.

PROVIDING CONDITIONS FOR LIVING WELL

The City is dedicated to cultivating the well-being of its citizens through various avenues.

Wichita Department of Cultural Arts, Park and Recreation: The City's Cultural Arts, Park and Recreation Department received national accreditation from the Commission for Accreditation of Park and Recreation Agencies (CAPRA) in 2021. Wichita Park and Recreation is one of only 150 accredited agencies in the country. The City manages and maintains 114 public parks spread across over 5,000 acres of park land and 2,500 acres of right-of-way. As of summer 2021, there are seven neighborhood recreation centers, six swimming pools, 27 pickle ball courts, 68 tennis courts, 12 fishing ponds, 5 dog parks, 15 exercise/fitness trails, the Great Plains Nature Center, Botanica and four 18-hole public golf courses. Wichita also maintains more than 100 miles of bicycle paths, lanes and other bicycle facilities.



The Wichita Department of Cultural Arts, Park and Recreation completed the implementation of its Aquatics Master Plan in 2021, which consisted of more than $22 million in investments, including renovating six pools, converting an additional four pools to splash pads and creating two new splash pads.

Design work began in 2021 for a pickleball facility at South Lakes Park. This $3 million project will construct up to twenty regulation courts, a clubhouse, stadium seating, restrooms, and plaza. This facility will be capable of hosting regional tournaments that will bring tourism dollars into the community.

Wichita's Department of Housing and Community Services: While the department continued its normal programs in 2021, it also continued offering services aimed at improving the lives of those negatively impacted by the pandemic, which were implemented in 2020, using additional funds provided by the CARES Act and American Rescue Plan Act. These new initiatives included a food box program and the Wichita Emergency Rental Assistance Program (WERAP).

- The food box program, initially funded by a private grant and later continued with CARES Act funding, provided bi-weekly food boxes to senior residents in Wichita Housing Authority (WHA) properties. The goal of the program was to reduce exposure to COVID-19, while maintaining access to nutritious food.
- The WERAP, funded by the Department of Treasury, continued in 2021, and it helps those negatively impacted by the pandemic with utility and rent assistance, as well as other housing stability services.

Providing Affordable Housing: Renovations were completed in 2021 at the former 316 Hotel building near downtown Wichita. A community partner, with funding assistance from the City of Wichita, acquired the building in order to convert it into an apartment complex that will offer 54 affordable studio apartment units for homeless individuals.

In April of 2022, the City allocated $5 million in American Rescue Plan Act funding to create an affordable housing fund. This fund will be made available to non-profit and for-profit developers in the form of grants or forgivable loans up to $50,000 that could be used for new construction, renovation or home repair. Housing units that benefit from this funding source will be made available to low- and moderate-income households.

Growing the Healthcare Sector: Wichita's health care sector has continued to grow, with some exciting developments. The Kansas Health Science Center (KHSC) will open the new Kansas College of Osteopathic Medicine (KHSC – KansasCOM) by August 2022 in downtown Wichita. The proposed college was granted candidate status by the Commission on Osteopathic College Accreditation and is now working towards pre-accreditation status. In connection, Douglas Market Development (DMD) is redeveloping four buildings adjacent to and near the Chester I. Lewis Reflection Park. This private development will include converting (1) the former State Office Building into the KHSC – KansasCOM, (2) the former Sutton Building into approximately 120 housing units, (3) the former Broadway Plaza into an AC Marriott hotel and (4) the former Henry's building into a commercial kitchen and culinary school. The KHSC college is projected to have 680 students and 324 staff once fully operational. Renovations to Chester I. Lewis Reflection Park will be completed in 2022 prior to the opening of the medical school.

The Wichita Urology Group (WUG) invested $10.7 million in the construction of a 26,300 square-foot ambulatory surgical and support center in northeast Wichita. Initial estimates are that approximately 40% of its patients will come from outside the Wichita area. The new surgery center opened in the fall of 2021.

Wesley Medical Center, LLC (Wesley) was granted a seven-year letter of intent to issue Industrial Revenue Bonds not to exceed $100 million to remodel and equip portions of its facility near Central and Hillside. Planned improvements to its facility include updates to the parking garage, elevator units, roof replacements, the relocation of its pediatric support services, as well as the acquisition of new surgical and medical equipment and computers. As a part of this project, Wesley plans to hire an additional 66 employees. This project is slated to be completed in 2022.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wichita, Kansas for its Annual Comprehensive Financial Report for the fiscal year ending on December 31, 2020. The 2020 award represents the 48th consecutive year that the City earned this award.



The GFOA awarded an Award for Outstanding Achievement for Popular Reporting to the City of Wichita, Kansas for its Popular Annual Financial Report (PAFR) for the fiscal year ending on December 31, 2020. The 2020 award represents the City's 12th award, with the City earning the award in each year of participation.

The City also received the GFOA's Certificate of Achievement for Excellence in Financial Reporting for the Wichita Retirement Systems Annual Comprehensive Financial Report for the fiscal year ending on December 31, 2020. The 2020 award represents the 22nd consecutive year that the Wichita Retirement Systems earned this recognition.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for a period of one year only.

The City believes this current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program requirements and it will be submitted to the GFOA to determine its eligibility for another certificate.

For the 34th consecutive year, the City earned the GFOA's Distinguished Budget Presentation Award for its 2022 budget document. The award is the highest form of recognition in governmental budgeting. To receive the award, a government must publish a budget document judged to be proficient as a policy document, a financial plan, an operations guide and a communications device.

Appreciation is expressed to the elected members of the City's governing body for their continued interest and support in planning and conducting the financial operations of the City in a professional, responsible and progressive manner. Additionally, preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We wish to express our appreciation to all members of the department, as well as other City staff who assisted and contributed to its preparation.

Respectfully submitted,

Robert Layton, City Manager

Mark Manning, Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

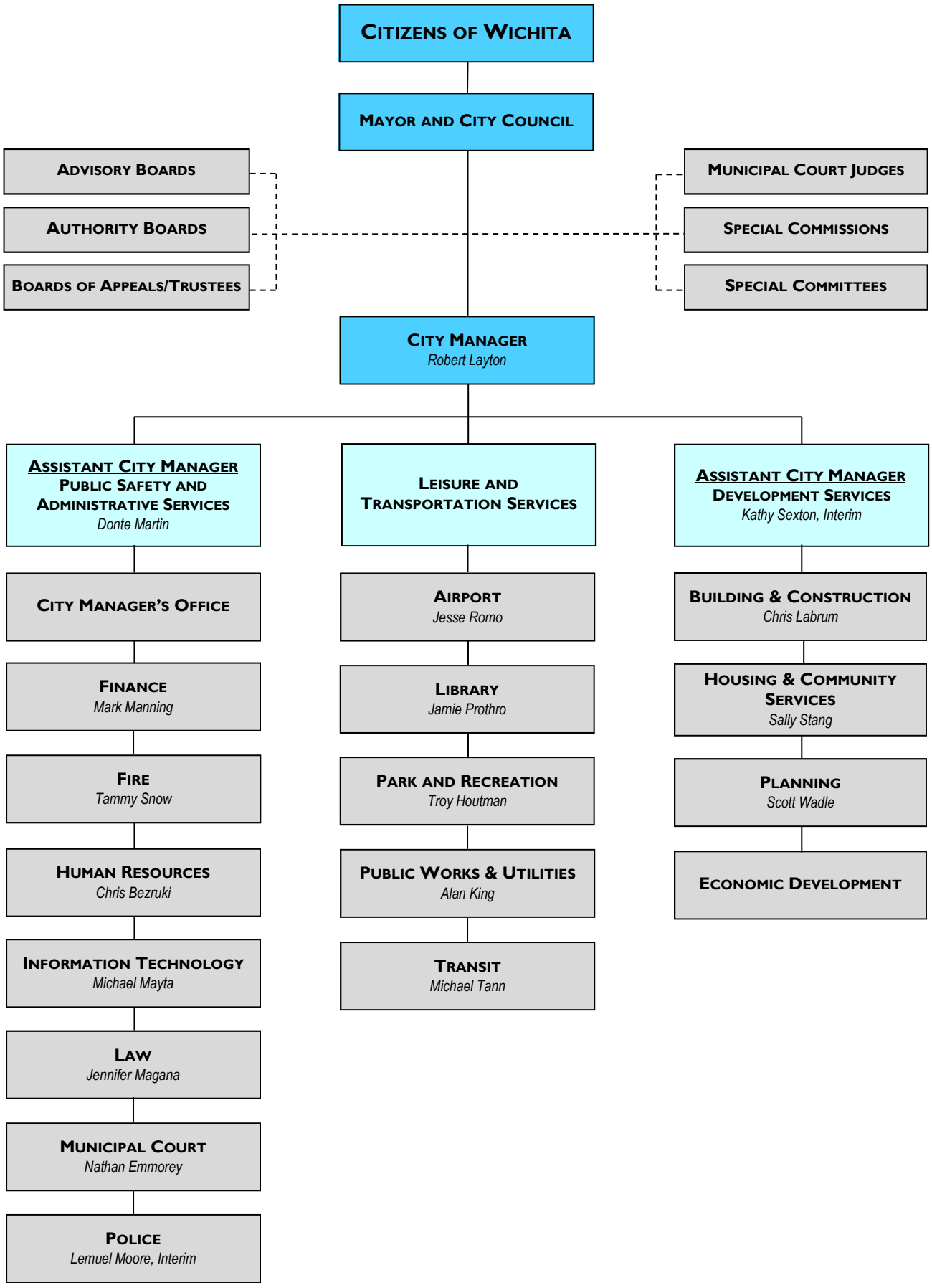
City of Wichita
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO


CITIZENS OF WICHITA
MAYOR AND CITY COUNCIL
ADVISORY BOARDS
AUTHORITY BOARDS
BOARDS OF APPEALS/TRUSTEES
MUNICIPAL COURT JUDGES
SPECIAL COMMISSIONS
SPECIAL COMMITTEES
CITY MANAGER
Robert Layton
ASSISTANT CITY MANAGER
PUBLIC SAFETY AND ADMINISTRATIVE SERVICES
Donte Martin
CITY MANAGER'S OFFICE
FINANCE
Mark Manning
FIRE
Tammy Snow
HUMAN RESOURCES
Chris Bezruki
INFORMATION TECHNOLOGY
Michael Mayta
LAW
Jennifer Magana
MUNICIPAL COURT
Nathan Emmorey
POLICE
Lemuel Moore, Interim
LEISURE AND TRANSPORTATION SERVICES
AIRPORT
Jesse Romo
LIBRARY
Jamie Prothro
PARK AND RECREATION
Troy Houtman
PUBLIC WORKS & UTILITIES
Alan King
TRANSIT
Michael Tann
ASSISTANT CITY MANAGER
DEVELOPMENT SERVICES
Kathy Sexton, Interim
BUILDING & CONSTRUCTION
Chris Labrum
HOUSING & COMMUNITY SERVICES
Sally Stang
PLANNING
Scott Wadle
ECONOMIC DEVELOPMENT

CITY COUNCIL MEMBERS

Brandon Whipple	Mayor	(316) 268-4331
Becky Tuttle	Vice Mayor (II)	(316) 268-4331
Brandon Johnson	Council Member (I)	(316) 268-4331
Michael Hoheisel	Council Member (III)	(316) 268-4331
Jeff Blubaugh	Council Member (IV)	(316) 268-4331
Bryan Frye	Council Member (V)	(316) 268-4331
Maggie Ballard	Council Member (VI)	(316) 268-4331

The Wichita City Council meets Tuesday mornings beginning at 9:00 AM at City Hall, 455 N. Main. On the fourth Tuesday of the month, to reserve time for workshop sessions, the City Council only addresses routine items that require its consent and meetings are generally not held on the fifth Tuesday of the month. The City Council meetings can be viewed live on local channel 7 at 9:00 AM on Tuesdays, or replays on Tuesday at 6:00 PM, Wednesday at 1:00 AM, Saturday at 10:00 AM, and Sunday at 2:00 PM. City Council meetings can also be viewed LIVE or archived video may also be viewed via the internet at the following link: http://www.wichita.gov/Council/Pages/default.aspx.

CITY OFFICES

City Manager	(316) 268-4351	Robert Layton, City Manager
Assistant City Manager	(316) 268-4351	Donte Martin, Assistant City Manager
Assistant City Manager	(316) 268-4351	Kathy Sexton, Interim Assistant City Manager
Airport	(316) 946-4700	Jesse Romo, Director
Finance	(316) 268-4444	Mark Manning, Director
Fire	(316) 268-4451	Tammy Snow, Fire Chief
Housing and Community Services	(316) 462-3795	Sally Stang, Director
Human Resources	(316) 268-4531	Chris Bezruki, Director
Information Technology	(316) 268-4318	Michael Mayta, Chief Information Officer
Law	(316) 268-4681	Jennifer Magana, Director and City Attorney
Library	(316) 261-8520	Jamie Prothro, Director
Metropolitan Area Building and Construction	(316) 660-1840	Chris Labrum, Director
Municipal Court	(316) 268-4611	Nathan Emmorey, Municipal Court Administrator
Park and Recreation	(316) 268-4398	Troy Houtman, Director
Planning	(316) 268-4421	Scott Wadle, Director
Police	(316) 268-4158	Lemuel Moore, Interim Chief of Police
Public Works and Utilities	(316) 268-4497	Alan King, Director
Transit	(316) 352-4802	Michael Tann, Director

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FINANCIAL SECTION



CITY OF WICHITA KANSAS

FINANCIAL SECTION

The Financial Section presents financial information about the City for the year presented and includes the following components:

- Independent Auditor's Report on the Financial Statements
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information

Additionally, the Financial Section presents combining statements, individual fund statements and schedules and other supplementary information in the following subsections:

- Governmental Funds
- Enterprise Funds
- Internal Service Funds
- Fiduciary Funds
- Additional Information

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Wichita
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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wichita (City) as of and for the year ended December 31, 2021, and the related noted to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Wichita RAD Senior, L.P., a discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Wichita RAD Senior, L.P., is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. 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 City 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 City's ability to continue as a going concern for twelve 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 City'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 City'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, schedules of changes in the employer's net pension liability and related ratios, schedules of employer contributions, and schedule of changes in total OPEB liability and related ratios 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding 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 City's financial statements. The combining and individual fund financial statements and schedules, additional information section, water utilities section, schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and the schedule of passenger facility charges required by the *Passenger Facility Charge Audit Guide for Public Agencies* are presented for purposes of additional analysis and are not a required part of the 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 to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, additional information section, water utilities section, schedule of expenditures of federal awards, and schedule of passenger facility charges 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 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 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 June 27, 2022, on our consideration of the City'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 the City'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 the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Fargo, North Dakota
June 27, 2022

This management discussion and analysis provides an overview of the City's financial activities and performance for the fiscal year ended December 31, 2021. The management discussion and analysis is presented in conjunction with the transmittal letter at the front of this report and the City of Wichita's financial statements, which follow this analysis.

FINANCIAL HIGHLIGHTS

- The City's net position increased $125.3 million during 2021, with a $45 million increase in governmental activities and a $80.3 million increase in business-type activities. The most significant increases in net position for business-type activities occurred in the Water and Sewer Utility functions.
- Approximately 77.5% of the City's total assets are held in capital assets, which is down slightly from 2020 at 79.6%.
- In 2021, the City's total bonded debt increased $13.7 million or 1.4%, due to the City issuing more debt ($95.8 million) than it retired ($82.1 million). The governmental activities debt decreased $10.2 million, while the business-type activities debt increased nearly $24 million, primarily due to the Water and Sewer Utility functions issuing bonds for capital improvements.
- Governmental activities revenue of $453.3 million increased approximately $37.6 million or 9% in 2021, with three revenue sources comprising $36.3 million of the change.

  Operating grants and contributions increased $20.7 million, primarily due to fluctuations in the recognition of pandemic related federal grants. The City's grant fund contributed approximately $16.5 million towards this increase with two major fluctuations within its functions: (1) a decrease in the public safety function of $11 million which was offset by (2) an increase in the health and welfare function of nearly $27 million.

  (1) The public safety function decreased in 2021 due to the City recognizing a one-time grant of $12.4 million in CARES funding in the prior year.

  (2) The increase in the health and welfare function was primarily due to the recognition of housing related pandemic grants to assist citizens with rent and utility assistance.

  Property tax revenue increased $7.2 million or 5.9% from the prior year as a result of continued increases in assessed valuation due to a strong housing market in Wichita.

  Sales tax revenue performed stronger than anticipated in 2021, increasing $8.4 million or 13.2%. This increase was twofold, partially due to continued economic strength, as well as, inflation.
- The overall cost of governmental activities was very consistent at $385.6 million in 2021 as compared to $387.8 million in 2020. However, there were significant fluctuations within three functions: (1) public safety decreased $19.3 million or 11.1%, (2) highways and streets decreased $10 million or 14.8%; and (3) health and welfare increased $27.5 million or 78.8%.

  Public Safety expenses decreased chiefly due to adjustments of the City's net pension expense as a result of the changes in its net pension liability and related deferred outflows and inflows. In 2021, pension expense for public safety decreased $18.4 million as compared to an increase of $7.6 million in 2020. Further information about the City's net pension liability can be found in footnote 7.

  Highways and streets expenses were $10 million lower than the prior year expenses predominantly due to three factors: (1) a decrease of $5 million in the loss on disposal of capital assets from prior year; (2) a decrease in pavement preservation expenses of $2.1 million; and (3) a reduction in expenses for assets which will be maintained by other entities, such as freeways, of approximately $3.9 million.

  Health and welfare expenses increased nearly 80% in the current year over the prior year due to an increase in expenses for housing related pandemic grants, including payments to assist citizens with rent and utilities.
- Business-type activities revenue for 2021 of $260.3 million, excluding transfers, was consistent with the prior year at $257.2 million; however, there was significant fluctuations within each of the program revenue categories.
- The cost of business-type activities at $202.7 million was relatively consistent with the prior year, experiencing a decrease of $7.8 million or 3.7%. The Airport Authority comprised the largest change from prior year, with a decrease of $5.2 million or 12.2%. The decline in expenses was comprised of (1) a decrease in personnel expenses of $2

million primarily due to a reduction in pension expense, (2) a decrease in contractuals of $2 million resulting from less non-capital project expenses in the current year, and (3) a decrease in depreciation expense of $1.8 million.

- On a budgetary basis, the General Fund reported an increase of $1.5 million for 2021. The General Fund reported a budgetary fund balance of $42.6 million as of December 31, 2021, which is 15.7% of the 2021 Adopted Budget, including appropriated reserves of $23 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Annual Comprehensive Financial Report consists of four major sections: the Introductory, Financial, Statistical and Single Audit sections. The financial statements include government-wide financial statements, fund financial statements, notes to the financial statements and required supplementary information. Other supplementary information, provided in addition to the basic financial statements, is located in the sections titled Additional Information, Statistical Section and Water Utilities Section. The Water Utilities Section provides specific information for Water and Sewer Utility revenue bondholders.

The City presents two kinds of statements, each providing a different perspective of the City's finances. The reporting focus is on both the City as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the City's overall financial status. The fund financial statements focus on the individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. Both perspectives broaden the basis of comparison and enhance the City's accountability.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements include not only the City itself, known as the primary government, but also the legally separate Wichita Senior RAD L.P. for which the City is considered financially accountable or for which the nature and significance of its relationship the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide statements are prepared using accounting methods similar to those used by private-sector companies. The *Statement of Net Position* presents information on all of the City's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position will serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating, absent extraordinary events.

The *Statement of Activities* reports how the government's net position changed during the most recent fiscal year. All changes in net position (current year's revenues and expenses) are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in the Statement of Activities for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

The government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a portion of their costs through user fees and charges (business-type activities). Governmental activities of the City include general government, public safety, highways and streets, sanitation, health and welfare, and culture and recreation. Business-type activities include the Water Utility, Sewer Utility, Airport Authority, Stormwater Utility, Golf Course System and Transit.

FUND FINANCIAL STATEMENTS

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Wichita, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide more information about the City's individual funds - not the City as a whole. All of the funds of the City of Wichita can be segregated into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on cash flows and other financial assets that can be readily converted to cash and are available in the near future to finance the City's programs, also known as modified accrual. The differences between the short-term view of governmental fund statements and the long-term view

of the governmental activities on the entity-wide financial statements are provided in reconciliations on pages A-24 and A-28. Key differences are the impact of accounting for capital assets and long-term obligations.

The City maintains 25 individual governmental funds. Information is presented separately on the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* for the funds that are considered major funds. Information for the 20 nonmajor governmental funds is combined into a single, aggregated presentation. Individual fund data for each nonmajor governmental fund is provided in the form of combining statements and schedules beginning on page B-1.

The City of Wichita adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund on page A-29, demonstrating compliance with the appropriated budget. For the purposes of this report, the General Fund consists of several separately appropriated subfunds. Budgetary compliance with the appropriated subfunds of the General Fund is provided in the Governmental Funds Section of this report, which begins on page B-1. A more detailed budgetary schedule of the General Fund, as appropriated, is also provided in the Governmental Funds Section, along with other supplementary budgetary governmental fund schedules. A reconciliation of the budgetary basis of accounting to the modified accrual basis presented in the fund financial statements is disclosed in footnote 3.

Proprietary funds, which include enterprise and internal service funds, account for services for which the City charges customers a fee. Enterprise funds account for water utility, sewer utility, airport authority, stormwater utility, golf course system, and transit operations. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. Internal service funds account for the City's information technology, fleet and self-insurance programs. Because internal services primarily benefit governmental rather than business-type functions, the assets and activities of the internal service funds have predominately been included with governmental activities in the government-wide financial statements.

Proprietary funds report the same types of information as the government-wide financial statements, but in greater detail. The proprietary fund financial statements provide separate information for the Water, Sewer and Stormwater Utilities and the Airport Authority Funds, all of which are considered to be major funds of the City. The nonmajor funds are consolidated into an aggregated presentation on the proprietary fund financial statements, as are the internal service funds. Individual fund data for proprietary funds (enterprise and internal service funds) is provided in the form of combining statements beginning on pages C-1 and D-1 of this report.

Fiduciary funds are used to account for activities for which the City is the trustee or fiduciary, and like proprietary funds, present information based on the full accrual basis of accounting. The City has one fiduciary fund: a Pension Trust Fund. Combining statements for its pension plans, which the Pension Trust Fund is comprised of, are found beginning on page E-1.

The City is responsible for ensuring that the assets reported in fiduciary funds are used for the intended purposes only. Activities conducted in a fiduciary capacity are excluded from the City's government-wide financial statements because the City is prohibited from using fiduciary assets to finance its operations.

OTHER FINANCIAL INFORMATION

As mentioned previously, the Annual Comprehensive Financial Report, or Annual Report, provides other information in addition to the basic financial statements, including the following:

- The *Notes to the Financial Statements* provide information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements immediately follow the basic financial statements.
- *Required Supplementary Information* is presented following the notes to the financial statements, and includes information concerning the City's pension plans and other post-employment benefits.
- *Additional Information* is presented beginning on page F-1 and includes supplementary schedules pertaining to long-term debt obligations and insurance policies in force as of December 31, 2021.
- The *Statistical Section*, presented beginning on page G-1, provides detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health. The Statistical Section provides information about financial

trends, revenue capacity, debt capacity, demographic and economic indicators, as well as other operating information.

- The *Single Audit Section* of this report includes information about federal participation in various projects and programs of the City and relevant reports of the City's independent auditor.
- *The Water Utilities Section* provides for the specific informational needs of Water and Sewer Utility revenue bondholders.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

NET POSITION OF THE PRIMARY GOVERNMENT

The net position of the primary government, which can serve as a useful indicator of a government's financial position over time, shows an increase of $125.3 million for 2021.

Approximately 77% of the City's net position consists of its net investment in capital assets (e.g., land, buildings, improvements, equipment), net of related debt. The City uses capital assets to provide services to its citizens; consequently, capital assets are not available for future spending. The City's net investment in capital assets for 2021 of nearly $1.97 billion stayed consistent with the prior year.

An additional portion of the net position represents resources with external restrictions dedicated to specific purposes. The overall restricted net position of the City of $518.6 million increased nearly $95 million or 22.4%. The restricted net position of governmental activities increased approximately $62.8 million or 26.7%, the majority of which was in restrictions for capital projects and debt service. The business-type activities' restricted net position is primarily due to Water and Sewer Utility bond covenant restrictions, which accounted for $208 million of its total restricted net position of $220.8 million.

The unrestricted portion of the net position that may be used for the government's ongoing operations is $66.6 million, which grew $28.3 million or 73.9% over the prior year. The unrestricted net position of governmental activities increased $20.3 million and business-type activities increased $8 million in 2021. A major factor attributing to this change is the decrease in the City's overall net pension liability and related deferred outflows/inflows of $27.4 million. The decline in net pension liability and related deferred outflows/inflows for governmental activities and business-type activities for 2021 was $24.2 million and $3.2 million, respectively.

NET POSITION – PRIMARY GOVERNMENT
AS OF DECEMBER 31,
(DOLLARS IN MILLIONS)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL PRIMARY GOVERNMENT	
	2021	2020	2021	2020	2021	2020
Current and other assets	$ 592.4	$ 492.8	$ 357.8	$ 323.0	$ 950.2	$ 815.8
Capital assets	1,413.5	1,425.7	1,857.4	1,757.3	3,270.9	3,183.0
Total assets	2,005.9	1,918.5	2,215.2	2,080.3	4,221.1	3,998.8
Total deferred outflows of resources	61.6	71.2	22.2	24.9	83.8	96.1
Non-current liabilities	466.6	538.9	786.9	751.3	1,253.5	1,290.2
Other liabilities	207.0	145.5	39.5	30.4	246.5	175.9
Total liabilities	673.6	684.4	826.4	781.7	1,500.0	1,466.1
Total deferred inflows of resources	228.8	185.2	21.1	13.9	249.9	199.1
Net position:						
Net investment in capital assets	891.5	929.6	1,078.3	1,038.1	1,969.8	1,967.7
Restricted	297.8	235.0	220.8	188.7	518.6	423.7
Unrestricted	(24.2)	(44.5)	90.8	82.8	66.6	38.3
Total net position	$ 1,165.1	$ 1,120.1	$ 1,389.9	$ 1,309.6	$ 2,555.0	$ 2,429.7

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REVENUES AND EXPENSES OF THE PRIMARY GOVERNMENT

The following table summarizes the revenues and expenses that contributed to the increase in the net position of the primary government. For the primary government, total revenues increased by $40.7 million, while expenses decreased $10 million from the prior year. An in-depth analysis is continued on the following pages.

CHANGES IN NET POSITION – PRIMARY GOVERNMENT
FOR THE YEAR ENDED DECEMBER 31,
(DOLLARS IN MILLIONS)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	$ 45.3	$ 42.7	$ 236.2	$ 212.9	$ 281.5	$ 255.6
Operating grants and contributions	86.2	65.5	10.1	19.2	96.3	84.7
Capital grants and contributions	43.0	42.6	13.2	23.2	56.2	65.8
General revenues:						
Property taxes	130.3	123.1	-	-	130.3	123.1
Sales taxes	72.2	63.8	-	-	72.2	63.8
Franchise taxes	47.7	45.5	-	-	47.7	45.5
Motor vehicle taxes	17.4	16.7	-	-	17.4	16.7
Transient guest taxes	8.5	7.7	-	-	8.5	7.7
Investment earnings	1.6	5.5	0.1	0.4	1.7	5.9
Miscellaneous	1.1	2.6	0.7	1.5	1.8	4.1
Total revenues	453.3	415.7	260.3	257.2	713.6	672.9
Expenses:						
General government	53.3	50.5	-	-	53.3	50.5
Public safety	154.2	173.5	-	-	154.2	173.5
Highways and streets	57.7	67.7	-	-	57.7	67.7
Sanitation	8.9	7.6	-	-	8.9	7.6
Health and welfare	62.4	34.9	-	-	62.4	34.9
Culture and recreation	42.1	42.1	-	-	42.1	42.1
Interest on long-term debt	7.0	11.5	-	-	7.0	11.5
Water Utility	-	-	82.9	82.0	82.9	82.0
Sewer Utility	-	-	52.0	53.6	52.0	53.6
Airport Authority	-	-	37.5	42.7	37.5	42.7
Stormwater Utility	-	-	10.7	11.9	10.7	11.9
Golf Course System	-	-	4.0	4.3	4.0	4.3
Transit	-	-	15.6	16.0	15.6	16.0
Total expenses	385.6	387.8	202.7	210.5	588.3	598.3
Excess (deficiency) before transfers	67.7	27.9	57.6	46.7	125.3	74.6
Transfers	(22.7)	(13.9)	22.7	13.9	-	-
Increase (decrease) in net position	45.0	14.0	80.3	60.6	125.3	74.6
Net position, beginning of year*	1,120.1	1,106.1	1,309.6	1,249.0	2,429.7	2,355.1
Net position, end of year	$1,165.1	$1,120.1	$1,389.9	$1,309.6	$2,555.0	$2,429.7

** As restated. See Note 21 in the Notes to the Financial Statements.*

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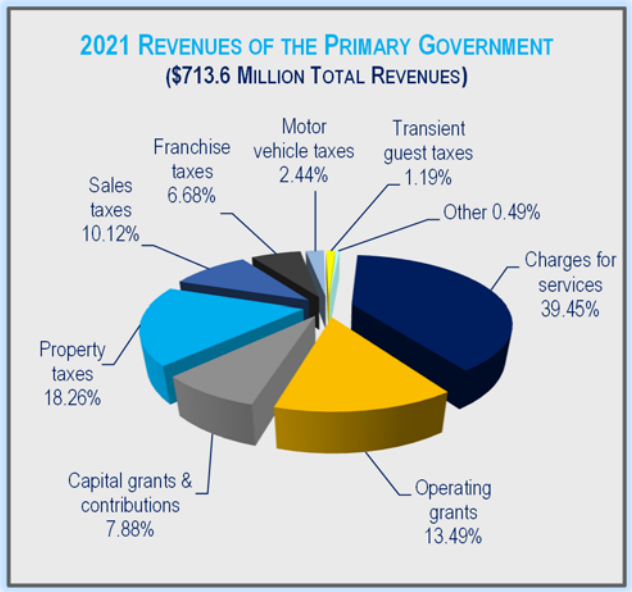
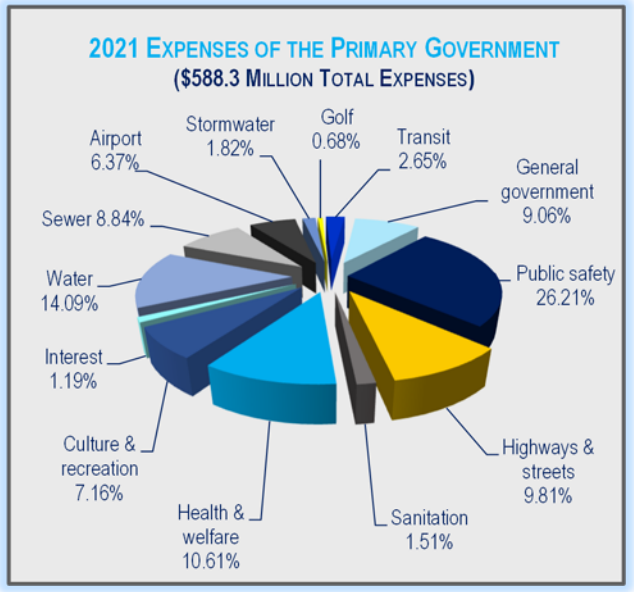




GOVERNMENTAL ACTIVITIES

The net position of governmental activities increased $45 million or 4% in 2021 as compared to an increase of $14 million in 2020. This increase over the prior year was comprised of (1) a growth in governmental revenues of $37.6 million, (2) a decline in expenses of $2.2 million, and (3) an increase in transfers out to business-type activities of $8.8 million.

Revenues: The most significant increases in governmental revenues were $20.7 million in operating grants and contributions, $7.2 million in property taxes, and $8.4 million in sales taxes. The remaining revenues accounted for a combined net increase of $1.3 million, with the most significant fluctuation being investment earnings with a decrease of $3.9 million.

Operating grants and contributions increased primarily due to fluctuations in the recognition of pandemic related federal grants with the City's grant fund contributing approximately $16.5 million towards this increase. There were two major fluctuations within its functions: (1) a decrease in the public safety function of $11 million which was offset by (2) an increase in the health and welfare function of nearly $27 million. The public safety function decreased due the City recognizing a one-time grant of $12.4 million in CARES funding in 2020, while the increase in the health and welfare function was chiefly due to the recognition of housing related pandemic grants to assist citizens with rent and utility assistance.

The rise in *property tax revenue* was a result of continued increases in assessed valuation due to a strong housing market in Wichita.

Finally, *sales tax revenue* performed stronger than anticipated in 2021. The growth was partially a result of continued economic recovery, as well as, the increases in prices of goods and services from the rise in inflation.

Expenses: Overall, the cost of governmental activities was consistent with expenses of $385.6 million in 2021 and $387.8 million in 2020. However, there were noteworthy fluctuations within three functions: public safety, highways and streets and health and welfare.

Public safety expenses declined $19.3 million or 11.1% mainly due to adjustments to the City's net pension expense through changes in its net pension liability and related deferred outflows and inflows. In 2021, pension expense for public safety decreased $18.4 million as compared to an increase of $7.6 million in 2020. Further information about the City's net pension liability can be found in footnote 7.

Highways and streets expenses were $10 million or 14.8% lower than 2020 due to three factors: (1) a decrease of $5 million in the loss on disposal of capital assets; (2) a decrease in pavement preservation expenses of $2.1 million; and (3) a reduction in expenses for assets which will be maintained by other entities, such as freeways, of $3.9 million.

Health and welfare expenses increased $27.5 million or 78.8% over the prior year due to an increase in expenses for housing related pandemic grants, including payments to assist citizens with rent and utilities.

Transfers: Transfers to business-type activities increased $8.8 million over 2020. This increase is attributable to the governmental activities transferring $18.6 million in utility system capital assets to the Water, Sewer and Stormwater Utilities versus $9.9 million in 2020. These capital assets were constructed as a part of governmental capital projects, including neighborhood improvements funded by special assessments.

BUSINESS-TYPE ACTIVITIES

A $80.3 million increase in the net position of business-type activities was realized in 2021. The greatest increase in net position resulted from (1) activities in the Water and Sewer Utility programs with additions to net position of $30.8 million and $23.4 million, respectively, and (2) transfers in from governmental activities to supplement Transit operations and for capital improvements transferred to the Utilities totaling $18.6 million.

Revenues: Business-type activities revenue for 2021 of $260.3 million, excluding transfers, was consistent with the prior year at $257.2 million; however, there were significant fluctuations within each of the program revenue categories.

Charges for services for business-type activities increased $23.3 million or nearly 11% in 2021 with all but Transit experiencing increases. The Water and Sewer Utility charges for services increased $9.5 million and $6.3 million, respectively, due to a combination of increased water consumption, an increase in customers and combined rate increases averaging 5.2%. The Airport's charges for services increased nearly $6 million or 25.7% due to increased airline traffic and continued recovery in the travel and leisure sector throughout 2021 after decreasing $8.8 million in 2020 from the pandemic.

Operating grants and contributions decreased $9.1 million or 47.4% in 2021. In 2020, the Airport recognized $11.5 million in one-time pandemic related federal funding to supplement its operations amidst the downturn in travel. This decrease was offset by an increase of $2.5 million or 32.8% in the Transit fund from federal grant revenues recognized.

In 2021, *Capital grants and contributions* revenues decreased $10 million or 43% from the prior year with two business-type activities, Airport and Transit, contributing the largest changes. On a nearly annual basis, the Airport recognizes federal funding for runway and other airport capital asset construction, which can fluctuate year over year depending on the timing of those projects. The Airport recognized $10 million in capital contributions in the current year, a decrease of $3.3 million over the prior year. In 2021, Transit did not have any major federally funded capital projects underway; whereas, it recognized nearly $6.7 million in capital contributions, primarily related to bus purchases in 2020.

Expenses: The cost of business-type activities at $202.7 million was relatively consistent with the prior year, experiencing a decrease of $7.8 million or 3.7%. The Airport Authority comprised the largest change from prior year, with a decrease of $5.2 million or 12.2%. The decline in expenses was comprised of (1) a decrease in personnel expenses of $2 million primarily due to a reduction in pension expense, (2) a decrease in contractuals of $2 million resulting from less non-capital project expenses in the current year, and (3) a decrease in depreciation expense of $1.8 million.

ANALYSIS OF THE GOVERNMENT'S FUNDS

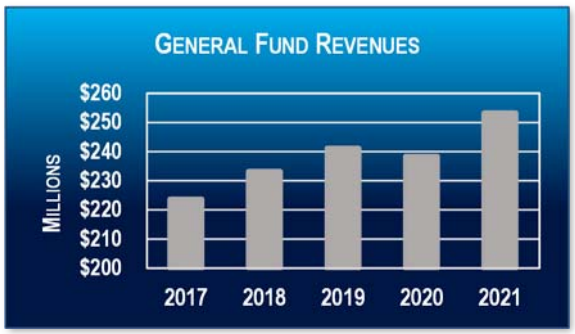
GOVERNMENTAL FUNDS

The City of Wichita uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and budgetary compliance. The focus of the governmental funds is to provide information on near-term inflows, outflows and spendable resources.

At December 31, 2021, the governmental funds had $189.1 million in cash and cash equivalents; $11.9 million in cash at escrows, primarily for specific capital projects; and $14.9 million in restricted investments. The governmental funds reported a combined ending fund balance of $19.1 million in 2021 as compared to $3.8 million at the close of 2020. The $15.3 million growth in fund balance largely resulted from (1) a $5.3 million increase in the General Fund, (2) a $5.4 million increase in the Debt Service Fund, (3) a $8.5 million increase in the Grants and Other Assistance Fund and (4) $4.3 million decline in the Public Improvement Construction Fund.

The *General Fund* is the major operating and taxing fund of the City of Wichita. At the close of 2021, the General Fund and its combined subfunds had a fund balance of $53.7 million dollars. The unassigned fund balance represents the portion of the General Fund's fund balance that has not otherwise been restricted, committed or assigned to specific purposes and can be an important indicator in the health and flexibility of the City's General Fund. As of December 31, 2021, approximately $50.1 million or 93.3% of the General Fund's fund balance was unassigned, an increase of $5.1 million over 2020. The General Fund also had approximately $3.3 million in assigned fund balance for encumbrances and the activity

of its economic development subfund, with the remaining $0.3 million of its fund balance being nonspendable in the form of prepaid expenditures.



Revenue of the General Fund and its subfunds, excluding transfers, grew almost $15 million or 6.3% over the prior year. Nearly all revenues of the General Fund experienced recovery or growth in 2021, with some even returning to or exceeding pre-pandemic levels. The most significant fluctuations in revenue were: (1) an increase in property taxes of $6.8 million due to continued growth in assessed valuation and a slight shift in the distribution of the City's property tax levy between its General Fund and Debt Service Fund; (2) a $2.3 million increase in franchise taxes, which are heavily driven by weather; (3) an increase of $3.8 million in sales taxes due to a combination of inflation and economic recovery and (4) a decrease of $4 million in interest and investment earnings due to weakening interest rates.

In 2021, the expenditures of the General Fund increased $16.3 million or 7.1% over the prior year. The primary fluctuation from 2020 was an increase of $17.9 million in public safety expenditures. However, the public safety expenditures increase was actually closer to $5.5 million or 3.6% after considering that $12.4 million of firefighter wages in 2020 were shifted from the General Fund to the Grants and Other Assistance Fund for reimbursement from a COVID-19 grant. All of the other functions were very consistent with the prior year, with a combined decrease of $1.6 million.

GENERAL FUND EXPENDITURES BY FUNCTION
FISCAL YEARS 2017 THROUGH 2021
(DOLLARS IN MILLIONS)

	2017	2018	2019	2020	2021	2021 PERCENT OF TOTAL
General government	$ 34.6	$ 36.3	$ 37.2	$ 38.9	$ 38.3	15.6%
Public safety	135.1	142.0	145.3	138.8	156.7	64.0%
Highways and streets	15.3	12.8	13.5	15.8	15.0	6.1%
Sanitation	6.0	5.7	5.7	5.0	5.1	2.1%
Health and welfare	1.8	1.9	1.3	1.4	1.3	0.5%
Culture and recreation	30.0	30.2	30.6	28.9	28.7	11.7%
Total expenditures	$ 222.8	$ 228.9	$ 233.6	$ 228.8	$ 245.1	100.0%

The fund balance of the *Debt Service Fund* and its subfunds increased $5.4 million in 2021, primarily related to a decrease in the retirement of long-term debt.

The *Grants and Other Assistance Fund* became a major fund in 2020 due to increased grant activity related to the pandemic and is still a major fund in 2021. The Grants and Other Assistance Fund experienced a $8.5 million increase in fund balance due to revenues temporarily exceeding expenditures. Revenues increased $14.8 million or 30.3% over the prior year, primarily due to the continued recognition of pandemic related grants. Meanwhile, expenditures only increased $6.7 million or 13.5% over prior year with significant fluctuations in two functions: public safety and health and welfare. Public safety expenditures decreased $13.3 million in 2021, primarily due to the City recognizing $12.4 million in 2020 for firefighter wages which were reimbursed by a one-time pandemic grant. The health and welfare expenditures conversely increased $19.1 million or 60.4% over the prior year, again due to pandemic related funding. The largest of this increase can be attributed to $16.6 million in expenditures for rental and utility assistance for citizens under the federal *Emergency Rental Assistance Program*.

The fund balance of the *Street Improvement Fund* increased $1.2 million in 2021 due to the following factors: (1) decreased expenditures of $19.4 million as a result of decreased capital expenditures on freeways and arterials; which was offset by (2) a net decrease in revenues of $17.8 million primarily to decreased federal and state funding as those same projects were completed or neared completion.

In the *Public Improvement Construction Fund*, fund balance decreased $4.3 million in 2021 versus a decrease of $56.1 million during 2020. Revenues were fairly consistent at $1.5 million versus $1.3 million in the prior year. However, expenditures, including interest, only totaled $13.4 million in the current year, a decrease of $54.2 million over the prior

year expenditures of $67.6 million. This decrease is primarily due to one project being substantially completed in 2020, with expenditures of $43.2 million in West Bank improvements (primarily a new baseball stadium) being incurred in the prior year. The decline in fund balance in 2021 was offset by $7.6 million in other financing sources (transfers from other funds), which was $2.6 million lower than the 2020 other financing sources due to $3.3 million in bonds being issued in the prior year versus none in the current year.

As of December 31, 2021, fund balance in the nonmajor governmental funds was $47.4 million, which was fairly consistent with the prior year at $48.1 million.

PROPRIETARY FUNDS

The increase in net position from operations of the Enterprise Funds totaled $82 million in 2021, primarily due the Water and Sewer Utility Funds.

The Water Utility, which accounts for the operation and maintenance of the water supply system, recognized an increase in net position of $33.9 million in 2021 as compared to $25.2 million in the prior year. Operating revenues surpassed operating expenses by $46.1 million and increased $12.1 million or nearly 36% over 2020. Two major factors contributed to the growth in the Water Utility's revenues in 2021: (1) a rate increase of 6.5% was implemented at the beginning of 2021 to ensure adequate resources for operations, capital maintenance and capital investments and (2) an increase in water consumption of approximately 10.6% as a result of a relatively dry and warm year for Wichita.

The Sewer Utility, which accounts for the wastewater treatment system, also implemented a 2021 rate increase of 3.25% which along with a slight increase in customers contributed to higher operating revenues of $5.8 million or 8.4%. This increase, along with a slight decline in expenses of $1.4 million resulted in operating income of $28.9 million. The Sewer Utility's nonoperating expenses, capital contributions and transfers almost completely offset in 2021 due to higher capital contributions of $1.7 million, as compared to a decline of $2 million in 2020.

NET POSITION OF PROPRIETARY FUNDS
(DOLLARS IN MILLIONS)

	2021	2020
Water Utility	$ 555.4	$ 521.5
Sewer Utility	401.5	372.7
Airport Authority	206.2	203.4
Stormwater Utility	198.7	183.4
Golf Course System	(2.3)	(3.5)
Transit	29.0	28.9
Total	$ 1,388.5	$ 1,306.4

The Airport Authority Fund captures the financial activity for the Dwight D. Eisenhower National Airport, serving commercial airlines, as well as the Jabara Airport which serves smaller aircraft. The Airport's net position increased $2.8 million in 2021 as compared to $5.8 million in 2020. The Airport Authority's operating revenues of $29.2 million recovered substantially in the current year, increasing of $5.9 million or 25.3% over the prior year but fell short of pre-pandemic levels by approximately $3 million. Expenses of the Airport decreased $5.8 million due to (1) a decrease in personnel expenses of $2 million primarily due to a reduction in pension expense, (2) a decrease in contractuals of $2 million resulting from less non-capital project expenses in the current year, and (3) a decrease in depreciation expense of $1.8 million. This decline in operating income was offset by a decrease of $11.5 million in operating grants for pandemic assistance received in 2020 and lower capital contributions of approximately $3.3 million.

The Stormwater Utility is funded from fees paid by customers. The Utility operates eleven pump stations, which move excess surface water from heavy rains. The increase in net position of the Stormwater Utility Fund of $15.3 million in 2021 which increased $8.6 million over the prior increase of $6.7 million. This increase was largely due to an increase in capital contributions of $6.8 million.

In the nonmajor enterprise funds, the net position of the Golf Fund increased by $1.2 million after experiencing declines in net position for multiple years. This increase in net position decreased its negative net position from $3.5 million to $2.3 million. The Golf Fund's negative fund position is affected by a long-term interfund loan from the Debt Service Fund.

Also, in the nonmajor enterprise funds, the Transit fund's net position increased slightly at $0.2 million after an operating loss of $13.9 million was supplemented by $9.6 million in operating grants and a $4.3 million transfer from other funds. The Transit Fund, which has benefited from temporary loans to strengthen its financial position, paid off all of its temporary loans in 2021. Also, as cash needs fluctuate, Transit operations may be augmented with the City's pooled funds to address temporary cash deficiencies. As of December 31, 2021, the Transit Fund had $6.1 million in cash and cash equivalents.

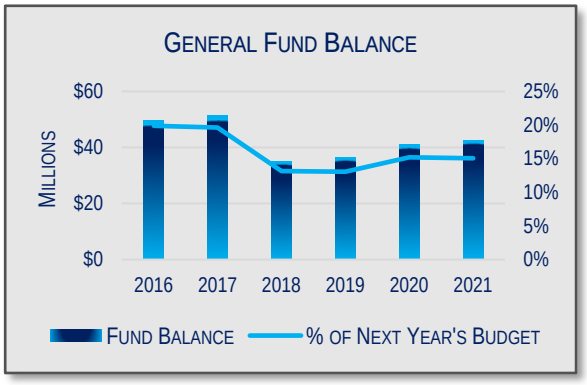
GENERAL FUND BUDGETARY HIGHLIGHTS

The budgetary fund balance of the General Fund grew by $1.5 million in 2021. General Fund revenues and other sources of approximately $256 million exceeded its revised budget by $2.3 million; while its expenditures and other uses of $254.6 million were below the revised budget by $2.1 million.

In 2021, almost all revenues exceeded the prior year and were fairly consistent with the revised budget, with one notable exception: interest earnings. Interest earnings of $1.4 million decreased $4 million from the prior year and was $1.2 million below budget due to continued low interest rates. Property taxes, local sales taxes, intergovernmental, and fines and penalties were the strongest performing revenues in 2021 in comparison to budget and the prior year. Property taxes benefited from continued assessed valuation growth, while local sales taxes were increased due to inflation and economic recovery. Intergovernmental revenues in the General Fund are largely made up of gas tax (shared) revenues, while fines and penalties increased due to the City's municipal court services being operational all year after experiencing periods of closure in 2020 due to the pandemic. Transfers in were still below budget by $1.4 million but increased over the prior year.

Actual expenditures (excluding transfers) were only $1.8 million or 0.7% below the final budget and were $19.1 million or 8.5% above 2020 expenditures, with the largest increase in the public safety function. Public safety expenditures continued to be a priority for the City at $156.7 million or 64.1% of total expenditures and accounted for $18.5 million of the increase in General Fund expenditures. Public safety expenditures in 2020 in the General Fund were $12.4 million lower due to firefighter wages that were transferred to the City's grant fund and reimbursed by a pandemic related grant. The remaining increase of $6.1 million is chiefly due to the increased cost of personnel services due to wage increases.

Fund Balance Analysis: In 2016, the fund balance of the General Fund increased $21.5 million, mostly due to the sale of the Hyatt Hotel for $20 million. These proceeds were transferred out of the General Fund in 2017 and 2018, resulting in the General Fund balance decreasing closer to pre-Hyatt sale levels at the end of 2018. On a budgetary basis, the General Fund ended 2021 with a fund balance of $42.6 million, or 15% of the 2022 Adopted Budget, including an appropriated reserve of $28.3 million. This exceeds the City's fund balance policy requiring the General Fund to have a fund balance of at least 10% of the next year's budgeted expenditures.



CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At the end of 2021, the City of Wichita reported $3.3 billion in capital assets net of depreciation, which is comparable to the amount reported at the end of 2020. Assets are acquired through direct investments by the City, capital contributions, grants and from street and right-of-way dedications. The City's capital assets include land, buildings, machinery, equipment, vehicles, parks, roads, water and sewer treatment facilities, airports, golf courses and many other assets (which are summarized in a table on the following page). Additional information on capital assets can be found in Note 6 to the financial statements.

Major capital outlays in the City's governmental activities during 2021 included the following projects:

- Arterial streets and bridges totaling $15.2 million, including (1) 17th Street, Broadway to I-135 of $2.9 million; (2) Mount Vernon, Broadway to South Boulevard of $3.4 million; (3) West Street, Harry to Kellogg of $2.8 million; and (4) the Harry Street Bridge over the Arkansas River of $0.8 million.
- Neighborhood paving projects totaling $9.7 million.
- Investment of $3 million in snow and heavy fleet equipment replacements.
- Improvements of parks and recreation assets totaling $13.2 million, including $7.2 million in pool rehabilitations and $2.4 million in splash pad construction as a part of the City's aquatics master plan.

The most significant capital asset investments in 2021 for the business-type activities are listed below:

- Water Utility infrastructure improvements of approximately $116 million, including nearly $98 million for construction of the Northwest Water Treatment Facility.
- Sewer Utility infrastructure improvements totaling $13 million, including sanitary sewer reconstruction and rehabilitation totaling $1.6 million, biological nutrient removal of $0.8 million, force main rehabilitation and improvements of $0.8 million, and $6.3 million in capital contributions.
- Airport improvements totaling $11.7 million, including $7.9 million in runway and apron reconstruction and $2.2 million in fuel farm rehabilitation.
- Stormwater Utility improvements of $12.8 million, including $12.2 million in capital contributions.

CAPITAL ASSETS – PRIMARY GOVERNMENT
AS OF DECEMBER 31,
(DOLLARS IN MILLIONS)

	Governmental Activities		Business-type Activities		Total Primary Government		
	2021	2020	2021	2020	2021	2020	Percent Change
Land	$ 274.4	$ 281.8	$ 49.9	$ 49.8	$ 324.3	$ 331.6	(2.2%)
Airfields	-	-	57.5	39.9	57.5	39.9	44.1%
Buildings and improvements	336.6	231.4	1,455.2	1,407.9	1,791.8	1,639.3	9.3%
Equipment	43.7	30.9	72.9	80.4	116.6	111.3	4.8%
Infrastructure	599.9	571.7	-	-	599.9	571.7	4.9%
Construction in progress	158.9	309.9	221.9	179.3	380.8	489.2	(22.2%)
Total capital assets	$1,413.5	$1,425.7	$ 1,857.4	$ 1,757.3	$ 3,270.9	$ 3,183.0	2.8%

LONG-TERM DEBT

At year-end, the City had just over $1 billion in outstanding bonds. Of this amount, outstanding general obligation bonds payable from governmental activities revenue sources totaled $303 million. The City also held $138 million in general obligation temporary notes, with $136.1 million held by governmental capital project funds and $1.9 million by Transit, a nonmajor enterprise fund. Bonded debt of the City of Wichita increased by $13.7 million in 2021 which was comprised of governmental activities debt decreased $10.3 million while business-type activities increased $24 million.

GENERAL OBLIGATION AND REVENUE BONDS
AS OF DECEMBER 31,
(DOLLARS IN MILLIONS)

	Governmental Activities		Business-type Activities		Total Primary Government	
Revenue Source	2021	2020	2021	2020	2021	2020
Ad valorem property taxes	$ 51.5	$ 60.6	$ -	$ -	$ 51.5	$ 60.6
Special assessments	150.0	137.7	-	-	150.0	137.7
Tax increment financing	22.3	24.9	-	-	22.3	24.9
Transient guest tax	2.4	2.4	-	-	2.4	2.4
Local sales tax	76.8	87.7	-	-	76.8	87.7
Enterprise funds	-	-	700.1	676.1	700.1	676.1
Total bonds payable	$ 303.0	$ 313.3	$ 700.1	$ 676.1	$ 1,003.1	$ 989.4

The City primarily finances capital projects with general obligation bonds/notes, revenue bonds, grants, capital contributions and cash. The most significant of the financing tools are general obligation bonds based on the full faith and credit of the City and revenue bonds based on the future earnings of the business-type activities. Projects that rely most heavily upon property taxes for repayment of general obligation bonds include arterial streets, bridges, parks and other public improvements. General obligation bonds issued for neighborhood improvements are repaid from special assessments that are levied on properties benefiting from such improvements. Capital financing costs are also repaid from enterprise, internal service and capital project funds, using a combination of resources, including a dedicated portion of the county-wide local sales tax.

The City adopts a ten-year Capital Improvement Program (CIP) as a planning tool and each project must be brought before the City Council and approved before it can be initiated. The City of Wichita holds a rating of AA+ from Standard and Poor's

and a rating of Aa2 from Moody's Investors Service. The Water and Sewer Utilities hold a rating of AA- from Standard and Poor's.

Kansas state statutes limit the amount of general obligation bonds a City can issue to 30% of the equalized tangible valuation. The 2021 limitation for the City was slightly above $1.3 billion, with a legal debt margin of $957.2 million. More detailed information regarding long-term debt is located in Note 10 to the financial statements, the Additional Information Section, as well as the Statistical Section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

After increased unemployment due to the pandemic, employment numbers rebounded in 2021 with total employment in the Wichita Metropolitan Statistical Area (MSA) growing by an estimated 1.7%. This represented a job gain of 4,900 (compared to the pandemic downturn). This measure is expected to grow an additional 1.3% in 2022.

Economic indicators continued to illustrate Wichita's recovery throughout 2021 with inflation-adjusted retail sales growing 20% from March 2020 to March 2021. Similarly, in April 2020, the CEDBR's[1] Wichita Current Conditions Index declined to its lowest recorded level ever but had recovered substantially by the end of 2021. Continued growth of this measure is expected in 2022.

AVERAGE ANNUAL UNEMPLOYMENT RATES

	WICHITA	WICHITA MSA	NATION
2018	3.8%	3.6%	3.9%
2019	3.6%	3.4%	3.7%
2020	9.2%	8.4%	8.1%
2021	5.8%	5.0%	5.4%

Wichita's real estate market provides another indication of the underlying strength of the Wichita economy. Home prices continued to grow in 2021, increasing 10.5%, and are forecast to grow another 7.6% in 2022. Downtown Wichita has also benefited from significant investment. In 2021, Fidelity Bank completed a $51 million phase I of its new headquarters expansion, and construction began on a $75 million Kansas Health Science Center campus which will revitalize several historic buildings in the downtown core. Across the river from downtown in the Delano neighborhood, construction was completed in 2021 on the $40 million apartment building development, 225 Sycamore. Plans were also finalized for continued investment around the Riverfront Stadium, including a new riverfront hotel, restaurants and office space that will be built immediately east of the stadium.

Wichita's retail sector grew significantly in 2021, and continued growth is expected in 2022[3]. Growth in the service sectors in 2021 resulted in job gains, but growth is anticipated to slow in 2022[3]. Local production on the Boeing 737 Max resumed in the spring of 2020 at Spirit AeroSystems, Wichita's largest private employer, but production is not expected to reach 2019 levels until 2023.

While uncertainty has declined, economic uncertainty and recessionary risks are still elevated above normal levels due to both national and local factors. There remains a degree of uncertainty as mutations of the virus, such as the Omicron variant, continue to place strain on the population, workforce and economy through surges in infection rates. Other international issues such as the Russian Federation's invasion of Ukraine and the associated concern over the trade of commodities such as petrochemical products, food, etc. are expected to impact the Kansas economy through increased demand for those same goods. Finally, inflation and anticipated shifts in monetary policy could impact local economic conditions.

The City's budget has been able to successfully navigate pandemic-related revenue losses due to the federal stimulus provided by the American Rescue Plan Act (ARPA). The City received over $72 million in federal funding from ARPA which has been used to provide community grants for small business development, rehire staff and cash fund infrastructure projects. This funding is expected to buffer any adverse impacts on the General Fund Budget through 2024.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Wichita's finances for individuals with such an interest. Additional information is provided within the notes to the financial statements. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City of Wichita, Kansas, 455 North Main Street, 12th Floor, Wichita, KS 67202.

[1] Center for Economic Development and Business Research (CEDBR)

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CITY OF WICHITA, KANSAS

STATEMENT OF NET POSITION

December 31, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wichita RAD Senior LP
ASSETS				
Cash and cash equivalents	$ 256,059,197	$ 91,319,835	$ 347,379,032	$ 45,946
Investments	13,867,854	-	13,867,854	-
Receivables, net:				
Due from other agencies	2,582,000	2,252,287	4,834,287	-
Accounts receivable	291,439,589	30,991,893	322,431,482	135,536
Notes receivable	1,415,428	-	1,415,428	-
Internal balances	4,376,923	(4,376,923)	-	-
Inventories	1,325,185	4,615,169	5,940,354	-
Prepaid items	7,890,246	694,569	8,584,815	858,504
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	12,439,956	224,887,620	237,327,576	17,442,796
Investments	764,712	-	764,712	-
Net investment in direct financing leases	-	7,437,720	7,437,720	-
Permanently restricted:				
Investments	235,437	-	235,437	-
Capital assets:				
Land and construction in progress	433,351,305	271,744,806	705,096,111	5,056,342
Other capital assets, net	980,187,965	1,585,610,480	2,565,798,445	6,397,784
Total capital assets	1,413,539,270	1,857,355,286	3,270,894,556	11,454,126
Total assets	2,005,935,797	2,215,177,456	4,221,113,253	29,936,908
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized refunding costs	201,643	11,111,888	11,313,531	-
Deferred outflows related to pensions	55,235,325	9,569,945	64,805,270	-
Deferred outflows related to OPEB	6,121,592	1,533,707	7,655,299	-
Total deferred outflows of resources	61,558,560	22,215,540	83,774,100	-

(Continued)

CITY OF WICHITA, KANSAS

STATEMENT OF NET POSITION (CONTINUED)

December 31, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wichita RAD Senior LP
LIABILITIES				
Accounts payable and other liabilities	$ 26,593,623	$ 26,940,624	$ 53,534,247	$ 654,997
Accrued interest payable	2,450,900	4,837,217	7,288,117	19,497
Temporary notes payable	136,146,987	1,893,013	138,040,000	-
Deposits	2,270,048	2,970,318	5,240,366	10,492
Unearned revenue	38,812,441	2,833,575	41,646,016	1,672
Due to other agencies	718,051	63,361	781,412	-
Noncurrent liabilities, including claims payable:				
Due within one year	69,125,921	46,372,266	115,498,187	-
Due in more than one year	397,486,815	740,518,262	1,138,005,077	26,877,566
Total liabilities	673,604,786	826,428,636	1,500,033,422	27,564,224
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	121,425,446	-	121,425,446	-
Unamortized refunding costs	217,815	1,120,017	1,337,832	-
Deferred inflows related to pensions	102,889,936	18,237,929	121,127,865	-
Deferred inflows related to OPEB	4,269,091	1,734,146	6,003,237	-
Total deferred inflows of resources	228,802,288	21,092,092	249,894,380	-
NET POSITION				
Net investment in capital assets	891,531,816	1,078,289,443	1,969,821,259	1,400,578
Restricted for:				
Capital projects	46,702,547	5,808,410	52,510,957	-
Operating projects	-	6,983,238	6,983,238	-
Highways and streets	20,952,350	-	20,952,350	-
Debt service	190,953,692	-	190,953,692	-
Revenue bond covenants	-	207,986,756	207,986,756	-
Cemetery:				
Expendable	1,349,054	-	1,349,054	-
Nonexpendable	235,437	-	235,437	-
Other purposes	37,638,101	-	37,638,101	972,106
Unrestricted	(24,275,714)	90,804,421	66,528,707	-
Total net position	$ 1,165,087,283	$ 1,389,872,268	$ 2,554,959,551	$ 2,372,684

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

CITY OF WICHITA, KANSAS

STATEMENT OF ACTIVITIES

For the year ended December 31, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 53,278,564	$ 28,464,125	$ 3,566,722	$ 805,619
Public safety	154,190,300	3,877,700	5,633,108	127,086
Highways and streets	57,704,009	3,502,925	16,641,937	41,042,864
Sanitation	8,881,740	2,536,961	-	-
Health and welfare	62,423,228	2,447,155	57,192,693	149,211
Culture and recreation	42,093,928	4,500,926	3,132,536	824,309
Interest on long-term debt	7,014,487	-	-	-
Total governmental activities	385,586,256	45,329,792	86,166,996	42,949,089
Business-type activities:				
Water Utility	82,923,390	112,771,597	-	955,354
Sewer Utility	51,983,600	74,382,058	-	1,009,478
Airport Authority	37,456,887	29,229,097	-	10,032,799
Stormwater Utility	10,721,128	13,534,120	-	1,054,163
Golf Course System	4,023,915	5,174,462	-	-
Transit	15,570,092	1,128,875	10,081,307	162,085
Total business-type activities	202,679,012	236,220,209	10,081,307	13,213,879
Total primary government	$ 588,265,268	$ 281,550,001	$ 96,248,303	$ 56,162,968
Component unit:				
Wichita RAD Senior, L.P.	$ 219,851	$ 264,807	$ 142,120	$ 2,185,608
General revenues:				
Property taxes				
Sales taxes				
Franchise taxes				
Motor vehicle taxes				
Transient guest taxes				
Interest and investment earnings				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning, as previously stated				
Prior period adjustment*				
Net position - beginning, as restated				
Net position - ending				

* See Note 21 in the Notes to the Financial Statements for further information.

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Wichita RAD Senior LP
$ (20,442,098)	$ -	$ (20,442,098)	$ -
(144,552,406)	-	(144,552,406)	-
3,483,717	-	3,483,717	-
(6,344,779)	-	(6,344,779)	-
(2,634,169)	-	(2,634,169)	-
(33,636,157)	-	(33,636,157)	-
(7,014,487)	-	(7,014,487)	-
(211,140,379)	-	(211,140,379)	-
-	30,803,561	30,803,561	-
-	23,407,936	23,407,936	-
-	1,805,009	1,805,009	-
-	3,867,155	3,867,155	-
-	1,150,547	1,150,547	-
-	(4,197,825)	(4,197,825)	-
-	56,836,383	56,836,383	-
(211,140,379)	56,836,383	(154,303,996)	-
-	-	-	2,372,684
130,275,782	-	130,275,782	-
72,155,867	-	72,155,867	-
47,715,217	-	47,715,217	-
17,410,460	-	17,410,460	-
8,507,013	-	8,507,013	-
1,631,107	50,385	1,681,492	-
1,074,743	719,354	1,794,097	-
(22,709,232)	22,709,232	-	-
256,060,957	23,478,971	279,539,928	-
44,920,578	80,315,354	125,235,932	2,372,684
1,120,138,425	1,309,556,914	2,429,695,339	-
28,280	-	28,280	-
1,120,166,705	1,309,556,914	2,429,723,619	-
$ 1,165,087,283	$ 1,389,872,268	$ 2,554,959,551	$ 2,372,684

CITY OF WICHITA, KANSAS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2021

	General Fund	Debt Service Fund	Grants and Other Assistance Fund	Street Improvement Fund
ASSETS				
Cash and cash equivalents	$ 59,759,404	$ 23,788,446	$ 37,093,679	$ -
Cash with fiscal agent	-	107,760	-	13
Investments	-	-	13,867,854	-
Receivables, net:				
Property taxes	95,473,293	25,952,153	-	-
Special assessments	-	165,927,645	-	-
Due from other agencies	23	-	1,154,412	442,116
Accounts receivable	1,953,285	-	387,421	486,668
Notes receivable	-	424,492	784,876	-
Due from other funds	100,113	5,668,420	2,732	154,563
Inventories	-	-	93,257	-
Prepaid items	264,419	-	104,486	-
Total assets	$ 157,550,537	$ 221,868,916	$ 53,488,717	$ 1,083,360
LIABILITIES				
Accounts payable and other liabilities	$ 7,378,249	$ 20,635	$ 1,196,680	$ 8,105,739
Accrued interest payable	-	-	-	119,312
Temporary notes payable	-	-	-	18,162,362
Deposits	328,079	456,487	1,072,058	-
Unearned revenue	622,353	2,035,049	36,139,484	-
Due to other agencies	-	-	259,490	-
Due to other funds	-	-	-	21,747,856
Total liabilities	8,328,681	2,512,171	38,667,712	48,135,269
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue:				
Property taxes	95,473,293	25,952,153	-	-
Unavailable revenue:				
Special assessments	-	165,927,645	-	-
Other	-	424,492	1,013,057	240,431
Total deferred inflows of resources	95,473,293	192,304,290	1,013,057	240,431
FUND BALANCES (DEFICITS)				
Nonspendable	264,419	-	104,486	-
Restricted	-	27,052,455	13,703,462	-
Committed	-	-	-	-
Assigned	3,366,995	-	-	-
Unassigned	50,117,149	-	-	(47,292,340)
Total fund balances (deficits)	53,748,563	27,052,455	13,807,948	(47,292,340)
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 157,550,537	$ 221,868,916	$ 53,488,717	$ 1,083,360

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

Public Improvement Construction Fund	Other Governmental Funds	Total Governmental Funds
$ -	$ 68,415,122	$ 189,056,651
11,747,857	-	11,855,630
-	1,000,149	14,868,003
-	-	121,425,446
-	-	165,927,645
360	985,089	2,582,000
-	1,259,124	4,086,498
206,060	-	1,415,428
-	47,912,459	53,838,287
-	19,881	113,138
-	12,786	381,691
$ 11,954,277	$ 119,604,610	$ 565,550,417
$ 1,652,926	$ 5,954,272	$ 24,308,501
445,634	301,982	866,928
72,950,750	45,033,875	136,146,987
-	31,080	1,887,704
-	15,555	38,812,441
-	458,561	718,051
12,248,409	19,716,002	53,712,267
87,297,719	71,511,327	256,452,879
-	-	121,425,446
-	-	165,927,645
200,000	741,000	2,618,980
200,000	741,000	289,972,071
-	235,437	604,342
-	99,437,884	140,193,801
-	15,218,676	15,218,676
-	1,200,856	4,567,851
(75,543,442)	(68,740,570)	(141,459,203)
(75,543,442)	47,352,283	19,125,467
$ 11,954,277	$ 119,604,610	$ 565,550,417

CITY OF WICHITA, KANSAS

RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

December 31, 2021

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balance - governmental funds		**$ 19,125,467**
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements.		
Cost	$ 2,088,447,849	
Accumulated depreciation	(685,198,501)	1,403,249,348
Certain items, which result in a consumption of net position applicable to a future reporting period, are recognized as prepaid assets in the government-wide financial statements.		
Prepaid operating lease		7,379,655
Certain items, which result in a consumption of net position applicable to a future reporting period, are recognized as deferred outflows of resources in the government-wide financial statements.		
Unamortized deferred refunding costs	201,643	
Deferred outflows related to pensions	53,128,581	
Deferred outflows related to OPEB	5,874,492	59,204,716
Liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
General obligation bonds payable	(149,350,490)	
Special assessment bonds payable	(150,003,340)	
Sales tax revenue bonds payable	(3,673,689)	
Premium on bonds payable	(28,280,439)	
Accrued interest on bonds payable	(1,583,972)	
Compensated absences	(11,975,514)	
Net pension liability	(10,477,378)	
Total other post-employment benefits (OPEB) liability	(34,446,032)	
Environmental remediation liability	(28,566,924)	
Liability for future landfill closure and post-closure costs	(9,544,385)	(427,902,163)
Certain items, which result in an acquisition of net position applicable to a future reporting period, are recognized as deferred inflows of resources in the government-wide financial statements.		
Unamortized deferred refunding costs	(217,815)	
Deferred inflows related to pensions	(98,700,773)	
Deferred inflows related to OPEB	(4,022,006)	(102,940,594)
Accounts receivable not considered available to liquidate liabilities of the current period are deferred in the funds. They are recorded as revenue in the government-wide statements.		2,618,980
Special assessments are not considered available to liquidate liabilities of the current period and, therefore, are deferred in the funds. However, they are properly recognized as revenue in the government-wide statements as soon as the related improvement is completed.		165,927,645
Internal service funds are used to charge the cost of certain activities, such as insurance, to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Position.		38,424,229
Total net position - governmental activities		**$ 1,165,087,283**

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

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CITY OF WICHITA, KANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the year ended December 31, 2021

	General Fund	Debt Service Fund	Grants and Other Assistance Fund	Street Improvement Fund
REVENUES				
Property taxes	$ 96,238,598	$ 29,516,832	$ -	$ -
Motor vehicle taxes	13,388,291	3,986,284	-	-
Transient guest taxes	-	-	-	-
Special assessments	-	22,302,990	-	-
Franchise taxes	47,715,217	-	-	-
Local sales tax	34,600,874	580,551	-	-
Intergovernmental	18,768,626	-	59,415,471	2,634,739
Licenses and permits	2,177,531	-	-	-
Fines and penalties	9,362,457	-	10,765	-
Rentals	1,447,072	-	629,386	-
Sale of property	134,797	-	34,216	-
Interest and investment earnings	1,366,585	50	8,013	-
Charges for services and sales	17,402,244	-	-	-
Other revenue	10,472,716	41,439	3,511,510	1,183,931
Total revenues	253,075,008	56,428,146	63,609,361	3,818,670
EXPENDITURES				
Current:				
General government	38,263,492	325,111	1,170,464	-
Public safety	156,658,494	-	3,766,166	-
Highways and streets	14,995,174	-	-	-
Sanitation	5,140,806	-	-	-
Health and welfare	1,356,451	-	50,711,376	-
Culture and recreation	28,677,852	-	673,860	-
Debt service:				
Principal retirement	-	39,452,026	-	-
Interest and fiscal charges	-	11,394,447	-	5,659,744
Other debt service	-	203,906	-	-
Capital outlay	-	-	-	34,627,167
Total expenditures	245,092,269	51,375,490	56,321,866	40,286,911
Excess (deficiency) of revenues over (under) expenditures	7,982,739	5,052,656	7,287,495	(36,468,241)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	363
Premiums on issuance of debt	-	166,363	-	4,229,903
Transfers from other funds	4,555,071	14,458,269	1,197,485	33,443,464
Transfers to other funds	(7,248,254)	(14,254,883)	-	-
Total other financing sources (uses)	(2,693,183)	369,749	1,197,485	37,673,730
Net change in fund balance	5,289,556	5,422,405	8,484,980	1,205,489
Fund balances (deficits) - beginning, as previously stated	48,459,007	21,630,050	5,322,968	(48,497,829)
Prior period adjustment*	-	-	-	-
Fund balances (deficits) - beginning, as restated	48,459,007	21,630,050	5,322,968	(48,497,829)
Fund balances (deficits) - ending	$ 53,748,563	$ 27,052,455	$ 13,807,948	$ (47,292,340)

* See Note 21 in the Notes to the Financial Statements for further information.

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

Public Improvement Construction Fund	Other Governmental Funds	Total Governmental Funds
$ -	$ 4,520,352	$ 130,275,782
-	35,885	17,410,460
-	8,507,013	8,507,013
-	711,989	23,014,979
-	-	47,715,217
-	36,974,442	72,155,867
263,311	9,631,082	90,713,229
-	4,375	2,181,906
-	449,199	9,822,421
350,000	448,687	2,875,145
-	8,254,672	8,423,685
57,461	198,998	1,631,107
62,055	4,501,565	21,965,864
777,833	1,005,016	16,992,445
1,510,660	75,243,275	453,685,120
-	5,209,593	44,968,660
-	5,770,333	166,194,993
-	-	14,995,174
-	3,394,259	8,535,065
-	7,166,088	59,233,915
-	6,091,100	35,442,812
-	-	39,452,026
565,546	392,147	18,011,884
-	-	203,906
12,798,222	39,569,456	86,994,845
13,363,768	67,592,976	474,033,280
(11,853,108)	7,650,299	(20,348,160)
-	29,214,637	29,215,000
-	4,745,000	9,141,266
7,613,120	20,984,141	82,251,550
(56,000)	(63,358,690)	(84,917,827)
7,557,120	(8,414,912)	35,689,989
(4,295,988)	(764,613)	15,341,829
(71,247,454)	48,088,616	3,755,358
-	28,280	28,280
(71,247,454)	48,116,896	3,783,638
$ (75,543,442)	$ 47,352,283	$ 19,125,467

CITY OF WICHITA, KANSAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the year ended December 31, 2021

Amounts reported for governmental activities in the Statement of Net Position are different because:

Net change in fund balance - governmental funds		**$ 15,341,829**
Governmental funds report capital asset acquisitions, excluding non-cash donations, as expenditures. However, in the Statement of Activities, the cost of assets capitalized is allocated over their estimated useful lives and are reported as depreciation expense. This is the amount by which capital asset acquisitions exceeded depreciation in the current period.		
Depreciation expense	$ (43,181,612)	
Net capital asset acquisition	56,683,259	13,501,647
In the Statement of Activities, the gain or loss from the sale of capital assets is reported, whereas in the governmental funds, only cash proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of capital assets sold.		(7,689,595)
In the Statement of Activities, transfers of capital assets from governmental activities to business-type activities are reported as transfers, whereas in the governmental funds, there is no event to report as there is no outward flow of current financial resources.		(18,599,300)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.		
Receivables not received within 60 days of fiscal year end		13,281,012
Debt proceeds provide current financial resources of governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.		
Special assessment bonds payable	(29,215,000)	
Premium on debt	(9,141,266)	(38,356,266)
Repayment of debt principal is reported as an expenditure in the governmental funds, but the payment reduces long-term liabilities in the Statement of Net Position.		
General obligation bonds payable	22,205,343	
Special assessment bonds payable	16,870,497	
Sales tax revenue bonds payable	376,186	39,452,026
The amortization of debt premiums and discounts affects long-term liabilities on the Statement of Net Position, but does not provide or consume current financial resources of the governmental funds.		10,691,806
Deferred refunding costs reduce current financial resources of governmental funds, but do not decrease long-term liabilities in the Statement of Net Position.		(134,434)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Accrued interest on bonds payable	167,493	
Compensated absences	403,115	
Net pension liability	3,161,104	
Total other post-employment benefits (OPEB) liability	(2,028,858)	
Environmental remediation liability	(3,407,432)	
Liability for future landfill closure and post-closure costs	(106,931)	
Prepaid operating lease	(549,410)	(2,360,919)
The amortization of collective deferred outflows and inflows of resources related to pensions and OPEB affect the change in net position, but does not provide or use current financial resources in the governmental funds.		
Deferred outflows related to pensions	(12,215,636)	
Deferred outflows related to OPEB	(962,045)	
Deferred inflows related to pensions	32,497,228	
Deferred inflows related to OPEB	723,958	20,043,505
Internal service funds are used to charge the cost of certain activities, such as insurance, to the individual funds. A portion of the net revenue (expense) of certain internal service funds is allocated and reported within governmental activities.		(250,733)
Change in net position - governmental activities		**$ 44,920,578**

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

CITY OF WICHITA, KANSAS

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
General property taxes	$ 94,493,821	$ 94,492,451	$ 96,238,598	$ 1,746,147	$ 89,405,772
Franchise taxes	47,176,699	47,977,998	47,715,217	(262,781)	45,460,943
Motor vehicle taxes	12,240,560	13,213,722	13,388,291	174,569	12,804,813
Local sales tax	28,823,729	32,530,572	34,600,874	2,070,302	30,820,358
Intergovernmental	16,319,939	17,632,275	18,768,626	1,136,351	16,768,679
Licenses and permits	2,806,899	2,645,603	2,177,531	(468,072)	2,062,390
Fines and penalties	7,708,245	8,024,911	9,362,457	1,337,546	8,344,413
Charges for services and sales	18,014,661	17,352,119	16,465,484	(886,635)	16,466,472
Rental income	860,548	1,003,616	1,088,101	84,485	876,084
Interest earnings	3,150,284	2,600,000	1,366,585	(1,233,415)	5,409,173
Sale of property	228,008	225,008	103,781	(121,227)	133,736
Administrative charges	4,350,613	4,686,578	4,882,234	195,656	4,077,542
Other revenues	5,352,284	5,420,151	5,252,070	(168,081)	4,533,700
Total revenues	241,526,290	247,805,004	251,409,849	3,604,845	237,164,075
EXPENDITURES					
General government	34,991,797	32,690,518	36,777,847	(4,087,329)	37,542,669
Public safety	155,654,477	157,320,098	156,715,676	604,422	138,185,979
Highways and streets	15,859,814	16,800,282	15,020,158	1,780,124	14,675,774
Sanitation	5,317,581	5,519,030	5,140,523	378,507	5,046,705
Health and welfare	1,286,979	1,343,691	1,356,451	(12,760)	1,384,830
Culture and recreation	27,982,249	32,529,554	29,379,742	3,149,812	28,485,330
Total expenditures	241,092,897	246,203,173	244,390,397	1,812,776	225,321,287
Excess of revenues over expenditures	433,393	1,601,831	7,019,452	5,417,621	11,842,788
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	6,247,977	5,894,415	4,555,071	(1,339,344)	3,854,586
Transfers to other funds	(6,681,370)	(10,496,246)	(10,248,254)	247,992	(11,192,226)
Total other financing uses	(433,393)	(4,601,831)	(5,693,183)	(1,091,352)	(7,337,640)
Excess (deficiency) before other changes in unencumbered fund balance	-	(3,000,000)	1,326,269	4,326,269	4,505,148
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Cancelled encumbrances	-	-	138,103	138,103	226,349
Total other changes in unencumbered fund balance	-	-	138,103	138,103	226,349
Net change in fund balance	-	(3,000,000)	1,464,372	4,464,372	4,731,497
Unencumbered fund balance, beginning	35,361,357	35,361,357	41,092,854	5,731,497	36,361,357
Unencumbered fund balance, ending	$ 35,361,357	$ 32,361,357	$ 42,557,226	$ 10,195,869	$ 41,092,854

* The 2021 certified expenditure budget is $270,774,267, including an appropriated reserve of $23,000,000. The adoption of the Revised Budget and subsequent adjustments includes an appropriated reserve of $14,074.848.

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

CITY OF WICHITA, KANSAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2021

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
ASSETS			
Current assets:			
Cash and cash equivalents	$ 7,124,056	$ 27,833,316	$ 28,779,926
Receivables, net:			
Due from other agencies	-	-	1,156,998
Accounts receivable	15,405,850	11,750,943	1,280,538
Due from other funds	-	88,458	99,985
Inventories	4,060,324	101,945	-
Prepaid items	-	681,240	9,629
Restricted assets:			
Cash and cash equivalents	26,045,310	17,289,024	12,791,530
Net investment in direct financing lease	-	-	247,951
Total current assets	52,635,540	57,744,926	44,366,557
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	107,623,232	61,138,524	-
Net investment in direct financing lease	-	-	7,189,769
Capital assets:			
Land	17,099,961	4,385,418	17,886,413
Airfield	-	-	207,099,501
Buildings	140,759,949	138,907,459	196,247,682
Improvements other than buildings	775,383,400	478,389,832	93,241,227
Machinery, equipment and other assets	123,612,880	69,449,516	44,599,903
Construction in progress	173,457,693	42,566,993	4,481,282
Less accumulated depreciation	(391,390,938)	(237,729,565)	(259,099,910)
Total capital assets, net	838,922,945	495,969,653	304,456,098
Total noncurrent assets	946,546,177	557,108,177	311,645,867
Total assets	999,181,717	614,853,103	356,012,424
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized refunding costs	7,263,654	3,382,792	465,442
Deferred outflows related to pensions	3,039,467	2,592,473	2,614,076
Deferred outflows related to OPEB	420,013	437,246	272,604
Total deferred outflows of resources	10,723,134	6,412,511	3,352,122

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

Business-type Activities Enterprise Funds			Governmental Activities
Stormwater Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
$ 19,318,574	$ 8,263,963	$ 91,319,835	$ 67,586,872
-	1,095,289	2,252,287	-
2,467,911	86,651	30,991,893	-
811	8,286	197,540	5,656,555
-	452,900	4,615,169	1,212,047
-	3,700	694,569	128,900
-	-	56,125,864	-
-	-	247,951	-
21,787,296	9,910,789	186,445,108	74,584,374
-	-	168,761,756	-
-	-	7,189,769	-
7,939,311	2,535,285	49,846,388	-
-	-	207,099,501	-
9,481,468	15,999,414	501,395,972	74,242
209,899,711	15,673,943	1,572,588,113	74,907
7,064,661	35,852,748	280,579,708	44,422,578
1,364,600	27,850	221,898,418	-
(46,360,002)	(41,472,399)	(976,052,814)	(34,281,805)
189,389,749	28,616,841	1,857,355,286	10,289,922
189,389,749	28,616,841	2,033,306,811	10,289,922
211,177,045	38,527,630	2,219,751,919	84,874,296
-	-	11,111,888	-
585,661	738,268	9,569,945	2,106,744
117,610	286,234	1,533,707	247,100
703,271	1,024,502	22,215,540	2,353,844

(Continued)

CITY OF WICHITA, KANSAS

STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS

December 31, 2021

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
LIABILITIES			
Current liabilities:			
Accounts payable and other liabilities	$ 22,673,214	$ 1,190,007	$ 2,366,668
Accrued interest payable	169,676	-	521,478
Temporary notes payable	-	-	-
Deposits	2,955,607	-	14,211
Due to other agencies	9,218	54,143	-
Due to other funds	311,695	-	-
Current portion of long-term liabilities:			
General obligation bonds payable	5,950,000	-	3,545,000
Claims payable	-	-	-
Capital lease payable	-	-	-
Compensated absences	475,047	291,623	442,980
Current liabilities payable from restricted assets:			
Accounts payable and other liabilities	-	-	51,895
Accrued interest payable	2,405,299	1,704,035	-
Revenue bonds payable	17,690,011	15,584,989	247,951
Total current liabilities	52,639,767	18,824,797	7,190,183
Noncurrent liabilities:			
Unearned revenue	-	-	2,706,767
Due to other funds	-	-	-
General obligation bonds payable	101,187,176	-	127,896,438
Revenue bonds payable	266,093,504	192,088,991	7,189,769
Loans payable	24,955,017	-	-
Claims payable	-	-	-
Capital lease payable	-	-	-
Net pension liability	1,351,528	1,172,243	862,553
Total other post-employment benefits (OPEB) liability	2,166,695	1,989,822	1,768,731
Compensated absences	147,030	90,259	137,105
Total noncurrent liabilities	395,900,950	195,341,315	140,561,363
Total liabilities	448,540,717	214,166,112	147,751,546
DEFERRED INFLOWS OF RESOURCES			
Unamortized refunding costs	379,835	628,502	-
Deferred inflows related to pensions	5,343,618	4,623,189	5,050,963
Deferred inflows related to OPEB	264,908	399,221	329,346
Total deferred inflows of resources	5,988,361	5,650,912	5,380,309
NET POSITION			
Net investment in capital assets	408,976,592	290,372,447	171,975,454
Restricted for:			
Capital projects	-	-	5,808,410
Operating projects	-	-	6,983,238
Revenue bond covenants	131,263,243	76,723,513	-
Unrestricted	15,135,938	34,352,630	21,465,589
Total net position	$ 555,375,773	$ 401,448,590	$ 206,232,691

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

Business-type Activities Enterprise Funds			Governmental Activities
Stormwater Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
$ 334,018	$ 324,822	$ 26,888,729	$ 2,285,122
24,015	12,714	727,883	-
-	1,893,013	1,893,013	-
-	500	2,970,318	382,344
-	-	63,361	-
-	-	311,695	-
1,774,980	-	11,269,980	-
-	-	-	14,211,695
-	-	-	129,534
105,201	264,484	1,579,335	407,677
-	-	51,895	-
-	-	4,109,334	-
-	-	33,522,951	-
2,238,214	2,495,533	83,388,494	17,416,372
-	126,808	2,833,575	-
-	5,668,420	5,668,420	-
8,185,421	-	237,269,035	-
-	-	465,372,264	-
-	-	24,955,017	-
-	-	-	22,795,221
-	-	-	161,132
289,613	399,943	4,075,880	1,048,123
574,837	1,857,167	8,357,252	1,414,984
32,561	81,859	488,814	126,179
9,082,432	8,134,197	749,020,257	25,545,639
11,320,646	10,629,730	832,408,751	42,962,011
111,680	-	1,120,017	-
1,491,159	1,729,000	18,237,929	4,189,163
257,923	482,748	1,734,146	247,085
1,860,762	2,211,748	21,092,092	4,436,248
179,175,649	27,789,301	1,078,289,443	9,999,256
-	-	5,808,410	-
-	-	6,983,238	-
-	-	207,986,756	-
19,523,259	(1,078,647)	89,398,769	29,830,625
$ 198,698,908	$ 26,710,654	1,388,466,616	$ 39,829,881
Some amounts reported as business-type activities in the Statement of Net Position vary because certain internal service fund assets and liabilities are included within business-type activities		1,405,652	
Net position of business-type activities		$ 1,389,872,268	

CITY OF WICHITA, KANSAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the year ended December 31, 2021

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
OPERATING REVENUES			
Charges for services and sales	$ 111,640,123	$ 73,754,718	$ 14,497,005
Fees	1,084,941	606,811	115,789
Rentals	46,533	20,529	14,616,303
Employer contributions	-	-	-
Employee contributions	-	-	-
Other operating revenues	225,549	158,759	19,691
Total operating revenues	112,997,146	74,540,817	29,248,788
OPERATING EXPENSES			
Personnel services	11,006,703	11,696,019	9,772,967
Contractual services	13,892,103	10,183,086	5,113,020
Materials and supplies	3,970,400	4,554,845	3,931,251
Other operating expenses	5,446,719	3,196,857	990,929
Administrative charges	766,716	412,219	436,435
Payments in lieu of franchise taxes	4,983,486	3,330,789	-
Depreciation	26,876,676	12,281,551	11,074,623
Employee benefits	-	-	-
Total operating expenses	66,942,803	45,655,366	31,319,225
Operating income (loss)	46,054,343	28,885,451	(2,070,437)
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment earnings	27,742	22,327	316
Intergovernmental grants	-	-	-
Other revenues (expenses)	(4,060,347)	(321,576)	(56,266)
Interest expense	(12,956,688)	(7,121,328)	(5,369,746)
Gain (loss) on sale of assets	(61,784)	(113,904)	44,745
Bond premium amortization	1,811,201	1,257,569	216,367
Total non-operating revenues (expenses)	(15,239,876)	(6,276,912)	(5,164,584)
Income (loss) before capital contributions and transfers	30,814,467	22,608,539	(7,235,021)
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital contributions	3,114,132	6,260,009	10,032,799
Transfers from other funds	-	-	-
Transfers to other funds	(67,845)	(149,596)	-
Total capital contributions and transfers	3,046,287	6,110,413	10,032,799
Change in net position	33,860,754	28,718,952	2,797,778
Net position - beginning	521,515,019	372,729,638	203,434,913
Net position - ending	$ 555,375,773	$ 401,448,590	$ 206,232,691

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

Business-type Activities Enterprise Funds			Governmental Activities
Stormwater Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
$ 13,367,483	$ 2,672,546	$ 215,931,875	$ 17,448,832
166,637	2,222,066	4,196,244	-
-	1,408,725	16,092,090	9,506,133
-	-	-	47,034,413
-	-	-	12,022,922
296,054	529,127	1,229,180	917,526
13,830,174	6,832,464	237,449,389	86,929,826
2,419,770	10,010,256	44,905,715	9,839,385
2,737,655	2,908,947	34,834,811	21,005,415
567,783	2,353,888	15,378,167	6,347,269
1,113,672	196,063	10,944,240	579,715
289,304	685,955	2,590,629	1,101,803
-	-	8,314,275	-
3,363,198	3,415,045	57,011,093	3,352,730
-	-	-	43,926,412
10,491,382	19,570,154	173,978,930	86,152,729
3,338,792	(12,737,690)	63,470,459	777,097
-	-	50,385	-
-	9,571,481	9,571,481	-
(171,067)	25,136	(4,584,120)	(1,902,643)
(341,420)	(14,482)	(25,803,664)	(21,192)
-	27,145	(103,798)	933
217,762	-	3,502,899	-
(294,725)	9,609,280	(17,366,817)	(1,922,902)
3,044,067	(3,128,410)	46,103,642	(1,145,805)
12,244,154	162,085	31,813,179	627,328
41,138	4,286,235	4,327,373	-
-	-	(217,441)	(1,443,655)
12,285,292	4,448,320	35,923,111	(816,327)
15,329,359	1,319,910	82,026,753	(1,962,132)
183,369,549	25,390,744	1,306,439,863	41,792,013
$ 198,698,908	$ 26,710,654	$ 1,388,466,616	$ 39,829,881

Increase in net position per fund statements	$ 82,026,753
Some amounts reported as business-type activities in the Statement of Activities vary because a portion of the net revenue (expense) of the internal service funds is reported within business-type activities.	(1,711,399)
Change in net position of business-type activities	$ 80,315,354

CITY OF WICHITA, KANSAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the year ended December 31, 2021

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 106,739,968	$ 72,248,287	$ 28,296,703
Cash payments to suppliers for goods and services	(25,059,388)	(18,683,663)	(11,104,922)
Cash payments to employees for services	(11,526,779)	(12,253,444)	(10,774,821)
Payments in lieu of franchise taxes	(4,983,486)	(3,330,789)	-
Other operating revenues	233,145	158,938	19,691
Other operating expenses	(3,654,398)	-	(56,266)
Net cash provided by (used in) operating activities	61,749,062	38,139,329	6,380,385
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating grants received	-	-	3,239,095
Interfund loans	311,695	(88,458)	(99,985)
Transfers from other funds	-	-	-
Transfers to other funds	(67,845)	(149,596)	-
Net cash provided by (used in) noncapital financing activities	243,850	(238,054)	3,139,110
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Issuance of temporary notes	-	15,955,000	-
Retirement of temporary notes	-	-	-
Issuance of capital debt	75,635,589	1,236,033	-
Premiums on issuance of capital debt	1,607,488	-	-
Issuance of direct financing lease	-	-	1,540,533
Payments on direct financing lease	-	-	-
Accrued interest on issuance of capital debt	14,840	11,406	-
Debt issuance costs paid	(418,654)	(321,755)	-
Principal payments on long-term debt	(22,187,744)	(13,907,256)	(4,860,533)
Interest payments on long-term debt	(13,024,444)	(7,172,365)	(5,420,509)
Additions to property, plant and equipment	(105,669,276)	(9,763,478)	(10,519,148)
Sale of capital assets	11,701	104,999	44,745
Capital contributions	172,879	374,792	8,875,800
Net cash provided by (used in) capital and related financing activities	(63,857,621)	(13,482,624)	(10,339,112)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	12,902	10,921	316
Net cash provided by investing activities	12,902	10,921	316
Net increase (decrease) in cash and temporary investments	(1,851,807)	24,429,572	(819,301)
Cash and temporary investments - beginning	142,644,405	81,831,292	42,390,757
Cash and temporary investments - ending	$ 140,792,598	$ 106,260,864	$ 41,571,456

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

Business-type Activities Enterprise Funds			Governmental Activities
Stormwater Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
$ 12,924,500	$ 6,242,928	$ 226,452,386	$ 86,066,059
(4,474,737)	(6,197,072)	(65,519,782)	(65,473,748)
(2,685,714)	(10,291,883)	(47,532,641)	(10,433,708)
-	-	(8,314,275)	-
296,054	554,263	1,262,091	1,016,349
(171,067)	-	(3,881,731)	(2,001,466)
5,889,036	(9,691,764)	102,466,048	9,173,486
-	10,397,819	13,636,914	-
(811)	(426,946)	(304,505)	31,207,462
41,138	4,286,235	4,327,373	-
-	-	(217,441)	(1,443,655)
40,327	14,257,108	17,442,341	29,763,807
-	1,893,013	17,848,013	-
-	(889,359)	(889,359)	-
-	-	76,871,622	-
-	-	1,607,488	-
-	-	1,540,533	-
-	-	-	-
-	-	26,246	-
-	-	(740,409)	-
(1,714,160)	-	(42,669,693)	(122,095)
(371,343)	(2,115)	(25,990,776)	(21,192)
(1,263,772)	(218,366)	(127,434,040)	(3,659,201)
-	27,145	188,590	327,410
1,023,113	162,085	10,608,669	-
(2,326,162)	972,403	(89,033,116)	(3,475,078)
-	-	24,139	-
-	-	24,139	-
3,603,201	5,537,747	30,899,412	35,462,215
15,715,373	2,726,216	285,308,043	32,124,657
$ 19,318,574	$ 8,263,963	$ 316,207,455	$ 67,586,872

(Continued)

CITY OF WICHITA, KANSAS

STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS

For the year ended December 31, 2021

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	$ 46,054,343	$ 28,885,451	$ (2,070,437)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	26,876,676	12,281,551	11,074,623
Other revenues (expenses)	(3,646,802)	179	(56,266)
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:			
(Increase) decrease in accounts receivable	(5,089,614)	(2,133,771)	(827,078)
(Increase) in inventory	(1,067,875)	(22,796)	-
(Increase) decrease in prepaid items	-	30,867	(719)
(Increase) decrease in deferred outflows related to pensions	(50,722)	(5,443)	530,120
(Increase) decrease in deferred outflows related to OPEB	(32,225)	75,283	51,215
Increase (decrease) in accounts payable	149,297	(373,923)	(574,056)
(Decrease) in accrued interest payable	(83,338)	-	-
Increase in due to other agencies	9,218	54,143	-
Increase (decrease) in deposits	(858,677)	-	-
Increase in claims payable	-	-	-
Increase (decrease) in unearned revenues	-	-	(105,316)
(Decrease) in net pension liability	(3,065,423)	(2,686,243)	(3,458,888)
Increase (decrease) in total OPEB liability	182,754	48,094	38,061
Increase (decrease) in compensated absences	85,023	15,430	(107,130)
Increase in deferred inflows related to pensions	2,291,333	1,974,705	1,879,630
Increase (decrease) in deferred inflows related to OPEB	(4,906)	(4,198)	6,626
Total adjustments	15,694,719	9,253,878	8,450,822
Net cash provided by (used in) operating activities	$ 61,749,062	$ 38,139,329	$ 6,380,385
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Contribution of capital assets	$ 2,941,253	$ 5,885,217	$ -
Operating grant receivables	-	-	-
Capital contribution receivables	-	-	1,156,999
Capital assets in accounts payable	20,954,464	677,516	1,504,648

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

Business-type Activities Enterprise Funds			Governmental Activities
Stormwater Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
$ 3,338,792	$ (12,737,690)	$ 63,470,459	$ 777,097
3,363,198	3,415,045	57,011,093	1,351,264
(171,067)	25,136	(3,848,820)	98,823
(609,620)	(86,651)	(8,746,734)	53,759
-	(38,923)	(1,129,594)	(299,834)
-	-	30,148	-
438,860	300,596	1,213,411	376,517
49,816	69,177	213,266	38,798
239,871	38,182	(520,629)	427,826
-	-	(83,338)	-
-	-	63,361	-
-	500	(858,177)	58,654
-	-	-	7,336,230
-	25,742	(79,574)	-
(1,182,704)	(1,173,914)	(11,567,172)	(2,658,054)
(142,758)	(42,350)	83,801	64,217
4,022	(93,207)	(95,862)	1,148
450,884	551,773	7,148,325	1,568,323
109,742	54,820	162,084	(21,282)
2,550,244	3,045,926	38,995,589	8,396,389
$ 5,889,036	$ (9,691,764)	$ 102,466,048	$ 9,173,486
$ 11,221,041	$ -	$ 20,047,511	$ 377,328
-	1,095,289	1,095,289	-
-	-	1,156,999	-
142,019	-	23,278,647	-

CITY OF WICHITA, KANSAS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

December 31, 2021

	Pension Trust Funds
ASSETS	
Cash and temporary investments	$ 212,219
Receivables:	
Investment sales pending	2,724,889
Interest and dividends	3,289,226
Other receivables	717,002
Total receivables	6,731,117
Investments, at fair value:	
Government short-term investment fund	39,084,798
Equity:	
Domestic equity	687,946,938
International equity	436,045,037
Fixed income	284,852,534
Real estate	104,863,921
Target date and money market funds	7,250,166
Timber	81,936,372
Derivative investments	247,348
Securities lending short-term collateral investment pool	11,518,710
Total investments	1,653,745,824
Capital assets:	
Pension software	1,282,828
Accumulated depreciation	(1,282,828)
Capital assets, net	-
Total assets	1,660,689,160
LIABILITIES	
Accounts payable and other liabilities	2,868,763
Investment purchases pending	7,151,550
Securities lending obligations	11,518,710
Total liabilities	21,539,023
NET POSITION	
Restricted for:	
Pensions	1,639,150,137
Total net position	$ 1,639,150,137

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

CITY OF WICHITA, KANSAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the year ended December 31, 2021

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	$ 28,808,329
Employee	10,510,822
Total contributions	39,319,151
Investment income:	
From investing activities:	
Net appreciation in the fair value of investments	203,250,329
Interest	8,187,566
Dividends	8,469,722
Commission recapture	23,964
Total investing activity income	219,931,581
Less investment expense	6,975,960
Net income from investing activities	212,955,621
From securities lending activities:	
Securities lending income	179,072
Less securities lending expense, net:	
Borrower rebates	(25,238)
Management fees	55,592
Total securities lending expenses	30,354
Net income from securities lending activities	148,718
Total net investment income	213,104,339
Reclassifications due to participant conversion	417,138
Total additions	252,840,628
DEDUCTIONS	
Pension benefits	92,827,073
Pension administration	1,169,958
Employee contribution refunded	2,795,115
Reclassifications due to particpant conversion	417,138
Total deductions	97,209,284
Net increase in net position	155,631,344
Net position - beginning	1,483,518,793
Net position - ending	$ 1,639,150,137

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

TABLE OF CONTENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES A-43
2. BUDGETARY CONTROL A-49
3. BUDGETARY BASIS OF ACCOUNTING A-50
4. FUND BALANCE AND NET POSITION DEFICITS A-50
5. CASH, INVESTMENTS AND SECURITIES LENDING A-51
6. CAPITAL ASSETS A-65
7. RETIREMENT FUNDS A-66
8. OTHER POST-EMPLOYMENT HEALTHCARE BENEFITS (OPEB) A-74
9. SELF INSURANCE FUND A-77
10. LONG-TERM OBLIGATIONS A-79
11. TEMPORARY NOTES PAYABLE A-95
12. LEASES A-96
13. CONDUIT DEBT OBLIGATIONS A-97
14. INTERFUND TRANSFERS A-97
15. INTERFUND RECEIVABLES AND PAYABLES A-98
16. PASSENGER FACILITY CHARGES A-98
17. LANDFILL CLOSURE AND POST-CLOSURE CARE A-99
18. FUND BALANCE RESTRICTIONS AND OTHER RESERVATIONS A-99
19. TAX ABATEMENTS A-101
20. CONTINGENCIES AND COMMITMENTS A-102
21. RESTATEMENT A-103
22. DISCRETELY PRESENTED COMPONENT UNIT: WICHITA RAD SENIOR LP A-104
23. SUBSEQUENT EVENTS A-111

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Wichita is a municipal corporation with a governing body comprised of an elected mayor and six-district based council members. The accompanying financial statements present the government and its component units. Component units are legally separate entities for which the government is financially accountable or other entities whose nature and significant relationship with the government are such that exclusion would cause the government's financial statements to be misleading. A blended component unit, although a legally separate entity, is, in substance, part of the government's operations and so data from the blended component unit is combined with data of the primary government. A discretely presented component unit is an entity for which the City is considered to be financially accountable, has the ability to impose its will, or for which the nature and significance of the relationship with the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Blended Component Unit: The *Airport Authority* serves all citizens of the government and is governed by a board comprised of the government's elected council. Bond issuance authorizations are approved by the governing body of the primary government and the legal liability for the general obligation portion of the Authority's debt remains with the government. The Airport Authority is reported as an enterprise fund and separately audited financial statements are not available.

Discretely Presented Component Unit: The *Wichita RAD Senior, LP* was formed in August 2018 for the purpose of acquiring, rehabilitating and operating four separate apartment communities under the Rental Assistance Demonstration (RAD) pilot initiative – which is a voluntary program under the Department of Housing and Urban Development (HUD). This program provides Public Housing Authorities (PHAs) with access to long-term funding so that needed improvements to low-income housing can be completed. The Wichita Housing Authority (WHA) was successful in securing financing to continue its HUD approved RAD project for the four multi-family senior housing properties as one singe project called Wichita RAD Senior LP.

The project utilizes the following funding: a 4% Low Income Housing Tax Credits (LIHTC), CDBG, HOME, Capital Funds and a HUD FHA 22(d)4 loan. The use of these tax credits required the creation of two new business entities. The Wichita Senior LP is comprised of (1) the project tenant/ ownership entity limited partner, or investor partner, and (2) the general partnership limited liability company. The investor partner is Affordable Housing Partners (AHP) and the general partner, Wichita RAD AMP 1 LLC, is comprised of the City of Wichita and KBK Enterprises.

The four properties in this project were owned and operated by the Wichita Housing Authority, a department of the City, until October 2021, when the RAD project commenced. Mennonite Housing was contracted with by the general partnership to manage the properties, as they have experience managing tax credit properties.

Once the construction is complete and the project reaches stabilization, the developer partner KBK Enterprises will step out of the general partnership, leaving only the City. The use of the tax credits required that the property and buildings be leased to the tenant/ownership entity (investor) for a period of 99 years. However, the lease can be terminated per the Restated and Amended Partnership Agreement for $10 over the outstanding debt of the project after the 15-year tax credit compliance.

The City has presented Wichita RAD Senior LP as a discretely presented component unit as the City has a financial/benefit burden to Wichita RAD Senior LP and the limited partnership is fiscally dependent on the City. The City has a financial benefit burden due to the following reasons: (1) it is legally entitled to a portion of the resources of the partnership; (2) the City has provided several guaranties, including an operating deficit loan of up to $850,000; and (3) the HUD FHA loan is secured by a mortgage on the four properties, which are still technically owned by the City, as the properties will revert back to the City when the lease ends. Finally, the Wichita RAD Senior LP is fiscally dependent upon the City as it cannot issue bonds or other debt without the City's consent and the Wichita RAD Senior LP issued bonds in 2021. Further, the City has also entered into CDBG, HOME and Capital Fund loan agreements.

The City has also entered into several loans with Wichita RAD Senior LP, none of which had any funds drawdown as of December 31, 2021. For further details about Wichita RAD Senior LP, please see Note 22.

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B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position on pages A-18 and A-19 and the Statement of Activities on pages A-20 and A-21) report information about all of the nonfiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activity has been eliminated from these financial statements. Exceptions to this rule are payments in lieu of taxes where amounts are reasonably equivalent in value to the interfund services provided and other charges between the enterprise funds and other various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 government-wide 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 that do not meet the definition of program revenues are reported as general revenues.

Governmental fund financial statements distinguish revenues and expenditures from other financing sources and uses. Other financing sources and uses are increases or decreases, respectively, in the fund balance of a governmental fund that are not considered revenues or expenditures. Only items identified as other financing sources and uses by authoritative standards may be classified as such (e.g. proceeds from the issuance of long-term debt and transfers between funds).

Proprietary fund financial statements distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Principal operating revenues of the proprietary funds are primarily comprised of charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these criteria are reported as non-operating revenues and expenses.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if collected within 60 days of the end of the current fiscal period and available for expenditures of current fiscal period, with a few exceptions discussed Note 1F. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to long-term obligations, such as, debt service on long-term debt, compensated absences and claims and judgments, are recorded only when the payment is due.

The government reports the following *major governmental funds*:

The *General Fund* is the principal fund of the City that accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City, other than proprietary fund activities, are financed through revenues received by the General Fund. The Economic Development Fund is certified to the State of Kansas and reported as a subfund of the General Fund. Schedules for the certified fund and subfund are presented as supplemental information in the Governmental Funds Section of this report.

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt and temporary notes of governmental funds. The Debt Service Tax Increment Financing (TIF) fund is comprised of several TIF subfunds, which have individually certified budgets.

The *Grants and Other Assistance Fund* accounts for the resources accumulated and payments made related to grants, bequests and other donations or contributions received by the City of Wichita which are either restricted, committed or assigned for specific purposes, excluding those related to capital projects.

The *Street Improvement Fund* accounts for capital improvements related to street, arterial and freeway projects that are financed by the issuance of general obligation bonds, special assessments, local sales tax, grants and other funds.

The *Public Improvement Construction Fund* accounts for capital improvements relating to projects that benefit the public and are financed by the issuance of general obligation bonds, special assessments, local sales tax, grants and other funds.

The government reports the following *major proprietary funds*:

The *Water Utility Fund* accounts for the operation and maintenance of the water supply and distribution component of the combined utility.

The *Sewer Utility Fund* accounts for the operation and maintenance of the wastewater collection and treatment component of the combined utility, including wastewater treatment plants and sewer laterals and mains.

The *Airport Authority Fund* accounts for the provision of air transportation services for the public, business and industry.

The *Stormwater Utility Fund* accounts for the acquisition, design, construction, maintenance and operation of the City's surface drainage system.

The government also reports the following *non-major fund types*:

Special revenue funds account for the proceeds from specific revenue sources that are restricted or committed to expenditures for specified purposes.

Capital project funds account for all resources received and used for the acquisition or development of capital improvements, except those financed primarily by proprietary funds. Financing for these capital improvements primarily come from the City's general obligation bond issues, special assessments, local sales tax and grants.

A *permanent fund* is used to report resources that are restricted for the maintenance and perpetual care of municipal cemeteries and mausoleums.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private businesses. The intent of the City is that the costs required to provide these goods and services are financed from fees and charges from external users, issuance of bonds (revenue and general obligation), grants and other City funds.

Internal service funds are used to account for information technology services, fleet management and risk management services (including claims for worker's compensation, general liability and employee health insurance) provided by one department to other departments of the City on a cost reimbursement basis.

Pension trust funds account for the activities of the Wichita Employees' Retirement System, Wichita Police and Fire Retirement System and the Wichita Employees' Retirement System Plan 3b, all of which accumulate resources for pension benefits for qualified employees.

D. POOLED CASH AND TEMPORARY INVESTMENTS

Cash resources of the individual funds are combined to form a pool of cash and temporary investments, which is managed by the Director of Finance (except for investments of the pension trust funds). The pool has the general characteristics of demand deposit accounts, in that each fund may deposit additional cash at any time and also may withdraw cash at any time without prior notice or penalty. Investments of the pooled accounts consist primarily of certificates of deposits and U.S. government and agency securities. Interest income earned was allocated to the General Fund in accordance with the Adopted Budget.

E. INVESTMENTS

Investments of the government are reported at fair value, which is based on quoted market prices in all instances in which they are available. For all investments, other than those in the pension trust funds, level 2 fair value measurements are based on other observable inputs including benchmark curves, benchmarking of like securities, sector groupings and matrix pricing.

The pension trust funds invest in real estate through real estate investment trusts, timber through limited partnerships, commodities, Treasury strips and various asset backed securities, such as collateralized mortgage obligations and credit card trusts. Short-term investments are reported at cost plus accrued interest, which approximates fair value. Investments traded on national or international exchanges are valued at the last trade price of the day. If no close price exists, then a bid price is used. Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar investments. The fair value of real estate and timber investments are estimated using the net asset value of the shares owned in each fund. Investments that do not have an established market are reported at their estimated fair value.

F. REVENUE RECOGNITION FOR GOVERNMENTAL FUNDS

For governmental funds, the City considers earned revenues to be available if collected within 60 days of the end of the current fiscal period and available for expenditures of current fiscal period, with a few exceptions noted below.

Property Taxes: In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed as of January 1 and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing 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 20th during the year levied, with the balance to be paid on or before May 10th of the ensuing year. State 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 31st, 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 (deferred revenues) on the balance sheet of the appropriate funds. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

Special Assessments: Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds, which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of general obligation bonds are recorded as revenue in the Debt Service Fund or a liability in a City of Wichita revocable escrow account for prepaid special assessments. The escrow is revocable and, therefore, not technically public funds. The amount of any interest earnings plus prepayment equals the amount of debt service paid on outstanding bonds.

State statutes allow levying additional ad valorem property taxes in the City's Debt Service Fund to finance delinquent special assessments receivable, if necessary. Special assessments receivables are accounted for within the Debt Service Fund. Special assessments are levied over a fifteen to twenty-year period and the annual installments are due and payable with annual ad valorem property taxes. Delinquent assessments against property benefited by special assessments constitute a lien against such property. When assessments are two years in arrears, the assessments may be collected by foreclosure. On December 31st, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the debt service fund. Only the portion of special assessments due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Special assessments receivable that are not due within the current fiscal period and not susceptible to revenue accrual are recorded as unavailable revenue.

Franchise Taxes: Franchise taxes are collected from utilities doing business in the City for the use of right-of-ways. Annually, the Water Utility and Sewer Utility pay the General Fund of the City amounts in lieu of franchise taxes in an amount not to exceed 5% of gross revenues for the preceding year, which is appropriated by the City and included in the annual budget. Franchise fees are susceptible to accrual and are available if received within 60 days of yearend.

Other Revenues: Recognized state-shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes. For revenue recognition purposes, amounts collected and held by the state on behalf of the City at year-end are not due and receivable until the ensuing year. Federal and state aid is reported as revenue based on the type of grant or shared revenue. Revenue for expenditure-driven grants is recognized as related reimbursable expenditures are incurred and are considered available if collected within 90 days of the yearend. Revenue for entitlements, shared revenues and formulary grants are recognized when all the relevant eligibility criteria are met, even though restrictions may exist on how those funds are spent. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

G. REVENUE RECOGNITION FOR PROPRIETARY FUNDS

The proprietary funds recognize revenue on sales when services are rendered. The Water, Sewer and Stormwater Utilities recognize revenues for unbilled services. All users, including other City departments, are charged for services provided by the respective proprietary fund. Accounts receivable represent uncollected charges (both billed and unbilled) as of December 31, net of amounts estimated to be uncollectible.

H. INVENTORIES AND PREPAID EXPENSES

Inventories and prepaid expenses that benefit future periods, other than those recorded in the proprietary funds, are recorded as expenditures during the year of purchase. There are the following exceptions (1) escrow deposits and (2) in relation to the Grants and Other Assistance Fund. In proprietary funds, the cost of inventories is recorded as expense when consumed. Inventories are valued utilizing the average unit cost method.

I. CAPITAL ASSETS

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual minimum cost ranging from $5,000 to $100,000, depending on the type of asset. Capital assets are valued at acquisition value, or estimated acquisition value (if actual acquisition value is not available). Donated capital assets are valued at their estimated acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

Asset Classifications	Estimated Useful Life
Buildings and improvements	1-100
Improvements other than buildings	1-85
Equipment	1-33
Vehicles	1-20
Public domain infrastructure	15-60
Airfields	1-20

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets of the primary government and its component unit are depreciated using the straight-line method. Estimated useful lives of asset categories are listed in the accompanying table above.

J. COMPENSATED ABSENCES

The City's policy permits employees to accumulate earned but unused vacation and sick pay benefits and allows the City's Fraternal Order of Police (FOP) members to accumulate comp time hours up to policy and contractual limits. The City does not have a policy to pay accumulated sick pay benefits upon termination of employment; consequently, there is no liability for unpaid accumulated sick leave. Vacation and comp time pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for vacation and comp time pay is reported in governmental funds only if it has matured, for example, as a result of employee terminations and retirements.

K. STATEMENT OF CASH FLOWS

The reporting entity defines cash and cash equivalents used in the statement of cash flows as all cash and temporary investments (both restricted and unrestricted).

L. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred charges on refunding in the government-wide and proprietary fund statements of net position. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also reports a collective deferred outflow of resources related to pensions, which is described in more detail in Note 7 - Retirement Funds and a collective deferred outflow of resources related to OPEB, which is described in more detail in Note 8 – Other Post-Employment Healthcare Benefits.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods which will not be recognized as an inflow of resources (revenue or decrease in related expenditure) until that time. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from several sources: long-term accounts receivable and special assessments. These amounts are deferred and recognized as an inflow of

resources in the period that the amounts become available. Deferred revenues are reported in both the government-wide statement of net position and the governmental funds balance sheet for property taxes receivable. Property taxes are not recognized as revenue until the period for which they are levied. Additionally, the City reports deferred charges on refunding in the government-wide and proprietary fund statements of net position. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Finally, the City reports a collective deferred inflow of resources related to pensions, which is described in more detail in Note 7 - Retirement Funds and a collective deferred inflow of resources related to OPEB, which is described in more detail in Note 8 – Other Post-Employment Healthcare Benefits.

M. ESTIMATES

Preparation of financial statements in conformity with GAAP requires making estimates and assumptions that affect: (1) the reported amounts of assets, deferred outflows of resources, liabilities 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.

N. NET POSITION AND FUND BALANCE

Net position in the government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvements of those assets or related debt are included in this component of net position. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

Restricted Net Position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments imposed by law through state statute.

Unrestricted Net Position consists of assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the “restricted” or “net investment in capital assets” components of net position.

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how the fund balance can be spent. The governmental fund types classify fund balance as follows:

Nonspendable Fund Balance includes amounts that cannot be spent because they are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance includes amounts that are restricted to specific purposes externally imposed by creditors, grantors, contributors, or laws and regulations of other governments imposed by law through state statute.

Committed Fund Balance includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority. The City Council is the highest level of decision-making authority that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned Fund Balance is the portion of the fund balance which the City intends to use for a specified purpose as directed by the City Council. The portion of the fund balance that is appropriated by the City Council for the next year’s budget that is not already restricted or committed is considered assigned. Encumbrances, which can be approved by the designated senior staff, are included in assigned fund balances. Additional information on encumbrance balances is provided in Note 20D - Encumbrances.

Unassigned Fund Balance represents the portion of fund balance that has not otherwise been restricted, committed or assigned to specific purposes. The General Fund is the only fund that may report a positive unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City of Wichita considers to have spent restricted funds first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first from the

committed funds, then assigned funds and finally unassigned funds, unless the City Council has provided otherwise in its commitment or assignment action.

The City of Wichita has adopted a minimum fund balance policy for the General Fund which instructs management to conduct business of the City in a manner such that available fund balance is at least equal to or greater than 10% of the next year's budgeted expenditures.

O. IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLE

In 2021, the City implemented the following accounting principle. The implementation of this standard did not have a material impact on the City's financial statements.

GASB Statement No. 93, Replacement of Interbank Offered Rates, required governments to remove the London Interbank Offered Rate (LIBOR) from its investment agreements for reporting periods ending December 31, 2021 due to the expectation that LIBOR will cease to exist in its current form as a result of the global reference rate reform. Therefore, governments had to amend or replace financial instruments by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

2. BUDGETARY CONTROL

Applicable Kansas statutes require that annual budgets be legally adopted for all funds (including proprietary funds) unless exempted by a specific statute. Specific funds exempted from legally adopted budgets are the Grants and Other Assistance Fund, all capital projects funds (including capital projects of proprietary funds), the Airport Authority, Golf Course System, Transit and all trust funds. Controls over spending in funds and the component unit that are not subject to legal budgets are maintained by the use of internal spending limits established by management. K.S.A. 79-2926 et. seq. provides the following sequence and timetable for adoption of budgets:

1. Preparation of budget for the succeeding calendar year on or before August 1 of each year.
2. Publication of proposed budget on or before August 5 of each year. A minimum of ten days' notice of public hearing, published in local newspaper, on or before August 15 of each year.
3. Adoption of final budget on or before August 25 of each year.

K.S.A. 79-2927 requires that all money to be raised by taxation and from all other sources for the ensuing budget year be appropriated. The law does not permit an appropriation for sundry or miscellaneous purposes in excess of 10% of the total. The budget for each fund may include a non-appropriated balance not to exceed 5% of the total of each fund. The City of Wichita appropriates amounts for fund balance reserves in the various governmental funds on a budgetary basis. Appropriated fund balance reserves are not intended to finance routine expenditures and are reflected in the budgets only to the extent utilized.

Kansas statutes prohibit creating expenditures in excess of the total amount of the adopted expenditure budget of individual funds. In accordance with Kansas statutes, the legal level of control for the City is established at the individual fund level. Kansas statutes permit the transfer of budgeted amounts from one object or purpose to another and allow original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The City must first publish a notice of hearing to amend the budget. Ten days after publication, a public hearing is held at which time the governing body may amend the budget.

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3. BUDGETARY BASIS OF ACCOUNTING

Budgets are prepared on a budgetary basis, which is a basis that differs from generally accepted accounting principles (GAAP basis). There are four main differences between the City's budgetary basis and GAAP basis: (1) recognition of revenues, (2) recognition of expenditures, (3) other changes in unencumbered net position/fund balance and (4) exclusion/inclusion of reserve subfunds.

Revenues: For budgeting, revenues of governmental funds are recognized when they become both measurable and available to finance expenditures of the current period, except for special assessments of the debt service fund which are recognized on a cash basis. For proprietary funds, all revenues are recognized when measurable, unless they relate to a long-term asset (i.e. prepaid lease).

Expenditures: For expenditures, the major difference between the GAAP basis and the budgetary basis is related to when expenses or expenditures, respectively, are recognized. On a budgetary basis, expenditures are recognized when encumbered (i.e. purchase orders, contracts, and other commitments) or incurred, if never encumbered. Expenditures related to principal payments of long-term obligations are only considered incurred when paid.

Other Changes in Unencumbered Net Position/Fund Balance: The City's budgetary statements also include a section titled 'Other Changes in Unencumbered Net Position/Fund Balance' which accounts for non-operating items that are excluded from budgetary controls, but which affect the funds unencumbered net position or fund balance, primarily thru cash transactions. These non-operating transactions outside the normal budgeting process are related to long-term assets and liabilities or the cancellation of prior year encumbrances. The most common items include 1) transferring funds to and from debt service reserves and capital project funds, 2) the issuance or refunding of long-term debt related to capital assets and 3) prior year encumbrances cancelled in the current year.

Reserve Subfunds: The final difference between the budgetary basis and GAAP basis relates to certain reserves with internal restrictions that are excluded from the budgeting process as they are not considered available for the use of current expenditures.

Adjustments necessary to convert the net change in fund balance and the ending fund balance from the GAAP basis to the budgetary basis for the General Fund as of December 31, 2021 are provided in the table below.

	Net Change in Fund Balance	Fund Balances at End of Year
General Fund - GAAP basis	$ 5,289,556	$ 53,748,563
Increase (decrease) affecting basis:		
Expenditures due to prior year encumbrances	747,210	(263,587)
Cancellation of prior year encumbrances	138,104	-
Expenditures due to current year encumbrances	(1,562,773)	(1,562,773)
Less subfund balances included for GAAP:		
Permanent Reserve Subfund*	(3,000,000)	(7,821,848)
Economic Development Subfund	(147,725)	(1,543,129)
General Fund - budgetary basis	$ 1,464,372	$ 42,557,226

*Budget authority was not established for the Permanent Reserve Subfund for 2021. Therefore, a budgetary comparison schedule is not presented.

4. FUND BALANCE AND NET POSITION DEFICITS

At December 31, 2021, the City's fund balance and net position deficits are shown in the table on the following page. The fund deficits for the Street Improvement Fund, Public Improvement Construction Fund, and other nonmajor governmental capital projects funds will primarily be financed through the sale of bonds authorized by the City Council but not yet sold as of December 31, 2021.

In 2019, the Golf Course System implemented a new pass membership program which is anticipated to help stabilize and increase revenue throughout the year and closed its LW Clapp Course in August. It also implemented a new winter rotation schedule in 2019 where a different course is closed each week beginning November through February to save costs. The City has continued to evaluate the effectiveness of these adjustments in 2021 and the City Finance Department continues to work with the City Council to evaluate options to address the Golf Course System's deficit net position.

Primary Government	Fund Balance/ Net Position Deficits
Governmental funds:	
Street Improvement Fund	$ 47,292,340
Public Improvement Construction Fund	75,543,442
Park Bond Construction Fund	20,636,762
Neighborhood Improvements Fund	48,103,808
Business-type funds:	
Golf Course System Fund	2,301,044
Total reporting entity	$ 193,877,396

5. CASH, INVESTMENTS AND SECURITIES LENDING

A. CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

Custodial Credit Risk for Deposits: In the case of deposits, custodial credit risk is the risk that in the event of a bank failure the City's deposits may not be returned to it. The City requires compliance with the provisions of state law for the collateralization of all deposits. Allowable securities and forms of collateral acceptable to the City are limited to the following:

1. Direct obligations of, or obligations insured as to principal and interest by, the United States of America or any agency thereof;
2. Obligations and securities of U.S. sponsored corporations, which under federal law, may be accepted as security for public funds;
3. Bonds of any Kansas municipality which have been refunded and are fully secured as to payment of principal and interest by direct obligations or obligations which are unconditionally guaranteed by the United States of America;
4. Bonds of the State of Kansas;
5. General obligation bonds of any Kansas municipality;
6. Revenue bonds of any Kansas municipality, if they meet approval by the Commissioner;
7. General obligation temporary notes of any Kansas municipality;
8. No-fund warrants of any Kansas municipality;
9. Certain Kansas municipality sponsored revenue bonds rated Aa or higher by Moody's Investor Service or AA by Standard & Poor's Corp.;
10. Commercial paper that does not exceed 270 days to maturity and which has received one of the two highest commercial paper credit ratings by a nationally recognized investment rating firm;
11. Corporate surety bonds approved by the Commissioner and in the standard format acceptable to the City of Wichita as follows:
    a) The issuer of the surety bond shall be admitted and licensed to issue surety bonds in Kansas;
    b) The City of Wichita shall be designated as the insured public depositor;
    c) The issuer and depository bank are required to notify the City of Wichita by certified or registered mail no fewer than 90 days prior to non-renewal and no fewer than 45 days prior to a bond's cancellation;
    d) The claims-paying ability of the issuer must be rated and remain in the highest rated rating category of one of the nationally recognized rating agencies ("A++" or "A+" from A.M. Best Company or "AAA" from Standard & Poor's). Within 48 hours of discovery of a downgrade by a rating agency or notice of financial regulatory action by any jurisdiction in which the issuer is licensed, notice must be given to the City Treasurer by the issuer in the form of certified or registered mail;
    e) No more than $5 million per depository bank or an aggregate of $20 million for all depository banks can be collateralized in the form of surety bonds; and
    f) The issuer is required to send quarterly reports to the Office of the City Treasurer listing all depository banks that have purchased surety bonds for deposits, the insured amounts covering deposits of the City of Wichita and the total insured amount per depository bank in Sedgwick County.
12. A letter of credit (LOC) issued by a U.S. sponsored enterprise that under federal law may be accepted as security for public funds, subject to additional requirements.

Financial institutions are required to pledge or assign for the City's benefit sufficient securities, the market value of which is at least 105% of the total deposits. As of December 31, 2021, the City had deposits in six banks totaling $39,932,261 with assets pledged by the banks as collateral with a fair value of $91,729,323.

B. POOLED INVESTMENTS OF THE PRIMARY GOVERNMENT

The City of Wichita has adopted a formal investment policy. The primary objectives of the investment activities are, in priority order, safety of principal, liquidity and yield. The standard of care to be used by investment officials shall be the "prudent investor rule" as set forth in the Uniform Prudent Investors Act, K.S.A. 58-24a01 et seq. and amendments thereto and shall be applied in the context of managing an overall portfolio. In accordance with state law (K.S.A. 12-1675 and 12-1677b), the City's investment policy allows monies, not otherwise regulated by statute, to be invested in the following instruments:

United States Treasury and Agency Securities: The City may invest in direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of United States sponsored enterprises which under federal law may be accepted as security for public funds, except that such investments shall not be in mortgage-backed securities.

Repurchase Agreements (Repo): The City may invest in repurchase agreements with banks, savings and loan associations and savings banks which have main or branch offices located in the city of Wichita, or with a primary government securities dealer which reports to the market reports division of the Federal Reserve Bank of New York.

Collateralized Public Deposits (Certificates of Deposit): The City may invest in instruments issued by any bank, savings and loan association or savings bank which has main or branch offices located within the city of Wichita.

Temporary Notes or No-Fund Warrants: The City may invest in temporary notes or no-fund warrants issued by itself.

Kansas Municipal Investment Pool (KMIP): The City may invest in a pool of funds that is managed by and under the authority of the Pooled Money Investment Board established by K.S.A. 12-1677a and amendments thereto. The fair value of the City's position in the pool is the same as its shares.

Multiple Municipal Client Investment Pools: The City may invest with trust departments of banks which have main or branch offices located in Sedgwick County, or with trust companies incorporated under the laws of Kansas which have contracted to provide trust services under the provisions of K.S.A. 9-2107 and amendments thereto.

On December 31, 2021, the City's pooled funds were invested as follows:

Pooled Funds As of December 31, 2021			
Investment Type	Fair Value	Modified Duration (Years)	Percent of Total Pooled Funds
U.S. agency coupon securities	$ 235,561,247	0.880	42.4%
U.S. agency callable securities	80,175,640	2.453	14.4%
U.S. agency discount securities	37,975,949	0.417	6.8%
U.S. agency step rate securities	38,607,870	2.820	7.0%
U.S. Treasury	39,933,980	0.805	7.2%
U.S. Treasury discount	39,995,970	0.185	7.2%
Kansas Municipal Investment Pool	46,418,165	-	8.4%
Collateralized certificates of deposit	13,850,000	0.743	2.5%
Collateralized deposits	22,571,022	-	4.1%
Total value	$ 555,089,843		100.0%
Modified duration of portfolio		1.190	

Interest Rate Risk: In accordance with its Pooled Funds Investment Policy, the City of Wichita manages its exposure to declines in fair value due to changes in general interest rates by:

1. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity;
2. Investing funds primarily in shorter-term securities; and
3. Diversifying investments by investing among a variety of securities offering independent returns.

The investment policy also requires that portfolio maturities be staggered in a way that avoids undue concentration of assets in a specific maturity range, and that the investment portfolio remain sufficiently liquid to enable the City to meet all operating requirements which might reasonably be anticipated. Additionally, the investment policy limits investments to a maximum stated maturity of four years and establishes a requirement that the weighted average maturity of the portfolio must range from 125 to 400 days and the modified duration of the portfolio must range from 0.3 to 1.4 years.

Credit Risk: As described earlier in this section, state law limits the types of investments that can be made by the City of Wichita. The City's investment policy further limits allowable investments by excluding municipal bonds. On December 31, 2021, the City's investments in U.S. agency obligations not directly guaranteed by the U.S. Government included only instruments rated Aaa by Moody's. The City also held a position in the Kansas Municipal Investment Pool (KMIP), which restricts its investments to those rated A1/P1 or better. The KMIP is no longer rated by S&P based on a cost-benefit decision by the Kansas Pooled Money Investment Board (KMIB).

Concentration of Credit Risk: The City's investment policy limits the concentration of investments that can be placed with a single U.S. agency issuer to 40% of the total portfolio. Maximum limits, by instrument, are also established for the City's investments of pooled funds (see table to right).

Instrument	Maximum
Demand deposits/repurchase agreement	5%
Kansas Municipal Investment Pool	15%
Certificates of deposit	100%
Temporary notes	10%
U.S. Treasury securities	100%
U.S. agency obligations	95%
Bullet/discount	95%
Agency callable	30%
Agency floater	10%

To allow efficient and effective placement of bond proceeds, the limit of repurchase agreements and deposits with the Municipal Investment Pool (MIP) may be exceeded up to 50% for a maximum of ten days following receipt of proceeds during adverse market conditions. Further, to allow for investment maturity timing prior to bond payment dates, the limit on repurchase agreements and MIP deposits may be exceeded up to the amount of the bond payment for a maximum of five days prior to a bond payment date.

Custodial Credit Risk for Investments: For an investment, custodial credit risk is the risk that in the event of a failure of an investment counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City requires that all investment transactions be settled delivery versus payment with an independent third-party safekeeping agent under contract with the City.

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by Generally Accepted Accounting Principles. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Fair value measurement hierarchy information is not provided for the City's deposits in the Kansas Municipal Investment Pool or collateralized deposits, which include cash and certificates of deposit held in local financial institutions. The investments below are classified either as (1) Level 1 of the fair value hierarchy and are valued using quoted prices in active markets for identical securities or (2) Level 2 of the fair value hierarchy and are valued using benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The fair value measurements for the City's pooled investments on December 31, 2021 are listed in the table below.

Pooled Funds
Fair Value Measurements
As of December 31, 2021

Investment Type	Fair Value	Level 1 Inputs	Level 2 Inputs	Percent of Total Value
U.S. Treasury	$ 39,933,980	$ 39,933,980	$ -	8.4%
U.S. Treasury discount	39,995,970	39,995,970	-	8.5%
Federal Farm Credit Bank (FFCB)	135,840,829	-	135,840,829	28.8%
Federal Home Loan Bank (FHLB)	180,784,525	-	180,784,525	38.3%
Federal Home Loan Mortgage Corp. (FHLMC)	45,610,945	-	45,610,945	9.6%
Federal National Mortgage Assoc. (FNMA)	30,084,407	-	30,084,407	6.4%
Total value	$ 472,250,656	$ 79,929,950	$ 392,320,706	100.0%

C. INVESTMENTS OF THE PRIMARY GOVERNMENT NOT POOLED

Proceeds from the Issuance of Debt Instruments: State law (K.S.A. 10-131) allows investment of the proceeds of bonds and temporary notes in:

1. Investments authorized by K.S.A. 12-1675, and amendments thereto;
2. The municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto;
3. Direct obligations of the U.S. Government or any agency thereof;
4. Temporary notes of the City of Wichita issued pursuant to K.S.A. 10-123, and amendments thereto;
5. Interest bearing time deposits in commercial banks located in Sedgwick County;
6. Obligations of FNMA, FHLB, FHLMC and GNMA that are not derivatives;
7. Repurchase agreements for direct obligations of the U.S. Government or any agency thereof;
8. Investment agreements with, or other obligations, of a financial institution whose obligations are rated in one of the three highest rating categories by either Moody's investors service or Standard & Poor's;
9. Investments in shares of a money market fund or trust consisting entirely of obligations of the U.S. Government or any agency thereof; and/or
10. Certain Kansas municipal bonds.

Although individual bond covenants include certain restrictive provisions regarding the types of investments and their maturities, the City does not have a formal investment policy that addresses interest rate risk, credit risk or concentration of credit risk for the investment of bond proceeds. On December 31, 2021, revenue bond proceeds for debt service reserve funds of the Water and Sewer Utility Funds were invested as follows:

Water and Sewer Utility Investments
As of December 31, 2021

Investment Type	Fair Value	Modified Duration (Years)	Percent of Bond Proceeds Investments
U.S. Treasury discount	$ 14,119,746	0.071	100.0%
Total value	$ 14,119,746		100.0%
Total weighted average maturity		0.071	

The fair value measurements for the Water and Sewer Utilities revenue bond reserve investments on December 31, 2021 are classified as Level 1 of the fair value hierarchy and are valued using quoted prices in active markets for identical securities.

The Series 2017A revenue bonds issued advanced proceeds for two specific major sewer projects. As of December 31, 2021, $2,000,341 is being held in an individual account in the Kansas Municipal Investment Pool. As of December 31, 2020, all the proceeds and related interest earnings on those proceeds have been spent and thus, are not restricted.

Additionally, proceeds related to Sales Tax Special Obligation Revenue Bonds (STAR bonds) issued to finance improvements within authorized STAR bond districts in the City of Wichita are held by an escrow agent on behalf of the City. Pursuant to issuance of the STAR bonds, the City and State of Kansas entered into a STAR Bond Tax Distribution Agreement. The agreement provides that the principal and interest on the STAR bonds will be paid proportionally by the City and the State of Kansas, based on each entity's respective share of sales tax generated within the District. The City's proportional share of the debt is approximately 4.27%. As a result, the City has only recorded its proportionate share of the balance in the escrow account for the developer project and has recorded 100% of the escrow for the City's project. As of December 31, 2021, the proceeds from STAR bonds were invested in money market accounts and the total reported by the City amounted to $11,818,908.

Economic Development Escrows: The City has entered into development agreements for which the eligible proceeds are held in escrow accounts at the specified trustee until the funds are approved for disbursement in accordance with the development agreement. The City has one escrow account related to its development agreements as of yearend.

During 2018, the City entered into an Interlocal Cooperation Agreement with Sedgwick County to form a separate legal entity known as the Eclipse Investment Authority. The Interlocal Cooperation Agreement was made pursuant to a development agreement between the City, County and Spirit Aerosystems, Inc. and $10 million was deposited into an escrow account at the specified trustee until the funds are approved for disbursement in accordance with the development agreement. As of December 31, 2021, the City's portion of the escrow account was $33,852 and was held in a money market account under the Eclipse Investment Authority at the trustee.

Passenger Facility Charges: The City does not maintain a formal investment policy pertaining to investments held in the Airport Authority Fund. However, in accordance with the Code of Federal Regulations, unexpended Passenger Facility Charges (PFC) revenue of the Airport Authority is held in separate interest-bearing instruments. The City had $957,588 invested with the Kansas Municipal Investment Pool as of December 31, 2021, and the weighted average maturity of the Kansas Municipal Investment Pool was 74 days at that time.

Other Investments of the Primary Government Not Pooled: The City does not maintain a formal investment policy pertaining to investments held in the Cemetery Fund and the Grants and Other Assistance Fund. The Grants and Other Assistance Fund investments pertain to the Wichita Housing Authority (WHA) and the City's Community Development Block Grants (CDBG) program. A formal investment policy is not maintained for these investments and these investments are authorized to be prudently invested at the discretion of the City's Director of Finance. On December 31, 2021, these funds were invested as follows:

Other Non-Pooled Investments
As of December 31, 2021

Investment Type	Fair Value	Modified Duration (Years)	Percent of Total
Equity securities (Cemetery)	$ 1,000,149	-	6.7%
Collateralized deposits (WHA)	12,867,854	-	86.4%
Collateralized deposits (CDBG)	1,028,545	-	6.9%
Total value	$ 14,896,548		100.0%
Portfolio weighted average maturity		-	

Equity securities held in the Cemetery Fund, with a fair value of $1,000,149 as of December 31, 2021, are classified as Level 1 of the fair value hierarchy and are valued using quoted prices in active markets for identical securities.

D. INVESTMENTS OF THE PENSION TRUST FUNDS

City Ordinance (49-036; section 2.28.090) authorizes the Wichita Employees' Retirement System and City Charter Ordinance (230, section 12) authorizes the Police and Fire Retirement System to invest trust fund assets in accordance with the prudent person rule, subject to the following limitations: (1) the proportion of funds invested in corporate preferred and common stock shall not exceed 70% and (2) the proportion of funds invested in foreign securities shall not exceed 35%. Additionally, the Systems are not permitted to invest directly or indirectly in any:

1. Real estate, except in pooled arrangements such as a mutual fund or commingled fund operated by a qualified investment counselor or an insurance company. The amount of such investment shall not exceed 10% of the Fund;
2. Private equity, except in a commingled fund-of-funds vehicle operated by a registered investment advisor or a bank. The amount of such investment shall not to exceed 10% of the Fund;
3. Timber, except in a commingled fund vehicle operated by a registered investment advisor or a bank. The amount of such investment shall not exceed 10% of the Fund;
4. Mortgages secured by real estate, except insured mortgages under Titles 203, 207, 220 and 221 of the Federal Housing Act;
5. Oil and gas leases or royalties;
6. Commodities (including, but not limited to, wheat, gold, gasoline, options or financial futures); provided however, that the restriction on investments contained in this paragraph shall not apply to funds which are invested in a mutual fund, separate account or commingled fund operated by a registered investment advisor or insurance company; or
7. Letter stocks.

With the exception of the $212,219 held in the City's pooled funds, as of December 31, 2021, all of the deposits and investments of the Wichita Employees' and Police and Fire Retirement Systems are held in a joint investment fund that is invested by outside money managers and are held under a custodial agreement. The Boards have adopted the Strategic Plan and Investment Policies which set forth in detail the asset allocation for the fund and restrictions applicable to specific investment types to mitigate risk. The policies permit investment in five asset types: domestic equities, international equities, fixed income, real estate and timber.

With the assistance of the Investment Consultant, the Joint Investment Committee (JIC) establishes the investment policies which are reviewed annually. In 2018, the JIC approved a seven-year time frame to achieve an annualized

real rate of return of four and a half of a percent (4.50%) above the price inflation assumption. Each manager's performance will also be compared to a relevant market index as outlined in the investment policy.

The investments of the Wichita Retirement Systems (WRS), excluding the securities lending short term collateral investment pool, on December 31, 2021 in the table to the right.

Type of Investment		Fair Value
Government short-term investment	$	39,084,798
Domestic equity		687,946,938
International equity		436,045,037
Fixed income		284,852,534
Real estate		104,863,921
Target date and money market funds		7,250,166
Timber		81,936,372
Derivative investments		247,348
Total Investments	$	1,642,227,114

The pension funds invest in various asset-backed securities such as collateralized mortgage obligations (CMOs) and credit card trusts to maximize yields and reduce the impact of interest rate changes. These securities are based on cash flows from principal and interest payments on the underlying assets. For example, CMOs break up the cash flows from mortgages into categories with defined risk and return characteristics called tranches. The tranches are differentiated by when the principal payments are received from the mortgage pool. Changes in interest and mortgage prepayment rates may affect the amount and timing of cash flows, which would also affect the reported estimated fair values. The pension funds utilize a combination of asset-backed securities, which vary in their degree of volatility. Although considerable variability is inherent in such estimates, management believes the estimated fair values are reasonable estimates.

The pension funds also invest in real estate through real estate investment trusts (REITs). The fair values of these investments are estimated using the net asset value of the Systems' shares owned in each trust. Market conditions have had an impact on the estimated fair value of real estate investments. Restrictions on the availability of real estate financing, as well as economic uncertainties, have affected the volume of purchase and sale transactions. As a result, the estimates and assumptions used in determining the fair values of the real estate investments are inherently subject to uncertainty.

Fair Value Measurement: The Retirement Systems hold significant amounts of investments that are measured at fair value on a recurring basis. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices for identical assets in active markets that can be assessed at the measurement date (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under GASB Statement No. 72 are described as follows:

- *Level 1 –* Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities 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 assets for liabilities.
- *Level 3 –* Unobservable inputs which are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Specific investments that are measured using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. Such investments are identified in the accompanying tables as Net Asset Value (NAV).

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The Wichita Retirement Systems (WRS) categorizes its fair value measurements within the fair value hierarchy established by GAAP. The fair value of measurements for the investments of the WRS on December 31, 2021, are listed in the accompanying table.

Wichita Retirement Systems
Fair Value Measurements
As of December 31, 2021

	Fair Value	Level 1 Inputs	Level 2 Inputs
Investments by fair value level[1]:			
Cash and Cash equivalents	$ 4,278,529	$ 3,721,839	$ 556,690
Equity:			
Domestic equity	479,031,920	479,031,920	-
International equity	172,998,633	172,998,633	-
Fixed income	273,250,519	58,495,640	214,754,879
Money market funds	424,591	424,591	-
Derivative investments	247,348	(4,688)	252,036
Total investments by fair value level	930,231,540	$ 714,667,935	$ 215,563,605
Investments measured at the net asset value (NAV):			
Government short-term investment fund	$ 34,806,269		
Equity:			
Domestic equity	208,915,018		
International equity	263,046,404		
Fixed income	11,602,015		
Real estate	104,863,921		
Target date funds	6,825,575		
Timber	81,936,372		
Total investments measured at NAV	711,995,574		
Total investments	$ 1,642,227,114		

[1]There were no investments valued using Level 3 inputs at December 31, 2021.

Debt, equity and other securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Equity securities classified as Level 2 of the fair value hierarchy are traded on inactive markets or valued by reference to similar instruments using (1) marked based-factors, such as credit, liquidity and interest rate conditions, and (2) issuer-specific factors, such as creditworthiness of the issuer and likelihood of full repayment at maturity. Fixed income securities classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Derivative instruments classified as Level 1 of the fair value hierarchy include forwards and options which are traded on active exchanges. Derivative instruments classified as Level 2 of the fair value hierarchy are valued using a market approach. Options contracts derive their value from underlying asset prices, indices, reference rates and other inputs or a combination of these factors. These contracts are normally valued on the basis of pricing service providers or broker dealer quotations. Depending on the product and the terms of the transaction, the value of the financial derivative instruments can be estimated by a pricing service provider using a series of techniques, including simulation pricing models. The pricing models are inputs that are observed from actively quoted markets such as issuer details, indices, spreads, interest rates, yield curves and exchange rates. For centrally cleared credit default swaps, the clearing facility requires its members to provide actionable price levels across complete term structures. These levels along with external third-party prices are used to produce daily settlement prices. Centrally cleared interest rate swaps are valued using a pricing model that references the underlying rates including the overnight index swap rate to produce the daily settlement price.

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Additional information relating to the investments measured at NAV for WRS on December 31, 2021, are listed in the table below.

Wichita Retirement Systems
Investments Measured at Net Asset Value (NAV)
As of December 31, 2021

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period (Days)
Government short-term investment fund	$ 34,806,269	$ -	Daily	5
Domestic equity	208,915,018	-	Daily	1
International equity	263,046,404	-	Bi-monthly, monthly	15-30
Fixed income	11,602,015	-	Daily	1
Real estate	104,863,921	-	Quarterly	45-60
Target date funds	6,825,575	-	Daily	1
Timber	81,936,372	-	N/A	N/A
Total investments measured at NAV	$ 711,995,574	$ -		

Net Asset Value: WRS reports the following types of investments valued at Net Asset Value (NAV).

- *Government short-term investment fund –* The government short-term investment fund that is measured at the NAV is a collective trust that invests any cash balances from the actively managed fund managers of the Systems, as well as the Systems' cash fund. The investment objective of the Fund is to maintain liquidity to ensure cash availability for withdrawals while preserving the principal.
- *Domestic equity –* The Systems have one domestic equity fund manager that is an S&P 500 securities lending index fund measured at the NAV. This Fund seeks an investment return that approximates the performance of the S&P 500 over the long term. NAV is calculated on a daily basis based upon the fair value of the underlying investments.
- *International equity –* The Systems have three fund managers with commingled investments in international equities that are measured using NAV. These fund managers are structured as limited partnerships and a MSCI securities lending index fund. The limited partnerships calculate NAV through a capital account maintained for each partner. The MSCI securities lending index fund calculates NAV on a per unit basis of the Fund and is determined as of the last business day of each month and at least one other business day during the month.
- *Fixed income –* The Systems have one fund manager that invests in commingled fixed income funds. These investments are structured within three funds; Opportunistic US$ High Yield Securities, Floating Rate High Income and Opportunistic Non-Dollar Hedged. The NAV for these funds is calculated daily on a per share value from the fair value of the underlying investments at the end of each day that the New York Stock Exchange is open as of the close of regular trading.
- *Real estate –* The Systems have two fund managers that invest in real estate measured at the NAV. These investments are in Real Estate Investment Trusts (REITs) and commingled real estate through a limited partnership. Both fund managers calculate NAV per unit from fair value estimates based on values from independent appraisals on a quarterly basis.
- *Target date funds –* The Systems have various target date funds that are measured at the NAV. The NAV is determined each business day based on the value the underlying investments.
- *Timber –* The Systems have one fund manager that invests in timber measured at the NAV. This fund manager is structured as a limited partnership and calculates NAV from independent appraisals in capital accounts maintained for each partner.

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Custodial Credit Risk: The custodial credit risk for deposits is the risk that in the event of a bank failure, the WRS' deposits may not be recovered. On December 31, 2021, the WRS' cash deposits in the amount of $212,219 were included in the City's pooled cash and temporary investments. The WRS' debt securities investments were registered in the name of WRS and were held in the possession of the WRS' custodial bank, The Bank of New York Mellon. Amounts held in the City's pooled cash and temporary investments were fully collateralized as of December 31, 2021. Additional information about the City's pooled cash and cash investments is available in the City's separately issued Annual Comprehensive Financial Report, available upon request from the Pension Management Office.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the price of a bond. One way to evaluate interest rate risk is through the modified duration methodology. Duration is a measure of how much bond prices may change if interest rates move. The modified duration methodology estimates the sensitivity of a bond's price to interest rate changes and is measured in years. WRS manages interest rate risk by complying with the following policies:

1. Fixed income managers have full discretion over the issuers selected and must manage portfolios to their guidelines.
2. According to the Investment Policy Statement, the Active Core and Core Plus fixed income managers must not be less than 80% or more than 120% of the duration of the Bloomberg Barclays Capital Aggregate Index (Index), unless the Joint Investment Committee prospectively grants a written exception. As of December 31, 2021, the duration of the Index was 6.78 years, which equated to a minimum and maximum range for each fixed income portfolio of 5.42 years and 8.14 years, respectively. The Active Core portfolio duration was 6.39 years and the Active Core Plus portfolio was 7.33 years; both were within duration range.

   For global fixed income managers, portfolio duration must not be less than 60% or more than 140% of the duration of the Barclays Global Aggregate Bond index, which was 7.54 years ending December 31, 2021. The global fixed income portfolio duration was 5.96 years, which was between the stated parameters of 4.52 years to 10.56 years.

   The table below represents the interest rate risk based on the weighted average modified duration of the fixed income portfolio:

Interest Rate Risk
As of December 31, 2021

Investment Type	Fair Value	Percent of all Fixed Income Assets	Weighted Average Modified Duration (Years)
Corporate debt instruments, long-term	$ 101,913,647	31.4%	6.6
Government securities long-term	62,068,570	19.1%	11.6
Mortgage and asset-backed securities	53,114,858	16.4%	3.6
Global fixed income	56,400,849	17.4%	7.4
Actively managed investments	273,497,924	84.3%	7.3
Government short-term investment fund	39,084,798	12.1%	-
Pooled high-yield fixed income securities	11,602,015	3.6%	1.9
Total investment in debt securities	$ 324,184,737	100.0%	

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Credit Risk of Debt Securities: Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The WRS manages exposure to investment credit risk by adhering to the following policies: (1) for active core domestic fixed income investments, at the time of purchase, bonds and preferred stocks must be rated at least "A2/A/A" or higher using the middle rating of Moody's, Standard and Poor's and Fitch after dropping the highest and lowest available ratings. When a rating from only two agencies is available, the lower ("more conservative") rating is used. When a rating from only one agency is available, that rating is used to determine credit quality; and (2) for core-plus domestic fixed income investments, the weighted average credit quality of the portfolio will not fall below "A2/A/A" or equivalent; when determining credit quality, the middle rating of Moody's, Standard and Poor's and Fitch is used after dropping the highest and lowest available ratings. When a rating from only two agencies is available, the lower ("more conservative") rating is used. When a rating from only one agency is available, that rating is used to determine credit quality. Throughout 2021, no securities were purchased that were below the established credit quality minimum in the active core portfolio and the weighted average credit quality of the active core plus portfolio did not fall below the established credit quality rating. The accompanying table shows the debt investments held by the WRS on December 31, 2021 and their respective ratings by Standard and Poor's or an equivalent nationally recognized statistical rating organization.

Quality Rating		Total Debt Securities
AAA	$	24,233,215
AA+		97,736,869
AA		3,809,854
AA-		6,091,321
A+		6,658,518
A		19,060,164
A-		22,283,887
BBB+		28,388,950
BBB		21,523,453
BBB-		15,997,608
BB+		4,928,388
BB		3,182,778
BB-		4,803,008
B+		1,463,437
B		1,057,275
B-		19,373
CCC+		314,226
CCC		288,229
CC		146,675
Not rated (NR)		22,593,072
Withdrawn Rating (WR)		519,639
Total credit risk debt securities		285,099,939
Government short-term investment*		39,084,798
Total investment in debt securities	$	324,184,737

*The collective trust government short-term investment fund itself is not rated. Each holding within the fund is rated, but an average rating is not available.

Credit risk for investment derivative instruments results from counterparty risk assumed by the WRS. This is essentially the risk that the counterparty to a WRS' transaction will be unable to meet its obligation. Information regarding the WRS' credit risk related to derivatives is found in the derivatives disclosures that follows.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss that may be attributed to the magnitude of an entity's investment with a single issuer. The WRS' investment in debt securities had no single issuer of investments that represented 5% or more of the plan assets, with exception of investments issued or implicitly guaranteed by the U.S. government and investments in mutual funds, as delineated in the WRS' investment policy.

Rate of Return: The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.84% for the year ended December 31, 2021. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested.

Derivatives: Investment derivative instruments are financial contracts for which the value of the contract is dependent on the values of one or more underlying asset, reference rate or financial index. They include futures contracts, swap contracts, options contracts, rights and forward foreign currency exchanges. While the WRS has no formal policy specific to investment derivatives, the WRS, through its external investment managers, held a variety of these instruments as of December 31, 2021. The WRS enters into these investment derivative instruments primarily to enhance the performance, reduce the volatility of its investment portfolio and to manage interest rate risk. The investment derivative instruments held by the WRS on and during the year ended December 31, 2021 are shown on the following pages. The notional values associated with these derivative instruments are generally not recorded in the financial statements; however, the exposure amounts on these instruments are included in the fair value of investments in the Statement of Fiduciary Net Position and the total changes in fair value for the year are included as investment income (loss) in the Statement of Changes in Fiduciary Net Position.

The fair value of derivative investments is based on the exchanges when available. When an exchange is not available, estimated fair values are determined in good faith by using information from J.P. Morgan traders and other market participants, including methods and assumptions considering market conditions and risks existing at the date of the Statement of Fiduciary Net Position. Such methods and assumptions incorporate standard valuation conventions and techniques, such as discounted cash flow analysis and option pricing models. All methods utilized to estimate fair values result only in general approximations of value.

The WRS' investments in derivative instruments on December 31, 2021 are presented in the accompanying tables.

Derivative Investments Summary
As of December 31, 2021

Classification and Type	Change in Fair Value	Notional Value	Exposure/ Fair Value
Foreign current forward (FFX) contracts	$ (32,558)	$ 40,063,900	$ (236,237)
Futures contracts	363,700	73,536,266	239,613
Options	(3,797)	-	(8,063)
Swaps	(510,533)	72,739,500	252,035
Total derivative investments	$ (183,188)	$ 186,339,666	$ 247,348

Derivative Investments Detail
As of December 31, 2021

Classification and Type	Change in Fair Value	Notional Value	Exposure/ Fair Value	Counterparty (Counterparty Rating)
FFX contracts:				
Australian dollar	$ -	$ 153,894	$ (690,109)	N/A[1]
Brazilian real	-	691,659	180,428	N/A[1]
Canadian dollar	-	1,972,210	(197,283)	N/A[1]
Chinese r yuan hk	-	-	(434,404)	N/A[1]
Euro currency unit	-	1,520,581	(13,578,274)	N/A[1]
Hong Kong dolar	-	-	(48,096)	N/A[1]
Hungarian forint	-	136,542	-	N/A[1]
Indian rupee	-	375,793	68,053	N/A[1]
Indonesian rupiah	-	-	(73,380)	N/A[1]
Japanese yen	-	995,863	(3,793,281)	N/A[1]
Malaysian ringgit	-	-	(141,489)	N/A[1]
Mexican peso	-	253,222	(3,404,132)	N/A[1]
New Taiwan dollar	-	-	(231,611)	N/A[1]
Pound sterling	-	40,517	(1,371,205)	N/A[1]
Russian ruble (new)	-	797,850	(201,576)	N/A[1]
Singapore dollar	-	-	(2,372,720)	N/A[1]
Swedish krona	-	-	(134,795)	N/A[1]
U.S. dollar	-	33,125,769	26,187,637	N/A[1]
Aggregated	(32,558)	-	-	N/A[1]
Total FFX contracts	(32,558)	40,063,900	(236,237)	
Future contracts:				
Eurodollar futures	$ (201,514)	$ 53,100,627	$ (201,514)	Goldman Sachs & Co, NY (BBB+)
Futures contracts	124,089	-	-	N/A
International bond futures	(16,262)	934,304	(16,262)	Goldman Sachs & Co, NY (BBB+)
International government bond	86,445	(6,900,780)	86,445	Goldman Sachs & Co, NY (BBB+)
International government bond	(5,489)	4,694,517	(5,489)	Merrill Lynch Pierce Fenner Smith Inc. NY (A-)
International government bond - UK	11,311	(2,016,258)	11,311	Merrill Lynch Pierce Fenner Smith Inc. NY (A-)
Treasury bonds	114,845	(9,717,532)	114,845	Goldman Sachs & Co, NY (BBB+)
Treasury notes	250,276	33,441,388	250,277	Goldman Sachs & Co, NY (BBB+)
Total futures contracts	363,701	73,536,266	239,613	

[1] Counterparty ratings for FFX contracts is not available by currency. See table on the following page summarizing FXX contracts ratings by counterparty.

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Derivative Investments Detail (continued)
As of December 31, 2021

Classification and Type	Change in Fair Value	Notional Value	Exposure/ Fair Value	Counterparty (Counterparty Rating)
Options:				
Fixed income securities	$ (2,715)	N/A	$ -	N/A
Futures contracts	(3,419)	N/A	-	N/A
Treasury notes	2,336	N/A	(8,063)	Goldman Sachs & Co, NY (BBB+)
Total options	(3,798)		(8,063)	
Swaps:				
Cleared credit default swaps	3,091	646,000	(59,046)	BNP Paribas SA (A+)
Cleared credit default swaps	(24,786)	-	-	BNP Paribas Securities Corp (A+)
Cleared credit default swaps	5,634	3,611,500	87,734	JP Morgan Chase & Co (A-)
Cleared inflation swaps	2,011	5,020,000	12,423	London Stock Exchange Group PLC (A)
Cleared interest rate swaps	(305,720)	48,112,000	47,319	CME Group Inc (AA-)
Cleared interest rate swaps	-	-	-	LCH Ltd (A)
Cleared zero coupon swaps	74,329	10,516,000	267,186	CME Group Inc (AA-)
Fixed income securities	(101,325)	-	-	N/A
Interest rate swaps	(135,192)	3,934,000	(75,528)	Citigroup Inc (BBB+)
Interest rate swaps	(28,575)	900,000	(28,053)	JP Morgan Chase & Co (A-)
Total swaps	(510,533)	72,739,500	252,035	
Total derivative investments	$ (183,188)	$ 186,339,666	$ 247,348	

FXX Contracts Rating by Counterparty[1]
As of December 31, 2021

Counterparty (Counterparty Rating)	Exposure/ Fair Value
The Bank of New York Mellon Corp (A)	$ (5)
Barclays PLC (BBB)	(70,567)
BNP Paribas SA (A+)	31,803
Brown Brothers Harriman & Co (A+)	(8)
Citigroup Inc (BBB+)	(37,455)
The Goldman Sachs Group Inc (BBB+)	(49,355)
JP Morgan Chase & Co (A-)	(64,017)
Morgan Stanley (BBB+)	(46,591)
Royal Bank of Canada (AA-)	(42)
Total FFX counterparties	$ (236,237)

[1] Counterparty ratings for FFX contracts is not available by currency; and thus, is summarized by Counterparty.

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Foreign Currency Risk: Currency risk arises due to foreign exchange rate fluctuations. The WRS' investment policies manage the exposure to foreign currency risk by allowing international securities investment managers to enter into forward exchange or future contracts on foreign currency provided such contracts have a maturity of less than one year. Currency contracts are only to be utilized for the settlement of securities transactions and defensive hedging of currency positions. The WRS' exposure to foreign currency risk on December 31, 2021 is presented in the accompanying table.

Foreign Currency Risk
As December 31, 2021

Currency	Cash and Cash Equivalents	Equities	Fixed Income	Derivatives
Argentine peso	$ 472	$ -	$ -	$ -
Australian dollar	(591,106)	6,940,391	831,972	6,050
Brazilian real	180,428	-	1,180,802	(103,580)
Canadian dollar	(49,170)	-	2,188,381	(11,558)
Chinese r yuan hk	(434,404)	-	-	-
Chinese yuan renminbi	45,532	-	401,418	-
Danish krone	-	636,988	-	-
Euro currency unit	(13,256,683)	67,375,442	14,669,448	59,521
Hong Kong dollar	(48,096)	9,297,126	-	-
Hungarian forint	(45,809)	-	-	-
Indian rupree	68,053	-	-	-
Indonesian rupiah	30,694	-	1,199,503	-
Japanese yen	(3,707,347)	45,267,070	4,740,641	10,681
Malaysian ringgit	(138,925)	-	134,768	-
Mexican peso	(3,328,344)	-	5,665,571	(2,042)
New Taiwan dollar	(231,611)	-	-	-
New Zealand dollar	(1,869)	348,503	-	-
Norwegian krone	(1,524)	1,643,418	-	-
Pound sterling	(1,209,061)	18,997,118	1,246,194	11,311
Russian ruble (new)	(184,832)	-	1,601,725	-
Singapore dollar	(2,372,720)	822,075	2,352,613	-
Swedish krona	(119,894)	5,580,262	-	-
Swiss franc	-	12,985,936	-	-
Total subject to foreign currency risk	$ (25,396,216)	$ 169,894,329	$ 36,213,036	$ (29,617)

All forward foreign currency contracts are carried at fair value by the WRS. As of December 31, 2021, the Systems held forward currency contracts with an unrealized loss of $236,237. If held, forward foreign currency contracts are reported as derivative investments in the financial statements.

Securities Lending Transactions: Policies of the Board of Trustees for the Wichita Employees' Retirement and Police and Fire Retirement Systems permit the lending of securities to broker-dealers and other entities (borrowers) with a simultaneous agreement to return the collateral for the same securities in the future. The WRS' custodial bank, The Bank of New York Mellon, is the lending agent for the Systems' domestic securities for initial collateral of 102% of the fair value of the loaned securities and international equity securities for initial collateral of 105% of the fair value of such securities. Collateral may consist of cash (U.S. currency only); securities issued or guaranteed by the U.S. government or its agencies or instrumentalities; sovereign debt, corporate bonds and equities. Additional forms of collateral may be acceptable as the parties may agree to in writing.

The collateral securities cannot be pledged or sold by the WRS unless the borrower defaults. The lending agent shall require additional collateral from the borrower whenever the value of loaned securities exceeds the value of the collateral in the agent's possession, so that collateral always equals or exceeds 100% of the fair value of the loaned securities.

Contracts with the lending agent require them to indemnify the WRS, if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the WRS for income distributions by the securities' issuers while the securities are on loan.

At year-end, the WRS had no credit risk exposure to borrowers because the amounts the WRS owes the borrowers exceeded the amounts the borrowers owed the Systems. All securities loans, whether domestic or international, are open loans and can be terminated on demand by either the system or the borrower. At year-end, loaned securities were secured with cash collateral or securities collateral. The amount shown on the Statement of Fiduciary Net Position only reflects transactions where cash collateral was received. Cash collateral is invested in a separately managed cash collateral account. Also, since securities loans are terminable at will, the duration of the securities loans do not generally match the duration of the investments made with the cash collateral received from the borrower.

Custodial Credit Risk Related to Securities Lending: Custodial credit risk for lent securities is the risk that, in the event of the failure of the counterparty, the WRS will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Consistent with the WRS' securities lending policy, $88,402,757 was held by the counterparty acting as the WRS' agent in securities lending transactions on December 31, 2021.

Other Risk Information: Recent market conditions have resulted in an unusually high degree of volatility and increased risks associated with certain investments held by the Wichita Employees' Retirement System and the Police and Fire Retirement System. As a result, it is at least reasonably possible that changes in the fair values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements. In addition, declines in the fair values of the Systems' assets could ultimately affect the funded status of WRS. The ultimate impact on the funded status will be determined based upon market conditions in effect when the annual valuation is performed.

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6. CAPITAL ASSETS

Capital asset activity of the primary government for the year ended December 31, 2021 is presented in the following table:

Capital Assets For the Year Ended December 31, 2021 (dollars in thousands)	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 281,830	$ 135	$ (7,500)	$ -	$ 274,465
Construction in progress	309,871	55,893	(206,878)	-	158,886
Total capital assets, not being depreciated	591,701	56,028	(214,378)	-	433,351
Capital assets, being depreciated:					
Buildings	294,830	87,479	(92)	-	382,217
Improvements other than buildings	128,413	49,687	(563)	(18,588)	158,949
Machinery, equipment and other assets	133,200	21,497	(10,124)	(31)	144,542
Infrastructure	960,833	53,156	(29)	-	1,013,960
Total capital assets being depreciated	1,517,276	211,819	(10,808)	(18,619)	1,699,668
Less accumulated depreciation for:					
Buildings	(134,822)	(8,259)	70	-	(143,011)
Improvements other than buildings	(56,964)	(5,116)	497	-	(61,583)
Machinery, equipment and other assets	(102,300)	(8,270)	9,696	20	(100,854)
Infrastructure	(389,171)	(24,890)	29	-	(414,032)
Total accumulated depreciation	(683,257)	(46,535)	10,292	20	(719,480)
Total capital assets, being depreciated, net	834,019	165,284	(516)	(18,599)	980,188
Governmental activities capital assets, net	$ 1,425,720	$ 221,312	$ (214,894)	$ (18,599)	$ 1,413,539
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 49,844	$ 83	$ (81)	$ -	$ 49,846
Construction in progress	179,282	133,157	(90,540)	-	221,899
Total capital assets, not being depreciated	229,126	133,240	(90,621)	-	271,745
Capital assets, being depreciated:					
Airfields	184,969	22,130	-	-	207,099
Buildings	477,757	23,639	-	-	501,396
Improvements other than buildings	1,511,547	42,508	(55)	18,588	1,572,588
Machinery, equipment and other assets	273,985	7,748	(1,184)	31	280,580
Total capital assets being depreciated	2,448,258	96,025	(1,239)	18,619	2,561,663
Less accumulated depreciation for:					
Airfields	(145,051)	(4,512)	-	-	(149,563)
Buildings	(143,598)	(8,633)	-	-	(152,231)
Improvements other than buildings	(437,816)	(28,796)	17	-	(466,595)
Machinery, equipment and other assets	(193,585)	(15,070)	1,011	(20)	(207,664)
Total accumulated depreciation	(920,050)	(57,011)	1,028	(20)	(976,053)
Total capital assets, being depreciated, net	1,528,208	39,014	(211)	18,599	1,585,610
Business-type activities capital assets, net	$ 1,757,334	$ 172,254	$ (90,832)	$ 18,599	$ 1,857,355

Capital Assets (continued)
For the Year Ended December 31, 2021
(dollars in thousands

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Fiduciary Activities:					
Capital assets, being depreciated:					
Machinery, equipment and other assets	$ 1,283	$ -	$ -	$ -	$ 1,283
Less accumulated depreciation for:					
Machinery, equipment and other assets	(1,283)	-	-	-	(1,283)
Total capital assets, being depreciated, net	-	-	-	-	-
Fiduciary activities capital assets, net	$ -	$ -	$ -	$ -	$ -

Depreciation expense was charged to function/programs of the primary government as follows (in thousands of dollars):

	Current Year Depreciation
Governmental Activities:	
General government	$ 7,355
Public safety	3,519
Highways and streets[1]	26,506
Sanitation	430
Health and welfare	623
Culture and recreation	4,749
Internal service funds[2]	3,353
Total depreciation expense - governmental activities	$ 46,535
Business-type Activities:	
Water Utility Fund	$ 26,877
Sewer Utility Fund	12,281
Airport Authority Fund	11,075
Stormwater Utility Fund	3,363
Nonmajor enterprise funds	3,415
Total depreciation expense - business-type activities	$ 57,011
Fiduciary Activities	
Pension trust funds	$ -

[1] Includes the depreciation expense of general infrastructure assets.

[2] Capital assets held by the government's internal services are charged to the various functions based on the usage of the assets.

7. RETIREMENT FUNDS

The reporting entity contributes to two single-employer defined benefit pension plans and a single-employer defined contribution plan, covering all full-time employees. The defined benefit plans include the Wichita Employees' Retirement System (WERS) and the Police and Fire Retirement System (PFRS). Each system is governed by a separate Board of Trustees. Benefit and contribution provisions for the City's retirement plans are established by City Ordinance. Establishment of, and amendments to, benefit provisions are authorized by the City Council.

The WERS Board of Trustees is comprised of 16 members including the City Manager or the City Manager's designee, one employee appointed by the City Manager, seven members appointed by the City Council and seven employees elected by the WER employee members. The single-employer defined contribution plan consists of the Wichita Employees' Retirement System Plan 3b which is also governed by the Wichita Employees' Retirement System Board of Trustees. The PFRS Board

of Trustees is comprised of 16 members including the City Manager or the City Manager's designee, the Chief of the Police Department, the Chief of the Fire Department, seven members appointed by the City Council, three fire officers elected by PFRS employee members in the fire department or the airport and three police officers elected by PFRS employee members in the police department.

The Wichita Retirement Systems (WRS) issue a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplementary information for WERS, PFRS and Plan 3b. The financial report may be obtained online at http://www.wichita.gov/Finance/Pages/Pension.aspx.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PLAN ASSET MATTERS

Basis of Accounting: The Wichita Employees' Retirement System, the Police and Fire Retirement System and the Wichita Employees' Retirement System Plan 3b are reported as pension trust funds in the City's financial statements and using the economic resources measurement focus and the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments: Investments are reported at fair value. Short-term investments are reported at cost plus accrued interest, which approximates fair value. Securities traded on national or international exchanges are valued at the last trade price of the day. If no close price exists, then a bid price is used. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar investments. The fair value of real estate and timber investments are estimated using the net asset value of the shares owned in each fund. Investments that do not have an established market are reported at their estimated fair value.

Management of Plan Assets: The Boards of Trustees of the Systems have contractual arrangements with independent money managers for investment of the assets of the Systems. The firms have been granted discretionary authority concerning purchases and sales of investments within guidelines established by City Ordinances and the Strategic Plan and Investment Policies adopted by the Boards of Trustees. The Boards of Trustees of the Systems also have contractual arrangements with independent firms which monitor the investment decisions of the Systems' investment managers.

Net Pension Liability, Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions: For the year ended December 31, 2021, the City had a total net pension liability of $15,601,381 which was comprised of WERS and PFRS having net pension liabilities of $13,791,098 and $1,810,283, respectively. The City recognized a combined net pension expense of $1,251,056 for the defined benefit plans it administers with $779,003 for the Wichita Employees' Retirement System and $472,053 for the Police and Fire Retirement System. As of December 31, 2021, the City reported total deferred outflows of resources and deferred inflows of resources related to pensions of $64,805,270 and $121,127,865, respectively.

B. WICHITA EMPLOYEES' RETIREMENT SYSTEM

Plan Description: The WERS was established to provide retirement and survivor annuities, disability benefits, death benefits and other benefits for all regular full-time civilian employees of the reporting entity and their dependents. Plan 1 was established by City Ordinance on January 1, 1948 and became closed to new entrants as of July 19, 1981. With the initiation of Plan 2, which was established by City Ordinance on July 18, 1981, all covered employees of Plan 1 were given the option of converting to the new plan. Plan 2 was closed to new entrants with the establishment of Plan 3 by City Ordinance, effective January 1, 1994.

Plan 3 was established by City Ordinance on April 9, 1993 and amended on February 8, 2000. The reporting entity's contributions and earnings for each employee are 25% vested after three years of service, 50% vested after five years and are fully vested after seven years of service. Upon completion of seven years of service, employees participating in Plan 3 automatically convert to participation in Plan 2 unless they make an irrevocable election to convert to Plan 3b, a defined contribution plan, within 90 days thereafter. Establishment of and amendments to the benefit provisions for the WERS are authorized by the City Council.

Benefits Provided: The primary benefits provided are retirement benefits. However, the System also provides ancillary benefits in the event of pre-retirement death, disability or termination of employment prior to meeting the eligibility requirements to retire.

Plan 1 members are eligible to retire at age 60 with seven years of service or at any age with 30 years of service. Plan 2 members may retire at age 62 with seven years of service. Benefits for Plan 1 members are calculated using Final Average Salary (FAS), which is the member's compensation for the three highest consecutive years of service within

the last 10 years, multiplied by the total years of creditable service and a factor of 2.5%, subject to a maximum of 75% of the FAS. Benefits for Plan 2 members are the same as Plan 1 except they are calculated using a factor of 2.25% instead of 2.5%. Benefits vest with seven years of service. The calculation varies with early retirement. When a Plan 1 member has been retired for 12 months, they will receive an annual adjustment to their benefit of 3% of the original base amount of the benefit. The annual post-retirement adjustment for Plan 2 members is 2%.

As of December 31, 2021, the WERS defined benefit plan membership consisted of the following:

Wichita Employees' Retirement System Membership As of December 31, 2021				
Member Category	Plan 1	Plan 2	Plan 3	Total
Inactive employees or beneficiaries currently receiving benefits	555	939	-	1,494
Inactive employees entitled to, but not yet receiving benefits	-	143	-	143
Active employees	-	779	635	1,414
Total membership	555	1,861	635	3,051

Deferred Retirement Option Plan (DROP) Provision: The benefit structure of the Wichita Employees' Retirement System includes a Deferred Retirement Option Plan (DROP). Both Plan 1 and Plan 2 provide a DROP provision. Members must be eligible to receive a service retirement benefit as of the DROP retirement date to participate in the DROP. The DROP period is one to 60 months. The monthly benefit amount is computed as of the DROP election date based on the final average salary and years of service as of that date. The benefit is paid into the member's notional DROP account during the deferral or DROP period. The member and City both continue to make the required contributions during the deferral period. These contributions are not credited to the member's DROP account, but are credited to general Plan assets to improve the System's funding. Interest at an annual rate of 5.0%, compounded monthly, is credited to the notional DROP account. Voluntary termination of employment during the DROP period results in loss of accrued interest. When the member terminates employment, the balance of the DROP account is paid as a lump sum and future monthly benefits are paid to the member. The balance of the notional DROP accounts as of December 31, 2021 is $5,382,587.

Funding Policy: The contribution requirements of plan members and the reporting entity are established by City Ordinance and may be amended by the governing body. Members of Plan 1 and 2 are required to contribute 6.4% and 4.7% of covered salaries, respectively. Members of Plan 3 are required to contribute 4.7% of covered salaries. From its various operating funds, the City is required to contribute at an actuarially determined rate; the rate for 2021 was 13.9% of annual covered payroll for Plans 1, 2 and 3 (excluding compensation attributable to members who have made an irrevocable election to remain in the defined contribution plan after fully vesting at seven years of service). The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded liability. The City may provide for pension expenses by levying ad valorem property taxes each year in the amount necessary to meet its obligation as determined by the WERS consulting actuary. For the year ended December 31, 2021, WRS received $10,722,494 in contributions from the employer.

Actuarial Assumptions: The total pension liability in the December 31, 2020 actuarial valuation was determined using the actuarial assumptions summarized in the table on the following page, applied to all periods included in the measurement. The actuarial assumptions used in the December 31, 2020 valuation were based on the results of the most recent experience study, which covered the three-year period ending December 31, 2016. The experience report is dated April 17, 2018.

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Wichita Employees' Retirement System	
Actuarial Assumptions for the December 31, 2020 Actuarial Valuation	
Price inflation	2.75%
Wage inflation	3.25%
Salary increases, including wage inflation	3.50% - 6.50%
Long-term rate of return, net of investment expense, including price inflation	7.59%
Municipal bond index rate	2.12%
Year Fiduciary Net Position (FNP) is projected to be depleted	N/A
Single Equivalent Interest Rate (SEIR), net of investment expense, including price inflation	7.59%
Pre-retirement mortality rates	Based on the RP-2000 Employee Table, projected generationally using Scale AA (ages set forward 2 years for males, 0 for females).
Post-retirement mortality rates	Based on the RP-2000 Healthy Annuitant Table, projected generationally using Scale AA (ages set forward 2 years for males, 0 for females).
Disabled mortality rates	Based on the RP-2000 Disabled Table for males and females, projected generationally using Scale AA.

Changes in Actuarial Assumptions: There was one change in actuarial assumptions in the 2020 actuarial valuation to decrease the SEIR from 7.60% to 7.59%.

Actuarial Rate of Return Assumption: The long-term expected rate of return on pension plan investments is reviewed as part of the regular experience study prepared for the System. Several factors are considered in evaluating the long-term rate of return assumption, including long term historical data, estimates inherent in current market data and an analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by targeting the asset allocation percentage and then adding expected inflation. The long-term rate of return assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption or a fundamental change in the market that alters expected returns in future years. The target asset allocation and best estimates of geometric real rates of return (net of 2.24% inflation assumption) for each major asset class are summarized in the table above.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Large cap equity	32%	4.49%
Small cap equity	8%	4.95%
International equity	27%	5.22%
Fixed Income	20%	1.51%
Real estate	7%	4.00%
Timber	5%	1.82%
Cash	1%	0.17%
Total	100%	

** Geometric mean, net of investment expenses.*

Discount Rate: The discount rate used to measure the total pension liability as of the December 31, 2020 valuation is 7.59%. The fiduciary net position was projected to be available to make all projected future benefit payments of current members for all future years; therefore, a Municipal Bond Index Rate (MBIR) was not used in the determination of the Single Equivalent Interest Rate (SEIR) for the December 31, 2020 valuation and the SEIR is 7.59%.

The projection of cash flows used to determine the discount rate assumed the employee contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the employee rate. Projected future benefit payments for all current plan members were projected through 2125. The projections were based on the WER's financial status on the Measurement Date, the indicated set of methods and assumptions, and the requirements of GASB 68. As such, the projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing plan basis, reflecting the impact of future members. Therefore, the projections as of the current measurement date for GASB 68 don't necessarily indicate whether not the System will actually run out of money, the financial conditions of the System, or the System's ability to make benefit payments in future years.

Net Pension Liability: Detailed information about the pension plan's fiduciary net position used in calculating the net pension liability is available in the separately issued WRS financial report. The City's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The table below presents changes in the total pension liability, fiduciary net position and the net pension liability.

Wichita Employees' Retirement System Changes in Pension Liabilities and Fiduciary Net Position	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of December 31, 2019	$ 668,661,985	$ 617,892,432	$ 50,769,553
Changes for the year:			
Service cost	9,639,316	-	9,639,316
Interest on total pension liability	49,106,352	-	49,106,352
Differences between expected and actual experience	(1,365,285)	-	(1,365,285)
Assumption changes	669,701	-	669,701
Employer contributions	-	11,010,091	(11,010,091)
Employee contributions	-	3,809,288	(3,809,288)
Reclassifications due to participant conversion	(63,361)	(63,361)	-
Net investment income	-	80,782,297	(80,782,297)
Benefit payments, including member refunds	(45,828,504)	(45,828,504)	-
Administrative expenses	-	(573,137)	573,137
Net Changes	12,158,219	49,136,674	(36,978,455)
Balance as of December 31, 2020	$ 680,820,204	$ 667,029,106	$ 13,791,098

Sensitivity Analysis: The accompanying table presents the net pension liability of the City using the discount rate of 7.59%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower (6.59%) or 1% higher (8.59%) than the current rate.

Wichita Employees' Retirement System Sensitivity Analysis		
	Rate	City's Net Pension Liability (Asset)
1% decrease	6.59%	$ 86,720,241
Current rate	7.59%	13,791,098
1% increase	8.59%	(48,084,525)

Deferred Outflows and Inflows: As of December 31, 2021, the City reported total deferred outflows of resources and deferred inflows of resources related to the WERS pension as presented in the table below:

Wichita Employees' Retirement System Deferred Outflows and Inflows As of December 31, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,100,406	$ 2,397,731
Changes of assumptions	12,634,630	11,345,521
Net difference between projected and actual earnings on pension plan investments	-	40,647,210
City contributions subsequent to the measurement date	10,722,494	-
Changes in proportion of the total net pension liability since the prior measurement date		
Change in proportion - governmental activities	180,891	724,821
Change in proportion - business-type activities	1,083,441	539,511
Total	$ 26,721,862	$ 55,654,794

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts reported in governmental activities	$ 18,204,823	$ 39,233,266
Deferred amounts reported in business-type activities	8,517,039	16,421,528
Total	$ 26,721,862	$ 55,654,794

The $10,722,494 reported as deferred outflows of resources related to the WERS pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the WERS pension will be recognized as pension expense as follows:

Wichita Employees' Retirement System		
Year Ending December 31,	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	$ 8,234,333	$ 17,792,962
2023	6,476,038	7,406,728
2024	1,011,566	23,077,278
2025	277,431	7,377,826
Totals	$ 15,999,368	$ 55,564,794

C. POLICE AND FIRE RETIREMENT SYSTEM

Plan Description: The PFRS consists of three plans: Plan A, Plan B and Plan C 79. The plans were established to provide retirement and survivor annuities, disability benefits, death benefits and other benefits for police and fire officers of the reporting entity and their dependents. All full-time active "commissioned" Police and Fire Department personnel are required to participate in the plans. Plans A and B were established by City Ordinance on January 1, 1965 and Plan C 79 was established January 1, 1979 by City Ordinance. Plan B was closed to new entrants as of January 1, 1965 and Plan A was closed to new entrants as of December 31, 1978. Establishment of and amendments to the benefit provisions for the PFRS are authorized by the City Council.

Benefits Provided: The primary benefits provided are retirement benefits. However, the System also provides ancillary benefits in the event of pre-retirement death, disability or termination of employment prior to meeting the eligibility requirements to retire.

Plan A and Plan B members are eligible to retire at 20 years of service regardless of age. Plan C members are eligible to retire at 30 years of service regardless of age, 20 years of service at age 50 or 10 years of service at age 55. Benefits are calculated using Final Average Salary (FAS), which is the member's compensation for the three highest consecutive years of service within the last 10 years, multiplied by the total years of creditable service and a factor of 2.5%, subject to a maximum of 75% of the FAS. Benefits vest after 10 years of service. When a member has been retired for 36 months, they will receive an annual adjustment to their benefit of 2.0% of the original base amount of the benefit.

As of December 31, 2021, the PFRS defined benefit plan membership consisted of the following:

Police and Fire Retirement System Membership As of December 31, 2021				
Member Category	Plan A	Plan B	Plan C-79	Total
Inactive employees or beneficiaries currently receiving benefits	414	136	525	1,075
Inactive employees entitled to, but not yet receiving benefits	-	-	37	37
Active employees	1	-	1,119	1,120
Total membership	415	136	1,681	2,232

Backward Deferred Retirement Option Plan (DROP) Provision: The benefit structure of the Wichita Police and Fire Retirement System includes a Backward Deferred Retirement Option Plan (DROP). The Backward DROP is available to plan C-79 members. Members must be eligible to receive a service retirement benefit as of the backward DROP retirement date. The DROP period is one to 60 months. The DROP period is the time between the backward DROP retirement date and the date the employee terminates service. The retirement benefit is calculated as of the day prior to the backward DROP retirement date. The employee's monthly retirement benefits (for the DROP period) plus applicable post retirement adjustments and interest at an annual rate of 5%, compounded monthly, is payable upon the employee's termination of service. When the member terminates employment, the balance of the DROP account is paid as a lump sum and the member begins to receive monthly retirement benefits on the month following termination of service.

Funding Policy: The contribution requirements of plan members and the reporting entity are established by City Ordinance and may be amended by the governing body. PFRS members are required to contribute 6% to 8% of covered salaries. From its various operating funds, the City is required to contribute at an actuarially determined rate; the rate for 2021 was 22.6% of annual covered payroll. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded liability. The City may provide for pension expenses by levying ad valorem property taxes each year in the amount necessary to meet its obligation as determined by the PFRS consulting actuary. For the year ended December 31, 2021, PFRS received $17,889,908 in contributions from the employer.

Actuarial Assumptions: The total pension liability in the December 31, 2020 actuarial valuation was determined using the actuarial assumptions summarized in the table below, applied to all periods included in the measurement. The actuarial assumptions used in the December 31, 2020 valuation were based on the results of the most recent experience study, which covered the three-year period ending December 31, 2016. The experience report is dated April 17, 2018.

Police and Fire Retirement System	
Actuarial Assumptions for the December 31, 2020 Actuarial Valuation	
Price inflation	2.75%
Wage inflation	3.25%
Salary increases, including wage inflation	4.00% - 5.75%
Long-term rate of return, net of investment expense, including price inflation	7.57%
Municipal bond index rate	2.12%
Year Fiduciary Net Position (FNP) is projected to be depleted	N/A
Single Equivalent Interest Rate (SEIR), net of investment expense, including price	7.57%
Pre-retirement mortality rates	Based on the RP-2000 Employee Table, projected generationally using Scale AA.
Post-retirement mortality rates	Based on the RP-2000 Healthy Annuitant Table, projected generationally using Scale AA.
Disabled mortality rates	Based on the RP-2000 Disabled Table for males and females, projected generationally using Scale AA.

Changes in Actuarial Assumptions: There was one change in actuarial assumptions in the 2020 actuarial valuation to decrease the SEIR from 7.59% to 7.57%.

Actuarial Rate of Return Assumption: Information about the actuarial rate of return assumption is disclosed in Note 7A - Wichita Employees' Retirement System. Because the assets of the plans are pooled for investment purposes, the assumptions for the Police and Fire Retirement System are identical to those of the Wichita Employees' Retirement System.

Discount Rate: The discount rate used to measure the total pension liability as of the December 31, 2020 valuation is 7.57%. The fiduciary net position was projected to be available to make all projected future benefit payments of current members for all future years; therefore, a Municipal Bond Index Rate (MBIR) was not used in the determination of the Single Equivalent Interest Rate (SEIR) for the December 31, 2020 valuation and the SEIR is 7.57%.

The projection of cash flows used to determine the discount rate assumed the employee contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the employee rate. Projected future benefit payments for all current plan members were projected through 2123. The projections were based on the PFRS's financial status on the Measurement Date, the indicated set of methods and assumptions, and the requirements of GASB 68. As such, the projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing plan basis, reflecting the impact of future members. Therefore, the projections as of the current measurement date for GASB 68 don't necessarily indicate whether not the System will actually run out of money, the financial conditions of the System, or the System's ability to make benefit payments in future years.

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Net Pension Liability: Detailed information about the pension plan's fiduciary net position used in calculating the net pension liability is available in the separately issued WRS financial report. The City's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The table below presents changes in the total pension liability, fiduciary net position and the net pension liability.

Police and Fire Retirement System Changes in Pension Liabilities and Fiduciary Net Position	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of December 31, 2019	$ 780,246,739	$ 731,075,044	$ 49,171,695
Changes for the year:			
Service cost	17,070,149	-	17,070,149
Interest on total pension liability	57,538,167	-	57,538,167
Differences between expected and actual experience	(3,886,707)	-	(3,886,707)
Assumption changes	1,753,326	-	1,753,326
Employer contributions	-	16,617,743	(16,617,743)
Employee contributions	-	5,927,784	(5,927,784)
Net investment income	-	97,865,002	(97,865,002)
Benefit payments, including member refunds	(45,162,140)	(45,162,140)	-
Administrative expenses	-	(574,182)	574,182
Net Changes	27,312,795	74,674,207	(47,361,412)
Balance as of December 31, 2020	$ 807,559,534	$ 805,749,251	$ 1,810,283

Sensitivity Analysis: The accompanying table presents the net pension liability of the City using the discount rate of 7.57%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower (6.57%) or 1% higher (8.57%) than the current rate.

Police and Fire Retirement System Sensitivity Analysis		
	Rate	City's Net Pension Liability (Asset)
1% decrease	6.57%	$ 98,140,360
Current rate	7.57%	1,810,283
1% increase	8.57%	(78,714,740)

Deferred Outflows and Inflows: As of December 31, 2021, the City reported total deferred outflows of resources and deferred inflows of resources related to the PFRS pension as follows below:

Police and Fire Retirement System Deferred Outflows and Inflows As of December 31, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,774,437	$ 6,824,873
Changes of assumptions	14,341,598	8,334,386
Net difference between projected and actual earnings on pension plan investments	-	50,236,347
City contributions subsequent to the measurement date	17,889,908	-
Changes in proportion of the total net pension liability since the prior measurement date		
Change in proportion - governmental activities	50,720	26,745
Change in proportion - business-type activities	26,745	50,720
Total	$ 38,083,408	$ 65,473,071

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts reported in governmental activities	$ 37,030,502	$ 63,656,670
Deferred amounts reported in business-type activities	1,052,906	1,816,401
Total	$ 38,083,408	$ 65,473,071

The $17,889,908 reported as deferred outflows of resources related to the PFRS pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the PFRS pension will be recognized as pension expense as follows:

Police and Fire Retirement System		
Year Ending December 31,	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	$ 6,760,311	$ 18,959,503
2023	6,758,375	7,152,010
2024	6,048,127	26,551,464
2025	301,643	11,917,111
2026	296,298	829,266
Thereafter	28,746	63,717
Totals	$ 20,193,500	$ 65,473,071

D. WICHITA EMPLOYEES' RETIREMENT SYSTEM PLAN 3B

The City contributes to Wichita Employees' Retirement System Plan 3, a defined contribution pension plan, for all of its full-time civilian employees hired or rehired on or after January 1, 1994. Benefits depend solely on amounts contributed to the plan plus investment earnings. Plan 3, established by City Ordinance on April 9, 1993 and amended on February 8, 2000, requires that both the employee and the reporting entity contribute an amount equal to 4.7% covered salaries. The reporting entity's contributions and earnings for each employee are 25% vested after three years of service, 50% vested after five years and are fully vested after seven years of service.

Upon completion of seven years of service, employees participating in the Plan will be converted to WERS Plan 2, a defined benefit plan, unless they make an irrevocable election to remain in the defined contribution plan within 90 days thereafter. If an employee converts to Plan 2, the employee's Plan 3 account balance becomes part of WERS assets available to pay future benefits of WERS defined benefit plan members. For this reason, Plan 3 members who have not made an irrevocable election to remain in the defined contribution plan are reported with the WERS defined benefit plan. Further, any contributions of the reporting entity and any related earnings which are forfeited by employees who leave employment before becoming fully vested are used to reduce the reporting entity's contribution requirements related to the WERS defined benefit plan. Fully vested Plan 3 members who elect to remain in the defined contribution plan are referred to as Plan 3b members and are reported as a separate plan on the combining pension trust fund financial statements beginning on page E-1.

Fully vested employees who elect to continue participation in Plan 3b may contribute additional amounts into the plan as permitted by the rules of the Internal Revenue Code in effect at the time of the contribution. Benefit terms, including contribution requirements, are established and may be amended by the City Council. For the year ending December 31, 2021, employee and employer contributions to Plan 3b totaled $195,927 and $195,927, respectively. As of December 31, 2021, there were 78 members covered under the defined contribution Plan 3b.

8. OTHER POST-EMPLOYMENT HEALTHCARE BENEFITS (OPEB)

Plan Description and Benefits Provided: Kansas statute provides that post employment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The City provides healthcare benefits for retired employees and their dependents through a single-employer defined benefit plan. The health insurance benefit provides the same coverage for retirees and their dependents as for active employees and their dependents. The benefit is available for selection at retirement, the retirement age as defined in the appropriate pension plan, and is extended to retirees and their dependents until the individuals become eligible for Medicare at age 65. The accounting for the health insurance for retirees is included in the City's Self Insurance Fund, with the subsidy provided from the Self Insurance Fund. Separate audited financial statements are not prepared by the Plan.

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As of December 31, 2021, the City's OPEB plan membership consisted of the following:

OPEB Membership As of December 31, 2021						
	Premium Plan		Select Plan		No	Total
Member Category	Single	Family	Single	Family	Plan	Members
Retirees	172	23	3	43	-	241
Active employees	438	1,134	289	561	234	2,656
Total members	610	1,157	292	604	234	2,897

Funding Policy: The City provides health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). Kansas statute, which may be amended by the state legislature, establishes that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125% of the premium cost for other similarly situated employees. The City requires participating retirees to contribute 100% of the blended premium cost of active employees up to age 60 (including the employer and employee share). Participating retirees between the ages of 60 and 65 are required to contribute 75% of the blended premium cost of active employees (including the employer and employee share). Employees are eligible for non-line of duty disability health benefits once they have completed seven years of service. There is no age or service requirement for line of duty disability health benefits. Contributions for disabled retirees are the same as regular retirees.

The City appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the Self Insurance Fund; therefore, no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. In 2021, retired plan members receiving benefits contributed $2,002,753 to the plan compared to City's contribution of $1,575,905.

Actuarial Methods and Assumptions: The total other post-employment benefit (OPEB) liability in the December 31, 2021 actuarial valuation was determined using the actuarial assumptions summarized in the table below, applied to all periods included in the measurement. The demographic assumptions used in this valuation are based upon those used in the December 31, 2020 valuation disclosed in Note 7A - Wichita Employees' Retirement System.

Other Post-Employment Benefit (OPEB) Liability	
Actuarial Methods and Assumptions	
Price inflation	2.75%
Wage inflation	3.25%
Municipal Bond Index Rate[1]	2.25%
Salary increases, including wage inflation	3.50% - 6.50%
Healthcare cost trend rate	7.50% for 2022, decreasing each year by 0.5% for an ultimate rate of 4.5% for 2028 forward.
Cost sharing premiums	Retirees contribute 100% of the premiums until they turn 60, at which time retirees contribute 75% of the premiums and the City contributes 25%.
	Health Plan / Single / Family Premium / $679.86 / $2,030.06 Select / 574.94 / 1,715.24
Per Capita Costs	Annual per capita costs were calculated based on the City's medical claims projection effective on January 1, 2022 actuarially increased using health index factors and current enrollment.
General mortality rates	Based on the SOA Pub-2010 General Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021.
Public safety mortality rates	Based on the SOA Pub-2010 Public Safety Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021.
Surviving spouses' mortality rates	Based on the SOA Pub-2010 Contingent Survivors Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021.

[1] Rate is based on S&P Municipal Bond 20-Year High Grade Rate Index, a tax-exempt general obligations municipal bond index with an average rating of AA/Aa or higher (or equivalent quality on another rating)

The remaining actuarial assumptions (experience study, retirement rates, disability rates, and turnover rates) are based on the Wichita Employees' Retirement System and the Police and Fire Retirement System actuarial valuations as of December 31, 2020.

Changes in Actuarial Assumptions: The following assumptions have been updated for the actuarial valuation dated December 31, 2021:

Changes in Actuarial Assumptions
- The discount rate has been updated to reflect market conditions as of the Measurement Date. This is based on the yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AAA/Aa or higher (or equivalent on another rating scale). The current full valuation uses a discount rate of 2.12% as of January 1, 2021 and 2.25% as of December 31, 2021. This change caused a slight decrease in liabilities.
- The mortality table has been updated from SOA RPH-2010 Total Dataset Mortality Table fully generational using Scale MP-2020 as follows, which caused a slight increase in liabilities:
- General employees and retirees: SOA Pub-2010 General Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021.
- Public safety employees and retirees: SOA Pub-2010 Public Safety Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021.
- Surviving spouses: SOA Pub-2010 Contingent Survivor Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021.
- Health care trend rates have been updated to an initial rate of 7.5% decreasing by 0.5% annually to an ultimate rate of 4.5%, which caused a slight decrease in liabilities.

Total OPEB Liability: The City's total OPEB liability as of December 31, 2021, and the accompanying table below presents the changes in the total OPEB liability.

Changes in Total OPEB Liability	
	Amounts
Balance as of December 31, 2020	$ 42,211,482
Changes for the year:	
Service cost	3,231,584
Interest on total OPEB liability	946,776
Changes in assumptions	(403,627)
Differences between expected and actual experience	(192,042)
Benefit payments	(1,575,905)
Net Changes	2,006,786
Balance as of December 31, 2021	$ 44,218,268

Pension Expense and Deferred Outflows and Inflows of Resources Related to OPEB: The City recognized OPEB expense of $4,383,732 for the year ended December 31, 2021. As of December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

OPEB Deferred Outflows and Inflows As of December 31, 2021		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 953,127	$ 3,394,907
Changes of assumptions	5,861,971	1,768,129
Changes in proportion of the total OPEB liability since the prior measurement date		
Change in proportion – governmental activities	594,547	81,868
Change in proportion – business-type activities	245,654	758,333
Total	$ 7,655,299	$ 6,003,237

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts reported in governmental activities	$ 6,121,592	$ 4,269,091
Deferred amounts reported in business-type activities	1,533,707	1,734,146
Total	$ 7,655,299	$ 6,003,237

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

OPEB Deferred Outflows and Inflows		
Year Ending December 31,	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	$ 1,199,541	$ 994,169
2023	1,199,541	994,169
2024	1,199,541	994,169
2025	1,199,541	994,169
2026	1,199,541	994,169
Thereafter	1,657,594	1,032,392
Totals	$ 7,655,299	$ 6,003,237

Sensitivity Analysis: The accompanying tables present the total OPEB liability as of December 31, 2021, using (1) the discount rate assumed and what the total OPEB liability would be if it were calculated using a discount rate that were 1% higher and 1% lower than the current discount rate; and (2) the current health care trend rates and what the OPEB liability would be if it were calculated using health care trend rates that were 1% higher and 1% lower than the current health care trend rates.

OPEB Discount Rate: Sensitivity Analysis		
	Discount Rate	City's Total OPEB Liability
1% decrease	1.25%	$ 47,385,458
Current rate	2.25%	44,218,268
1% increase	3.25%	41,169,773

OPEB Healthcare Trend Rates: Sensitivity Analysis		
	Healthcare Trend Rates[1]	City's Total OPEB Liability
1% decrease	6.50% - 3.50%	$ 39,466,167
Current trend rates	7.50% - 4.50%	44,218,268
1% increase	8.50% - 5.50%	49,829,486

[1] Health care trend rates start at the initial rate and decrease to the ultimate rate.

9. SELF INSURANCE FUND

The City established the Self Insurance Fund in 1987 to account for self-insurance programs of workers' compensation, group health insurance, group life insurance, employee liability, property damage, auto liability and general liability for the reporting entity. Since its original inception, the City uses this fund to cover costs associated with a fully-insured property policy and a special excess general liability insurance policy.

For funds paying insurance costs, the contributions are recorded as expenses in the paying fund and revenues in the Self Insurance Fund. The City records liabilities for known claims and estimated liabilities incurred but not reported at year-end which are reflected under accounts payable and other liabilities and claims payable, respectively, in the internal service funds. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

The City retains the services of independent actuaries annually to analyze the self-insured workers' compensation, automotive liability, general liability and property loss liability exposures and funding levels. The City uses this analysis to assist with its financial planning and management of the workers' compensation and general liability, which includes automotive and property loss liabilities, self-insurance programs. The claims liability is the actuarially estimated amount of claims based on an estimate of ultimate incurred and incurred but not reported losses as of that date and is calculated considering the effects of inflation; recent claim settlement trends, including frequency and amount of pay-outs; insurance industry data; and other legal, social and economic factors. The claims liability does not include amounts for unallocated loss adjustment expenses. These liabilities have been discounted using a 2% discount rate. The City has not purchased any annuity contracts in the 2022 fiscal year to resolve City of Wichita claims.

A. HEALTH INSURANCE

The employee health insurance program is offered to all full-time, eligible employees of the reporting entity and their dependents. The health insurance program is open to retirees and dependents up to 65 years of age. The City self-funds health benefits up to $450,000 per member, with a stop-loss secondary coverage for costs in excess of $450,000. The self-insured prescription drug plan and self-insured vision plan are included in the monthly premium. At December 31, 2021, the City recorded a liability of $3,782,400 for estimated claims pending and net position totaled $24,857,982.

B. WORKERS' COMPENSATION

The workers' compensation program is a partially self-funded program covering substantially all full-time and part-time employees of the reporting entity. The annual requirements of the workers' compensation program are determined based on current claims outstanding and estimates of future liability based on pending claims, recorded at a confidence level of 85%. The City has reinsured for liabilities exceeding $750,000 per occurrence with coverage provided through Safety National Casualty Corporation. The retention is taken into consideration in actuarial projections of the City's liability. The City maintains a reserve to meet state and actuarial requirements and to provide contingency funding. At December 31, 2021, the City recorded a liability of $11,060,872 for estimated probable claims pending and net position totaled $5,709,527.

C. LIFE INSURANCE

The life insurance program offered by the City is a fully insured program administered by Standard Insurance Company with benefit levels based on employee compensation. All full-time employees of the reporting entity are eligible to participate in the plans of the program. The program provides basic life, dependent life and accidental death and dismemberment with conversion privileges to participants. The cost of basic employee life insurance is funded approximately one third by the employee and two thirds by the City. The City offers additional supplemental, voluntary accidental death and dismemberment insurance for employees and eligible dependents, the total cost of which is paid by the employee.

Contributions (employee and employer), plus interest earned on investments, are used for premium payments. Coverage is terminated if the participant fails to make contributions toward the cost of insurance, if the participant terminates employment with the City and does not elect the conversion or portability option, or if the plan is terminated. At December 31, 2021, net position totaled $713,118.

D. GENERAL LIABILITY

The City's general and auto liability programs provide a legal defense for claims against the reporting entity and its employees when an incident arise from City operations. The general liability program also includes premises liability. The City maintains a property insurance policy for all City owned buildings and contents.

The deductible portion of the building and content insurance coverage is paid from the Self Insurance Fund. The deductible is $250,000 per occurrence for most covered losses, except wind and hail, which is 2% of total insured value along with a minimum deductible of $500,000 per location. The City is self-insured and self-funded for general and auto-liability claims presented against the reporting entity. The Kansas Tort Claims Act provides a liability limitation of $500,000 per occurrence. The City maintains an excess policy of insurance for federal actions because the limitations under the Kansas Tort Claims Act do not apply to federal actions. The policy provides coverage of $20 million per occurrence limit and a $2 million self-insured retention.

At December 31, 2021, the City recorded a liability of $22,163,644 for pending tort claims at a confidence level of 85% and to provide for the loss of excess liability coverage and potential environmental liability exposure. At December 31, 2021, the general liability subfund had a net position deficit of $11,962,431.

Changes in the balances of claims liabilities during the past two years are on the table below:

Claims Liability Activity: For Years Ended December 31,					
Fund/ Year	Beginning Balance	Claims Paid	New Claims and Changes in Actuarial Estimate	Ending Balance	Short-term Portion
Worker's Compensation					
2020	$ 9,562,258	$ (2,389,918)	$ 3,054,806	$ 10,227,146	$ 2,194,691
2021	10,227,146	(3,059,331)	3,893,057	11,060,872	2,379,799
General Liability					
2020	$ 12,272,951	$ (2,798,461)	$ 6,403,850	$ 15,878,340	$ 7,446,949
2021	15,878,340	(8,728,378)	15,013,682	22,163,644	8,049,496
Health Insurance					
2020	$ 3,747,800	$ (44,187,442)	$ 44,004,842	$ 3,565,200	$ 3,565,200
2021	3,565,200	(43,926,412)	44,143,612	3,782,400	3,782,400

10. LONG-TERM OBLIGATIONS

A. LONG-TERM LIABILITIES ACTIVITY

The long-term liabilities activity for the year ended December 31, 2021, is summarized in the following table:

Long-Term Liabilities Activity
For the Year Ended December 31, 2021
(dollars in thousands)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 60,558	$ -	$ (9,033)	$ 51,525	$ 9,382
With government commitment:					
Special assessment	137,659	29,215	(16,871)	150,003	16,053
Tax increment financing	24,888	-	(2,622)	22,266	2,840
Transient guest tax	2,450	-	(20)	2,430	25
Local sales tax	83,660	-	(10,530)	73,130	10,810
Unamortized premium	29,831	2,797	(4,348)	28,280	-
Revenue bonds:					
Sales tax special obligation	4,050	-	(376)	3,674	246
Total bonds payable	343,096	32,012	(43,800)	331,308	39,356
Capital lease	413	-	(122)	291	130
Compensated absences	12,911	9,833	(10,235)	12,509	9,656
Claims payable	29,671	63,477	(56,141)	37,007	14,212
Net pension liability	84,298	116,822	(189,594)	11,526	-
Total OPEB liability	33,938	3,684	(1,761)	35,861	-
Environmental remediation	25,159	8,786	(5,378)	28,567	5,307
Landfill closure/ post-closure care	9,437	109	(2)	9,544	465
Total long-term liabilities - governmental activities	$ 538,923	$ 234,723	$ (307,033)	$ 466,613	$ 69,126
Business-type activities:					
Bonds payable:					
General obligation bonds	$ 245,425	$ -	$ (10,704)	$ 234,721	$ 11,270
Unamortized premium	14,860	-	(1,042)	13,818	-
Revenue bonds	421,710	36,715	(30,425)	428,000	33,275
Unamortized premium	34,275	2,844	(3,582)	33,537	-
Direct borrowings/placements:					
Revenue bonds*	8,978	29,921	(1,541)	37,358	248
Total bonds payable	725,248	69,480	(47,294)	747,434	44,793
Direct borrowings/placements:					
Loans payable	-	24,955	-	24,955	-
Compensated absences	2,164	2,005	(2,101)	2,068	1,579
Net pension liability	15,643	19,594	(31,161)	4,076	-
Total OPEB liability	8,273	790	(706)	8,357	-
Total long-term liabilities - business-type activities	$ 751,328	$ 116,824	$ (81,262)	$ 786,890	$ 46,372

* Includes Water Infrastructure Finance and Innovation Act (WIFIA) bonds and SFRBs (Special Facility Revenue Bonds).

B. GENERAL OBLIGATION AND SPECIAL ASSESSMENT BONDS

General obligation bonds are issued to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations of the City and pledge the full faith and credit of the government. The bonds generally are issued as 10-year, 15-year or 20-year serial bonds. Annual debt service requirements to maturity for general obligation bonds are presented in the accompanying tables. All of the City's bonds have interest due semi-annually.

General Obligation Bonds
Outstanding on December 31, 2021
(dollars in thousands)

Payable From	Interest Rates	Amount
Governmental activities:		
Ad valorem property taxes	2.00% - 5.00%	$ 51,525
Transient guest tax	3.00% - 5.00%	2,430
Tax increment financing (TIF)	1.00% - 4.00%	22,266
Local sales tax	1.50% - 5.00%	73,130
Total governmental activities		149,351
Business-type activities:		
Airport Authority Fund	2.00% - 5.60%	126,000
Stormwater Utility Fund	1.50% - 5.00%	9,081
Water Utility Fund	3.00% - 5.00%	99,640
Total business-type activities		234,721
Total general obligation bonds		$ 384,072

Annual Debt Service Requirements
General Obligation Bonds
(dollars in thousands)

Year ending December 31,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	$ 23,057	$ 5,127	$ 11,270	$ 9,109
2023	17,387	4,270	11,733	8,592
2024	16,767	3,616	12,239	8,042
2025	15,310	3,001	12,069	7,494
2026	15,506	2,530	12,290	7,014
2027 – 2031	49,504	5,404	64,320	28,780
2032 – 2036	11,820	585	52,775	16,832
2037 – 2041	-	-	34,040	9,197
2042 – 2046	-	-	22,975	2,284
2047	-	-	1,010	39
Totals	$ 149,351	$ 24,533	$ 234,721	$ 97,383

The City of Wichita also issues special assessment bonds to provide funds for the construction of infrastructure (paving, water, sewer and stormwater) in residential developments. Special assessment bonds will be repaid from amounts levied against the property owners benefited by the new infrastructure. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received. Annual debt service requirements to maturity for special assessment bonds are presented in the table to the right.

Annual Debt Service Requirements
Special Assessment Bonds
(dollars in thousands)

Year ending December 31,	Governmental Activities	
	Principal	Interest
2022	$ 16,053	$ 5,424
2023	14,946	4,598
2024	13,799	3,959
2025	12,736	3,411
2026	11,588	2,898
2027 – 2031	48,741	7,942
2032 – 2036	25,480	2,050
2037 – 2041	6,660	307
Totals	$ 150,003	$ 30,589

Long-term General Obligation bonded debt of the City is comprised of the following types and individual issuances (series).

General Obligation and Special Assessment Bonds
Outstanding on December 31, 2021
(dollars in thousands)

Original Amount	Date Issued	Issuance Series	Interest Rates	Final Maturity Date	Outstanding Amount	Date Callable
Governmental activities:						
General Obligation (G.O.) Bonds:						
$ 10,655	8/1/2012	Series 805*	2.00% - 4.00%	2022	$ 1,215	10/1/2020
9,450	2/1/2013	Series 807	2.00%	2023	2,080	6/1/2021
3,550	2/1/2014	Series 809	2.00% - 3.00%	2024	1,170	6/1/2022
735	2/1/2014	Series 809A	1.00% - 4.375%	2029	426	6/1/2023
5,595	10/1/2014	Series 811	3.00% - 5.00%	2024	1,945	6/1/2023
1,020	10/1/2014	Series 813	2.00% - 3.85%	2024	345	6/1/2023
25,201	4/1/2015	Series 2015A*	2.00% - 5.00%	2025	1,422	12/1/2023
520	10/1/2015	Series 815	2.00% - 3.70%	2030	53	12/1/2024
1,680	10/1/2016	Series 817*	2.00% - 3.00%	2026	900	12/1/2024
2,861	10/1/2016	Series 819	2.00% - 3.00%	2026	1,547	12/1/2024
9,395	10/1/2018	Series 821	3.125% - 5.00%	2034	7,250	12/1/2026
34,150	10/1/2019	Series 823	4.00%	2029	28,530	12/1/2027
4,020	10/1/2020	Series 825*	2.00% - 3.00%	2033	3,710	12/1/2028
1,845	10/1/2020	Series 2020A*	3.00%	2022	932	N/A
		Total general obligation bonds			51,525	
Transient Guest Tax (G.O.) Bonds:						
$ 2,485	10/1/2014	Series 811*	3.00% -5.00%	2034	$ 2,430	6/1/2023
		Total transient guest tax bonds			2,430	
Tax Increment Financing (G.O.) Bonds:						
$ 1,610	8/1/2012	Series 961 (Taxable)	1.50% - 2.70%	2023	$ 345	N/A
2,850	11/1/2012	Series 2012B	1.00% - 2.25%	2022	365	N/A
4,360	11/1/2012	Series 2012C	2.00% - 3.00%	2022	585	N/A
6,605	10/1/2014	Series 813	2.00% - 3.85%	2030	4,090	6/1/2023
6,890	10/1/2014	Series 962	2.00% - 3.00%	2024	2,245	6/1/2022
537	10/1/2016	Series 819	2.00% - 3.00%	2026	291	12/1/2024
12,145	10/1/2019	Series 963	3.00% - 4.00%	2033	11,895	12/1/2027
2,625	10/1/2020	Series 964	1.00% - 2.00%	2033	2,450	12/1/2028
		Total tax increment financing bonds			22,266	
Local Sales Tax (G.O.) Bonds:						
$ 17,700	11/1/2012	Series 2012D	2.00% - 3.00%	2027	$ 8,020	10/1/2021
22,865	11/1/2012	Series 2012E	4.00% - 5.00%	2022	3,235	N/A
64,785	9/1/2014	Series 2014	3.00% - 5.00%	2029	37,835	10/1/2023
23,400	9/1/2019	Series 2019A	1.50% - 4.00%	2034	20,685	10/1/2027
3,970	10/1/2020	Series 2020B	2.00%	2026	3,355	N/A
		Total local sales tax bonds			73,130	

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General Obligation and Special Assessment Bonds (continued)
Outstanding on December 31, 2021
(dollars in thousands)

Original Amount	Date Issued	Issuance Series	Interest Rates	Final Maturity Date	Outstanding Amount	Date Callable
Governmental activities (continued):						
Special Assessment (S.A.) Bonds:						
$ 565	8/1/2004	Series 778A	4.00% - 4.75%	2024	$ 105	9/1/2014
1,610	8/1/2005	Series 782A	4.00% - 4.25%	2025	450	9/1/2015
920	8/1/2006	Series 786A	4.30% - 5.75%	2026	310	9/1/2016
4,985	2/1/2007	Series 788A	4.00% - 4.625%	2027	1,995	9/1/2017
2,575	8/1/2007	Series 790A	4.00% - 4.75%	2027	990	9/1/2017
1,630	3/1/2010	Series 800B (Taxable)	1.25% - 5.75%	2030	815	6/1/2020
6,085	8/1/2010	Series 802	2.00% - 3.50%	2025	1,895	12/1/2017
5,870	8/1/2010	Series 802A	2.00% - 4.00%	2030	3,070	12/1/2020
1,260	8/1/2010	Series 802B (Taxable)	3.25% - 5.70%	2030	445	12/1/2020
1,965	2/1/2011	Series 804	2.50% - 4.25%	2026	785	6/1/2018
3,435	8/1/2011	Series 806	2.00% - 4.00%	2031	1,450	12/1/2020
5,615	2/1/2012	Series 808	2.00% - 3.25%	2032	2,560	6/1/2022
2,275	8/1/2012	Series 810	2.00% - 3.25%	2032	1,110	12/1/2020
21,250	11/1/2012	Series 2012A	3.00% - 5.00%	2023	3,760	N/A
3,375	2/1/2013	Series 812	2.00% - 4.00%	2033	1,845	6/1/2022
3,985	2/1/2014	Series 809A	1.00% - 4.375%	2029	2,309	6/1/2023
465	10/1/2014	Series 813	2.00% - 3.85%	2029	275	6/1/2023
10,610	10/1/2014	Series 814	2.25% - 5.00%	2034	6,890	6/1/2023
11,550	4/1/2015	Series 2015A*	2.00% - 5.00%	2024	4,105	12/1/2023
2,315	10/1/2015	Series 815	2.00% - 3.70%	2030	1,546	12/1/2024
10,145	10/1/2015	Series 816	2.00% - 5.00%	2035	6,860	12/1/2024
6,465	10/1/2016	Series 818	2.25% - 5.00%	2036	5,020	6/1/2026
162	10/1/2016	Series 819	2.00% - 3.00%	2026	88	12/1/2024
10,290	10/1/2016	Series 2016A*	1.50% - 5.00%	2025	4,955	N/A
11,330	10/1/2017	Series 820	3.00% - 5.00%	2037	9,065	6/1/2027
19,995	12/1/2017	Series 2017A	5.00%	2030	17,170	6/1/2028
16,040	10/1/2018	Series 822	3.00% - 5.00%	2038	13,705	6/1/2027
11,335	10/1/2019	Series 824	2.00% - 4.50%	2039	10,365	6/1/2028
16,200	10/1/2020	Series 826	1.50% - 3.00%	2040	15,670	6/1/2028
1,250	10/1/2020	Series 964	1.00% - 2.00%	2035	1,180	12/1/2028
29,215	10/1/2021	Series 828	2.00% - 4.00%	2041	29,215	6/1/2029
		Total special assessment bonds			150,003	
		Total governmental activities G.O. and S.A. bonds			299,354	
Business-type activities:						
Airport Authority G.O. Bonds:						
$ 8,010	2/1/2014	Series 2014A	3.00% - 4.30%	2044	$ 6,685	6/1/2023
18,235	6/1/2015	Series 2015A	3.00% - 5.00%	2044	15,765	12/1/2025
8,685	6/1/2015	Series 2015B	3.00% - 4.20%	2044	7,540	12/1/2025
67,615	6/1/2015	Series 2015C	4.00% - 5.00%	2044	59,730	12/1/2025
10,555	4/1/2017	Series 2017A	3.00% - 5.00%	2047	9,720	12/1/2027
7,180	4/1/2017	Series 2017B	3.125% - 5.00%	2047	6,625	12/1/2027
12,365	12/1/2019	Series 2019A (Taxable)	4.00% - 5.60%	2041	12,365	3/1/2028
7,845	10/1/2020	Series 825*	2.00% - 3.00%	2040	7,570	12/1/2028
		Total Airport Authority G.O. bonds			126,000	

General Obligation and Special Assessment Bonds (continued)
Outstanding on December 31, 2021
(dollars in thousands)

Original Amount	Date Issued	Issuance Series	Interest Rates	Final Maturity Date	Outstanding Amount	Date Callable
Business-type activities (continued):						
Stormwater G.O. Bonds:						
$ 710	8/1/2012	Series 805*	2.00% - 4.00%	2027	$ 320	10/1/2020
9,214	4/1/2015	Series 2015A*	2.00% - 5.00%	2025	2,768	12/1/2023
1,990	10/1/2016	Series 817*	2.00% - 3.00%	2031	1,415	12/1/2024
1,050	10/1/2016	Series 2016A*	1.50% - 5.00%	2025	410	N/A
4,835	10/1/2020	Series 2020A*	3.00%	2027	4,168	N/A
		Total Stormwater G.O. bonds			9,081	
Water Utility G.O. Bonds:						
$ 135,905	10/1/2014	Series 811*	3.00% -5.00%	2034	$ 99,640	6/1/2023
		Total Water Utility G.O. bonds			99,640	
		Total business-type activities			234,721	
		Total G.O. and S.A. bonds			$ 534,075	

* Bonds were split between governmental activities and business-type activities.

C. REVENUE BONDS

Revenue bonds are also issued by the City of Wichita, where income derived from the acquired or constructed assets is pledged to pay debt service. A summary of revenue bonds outstanding is presented in the table below.

Revenue Bonds
Outstanding on December 31, 2021
(dollars in thousands)

Payable From	Interest Rates	Amount
Governmental activities:		
Local sales tax	3.00% - 5.00%	$ 3,674
Total governmental activities		3,674
Business-type activities:		
Water Utility	2.00% - 5.60%	234,892
Sewer Utility	2.00% - 5.00%	193,108
From direct placements and borrowings:		
Water Utility – WIFIA	1.17%	29,921
Airport special facilities	2.90% - 7.50%	7,437
Total business-type activities		465,358
Total general obligation bonds		$ 469,032

Revenue bond debt service requirements to maturity are presented in the table on the following page.

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Annual Debt Service Requirements – Revenue Bonds (dollars in thousands)						
	Governmental Activities		Business-type Activities			
	Revenue Bonds		Revenue Bonds		Direct Borrowings and Placements	
Year ending December 31,	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 246	$ 159	$ 33,275	$ 15,167	$ 248	$ 267
2023	366	147	34,620	13,756	256	260
2024	383	131	30,495	12,320	263	252
2025	471	113	31,980	10,992	1,772	173
2026	493	91	31,280	9,683	280	145
2027 – 2031	705	287	143,525	31,800	4,182	1,698
2032 – 2036	692	150	89,375	12,459	6,410	1,973
2037 – 2041	318	19	33,450	1,879	6,198	1,423
2042 – 2046	-	-	-	-	5,194	1,062
2047 – 2051	-	-	-	-	5,505	751
2052 – 2056	-	-	-	-	5,834	421
2057 – 2059	-	-	-	-	3,667	86
Totals	$ 3,674	$ 1,097	$ 428,000	$ 108,056	39,809	$ 8,511
				Less: interest rolled into principal*	(2,451)	
				Totals	$ 37,358	

*Estimated interest rolled into principal during construction phase. See Note 10.F for further details.

Long-term revenue bonds of the City are comprised of the following types and individual issuances (series).

Revenue Bonds Outstanding on December 31, 2021 (dollars in thousands)						
Original Amount	Issued	Issuance Series	Interest Rates	Final Maturity Date	Outstanding Amount	Date Callable
Governmental activities:						
Sales Tax Special Obligation Revenue (STAR) Bonds:						
$ 71,305	8/9/2017	2017 K-96 Greenwich STAR Bond Project	3.00% - 4.625%	2033	$ 1,874	9/1/2022
42,140	11/1/2018	2018 Stadium STAR Bond Project	3.50% - 5.00%	2038	1,800	9/1/2027
		Total STAR bonds			3,674	
		Total governmental activities			3,674	
Business-type activities:						
Water and Sewer Utilities Revenue Bonds:						
$ 41,405	8/1/2014	2014A Water & Sewer Refunding	3.00% - 5.00%	2030	$ 18,075	10/1/2024
12,785	12/1/2014	2014B Water & Sewer	2.50% - 5.00%	2034	9,340	10/1/2024
38,380	4/1/2015	2015B Water & Sewer Refunding	2.38% - 5.00%	2031	23,160	10/1/2024
25,150	11/1/2015	2015C Water & Sewer	2.50% - 5.00%	2035	18,275	10/1/2025
23,395	11/1/2015	2015D Water & Sewer Refunding	2.50% - 5.00%	2032	16,805	10/1/2025
23,810	8/1/2016	2016A Water & Sewer	3.00% - 5.00%	2036	19,415	10/1/2026
101,445	8/1/2016	2016B Water & Sewer Refunding	3.00% - 5.00%	2039	82,345	10/1/2026
65,500	6/1/2017	2017A Water & Sewer	3.00% - 5.00%	2037	56,295	10/1/2027
22,140	12/1/2017	2017B Water & Sewer Refunding	3.00% - 5.00%	2030	16,570	4/1/2028
44,465	3/1/2019	2019A Water & Sewer	3.00% - 5.00%	2039	41,375	10/1/2027
49,910	12/1/2019	2019B Water & Sewer Refunding	3.00%	2030	48,980	10/1/2028
32,400	5/1/2020	2020A Water & Sewer	3.00%	2039	31,005	10/1/2028
10,395	10/1/2020	2020C Water & Sewer Refunding	2.00% - 3.50%	2032	9,645	10/1/2028
36,715	6/1/2021	2021A Water & Sewer	2.00% - 4.00%	2040	36,715	10/1/2029
		Total Water and Sewer Utilities revenue bonds			428,000	

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Revenue Bonds (continued)
Outstanding on December 31, 2021
(dollars in thousands)

Original Amount	Issued	Issuance Series	Interest Rates	Final Maturity Date	Outstanding Amount	Date Callable
From Direct Borrowings and Placements:						
Water Utility Revenue Bonds:*						
$ 331,000	10/1/2021	2020B (WIFIA) Taxable Water & Sewer	1.17%	2059	$ 29,921	N/A
		Total Water Utility WIFIA revenue bonds			29,921	
Airport Authority Special Facilities Revenue Bonds (SFRB):						
$ 1,500	2/1/2005	Yingling Aircraft – Series A 2005	6.00%	2025	$ 1,500	Anytime
3,002	10/1/2019	Yingling Aircraft – Series A 2019	2.90%	2039	2,748	Anytime
3,370	7/1/2020	Yingling Aircraft – Series A 2020	3.13%	2040	3,189	Anytime
		Total Airport Authority SFRBs			7,437	
		Total direct borrowings and placements			37,358	
		Total business-type activities			465,358	
		Total revenue bonds			$ 469,032	

* Original amount represents the total amount that can we funded by WIFIA bonds. See Note 10.F below for further details.

Sales Tax Special Obligation Revenue (STAR) Bonds: In 2017, the City issued $71,305,000 in Sales Tax Special Obligation Revenue Bonds (STAR bonds) in connection with the approved K-96 Greenwich STAR Bond Project District under K.S.A. 12-17,160 et al., known as the STAR Bonds Act to (1) advance refund the remaining $33,270,000 in outstanding principal of the 2013 STAR bonds, (2) fund a portion of the 2017 Project, (3) fund a deposit into the Debt Service Reserve Fund for the 2017 bonds and (4) pay certain costs related to the issuance of the 2017 bonds. The advance refunding of the 2013 bonds resulted in an in-substance defeasance.

In 2018, the City issued $42,140,000 in STAR Bonds in connection with the approved River District Stadium STAR Bond Project to (1) pay a portion of the costs of the 2018 projects; (2) fund a deposit to the Capitalized Interest Fund established under the indenture for the Series 2018 Bonds to pay interest on the Series 2018 bonds through September 1, 2020; and (3) pay certain costs related to the issuance of the 2018 bonds.

Pursuant to issuance of the STAR bonds, the City and State of Kansas entered into a STAR Bond Tax Distribution Agreement. The agreement provides that the principal and interest on the STAR bonds will be paid proportionally by the City and the State of Kansas, based on each entity's respective share of sales tax generated within the District. As of December 31, 2021, the City's proportional share is approximately 4.27%. This proportional share may change in the future if the sales taxes assessed by the local or state governments are modified.

These bonds are special, limited obligations of the City payable solely from revenues generated within the specified STAR Districts for each bond series. The bonds do not constitute a pledge of the full faith and credit of the City, and do not obligate the City to levy any form of taxation or to make any appropriation for their payment. As such, the City has only recorded 4.27%, its proportional share of the outstanding obligation, for this bond issue. As of December 31, 2021, the City recorded STAR bonds outstanding in the amount of $1,873,890 and $1,799,799 for the 2017 and 2018 STAR bonds, respectively.

The 2018 STAR bonds have an additional clause in the Bond Trust Indenture (Indenture) to provide extra security to the bondholders in which the City has covenanted that a request for appropriations will be included in each annual budget commencing with the 2020 fiscal year sufficient to pay the debt service requirements on the 2018 STAR bonds due in that budgeted fiscal year; however, the Indenture does not require the City to do so. The City will only transfer funds to the Trustee in the event that such amount on deposit with the Trustee is insufficient to pay the scheduled debt service requirements for the upcoming payment in the current fiscal year. The City's obligations to pay debt service shall be year to year only and shall not constitute a mandatory payment obligation of the City in any ensuing fiscal year beyond the current year. The City will monitor the District's collections and balances at the Trustee, in comparison to the upcoming debt service requirements, to determine if the City should record any additional liability if there are anticipated shortfalls.

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Pledged Revenue: The City has pledged specific revenue streams to secure the repayment of its revenue bonds. The following table lists those revenues and corresponding revenue bonds along with the amount and term of the pledge remaining, the current fiscal year debt service, the amount of pledged revenue recognized during the fiscal year and the percentage of the revenue stream that has been committed. The remaining amount of the pledge is equal to the remaining principal and interest payments on the respective bonds.

Pledged Revenue for Revenue Bond Debt Service Requirements
(dollars in thousands)

Amount of Pledge	Type of Pledged Revenue	Term of Commitment	Percent of Revenue Pledged	2021 Principal & Interest	2021 Pledged Revenues Recognized
Water & Sewer Utility Revenue Bonds:*					
$ 574,839	Utility revenues	Through 2059	100%	$ 46,242	$ 187,538
Airport Authority Special Facility Revenue Bonds:*					
$ 9,537	Direct financing leases	Through 2040	100%	1,835	1,835
2017 Sales Tax Special Obligation Revenue (STAR) Bonds:					
$ 2,236	Sales tax revenues	Through 2027	100%	472	581
2018 STAR Bonds:					
$ 2,635	Sales tax revenues	Through 2038	100%	78	-

* Includes direct borrowing and placement bonds.

D. REVENUE BOND ORDINANCE PROVISIONS AND RESERVE REQUIREMENTS

Revenue bond ordinances related to the issuance of revenue bonds of the respective enterprise funds provide for specific deposits to debt service and other related bond reserve and maintenance accounts. At December 31, 2021, the City was in compliance with all significant reserve requirements of the respective Water and Sewer Utility revenue bond resolutions and ordinances.

E. LONG-TERM LOANS

The Water Utility has entered into a long-term loan, where income derived from the acquired or constructed assets is pledged to pay debt service. The table below presents the long-term loan outstanding as of December 31, 2021.

Long-term Loan
Outstanding on December 31, 2021
(dollars in thousands)

Original Amount	Issued	Issuance Series	Interest Rates	Final Maturity Date	Outstanding Amount	Date Callable
Business-type activities:						
From Direct Borrowings and Placements:						
Water Utility:*						
$ 55,000	06/22/2020	2020 KPWSLF Loan	1.48%	2045	$ 24,955	N/A
		Total Water Utility long-term loan			$ 24,955	

* Original amount represents the total amount available to be funded by 2020 Kansas Public Water Supply Loan Fund (KPWSLF) loan. See Note 10.F below for further details.

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Debt service requirements to maturity for the long-term loan outstanding is presented in the table below.

Annual Debt Service Requirements Long-term Loan (dollars in thousands)		
Year ending December 31,	Business-type Activities	
	Principal	Interest
2025	$ 567	$ 195
2026	1,146	376
2027 – 2031	5,993	1,621
2032 – 2036	6,451	1,162
2037 – 2041	6,945	669
2042 – 2045	5,175	154
Totals	$ 26,277	$ 4,177
Less: interest rolled into principal	(1,322)	
	$ 24,955	

*Estimated interest rolled into principal during construction phase. See Note 10.F for further details.

Pledged Revenue: The City has pledged specific revenue streams to secure the repayment of its long-term loan. The following table lists those revenues and the corresponding loan, along with the amount and term of the pledge remaining, the current fiscal year debt service, the amount of pledged revenue recognized during the fiscal year and the percentage of the revenue stream that has been committed. The remaining amount of the pledge is equal to the remaining principal and interest payments on the long-term loan.

Pledged Revenue for Revenue Bond Debt Service Requirements (dollars in thousands)					
Amount of Pledge	Type of Pledged Revenue	Term of Commitment	Percent of Revenue Pledged	2021 Principal & Interest	2021 Pledged Revenues Recognized
Water Utility Long-term Loan:*					
$ 30,454	Utility revenues	Through 2045	100%	$ -	$ 112,997

* Loan is a direct borrowing and placement loan and has a pledged revenues source.

F. DIRECT BORROWINGS AND PLACEMENTS: BONDS AND LONG-TERM LOANS

Airport Authority Special Facility Revenue Bonds (SFRB): SRFB's are considered direct borrowings and placements. The City currently has three SRFBs outstanding as of December 31, 2021. Each of these bonds are secured by a pledge and assignment of the rents, revenues and receipts pursuant to the lease between the Airport Authority and its tenant, Yingling Aircraft (the Company). The Company pays directly to the Trustee the basic rent for deposit into the Principal and Interest account which is used to pay the bonds, which have interest due semi-annually and principal annually.

An event of default will exist if any of the following occurs: 1) a payment default of principal and/or interest due and continuance thereof for more than five (5) business days after notice of such failure is given to the Company by the Trustee following the stated maturity or accelerated maturity thereof, at redemption date, or any interest payment date; 2) default in performance or observance of any other of the covenants, agreements or conditions on the part of the City and the continuance thereof for a period of sixty (60) or thirty (30) days, depending on the bond issuance, after written notice has been given to the City and the Company by the Trustee or to the Trustee, City and Company by the Bondholders of not less than 25% of the aggregate bonds outstanding; however, an event of default shall not be deemed to happen if not the default is not cured within 60 or 30 days, if a corrective action plan has agreed to by the Trustee; and 3) any event of default as defined in the lease between the City and the Company.

Upon the occurrence of any event of default, the Trustee will have the following remedies:

1) An acceleration of maturity: The Trustee may, and upon written request of the Bondholders of not less than 25% of the aggregate bonds outstanding, deliver written notice to the City and the Company declaring all principal and interest thereon immediately due and payable.

   The Trustee may rescind the declaration and annual such default in its entirety, with approval of the Bondholders

of not less than 50% of the aggregate bonds outstanding at that time, if at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of principal and interest on the Bonds, together with reasonable and proper expenses of the Trustee and all other sums then payable by the City under the agreement have been made. The rescission shall not extend to any subsequent event of default.

2) In the event of default that is continuing, the Trustee may, and if requested to do so by the Bondholders of not less than 25% of the aggregate bonds outstanding, pursue and exercise any available remedy at law or in equity by suit, action, mandamus or other proceeding or exercise such one or more of the rights and powers as conferred by the Article as Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders to enforce payment of principal, premium (if any), and interest due and to enforce and compel the performance of the duties and obligations of the City as set forth in the agreement.

Bondholders do not have any right to institute any direct suit, action or proceeding in equity or at law for enforcement of the agreement, except as in very specific situations of default as detailed in the agreement.

Water Infrastructure Finance and Innovation Act (WIFIA) Bond: On April 27, 2020, the City entered into a Water Infrastructure Finance and Innovation Act (WIFIA) credit agreement at 1.17% for up to $280,860,714 with the United States Environmental Protection Agency (EPA), a direct borrowing/placement, to fund part of the City's new Northwest Water Treatment Facility (NWWTF) Project, which is expected to cost approximately $550 million. The WIFIA Bond will be due in semi-annual installments of interest and annual payments of principal, with a final maturity date of 35 years following the substantial completion date of the Project. Interest only accrues as the City makes its first drawdown of funds from the WIFIA Bond. No interest will be due until after the substantial completion date of the project and such interest accrued through that date will be rolled into the WIFIA credit balance for up to a maximum principal amount of $331,000,000. As of December 31, 2021, the City has a balance outstanding of $29,920,572, which includes $217,584 of interest rolled into that balance. The City has projected an additional $2,451,204 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

The Water Utility has pledged the net revenues of the Water and Sewer Utility as security for the WIFIA Bond for the duration of the bond on parity to its revenue bonds. The City has also agreed to comply with various covenants, including a rate covenant similar to that of its revenue bonds.

An event of default will exist if any of the following occurs: 1) a payment default, 2) a covenant default not cured within specified parameters of the agreement, 3) a misrepresentation default, 4) acceleration of Utility indebtedness, 5) cross default on Utility indebtedness documents, 6) material adverse judgment, 7) occurrence of bankruptcy related event, 8) invalidity of WIFIA credit documents, 9) development default, 10) default under principal project contracts, or 11) cessation of System operations.

Upon the occurrence of any bankruptcy related event, all obligations of the WIFIA Credit Provider with respect to disbursement of any undisbursed amounts shall terminate and the outstanding WIFIA credit balance, together with all interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the agreement shall become immediately due and payable. Upon the occurrence of any event of default, the WIFIA Credit Provider, by written notice to the City, may exercise any or all of the following remedies: 1) suspend or terminate all of its obligations with respect to disbursement of undisbursed amounts; 2) may cease permitting interest to be capitalized (i.e. deferred and rolled into principal of the bond); 3) may apply the default rate provisions (interest rate); 4) suspend or debar the City from further participation in any Government program administered by the WIFIA Credit Provider and notify other departments and agencies of such default; 5) institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid; 6) have all the rights and remedies of a creditor and may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable; or 7) may accelerate the WIFIA bond and declare that the outstanding WIFIA credit balance, together with all interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the agreement shall become immediately due.

Kansas Public Water Supply Loan Fund (KPWSLF or Revolving Fund): On June 22, 2020, the City entered into a direct borrowing loan agreement with the Kansas Department of Health and Environment (KDHE) to fund part of the City's new Northwest Water Treatment Facility (NWWTF) Project, which is expected to cost approximately $550 million. The KPWSLF loan is not to exceed $55,000,000 and carries an interest rate of 1.48%. The loan is subject to the availability of KDHE's State and Federal funds and proceeds from KDFA (Kansas Development Finance Authority) Bonds. No interest accrues until the City makes its first drawdown of funds from the KPWSLF loan and no principal payments are due until the earlier of August 1, 2025 or one year after Project completion. The City may not prepay the outstanding principal of the loan, except as may be consented in writing by KDHE in advance of such prepayment. As of December 31, 2021, the City has a principal balance of $24,955,017, which includes $107,850 of interest rolled into

that balance. The City has projected an additional $1,321,724 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

The Water Utility has pledged the net revenues of the Water and Sewer Utility as security for the KPWSLF loan for the duration of the loan on parity to its revenue bonds. The City has also agreed to comply with various covenants, including a rate covenant similar to that of its revenue bonds. The City will also purchase a municipal bond insurance policy, which the cost can be included in the principal amount of the loan, as further security for repayment of the loan.

An event of default will exist if any of the following occurs: 1) a payment default, 2) a covenant default by either party not cured within specified parameters of the agreement, 3) a misrepresentation default, 4) occurrence of bankruptcy related event, 5) failure of KDHE to promptly pay any Project Costs when reasonably requested to do so by the City, or 6) any event of default under any Utility indebtedness of the City.

Upon the occurrence of any event of default, KDHE, the Insurer or the City shall have the right to take whatever action at law, or in equity, may appear necessary or desirable to collect the amounts then due and to become due or to enforce performance and observance of any obligation or agreement of KDHE or the City (including withholding the remaining loan disbursements and cancellation of the loan agreement) or such other remedies provided to the Secretary of KDHE in the Loan Act and Regulations, provided that:

1) Remedies for any event of default resulting solely from noncompliance by the City with respect to its *Obligation to Provide Information if Notified by KDHE* of this loan shall be limited to such actions as may be necessary and appropriate to cause the City to comply with its obligations under such section; and

2) If KDHE has a right to accelerate the loan (KDHE has the right if the City enters into or modifies any Utility indebtedness to contain specific *Additional Rights* language, as defined in the loan agreement, in its contractual obligations), KDHE may declare the outstanding balance of the loan to be immediately due and payable, together with the interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the loan agreement.

G. CAPITAL LEASES

The City entered into a five-year lease in 2019 with a principal total of $618,680 to fund printers, copiers and related software at an interest rate of 5.929%. On December 31, 2021, debt service requirements to maturity consist of principal payments totaling $290,666 and interest payments totaling $19,787 due annually as disclosed in the table below:

Annual Debt Service Requirements: Capital Lease		
Year ending December 31,	Principal	Interest
2022	$ 129,534	$ 13,752
2023	137,427	5,859
2024	23,705	176
Totals	$ 290,666	$ 19,787

H. LANDFILL CLOSURE AND POST-CLOSURE LIABILITIES

The City's municipal solid waste facility, Brooks Landfill, closed operations October 9, 2001. Kansas and federal laws and regulations require the City to perform maintenance and monitoring functions at the site for thirty years after the regulatory closure date of July 25, 2003. Beginning July 1, 2017, the Kansas Department of Health and Environment (KDHE)'s policy concerning the post-closure and closure (PCC) estimate was revised, stating the PCC must be calculated using 30 years initially and then drop each year until 20 years. A rolling 20 years is then required until a demonstration can be made that the landfill conditions are moving towards either equilibrium or stabilization. Estimated post-closure costs for the remaining 20 years total $7,200,590 or $360,030 annually. Accordingly, a liability of $7,200,590 for post-closure care has been reported as a long-term liability of governmental activities on the Statement of Net Position as of December 31, 2021.

The City's Chapin municipal solid waste facility closed operations December 19, 1980. Kansas and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the site for thirty years after the regulatory closure date of July 1, 1989. In June 2008, landfill gas was determined to have migrated off-site from the Chapin Landfill. The estimated additional post-closure care for the remaining five years is $527,140. Accordingly, a liability of $527,140 for post-closure care has been reported as a long-term liability of the governmental activities on the Statement of Net Position as of December 31, 2021.

Additionally, the City operates three limited landfills, all located at the Brooks Landfill site. Kansas and federal laws and regulations require the City to place a final cover when the landfills close and perform certain maintenance and monitoring functions for thirty years after regulatory closure. Beginning July 1, 2017, the Kansas Department of Health and Environment (KDHE)'s policy concerning the post-closure and closure (PCC) estimate was revised, stating the PCC must be calculated using 30 years initially and then drop each year until 20 years. A rolling 20 years is then required until a demonstration can be made that the landfill conditions are moving towards either equilibrium or stabilization. Based on the capacity used in each landfill, the accumulated closure and post-closure costs, as applicable, for each of the landfills is recorded as a long-term liability of the governmental activities on the Statement of Net Position as of December 31, 2021.

During 2001, the City was granted permission to operate a construction and demolition landfill. The landfill began operation on October 1, 2001. The City's construction and demolition landfill has cumulative closure costs of $1,603,510 on December 31, 2021, based on the use of 97.4% of the estimated capacity. The City will recognize the remaining closure costs of $42,804 as the remaining capacity is filled. Based on activity to date, the City expects the landfill to close in approximately 2024, or as capacity is reached.

In May 2002, the City began operation of an industrial monofill landfill for asbestos waste. The City's industrial monofill landfill for asbestos waste has cumulative closure and post-closure costs of $213,145 on December 31, 2021, based on the use of 34.6% of the estimated capacity. The City will recognize the remaining closure and post-closure costs of $402,880 as the remaining capacity is filled. Based on activity to date, the industrial monofill landfill is expected to close in approximately 2046, or as capacity is reached.

In March 2008, the City began operation of a composting facility for yard waste at the existing Brooks Landfill site for which the capacity used was too small to measure, as yard waste moves in and compost moves out. As of December 31, 2021, the capacity used was too small to estimate, thus the total estimated closure and post-closure care of $36,773 will be recognized as capacity is filled.

As of December 31, 2021, the accumulated costs for the landfills are recorded as a long-term liability in the governmental activities on the Statement of Net Position. The costs will be liquidated from prior years' landfill fees accumulated in the Landfill Post-Closure Fund. Note 17 – Landfill Closure and Post-Closure Care provides further disclosure.

I. ENVIRONMENTAL REMEDIATION OBLIGATIONS

Gilbert and Mosley Groundwater Contamination (Plumes ABE): In the late 1980s and early 1990s, under a Cooperative Agreement with the U.S. Environmental Protection Agency (EPA), the Kansas Department of Health and Environment (KDHE) conducted a preliminary assessment and investigation of an area near the City's downtown, known as the Gilbert and Mosley site. The studies identified contaminates of volatile organic compounds and the concentrations of the compounds. On March 26, 1991, the City and KDHE finalized a "Settlement Agreement for Remedial Investigation and Feasibility Study, and for Certain Remedial Actions to be Determined Following Opportunity for Public Involvement" (Settlement Agreement).

The City performed the Remedial Investigation (RI) and the Feasibility Study (FS) with final reports approved by KDHE in September 1994. In 1999, the City issued an RI/FS addendum and with subsequent investigations, identified the nature, extent and sources of contamination. In October 2000, KDHE approved the final design for a pump-and-treat alternative to address the site-wide groundwater contamination (Plumes ABE). In 2002, the City completed the installation of the extraction wells, piping and treatment facility. The system has been in continuous operation since December 30, 2002.

The City has ongoing costs associated with the operations, maintenance, monitoring and reporting activities for the groundwater remediation system for the Plumes ABE contamination. Accordingly, a liability of $12,245,418 has been recorded in the government-wide financial statements, in addition to a receivable of $2,282,426 for a settlement from a responsible party. The City has recorded an estimated allowance of approximately $1.5 million as the responsible party is withholding payments until their liability is reassessed, which the City anticipates will be resolved in 2022.

The liability and recovery amounts are based on an engineering estimate which was defended in the United States District Court (United States District Court Case No. 98-1360-MLB), as well as based on actual costs incurred. The potential for change to the liability is relatively moderate, due to the potential of reducing the groundwater contamination plume to acceptable concentrations prior to the 70-year projection contained in the engineering estimate, offset with future inflationary cost increases. The probability of continued operation of the treatment system after 40 years of operations is estimated to be 30%. A revised cost estimate was modeled in 2021 based upon future expectations and the estimate will be further refined in 2022.

Harcros/TriState Central Site: Within the Gilbert and Mosley District, some specific source areas have been identified as requiring source control measures. The Harcros/TriState Central site has been identified as contaminated by volatile organic compounds (VOCs) resulting from various industrial spills and processes, in addition to contamination from food grade chemicals. Some reported contaminant concentrations have exceeded KDHE standards. Based on the Gilbert and Mosley Settlement Agreement, the City is responsible for cleanup of the site. The City has performed a site investigation and is in the process of implementing the remediation which consists of two vapor mitigation systems which were installed in residential properties in September 2005. An additional vapor mitigation system was installed in a third residential property in 2006, in conjunction with offsite excavations of soil. An air sparge/ soil vapor extraction system was installed in each of the sources in 2007 and those units are still in operation. Both systems operated until October of 2018 when they were shut down for a rebound assessment. The City received permission from KDHE in January 2021 to decommission the AS/SVE system at Tri-State Central in 2021. All wells were properly abandoned and the treatment trailer removed from the site in 2021. A portion of the Harcros system was restarted in October 2019 and was shut down again in June 2020 and is still being assessed. Monitoring for part of 2022 should determine whether the Hacros system remains in place for possible operation or if it enters a monitoring only phase.

The City has some ongoing costs associated with the remediation and monitoring of the Harcros/TriState Central site. The estimated liability is based on engineering estimates and actual costs incurred since the beginning of the project to the present. A liability of $1,134,742 has been recorded in the government-wide financial statements for the ongoing remediation costs. The potential for changes in the liability is low as contamination levels are almost low enough to discontinue the remediation systems.

WaterWalk Site: Within the Gilbert & Mosley district, the WaterWalk site has been identified as contaminated by total petroleum hydrocarbons (TPH) and metals in soils and groundwater above KDHE standards. The contamination is being addressed under the Gilbert and Mosley Settlement Agreement. The City has submitted a draft Comprehensive Investigation Work Plan, which has been approved by KDHE, to delineate the horizontal and vertical extent of the contamination. A utility corridor excavated on the site in 2006 resulted in excavated soils being screened and segregated based on contaminate and concentration. Lead-impacted soils were landfilled and petroleum-impacted soils were treated at a local asphalt plant until the soils reached residential contact standards for TPH. As of December 31, 2021, a liability of $6,694 has been recorded in the government-wide financial statements. The potential for changes to the liability is moderate pending completion of the investigation.

South Washington and English Site (SWE): The SWE site has soil and groundwater contaminated by chlorinated solvents associated with dry cleaning and other industrial processes. The impacted areas have concentrations that exceed KDHE standards. The City is responsible for cleanup of the site based on the Gilbert and Mosley Settlement Agreement. The City performed a site investigation and selected a remediation plan consisting of excavation and offsite disposal of select soils, electrical resistance heating of subsurface soils and soil vapor extraction.

Remedial action was initiated in 2010 including excavation and disposal of contaminated soils, the initiation of the electrical resistance heating design and additional investigation. As a result of the need to secure the property for remediation, property was purchased which was initially planned to be sold after the remediation process was complete. Proceeds from the sale of the property were estimated to be approximately $200,000.

In 2014, it was determined that the costs associated with the implementation of electrical resistance heating remedy for the entire area required by KDHE was not economically feasible. As a result, alternative remedial activities including injection of an oxidizing compound into the contaminated zone were evaluated by both the City and KDHE.

In late 2017, the City agreed to demolish the building purchased in 2010 to facilitate the installation of a driveway for a parking garage for a corporate building being constructed on the former Wichita Eagle property to the west/northwest of the SWE site. As a result, the City had to temporarily halt remediation efforts which are expected to be resumed in 2023 and will coordinate efforts with KDHE. The City anticipates a revised remediation approach will be approved by KDHE in 2022 and implemented 2022-2023.

The City recorded a net liability for remediation and monitoring activities of $635,574 in the government-wide financial statements, based on engineering estimates and actual costs incurred from the start of the project to the present. The potential for change is relatively high as the contractor originally selected to perform the ERH remediation is no longer on the project. Based on the results of the oxidation pilot test, the City will conduct an expanded pilot system consisting of chemical oxidant to address the contamination in the deep portion of the aquifer and the upper shales below the aquifer and a limited AS/SVE system to address the contamination in the deep unsaturated soils and upper and upper aquifer. The City will work with KDHE to change the CAD for the site. There is no new cost estimate for the remediation effort at this time.

APCO Chemical Company (APCO): Within the Gilbert & Mosley district, the APCO site has been identified as contaminated by chlorinated volatile organic compounds (VOCs) and petroleum related hydrocarbons. Soil and groundwater concentrations exceed KDHE standards and require remediation efforts. The KDHE Underground Storage Tank Trust Fund (UST Trust) has installed an air sparging/soil vapor extraction system to address the petroleum hydrocarbon contamination. Based on the Settlement Agreement, KDHE identified the City as the responsible party for cleanup of the chlorinated VOCs associated with the site when the responsible party declared bankruptcy in 2005. As a result of the 2008 APCO Trust Bankruptcy Trial, the City of Wichita received a $450,000 judgment against APCO Trust for remediation at this site. Payment of that judgment was received in early 2014.

The City has performed a site investigation and KDHE completed its remediation program of the petroleum contamination. Testing conducted by KDHE and the site-wide monitoring program indicated that the UST remediation program may have also remediated the chlorinated solvents related to the APCO release. In 2015, the City hired a consultant to conduct an updated investigation of the APCO site to determine whether any additional remediation efforts are necessary. A work plan to conduct the investigation was submitted and approved by KDHE in 2016 and the field investigation was conducted in 2017. The investigation revealed that very little groundwater contamination is present at the site. KDHE determined that the site contamination has been resolved as of November 27, 2018. No further action is required for this site.

The City has recorded a liability of $4,600 for the cost to decommission any remaining monitoring wells. The potential for changes to the liability is low as the site is now resolved. The City acquired KDHE's permission to decommission the remaining wells in 2021 and expects to take that action in 2022.

Automotive Fleet Services, Inc. (AFS): The AFS site, within the Gilbert and Mosley district, has been identified as contaminated by volatile organic compounds (VOCs) related to vehicle maintenance with reported contaminant concentrations in groundwater exceeding KDHE standards. Based on the Gilbert and Mosley Settlement Agreement, the City is responsible for cleanup of the site. In 2015, the City hired a consultant to conduct a Comprehensive Investigation (CI) and Corrective Action Study (CAS) and a work plan was submitted and approved by KDHE in 2016. In 2017, the investigation was conducted and the findings indicated that no remedial activities are necessary. KDHE has determined that the site contamination has been resolved as of November 6, 2018. No further action is required for this site.

The City has ongoing costs for the decommissioning of the monitoring wells. A liability is recorded in the amount of $1,150 in the government-wide financial statements. The potential for changes in the liability is relatively low as the site is now resolved. The City acquired KDHE's permission to decommission the remaining wells and expects to take that action in 2022.

Reid Supply, Inc. (RSI): The RSI site, within the Gilbert and Mosley district, has been identified as contaminated by chlorinated solvents with some contaminant concentrations exceeding KDHE soil and groundwater standards. RSI has been named as the responsible party for cleanup of the site; however, the City may be named as partially or fully responsible at a future date. The City has hired a consultant to conduct a CI/CAS program of the site to determine whether a remedial action is necessary. CI fieldwork was completed in 2018 and the CI report was approved by KDHE in 2019. The CAS report will be submitted in early 2022. Data indicates that remediation efforts will likely be required.

An estimated liability, based on a 2002 engineering estimate and actual costs incurred from the start of the project to the present, has been recorded in the government-wide financial statements in the amount of $972,027. The potential for change to the liability is moderate due to the need for remediation efforts. The 2022 CAS report will provide an updated cost estimate of the City's liabilities associated with this site.

LORAC Company (LORAC): The LORAC site, within the Gilbert and Mosley district, has been identified as contaminated by chlorinated solvents with some contaminant concentrations exceeding KDHE soil and groundwater standards. The property owners signed an agreement with KDHE in 2008 to conduct a site investigation which was subsequently completed in 2009. The current property owner has indicated to KDHE that they have limited capacity to pay for a full-scale Comprehensive Investigation (CI) and Corrective Action Study (CAS). As a result, the City has agreed to conduct the CI/CAS program as part of the Gilbert and Mosley Settlement Agreement and in 2015, the City hired a consultant to conduct the program. A work plan to conduct the CI/CAS has been submitted to KDHE for review in 2018 and CI fieldwork was conducted in 2018 and 2019. The CI report was approved by KDHE in 2019. The CAS report was submitted to KDHE in 2020 and approved on February 9, 2021. Data indicates that remediation efforts will likely be required.

An estimated liability, based on contractual obligations for the CI/CAS and actual costs incurred from the start of the project to the present, has been recorded in the government-wide financial statements in the amount of $1,834. The potential for change to the liability is relatively high due to the likely need for remediation activities. There is a strong likelihood that the City may have to take on the responsibility of implementing any required remedial actions as KDHE has previously determined that the current owner of LORAC does not have the financial ability to remediate the site and thus, KDHE may hold the City liable for the remediation. The CAS report submitted provides an updated cost estimate of the liabilities associated with this site; however, the City is currently disputing that the remediation costs are its responsibility under the Gilbert and Mosley Settlement Agreement with KDHE. No agency decision has been made.

North Industrial Corridor (NIC) Site-wide Groundwater Contamination: In the 1980s, the Environmental Protection Agency identified the presence of volatile organic compounds in groundwater produced from two industrial wells. Subsequent investigations revealed widespread contamination in the groundwater in what is known as the North Industrial Corridor. In 1987, the Wichita North Industrial District Group (WNID Group) organized with the City as a member. The WNID Group entered into a consent agreement with KDHE September 1989. A portion of the NIC site was listed on the National Priorities List by the EPA in February 1990. In 1994, the City petitioned for the removal of the site from the National Priorities List. The EPA published notice of removal in April 1996.

To restore economic viability to the area, the City signed a "Settlement Agreement for Remedial Investigation and Feasibility Study for Certain Remedial Actions to be Determined Following Opportunity for Public Involvement" (NIC Settlement Agreement) in 1995. In May 1996, the City entered into a participation agreement with potentially responsible parties for the NIC contamination. The remedial investigation report was completed in June 2004, with an addendum to the report completed in 2005. The reports were approved by KDHE in March 2007. KDHE approved the feasibility study in 2011 and in March 2012, issued a Final Corrective Action Decision for interim groundwater remediation. The North Industrial Corridor site has been divided into six groundwater units for evaluation and remedial actions. The Corrective Action Decision focuses on the remedial action alternatives within Groundwater Units 1 through 4. Groundwater Units 5 and 6 are being remediated by the responsible parties under separate consent orders with KDHE.

The Final Corrective Action Decision (CAD) includes pre-design data acquisition, long-term groundwater remediation and surface water monitoring, five-year reviews and institutional controls for each groundwater unit. Pre-design Data Acquisition (PDA) was conducted to optimize the selected remedy and evaluate the need for contingency implementation. PDA activities were initiated in 2014 and completed in 2016 and additional studies required by the CAD were also completed in 2016. A Remedial Designs (RD) report was completed in 2018 which presented the final site-wide groundwater remediation program for the site. This was followed by an Engineer's Estimate in late 2018 and early 2019 for the cost of the remedial action construction and the long-term site-wide remediation program. The construction costs for the site-wide remediation system are based upon the contracts awarded in 2020 and early 2021. A comprehensive groundwater and surface water monitoring plan has been developed to evaluate performance of the remedy applied and monitor contaminant migration. Five-year reviews will be conducted as long as contamination remains at the site at concentrations above levels which will permit unrestricted use. The reviews will provide an opportunity to review the overall effectiveness of the remedial strategy. Continued enforcement of City of Wichita ordinances which prohibit the installation of new water wells and use of pre-existing water wells for personal use in contaminated areas will help ensure protection of human health until the site cleanup is complete.

KDHE has approved the remedial actions for Groundwater Units 1 through 4, of which it was determined that no additional work was required at Groundwater Unit 1. The remedial actions for Groundwater Units 2 through 4 consist of source abatement and groundwater extraction and treatment of groundwater extraction wells from which contaminated groundwater will be pumped to the Gilbert and Mosley Wichita Area Treatment Education and Remediation (WATER) Center for treatment. There has been no preferred remedial alterative for Groundwater Units 5 and 6. A separate decision document will be developed based on completion of the FS for the groundwater unit.

KDHE has approved the Remedial Design, the Site-wide Monitoring and Performance Evaluation Work Plan for the NIC Site. The estimated liability for the NIC site-wide groundwater cleanup has been estimated based upon the engineer's estimates provided in late 2018 and early 2019 based upon the remedial design and a projected duration of the remedial action activities. The construction costs have been updated based upon the contracts awarded in 2020 and early 2021. A comprehensive groundwater and surface water monitoring plan was developed to evaluate the performance of the remedy applied, individual source control measures, and monitor contaminant migration within the site. Five-year reviews will be conducted as long as contamination remains at the NIC site at concentration levels which will permit unrestricted use. The performance monitoring program was initiated in late 2020 and the remediation system came online in January 2022.

A liability of $13,556,385 has been recorded in the government-wide financial statements. This includes a combined liability of $112,962 for the following subsites within the NIC site: APEX/11th State, VIM Trailer, and Kansas Plating, Inc. The potential for changes to the liability is relatively moderate due to the required technical components, future bidding and potential value initiatives that may reduce project costs. The City has contracted a consultant to update the NIC groundwater modeling to estimate the duration of the groundwater extraction efforts based upon data collected in late 2020 and 2021. A revised cost estimate was modeled in 2021 based upon future expectations and the estimate will be further refined in 2022 based upon the results of the modeling, along with analytical data from 2020 through 2022.

As of December 31, 2021, all but one of the financially significant participants have settled with the City (the City has settled with 20 responsible parties). The City is assessing whether to pursue a settlement in 2022. Therefore, no receivable has been recorded as of December 31, 2021.

John's Sludge Pond: The John's Sludge Pond site was formerly used for disposal of waste oil and oily sludge generated in the recycling/reclamation process of an oil refinery. A portion of the site was purchased by the City in 1983 to provide drainage for the interstate highway. A private estate owns the remainder of the site. Investigations by the City of Wichita found the sludge and water in the pond to be very acidic and the sludge was found to contain elevated concentrations of lead, low levels of PCBs, other metals and organics.

The site was placed on the National Priorities List (NPL) by the EPA in 1983. Remedial actions consisted of stabilizing the sludge with pozzolanic material and capping the site in 1985. The site was removed from the NPL in 1992 but is still being monitored because the waste was capped in place. The EPA performs project reviews every five years. In 2017, the EPA review determined that the City could reduce its monitoring frequency to every five years instead of every year. The next scheduled sampling event is 2026.

The City has ongoing maintenance costs. A liability of $1,000 has been recorded in the government-wide financial statements. The City does not currently have a contract in place to conduct the 2026 sampling events and thus, there is no estimate for a revised monitoring liability at this point. The potential for change to the liability is relatively moderate.

Mid-town Bike Path: A portion of the City's Mid-town Bike Path was acquired from the abandoned Union Pacific Railroad line in north central Wichita. The City has converted a portion of the abandoned rail line into a bicycle pathway. The shallow soils along the proposed pathway are impacted by total petroleum hydrocarbons (TPH) and metals (lead and arsenic). As part of the remedial strategy, the impacted soils were capped with clean soils to prevent dermal contact and limit potential infiltration and leaching of the materials to the groundwater. KDHE requires an annual inspection of the conditions and maintenance of the site. The City has recorded a liability of $2,500 for costs associated with monitoring and reporting.

Wichita Mid-Continent Airport Fuel and Fire Training Facility Site: Contaminates of petroleum related volatile organic compounds were found in solid samples collected between 1989 and 1993. Due to the low level of contaminates reported in the groundwater at the Fuel Farm and the absence of contaminates in the groundwater at the nearby Fire Training Facility, KDHE only requires annual monitoring of the groundwater in accordance with KDHE requirements. The City has recorded a liability of $5,000 for the annual costs associated with site monitoring and reporting.

J. LIQUIDATION OF OTHER LONG-TERM 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 as presented in the Long-Term Liabilities Activity at the beginning of this note (Note 10A – Long-Term Liabilities Activity). At year-end, compensated absences of $533,856 related to internal service funds were included in the governmental activities amounts. Compensated absences for governmental funds are primarily liquidated by the General Fund.

Claims payable are liquidated from the Self Insurance Fund. Post-employment benefits other than pensions will be ultimately liquidated via health insurance expenditures which are paid by the Self Insurance Fund, which receives funding in the form of employer contributions via payroll and from the retirees' payment of premiums. These employer contributions for governmental funds are primarily funded by the General Fund. The Net Pension Liability will ultimately be satisfied through charges related to payroll and such liabilities are generally liquidated using the resources of the funds from which the liabilities originated. The governmental funds portion of the liability are generally paid by the General Fund. Environmental remediation liabilities are recorded at the government-wide level and are generally liquidated from the Environmental TIF Funds.

K. APPLICABILITY OF FEDERAL ARBITRAGE REGULATIONS

Debt issuances of the City issued after the Tax Reform Act of 1986 are subject to federal arbitrage rebate regulations. The arbitrage rebate regulations require that all earnings from the investment of gross proceeds of a bond issue in excess of the amount that could have been earned, had the yield on the investment been equal to the yield on the bonds, be remitted to the federal government. These rules carry strict penalties for noncompliance, including taxability of interest retroactive to the date of the issue. City management believes the City is in compliance with these rules and regulations.

11. TEMPORARY NOTES PAYABLE

Kansas Statutes permit the issuance of temporary notes to finance certain capital improvement projects that will be refinanced with general obligation bonds. Prior to the issuance of temporary notes, the governing body must take necessary legal steps to authorize the issuance of general obligation bonds. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance. During 2021, the City issued $193,345,000 and retired $166,335,000 in temporary notes for various capital improvements. Temporary notes outstanding at December 31, 2021 are payable as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities	$ 110,140,641	$ 191,451,987	$ (165,445,641)	$ 136,146,987
Business-type activities:				
Transit Fund	889,359	1,893,013	(889,359)	1,893,013
Total business-type	889,359	1,893,013	(889,359)	1,893,013
Total temporary notes	$ 111,030,000	$ 193,345,000	$ (166,335,000)	$ 138,040,000

Temporary notes also replace operating cash which has been used to finance capital construction in other funds as provided in the table on the following page. Some construction costs may have occurred in prior periods.

	Series	Interest Rate	Amount Outstanding	Maturity Date
Governmental activities:				
Major capital project funds:				
Street Improvement Fund	306	4.00%	$ 18,162,362	10/15/22
Public Improvement Construction Fund	306	4.00%	66,450,750	10/15/22
Public Improvement Construction Fund	305	0.25%	6,500,000	10/15/22
Nonmajor capital project funds:				
Neighborhood Improvements Fund	306	4.00%	30,494,100	10/15/22
Park Bond Construction Fund	306	4.00%	14,539,775	10/15/22
Total governmental activities			136,146,987	
Business-type activities:				
Nonmajor enterprise fund:				
Transit	306	4.00%	1,893,013	10/15/22
Total business-type activities			1,893,013	
Total temporary notes payable			$ 138,040,000	

Remainder of page intentionally left blank.

12. LEASES

Rents Receivable under Operating Leases: The Airport Authority leases facilities and land to airlines, concessionaires, commercial entities and others. The leases are for varying periods, from one month to 37 years, and require the payment of minimum annual rentals. The future minimum rentals of non-cancelable operating leases are reflected in the accompanying table. The future value of operating leases does not include contingent rentals that may be received under certain leases. Such contingent rentals totaled $3,834,292 in 2021.

Year Ending December 31,	Minimum Rentals of Non-cancelable Operating Leases
2022	$ 10,994,200
2023	6,672,873
2024	5,888,265
2025	4,839,109
2026	4,363,223
2027 – 2031	14,967,588
2032 – 2036	13,444,066
2037 – 2041	13,375,827
2042 – 2046	10,961,592
2047 – 2051	5,457,015
2052 – 2056	2,119,685
2057 – 2058	149,670
Total minimum future rentals	$ 93,233,113

Direct Financing Leases: The Airport Authority has authorized the construction of buildings on Authority-owned land by 51 tenants, some of which the Airport Authority has assisted in financing through the issuance of Airport Facility Bonds. Tenants lease the land from the Airport Authority for periods ranging from one month to 37 years with renewal options ranging from one year to 27 years.

The financing of the facilities by the Airport Authority represents direct financing leases. Accordingly, the net investments of such leases are recorded on the enterprise fund balance sheet as restricted assets. The tables presented below provide the components of the net investment in direct financing leases as of December 31, 2021 and the future minimum lease rentals to be received under the leases.

Investments in Direct Financing Leases As of December 31, 2021	Airport Authority
Total minimum lease payments to be received	$ 9,536,905
Less: unearned income	(2,099,185)
Net investment in direct financing leases	$ 7,437,720

Future Minimum Lease Rentals Under Direct Financing Leases As of December 31, 2021	
Year ending December 31,	Airport Authority
2022	$ 515,425
2023	515,425
2024	515,425
2025	1,944,925
2026	425,425
2027 – 2031	2,127,124
2032 – 2036	2,127,124
2037 – 2040	1,366,032
Total minimum future rentals	$ 9,536,905

Prepaid Long-term Operating Lease: The City entered into a development agreement with Cargill Meat Solutions Corporation related to the construction of a parking facility in the City's Old Town District. Under this agreement, the City has agreed to contribute funding of up to 50% of qualifying construction costs plus an additional $3,000,000. In exchange, the parking facility will be available for public use during designated hours for a term of 15 years beginning November 2018, as the parking garage was completed in October 2018. As of December 31, 2019, the City had reimbursed Cargill $9,347,743 for the construction of the parking facility, and the balance of the prepaid lease as of December 31, 2021 was $7,379,655.

Rentals Payable under Operating Leases: The City entered into a five-year lease agreement in 2019 in which the City is the lessee of printers, software and accessories. The operating lease is a component of the lease agreement that is disclosed in Note 10.G – Capital Leases. On December 31, 2021, the future minimum lease payments totaled $161,133.

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13. CONDUIT DEBT OBLIGATIONS

From time to time the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The industrial revenue bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2021, 84 series of industrial revenue bonds were outstanding, with an aggregate principal amount payable of $1,811,478,357.

Special facility revenue bonds have been issued by the Airport Authority to provide for the construction of buildings on Authority-owned land. The bonds are special limited obligations of the Authority, payable solely from and secured by a pledge of rentals to be received from lease agreements between the Authority and various tenants. The bonds do not constitute a debt or pledge of the faith and credit of the City or the Airport Authority. At December 31, 2021, three series of special facility revenue bonds totaling $7,437,720 are reported as a long-term liability of the Airport Authority. Note 10C - Revenue Bonds provides additional disclosure on the long-term debt. See Note 12 - Leases for further disclosure on direct financing leases.

14. INTERFUND TRANSFERS

Interfund transfers reflect the flow of resources from one fund to another fund, generally from the fund in which the resources are received or reside to the fund in which the resources will be expended. During the year ended December 31, 2021, transfer revenue and transfer expenditures/expenses each totaled $86,578,923.

Of routine nature are 1) the Debt Service Fund transfers to the Street Improvement Fund, Public Improvement Fund, and other capital project funds to retire temporary notes and cash fund projects; 2) transfers from the Sales Tax Construction Pledge Fund to the Debt Service Fund and the Local Sales Tax CIP Fund to reserve cash to fund freeway and major arterial projects; 3) transfers from the Local Sales Tax CIP Fund to the Street Improvement Fund to cash fund freeway and major arterial projects; and 4) transfers from the General Fund to various other funds, including the Transit Fund, to assist in funding operations.

A summary of interfund transfers for the year ended December 31, 2021, is shown on the following page.

Summary of Interfund Transfers
For Year Ended December 31, 2021

Fund Type/ Fund	Transfers Out	Transfers In
Governmental funds:		
Major funds:		
General Fund	$ 7,248,254	$ 4,555,071
Debt Service Fund	14,254,883	14,458,269
Grants and Other Assistance Fund	-	1,197,485
Street Improvement Fund	-	33,443,464
Public Improvement Construction Fund	56,000	7,613,120
Nonmajor special revenue funds	6,478,091	1,608,577
Nonmajor capital project funds	56,880,599	19,375,564
Total governmental funds	84,917,827	82,251,550
Enterprise funds:		
Major funds:		
Water Utility Fund	67,845	-
Sewer Utility Fund	149,596	-
Stormwater Utility Fund	-	41,138
Nonmajor enterprise funds	-	4,286,235
Total enterprise funds	217,441	4,327,373
Internal service funds	1,443,655	-
Total transfers	$ 86,578,923	$ 86,578,923

15. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables result from the provision of products or services or loans between funds. As of December 31, 2021, interfund receivables and payables totaled $59,692,382, including a long-term Golf Course System Fund payable to the Debt Service Fund to assist with the restructuring of long-term debt. Other interfund balances are used to offset temporary cash deficits. Individual fund receivable and payable balances at December 31, 2021 are presented in the tables below.

Interfund Receivables
As of December 31, 2021

Fund Type/ Fund	Receivables
Governmental funds:	
Major:	
General Fund	$ 100,113
Debt Service Fund	5,668,420
Grants & Other Assistance Fund	2,732
Street Improvement Fund	154,563
Nonmajor:	
Landfill Fund	107
Landfill Post-Closure Fund	771
Downtown Parking Fund	19,323
Environmental TIF Districts Fund	4,342
City-County Joint Operations Fund	1,659
Local Sales Tax CIP Fund	37,656,745
Sales Tax Construction Pledge Fund	10,229,496
Cemetery Fund	16
Total governmental fund receivables	53,838,287
Enterprise funds:	
Major:	
Sewer Utility Fund	88,458
Airport Utility Fund	99,985
Stormwater Utility Fund	811
Nonmajor:	
Golf Course System Fund	3,432
Transit Fund	4,854
Total enterprise fund payables	197,540
Internal service funds:	
Self-Insurance fund	5,656,555
Total interfund receivables	$ 59,692,382

Interfund Payables
As of December 31, 2021

Fund Type/ Fund	Payables
Governmental funds:	
Major:	
Street Improvement Fund	$ 21,747,856
Public Improvement Construction Fund	12,248,409
Nonmajor:	
Homelessness Assistance Fund	14,933
Park Bond Construction Fund	5,600,397
Neighborhood Improvement Fund	14,100,672
Total governmental fund payables	53,712,267
Enterprise funds:	
Major:	
Water Utility Fund	311,695
Nonmajor:	
Golf Course System Fund	5,668,420
Total enterprise fund payables	5,980,115
Total interfund payables	$ 59,692,382

16. PASSENGER FACILITY CHARGES

In 1994, the Airport Authority first received approval from the Federal Aviation Administration to impose and use a passenger facility charge (PFC) of $3 for each eligible passenger utilizing Mid-Continent Airport, effective December 1, 1994. The first funds were received by the Airport Authority in January 1995. On May 1, 2005 the PFC increased to $4.50 for each eligible passenger.

The charge is collected by all carriers and remitted to the Airport Authority, less a $0.08 per passenger handling fee prior to April 2004. Beginning May 1, 2004, the handling fee increased to $0.11 per passenger. The proceeds from the PFC are restricted for certain FAA approved capital improvement projects. As of December 31, 2021, the Airport Authority has submitted and received approval on seven applications. The approved applications represent a total amended authorized amount of $199,528,281. The charge expiration date for the current program is estimated to be May 1, 2046.

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The accompanying schedule of Passenger Facility Charges is presented on the cash basis of accounting. The information in the schedule is presented in accordance with the requirements of the Passenger Facility Charge Audit Guide for Public Agencies. Therefore, some amounts presented in the schedule may differ from amounts included or used in the preparation of the basic financial statements.

Wichita Airport Authority Passenger Facility Charges (PFC)				
Approved Application Project Number	Unliquidated PFC Balance Jan. 1, 2021	PFC Collected	PFC Expended	Unliquidated PFC Balance Dec. 31, 2021
96-02-C-00-ICT	$ 1,247,191	$ -	$ -	$ 1,247,191
98-03-C-00-ICT	2,180,053	-	-	2,180,053
03-04-C-00-ICT	7,444,058	-	-	7,444,058
07-05-C-00-ICT	1,210,332	-	-	1,210,332
08-06-C-00-ICT	143,220	-	898,532	(755,312)
10-07-C-00-ICT	6,241,296	898,532	14,241,830	(7,102,002)
Total	$ 18,466,150	$ 898,532	$ 15,140,362	$ 4,224,320

17. LANDFILL CLOSURE AND POST-CLOSURE CARE

Information about the landfills operated by the City and the related liabilities is provided in Note 10.H – Landfill Closure and Post-Closure Liabilities. The cost estimates used to develop the recorded liabilities are subject to change due to inflation, deflation, technology, laws, and regulations. Financial assurance for closure and post-closure care costs of the landfills has been demonstrated by the local government financial test, as specified in 40 CFR 258.74(f), adopted by reference for use in Kansas by K.A.R. 28-29-98. The Landfill Post-Closure Fund and landfill tipping fees will provide the primary source of funding for the City landfills' closure and post-closure costs. Additional financing needs beyond those met by the Fund and user fees could potentially require the sale of bonds.

18. FUND BALANCE RESTRICTIONS AND OTHER RESERVATIONS

Governmental fund balance designations denote portions of the fund balance that are either (1) non-spendable due to form, legal or contractual constraints; (2) restricted under an externally imposed constraint; (3) committed to a specific purpose by the City Council; (4) assigned with intentions for a specific purpose; or (5) unassigned without any constraints.

The City maintains the Cemetery Fund, a permanent fund for the perpetual care of the Jamesburg, Highland and Pierpoint Cemeteries, as well as the Old Mission Mausoleum. The non-expendable portion of the fund balance is $235,437. The remainder is expendable for care of the cemeteries.

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In the governmental funds, fund balance designations are reported in the table below.

Governmental Fund Balance (Deficit) Designations
As of December 31, 2021
(dollars in thousands)

	Major Governmental Funds						
	General Fund	Debt Service Fund	Grants and Other Assistance Fund	Street Improvement Fund	Public Improvement Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:							
Inventories & prepaids	265	-	104	-	-	-	369
Permanent fund principal	-	-	-	-	-	235	235
Total Nonspendable	265	-	104	-	-	235	604
Restricted for:							
City Manager	-	-	109	-	-	-	109
Finance	-	-	7	-	-	7	14
Municipal Court	-	-	-	-	-	3,221	3,221
Planning	-	-	97	-	-	86	183
Cemetery	-	-	-	-	-	1,349	1,349
Police & Fire	-	-	179	-	-	-	179
Flood control	-	-	-	-	-	199	199
Street maintenance	-	-	-	-	-	37,657	37,657
Community development	-	-	20	-	-	1,186	1,206
Community health	-	-	46	-	-	37,909	37,955
Housing services	-	-	12,596	-	-	-	12,596
Alcohol and drug programs	-	-	-	-	-	1,741	1,741
Tourism and convention	-	-	-	-	-	5,354	5,354
Libraries	-	-	254	-	-	-	254
Parks and recreation	-	-	396	-	-	500	896
Debt service	-	27,052	-	-	-	10,229	37,281
Total Restricted	-	27,052	13,704	-	-	99,438	140,194
Committed to:							
Parking	-	-	-	-	-	1,303	1,303
Central inspection	-	-	-	-	-	1,250	1,250
Landfill	-	-	-	-	-	12,666	12,666
Total Committed	-	-	-	-	-	15,219	15,219
Assigned to:							
Economic development	1,543	-	-	-	-	-	1,543
Municipal court	45	-	-	-	-	-	45
General government	316	-	-	-	-	-	316
Police & Fire	396	-	-	-	-	-	396
Street maintenance	204	-	-	-	-	-	204
Landfill	-	-	-	-	-	1,201	1,201
Community health	1	-	-	-	-	-	1
Libraries	31	-	-	-	-	-	31
Cultural arts facilities	76	-	-	-	-	-	76
Parks and recreation	755	-	-	-	-	-	755
Total Assigned	3,367	-	-	-	-	1,201	4,568
Unassigned:	50,117	-	-	(47,292)	(75,543)	(68,741)	(141,459)
Total Fund Balance (Deficit)	$ 53,749	$ 27,052	$ 13,808	$ (47,292)	$ (75,543)	$ 47,352	$ 19,126

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19. TAX ABATEMENTS

The City of Wichita's Office of Economic Development offers a variety of incentive programs designed to broaden and diversify the tax base, encourage capital investment, create employment opportunities and provide for the economic growth and welfare of the region. The Wichita City Council, in conjunction with Sedgwick County, has adopted economic development guidelines which govern these incentives. These guidelines define eligibility criteria, including (1) the required economic impact and return on investment; (2) the implementation process; (3) the types of incentives available; and (4) required compliance for the incentive programs. The City of Wichita and Sedgwick County Economic Development Guidelines, as well as more information about each of its incentive programs, are available online at the following link: http://www.wichita.gov/Economic/Pages/IncentivePrograms.aspx.

GASB Statement No. 77 defines a tax abatement as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. The City offers three economic development incentive programs that qualify as tax abatements under GASB Statement No. 77: (1) Industrial Revenue Bonds (IRB), (2) Economic Development Exemptions (EDX) and (3) Community Improvement Districts (CID).

Industrial Revenue Bonds (IRB) Program: The City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition, construction, improvement and equipping of industrial and commercial facilities deemed to be in the public interest. The industrial revenue bonds may be purchased by investors (e.g. banks, private investors or the entity participating in the IRB Program), but are most frequently purchased by the entity participating in the IRB Program. These IRB bonds, if purchased by investors other than the entity participating in the program, are typically secured by the property financed and do not represent an obligation of the City. See further information on IRBs, including the amount outstanding as of December 31, 2021, in Note 13 - Conduit Debt Obligations.

Under the Sales Tax Act (K.S.A. 79-3601 *et seq.*), the sales of tangible personal property or services purchased in connection with the construction of the projects financed by industrial revenue bonds are entitled to exemption from sales tax after a proper application for the exemption is made. Further, all or any property constructed or purchased with the proceeds of revenue bonds may be exempt from property and ad valorem taxation for period up to ten calendar years after the calendar year in which the bonds were issued (K.S.A. 79-201(a)).

The City Council approves all Letters of Intent (LOI), issuances and tax abatements related to the IRB Program. A Cost/ Benefit Study is performed for each project that is to be funded by an IRB issuance to assist the City in determining whether or not to approve the requesting entity for the IRB Program for a particular project. To be eligible for a tax abatement, the project must have a cost/ benefit ratio of at least 1 to 1 for the City. The property or ad valorem taxes abated affect other governments, such as Sedgwick County, the State of Kansas and various school districts. The percentage of property or ad valorem taxes abated is based on capital investment and job creation, for which the majority of the goods or services sold must be destined for customers outside of Sedgwick County. These property or ad valorem tax abatements can be up to 100% of the taxes on the property constructed, improved or purchased, excluding land, with the proceeds of the industrial revenue bonds for up to two five-year periods, with a review by the City Council after the first five-year period.

Typically, the entity participating in the program must meet its commitments by the end of the first five-year period, unless extended by the City Council or otherwise stated in the agreement. These commitments are usually in the form of (1) the acquisition, construction, improvement or equipping of industrial or commercial facilities and (2) the creation of jobs in Wichita with sustained employment, including the new jobs created, for the term of the agreement. The term of the agreement is typically ten years. The job creation commitment includes paying the new employees at least 120% of the Sedgwick County median wage, as defined in the Kansas Wage Survey and reported by the Kansas Department of Labor. Further, pursuant to the City's economic development guidelines, clawback provisions relating to the repayment or cessation of incentives are to be included in all incentive agreements. These clawback provisions allow the City to require repayment of a portion or all of the abatement if the entity does not meet its commitments. For the year ended December 31, 2021, the City's property and sales tax revenues were reduced by approximately $4.6 million and $0.4 million, respectively, under agreements entered into pursuant to the City's IRB Program.

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Economic Development Exemptions (EDX) Program: Economic Development Exemptions are used to encourage manufacturing, research and development and warehousing/distribution companies to grow in Wichita. Property or ad valorem taxes on real property improvements can be exempted for up to ten years pursuant to Article 11, Section 13, of the Kansas Constitution by the governing body of the City. Under the EDX Program, the percentage of taxes abated is based upon job creation and capital investment and is for up to two five-year periods, with a review by the City Council after the first five-year period.

Typically, the entity participating in the program must meet its commitments by the end of the first five-year period, unless extended by the City Council or otherwise stated in the agreement. These commitments are usually in the form of job creation in Wichita with sustained employment, including the new jobs created, for the term of the agreement. The term of the agreement is normally ten years. The term of the agreement is typically ten years. The job creation commitment includes paying the new employees at least 120% of the Sedgwick County median wage, as defined in the Kansas Wage Survey and reported by the Kansas Department of Labor. Also, pursuant to the City's economic development guidelines, clawback provisions relating to the repayment or cessation of incentives are to be included in all incentive agreements and can allow the City to recapture up to 100% of the abatement if all of the commitments are not fully met. For the year ended December 31, 2021, the City's property tax revenues were reduced by approximately $605,000 under agreements entered into pursuant to the City's EDX Program.

Community Improvement Districts (CID) Program: In 2009, the Kansas Legislature enacted the Community Improvement District Act (the CID Act), pursuant to which municipalities may create districts in which certain special taxes are imposed and the revenue generated by these special taxes is used to fund certain public and private improvements, including certain ongoing operating costs, within the geographic bounds of the district. The City has a CID policy, contained within its economic development guidelines, which outlines the local eligibility criteria, sources of funding, eligible CID costs, and the CID process, including creating and terminating a CID. The City Community Improvement Districts' policy is available online, under the Community Improvement Districts section at http://www.wichita.gov/Economic/Pages/IncentivePrograms.aspx. The CID must further the economic development of the City and support projects with total costs of not less than $5 million for project where bonds are issued up front. The City utilizes the provision of the CID Act to assist private developers by providing financing for commercial, industrial and mixed-use projects. The sources of the funding for the CID program are either through special assessments on all property within the district, or an additional retail sales tax up to 2%, which may be imposed for up to 22 years. For the year ended December 31, 2021, additional sales tax revenues of the City of approximately $1.88 million were reduced through the CID Program. In 2021, the City has added a schedule showing the CID fund by subfund (or by district) in the Additional Information section.

20. CONTINGENCIES AND COMMITMENTS

A. LEGAL MATTERS

The reporting entity generally follows the practice of recording liabilities resulting from claims and legal actions only when it is probable that a liability has been incurred and the amount can be reasonably estimated. The reporting entity is vigorously defending its interest in all of the various legal actions and claims against the reporting entity presently pending involving personal injury (including workers' compensation claims), property damages, civil rights complaints and other claims.

Under Kansas Statutes, should the courts sustain any litigation against the reporting entity, the City may issue no-fund warrants to cover any resulting over-expenditures not anticipated in the current year budget. The City is then required to levy sufficient ad valorem property taxes in the first levying period following issuance to retire such warrants. This tax levy is without limitation.

B. GRANT PROGRAMS

The City participates in a number of federal and state assisted grant programs, which are subject to financial and compliance requirements with each applicable grant. Any disallowed costs resulting from financial and compliance audits could become a liability of the City. In the opinion of management, any such disallowed costs will not have a material effect on the basic financial statements of the City at December 31, 2021.

C. CONSTRUCTION AND CAPITAL COMMITMENTS

The City has outstanding construction and capital commitments for freeway and arterial street construction and other capital purchases and improvements of $55.4 million in the governmental funds, $115.2 million in the enterprise funds and none in the internal service funds.

D. ENCUMBRANCES

Encumbrances included in fund balances as of December 31, 2021 are reported in the accompanying table:

Encumbrances As of December 31, 2021 (in thousands)		
Fund Type/ Fund	Encumbrances	
Governmental Funds:		
Major:		
General Fund	$	1,846
Grants and Other Assistance Fund		7,123
Street Improvement Fund		25,930
Public Improvement Fund		10,241
Nonmajor governmental funds		17,471
Total governmental funds		62,611
Enterprise funds:		
Major:		
Water Utility Fund		100,408
Sewer Utility Fund		6,602
Airport Authority Fund		3,313
Stormwater Utility Fund		1,763
Nonmajor enterprise funds		831
Total enterprise funds		112,917
Internal service funds		886
Total encumbrances	$	176,414

E. ECONOMIC DEVELOPMENT ACTIVITIES

The City has established tax increment financing districts to support economic development activities. The City's contributions to these projects include streets, stormwater drainage, public art, water features and public parking, which are financed through the issuance of bonds of which $22.3 million are outstanding.

In the event that property and guest tax revenues generated by the tax increment financing districts and other revenue sources are not available, under Kansas State Law, the City would be required to levy additional property tax on all taxable tangible property in the City to meet debt service requirements for these projects.

21. RESTATEMENT

The City of Wichita owns the Wichita Ice Center, located at 505 W Maple Street in Wichita. The Wichita Ice Center is a premier ice-skating facility in the Midwest with two sheets of ice (NHL and Olympic) that offers a variety of activities all year-round. The City of Wichita has outsourced the daily operation and management of this facility; however, it still has control and ownership over the facility. Further, the government has access to all the resources of the Center, has an obligation to fund operating deficits, pay for all approved capital improvements, and approve the annual budget.

In 2021, the City has re-evaluated this facility and its operation and has determined that it should be presented as a special revenue fund of the City. Accordingly, the City of Wichita has restated its beginning fund balance by $28,280. There are no separately audited financial statements available as of December 31, 2021 for the Wichita Ice Center.

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22. DISCRETELY PRESENTED COMPONENT UNIT: WICHITA RAD SENIOR LP

The Wichita RAD Senior, LP was formed in August 2018 for the purpose of acquiring, rehabilitating and operating four separate apartment communities under the Rental Assistance Demonstration (RAD) pilot initiative – which is a voluntary program under the Department of Housing and Urban Development (HUD). This program provides Public Housing Authorities (PHAs) with access to long-term funding so that needed improvements to low-income housing can be completed. The Wichita Housing Authority (WHA) was successful in securing financing to continue its HUD approved RAD project for the four multi-family senior housing properties as one singe project called Wichita RAD Senior LP.

The project utilizes the following funding: a 4% Low Income Housing Tax Credits (LIHTC), CDBG, HOME, Capital Funds and a HUD FHA 22(d)4 loan. The use of these tax credits required the creation of two new business entities. The Wichita Senior LP is comprised of (1) the project tenant/ ownership entity limited partner, or investor partner, and (2) the general partnership limited liability company. The investor partner is Affordable Housing Partners (AHP) and the general partner, Wichita RAD AMP 1 LLC, is comprised of the City of Wichita and KBK Enterprises.

The four properties in this project were owned and operated by the Wichita Housing Authority, a department of the City, until October 2021, when the RAD project commenced. Mennonite Housing was contracted with by the general partnership to manage the properties, as they have experience managing tax credit properties.

Once the construction is complete and the project reaches stabilization, the developer partner KBK Enterprises will step out of the general partnership, leaving only the City. The use of the tax credits required that the property and buildings be leased to the tenant/ownership entity (investor) for a period of 99 years. However, the lease can be terminated per the Restated and Amended Partnership Agreement for $10 over the outstanding debt of the project after the 15-year tax credit compliance.

Separately Audited Financial Statements: The Wichita RAD Senior LP has separately audited financial statements for the year ended December 31, 2021. The City provided the notes to those audited financial statements below. A copy of the audited financial statements can be made available upon request of the City's Finance Department.

A. ORGANIZATION AND NATURE OF OPERATIONS

Wichita RAD Senior, L.P. (the Partnership) was formed in August 2018, under the laws of the State of Kansas, for the purpose of acquiring, rehabilitating, and operating four separate apartment communities: Bernice Hutcherson Apartments, Greenway Manor Apartments, McLean Manor Apartments, and Rosa Gragg Apartments (collectively the Projects) totaling 226-units located in Wichita, Kansas. The apartment communities were acquired and began operations in October 2021.

The management of the Partnership and the ongoing management of the Projects are vested in the General Partner. The Partnership contracted with Mennonite Housing Rehabilitation Services, Inc. for management of the property. Compensation for such services is as determined under the Partnership and Management Agreements.

Profit and loss is to be allocated to Wichita RAD AMP 1, LLC (.01%) (General Partner) and AHP Housing Fund 249, LLC (99.99%) (Limited Partner) other than special allocations (as defined by the Partnership Agreement) and certain other items which would be specifically allocated to the partners in accordance with the Partnership Agreement.

B. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The Partnership prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America (GAAP).

Cash, Cash Equivalents and Restricted Cash: For the purpose of reporting cash flows, the Partnership considers all highly liquid debt instruments purchased with a maturity date of three months or less to be cash equivalents.

Cash, cash equivalents, and restricted cash as of December 31, 2021 consisted of the following:

Cash, Cash Equivalents and Restricted Cash As of December 31, 2021		
		Amount
Cash	$	45,946
Restricted deposits and funded reserves		17,442,796
Total	$	17,488,742

Supplemental Schedules of Non-Cash Investing and Financing Activities: The Partnership acquired the Projects from the City of Wichita, an affiliate of the General Partner, in October 2021. In connection with the acquisition, the Partnership assumed various assets and liabilities as well as a seller note. The summary of the assets acquired and liabilities assumed are as follows:

Assets Acquired and Liabilities Assumed As of December 31, 2021		
		Amount
Fair value of assets acquired	$	7,300,000
Cash paid for the assets		-
Seller note assumed	$	7,300,000
Fair value of assets transferred	$	15,897
Restricted deposits and funded reserves		(10,621)
Net assets transferred	$	5,276

Accounts Receivable and Bad Debts: Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move out are charged with any damages or cleaning fees, if applicable. Tenant receivable consists of amounts due for rental income, security deposit or the charges for damages and cleaning fees. The Partnership does not accrue interest on the tenant receivable balances.

The Partnership has not established an allowance for doubtful accounts and does not use the reserve method for recognizing bad debts. GAAP requires that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method. Bad debts are treated as direct write-offs in the period management determines that collection is not probable. Included in administrative expenses are bad debts of $31 for the year ended December 31, 2021.

Rental Property: Rental property is recorded at cost. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the Statement of Operations. The rental property is depreciated over estimated service lives as follows:

Asset Classifications	Estimated Useful Life	Depreciation Method
Buildings	30	Straight-line

Capitalization of Rental Property: Rehabilitation costs incurred for the rehabilitation of the Projects have been capitalized. Interest, property taxes and insurance are capitalized only during the rehabilitation period. Costs incurred for such items after the Projects are substantially completed will be expensed as incurred. Upon completion of the rehabilitation, all rehabilitation in progress will be classified as rental property and will be depreciated over the estimated useful lives.

Impairment of Long-Lived Assets: The Partnership reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment losses have been recognized during the year ended December 31, 2021.

Fair Value Measurements: Accounting principles generally accepted in the United States of America define fair value, establish a framework for measuring fair value, and establish a fair value hierarchy that prioritizes the inputs to valuations techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- *Level 1 –* Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Partnership has the ability to access.
- *Level 2 –* Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- *Level 3 –* Unobservable inputs for the asset or liability and which rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The Partnership utilized a Level 1 input for the valuation of its money market funds and fixed income securities. The input is based on a quoted prices in active markets for identical assets; and therefore, the Partnership has determined the cost of those assets approximates the fair value.

Rental Income: Rental income is recognized as rents become due. Rental payments received in advance are deferred until earned. All leases between the Partnership and the tenants are typically one year or less.

Advertising Costs: The Partnership's policy is to expense advertising costs when incurred.

Income Taxes: The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass- through entity. The Partnership is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. Generally, income tax returns filed by the Partnership are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2018 remain open.

Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

C. RESTRICTED CASH

Restricted cash has been established in amounts considered by the members to be adequate and in accordance with the Partnership Agreement and loan documents. A replacement reserve and operating reserve is also required by the Partnership Agreement. Use of the accounts is restricted as defined in the Partnership Agreement and by the lender, and therefore, has been excluded from cash in the accompanying Balance Sheet.

Restricted Cash
As of December 31, 2021

Type	Amount
Working capital reserve	$ 218,000
Bond escrows	17,224,796
Total restricted cash	$ 17,442,796

Summary Analysis
As of December 31, 2021

Working Capital Reserve		Bond Escrows	
Beginning balance	$ -	Beginning balance	$ -
Deposits	218,000	Deposits	19,893,243
Interest	-	Withdrawals	(2,597,387)
Ending balance	$ 218,000	Investment loss	(71,060)
		Ending balance	$ 17,224,796

D. FAIR VALUE MEASUREMENTS

The Wichita RAD Senior LP had the following investments as of December 31, 2021.

Fair Value Measurements As December 31, 2021		
Asset Category	Fair Value	Level 1 Inputs
Recurring basis:		
Fixed income securities: U.S. Treasuries	$ 17,224,796	$ 17,224,796
Total value	$ 17,224,796	$ 17,224,796

E. BONDS PAYABLE

The Multi-Family Housing Revenue Bonds, Series IV, 2021 were issued by the City of Wichita, Kansas and are held by Zions Bancorporation, National Association originally totaling $17,300,000 and bearing interest at 0.51% per annum from the date the bonds were issued. During the term of the bonds, interest payments are to be made each May and November, commencing in May 2022. The principal amount of the bonds outstanding together with accrued interest thereon have an Initial Mandatory Tender Date of November 2024, and a Maturity Date of November 2025, as defined in the Trust Indenture. The bonds are collateralized by the bond escrows. Accrued and unpaid interest as of December 31, 2021 totaled $14,705.

F. REHABILITATION LOAN

The Partnership has entered into a construction loan payable totaling $10,900,000 with Lument Capital. The note bears interest at 2.72% per annum and the rehabilitation loan portion will mature in November 2023. This note is collateralized by the real estate and assignment of rents and security. The loan will convert to a permanent HUD-insured 221(d)(4) mortgage upon completion of the rehabilitation. The monthly principal and interest installments of the permanent loan will be determined at the conversion date. The permanent mortgage will mature in December 2063. As of December 31, 2021, the amount outstanding on the loan totaled $2,261,628. Accrued and unpaid interest as of December 31, 2021 totaled $4,792.

G. NOTE PAYABLE

The Partnership entered into a seller note payable originally totaling $7,300,000 with the City of Wichita, Kansas, an affiliate of the General Partner, in connection with the acquisition of the Projects. Interest will accrue at the applicable federal rate, compounded annually, for a term of 55 years, with a maturity date of October 2076. As of December 31, 2021, the applicable federal rate was 1.31%. Payments will be determined annually from Net Cash Flow, as defined in the Partnership Agreement. As of December 31, 2021, accrued and unpaid interest totaled $15,938. The mortgage is collateralized by the real estate and an assignment of rents and security. As of December 31, 2021, the outstanding principal balance of the mortgage totaled $7,300,000.

Payments of principal and interest on the note payable are determined annually from the financial performance of the apartment communities. Therefore, estimated maturities are not provided in these financial statements as they could be misleading.

H. MANAGEMENT AGENT

Effective October 29, 2021, the Partnership entered into a Management Agreement with Mennonite Housing Rehabilitation Services, Inc. (Management Agent) to manage the rental operations of the apartment communities. The management fee calculation is based on 6% of rents charged and/or collected as defined in the Management Agreement. Property management fees charged to the Projects totaled $7,910 for the year ended December 31, 2021. Amounts due to the Management Agent as of December 31, 2021 related to management fees totaled $6,807 and are included in Accounts Payable – Trade on the accompanying Balance Sheet.

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I. RELATED PARTY TRANSACTIONS

Asset Management Fee: The Partnership shall pay an affiliate of the Limited Partner an asset management fee of $7,500 per year for its services in monitoring the Partnership's operations. The fee shall be increased annually by 3%. The fee is cumulative and payable from Net Cash Flow, as defined in the Partnership Agreement, and should be accrued if available cash flow is insufficient. Deferred asset management fees shall accrue interest at a rate of 8%, compounded annually. No asset management fees were earned or paid as of December 31, 2021.

Incentive Partnership Management Fee: The Partnership shall pay to the General Partner a noncumulative incentive partnership management fee for managing the Partnership's operations and assets. The fee shall be payable to the extent of Net Cash Flow, as defined in the Partnership Agreement. There were no incentive management fees paid during 2021.

Developer Note Payable: The Development Agreement provides that a development fee of $3,300,000 be paid to the Developer, an affiliate of the General Partner, for providing certain development services and guarantees for the completion of the development of the apartment communities. The total development fee will be capitalized as a depreciable cost of the rental property. As of December 31, 2021, $500,000 of the development fee was earned and paid. The remaining development fee will be earned and paid as set forth in the Development and Partnership Agreements.

Limited Partner Receivable: The note receivable from the Limited Partner in the amount of $9,310,512 as of December 31, 2021 is for the subscribed capital contributions and is secured by the Limited Partner's interest in the Partnership. The balance is due and payable upon the satisfaction of certain conditions specified in the Partnership Agreement.

Acquisition: The Partnership purchased the land and existing buildings from City of Wichita, Kansas, an affiliate of the General Partner, on October 28, 2021, in the amount of $7,300,000.

Lease Agreement: The Partnership has entered into a Ground Lease with the City of Wichita, Kansas (the City), an affiliate of the General Partner, for a term of 99 years. The Lease Agreement expires in October 2120 and required an initial lease payment of $7,300,000 and annual lease payments of $1. The Partnership is required to pay all expenses related to the property, including insurance, utility expenses, and tax assessments. Upon expiration of the lease, the Partnership shall deliver the property to the City.

Of the $7,300,000 lease payment, $860,000 has been treated as land and will be amortized over the term of the lease, while the remaining $6,440,000 (net of assets assumed at acquisition) has been treated as rental property and will be depreciated over the term of the lease. Amortization expense and accumulated amortization of the land lease totaled $1,496 for the year ended December 31, 2021. The estimated amount of amortization expense on the land lease for each of the next five years is $8,687. Depreciation expense and accumulated depreciation of the leased rental property totaled $36,940 for the year ended December 31, 2021. The estimated amount of depreciation expense on the leased rental property for each of the next five years is $214,491.

Rehab Assistance Funding: The City of Wichita, Kansas, as affiliate of the General Partner, is providing rehab assistance funding for vacant units while the Projects are undergoing rehabilitation. Rehab assistance funding in the amount of $116,375 was accrued during 2021 as is included in Accounts Receivable – Rehab Assistance Funding on the accompanying Balance Sheet.

J. COMMITMENTS AND CONTINGENCIES

RAD Housing Assistance Payments Contract – Project Based Voucher Program: The Partnership executed a PBV Housing Assistance Payments Contract with the Wichita Housing Authority, through the Rental Assistance Demonstration (RAD) program with the Department of Housing and Urban Development (HUD). The contract provides for rental assistance payments for all units rented to qualified tenants. The contract expires in November 2041.

Housing Tax Credits (Unaudited): The As incentive for investment equity, the Partnership applied for and received an allocation certificate for housing tax credits established by the Tax Reform Act of 1986. To qualify for the tax credits, the Partnership must meet certain requirements, including attaining a qualified basis sufficient to support the credit allocation. In addition, tenant eligibility and rental charges are restricted in accordance with Internal Revenue Code (IRC) Section 42. Management has certified that each tax credit unit has met these qualifications to allow the credits allocated to each unit to be claimed.

Compliance with these regulations must be maintained in each of the fifteen consecutive years of the compliance period. Failure to maintain compliance with occupant eligibility, unit gross rent, or to correct noncompliance within a reasonable time period could result in recapture of previously claimed tax credits plus interest.

Restrictive Covenant: The Partnership is bound by a restrictive covenant. The covenant states that 100% of the Projects' property must be maintained as low-income housing for an initial compliance period of 15 years, and for the extended use period of an additional 15 years, unless terminated after the end of the initial 15-year period.

In addition, the covenant requires rent restrictions so that the units can be rented at a level that is affordable to persons with income at or below specific percentages of the area median gross income ("AMGI").

Loan Commitments: The Partnership has entered into a note payable (the CDBG Loan) with the City of Wichita, Kansas, an affiliate of the General Partner, in the amount of $1,154,462. The loan will be non-interest bearing and will require annual payments based on Net Cash Flow, as defined in the Partnership Agreement. The note will be collateralized by the real estate and assignment of rents and security.

The Partnership has entered into a note payable (the Capital Funds Loan) with the City of Wichita, Kansas, an affiliate of the General Partner, in the amount of $1,409,696. The loan will be non- interest bearing and will require annual payments based on Net Cash Flow, as defined in the Partnership Agreement. The note will be collateralized by the real estate and assignment of rents and security.

The Partnership has entered into a note payable (the HOME Loan) with the City of Wichita, Kansas, an affiliate of the General Partner, in the amount of $1,113,950. The loan will be non-interest bearing and will require annual payments based on Net Cash Flow, as defined in the Partnership Agreement. The note will be collateralized by the real estate and assignment of rents and security.

The Partnership has entered into a note payable (the Housing Trust Fund Loan) with the Kansas Housing Resources Corporation in the amount of $500,000. The loan will be non-interest bearing and annual payments will be deferred for a period of 55 years. All outstanding principal and interest shall be due and payable 60 days after the end of the deferral period. The note will be collateralized by the real estate and assignment of rents and security.

K. CONCENTRATION OF CREDIT RISK

The Partnership maintains its money market funds and income securities with financial institutions. The account balances are insured by the Securities Investor Protection Corporation (SIPC) up to $500,000 at each bank. At times, these balances may exceed the federal insurance limits; however, the Partnership has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these bank balances at December 31, 2021. As of December 31, 2021, the money market and income securities balances of the Partnership exceeded the SIPC insured limit by $16,795,856.

L. GUARANTEES

Completion Guaranty: The Partnership Agreement provides for a construction completion guarantee, whereby the General Partner guarantees that the Projects will be constructed in accordance with defined plans and specifications. The guaranty includes funding all amounts incurred to complete construction in excess of existing sources of financing. Such funding shall be treated as an unsecured noninterest-bearing loan to the Partnership, payable from Net Cash Flow, as defined in the Partnership Agreement. The General Partner does not receive a fee for providing this guarantee.

Operating Deficit Guaranty: The Partnership Agreement also provides for an operating deficit guaranty, whereby the General Partner shall be obligated to provide up to $850,000 (as defined by the Partnership Agreement) to satisfy any operating deficits over a defined period commencing on the certificate of occupancy date to permit the Partnership to meet all reasonable costs of operations. Such funding shall be treated as a noninterest-bearing loan and be payable from Net Cash Flow, as defined in the Partnership Agreement. The General Partner does not receive a fee for providing this guaranty. The General Partner has not advanced any funds to the Partnership pursuant to this agreement.

Tax Credit Guaranty: The Partnership is allocated Federal Low-Income Housing Tax Credits under the program described by IRC Section 42. The tax credits are not reflected in the accompanying financial statements of the Partnership and, therefore, have not been audited. However, the Partnership Agreement provides for a credit reduction payment if the total amount of credits obtained is less than the total amount projected, there is a timing difference in the tax credits made available to the Limited Partner when compared to what was projected, or the Limited Partner is at any time obligated to recapture credits previously claimed. The Limited Partner shall reduce its required capital

contribution by the amount of the shortfall (as defined in the Partnership Agreement). In the event that the Limited Partner's capital contributions cannot be reduced, the General Partner will pay the Limited Partner for any credits lost. Amount paid by the General Partner pursuant to this guaranty will be treated as a capital contribution to the Partnership. The General Partner does not receive a fee for providing this guaranty.

M. CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Partnership's primary asset is the Projects. The Partnership's operations are concentrated in the multifamily real estate market. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, the Internal Revenue Service and the State Housing Agency. Such administrative directives, rules and regulations are subject to change by an act of congress or an administrative change mandated by the Internal Revenue Service or the State Housing Agency. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

The Company also receives a material portion of its revenue from the City of Wichita in the form of a RAD Housing Assistance Payments Contract, Project Based Voucher Program. The details of this contract are provided in Note 22J – Commitments and Contingencies.

N. PAYMENT IN LIEU OF TAXES (PILOT)

The property is currently exempt from property tax through a City of Wichita Tax Exemption Ordinance. The payment in lieu of real estate taxes is calculated as 10% of the total rent collected by the Projects less utility charges. The manifest purpose of the exemption is to facilitate and encourage the development of housing for its low-income persons and families by providing tax exempt status for such properties.

O. UNCERTAINTIES DUE TO COVID-19

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) emerged, and has since spread around the globe to affect many countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Projects' operations. However, future potential impacts may include disruptions or restrictions on the employees' ability to work or the tenants' ability to pay the required monthly rent as a result of job loss or other pandemic related circumstance. In addition, some jurisdictions have enacted a moratorium on evictions in response to various impacts of the pandemic. Also, changes to the operating environment may increase operating costs. The future effects of these issues are unknown.

P. SUBSEQUENT EVENTS

Events that occur after the Balance Sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Balance Sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Balance Sheet date require disclosure in the accompanying notes. Management evaluated the activity of Wichita RAD Senior, L.P. through June 3, 2022, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.

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23. SUBSEQUENT EVENTS

A. OUTSOURCED MANAGEMENT OF CITY FACILITIES

Wichita Ice Center: The City of Wichita owns the Wichita Ice Center, located at 505 W Maple Street in Wichita. The Wichita Ice Center is a premier ice-skating facility in the Midwest with two sheets of ice (NHL and Olympic) that offers a variety of activities all year-round. The City of Wichita has outsourced the daily operation and management of this facility; however, it still has ownership of and certain responsibilities in relation to the facility.

After a request for proposal (RFP) process, the City has changed management companies in 2022 from Genesis Health Clubs to Rink Management Services. The City has entered into a contract with Rink Management Services to operate and manage the facility for a term of five years, through December 31, 2026, with five one-year renewal options.

Century II Performing Arts and Convention Center: The City of Wichita owns the Century II Performing Arts and Convention Center (Century II), located at 225 W Douglas Ave. The City has internally managed and recorded the operation of this facility through December 31, 2021. In October 2021, the City entered into an agreement with ASM Global for the management of Century II for an initial term of five years with five one-year renewal options. In January 2022, the City turned over the day-to-day operation and management of Century II to ASM Global. Beginning in 2022, the City has created a special revenue fund for tracking the operation and management of this facility.

B. LONG-TERM DEBT ISSUANCES AND BOND/ LOAN DRAWS

On April 22, 2022, the City issued $27,910,000 General Obligation Temporary Notes, Series 308 with a stated maturity of October 15, 2022 at 4.00% interest.

On March 15, 2022 and May 12, 2022, the City made its second and third drawdowns totaling $77,528,761 from the Water Infrastructure Finance Innovation Act (WIFIA) Bond and has started accruing interest upon those draws at 1.17%. The City also requested its fourth draw in the amount of $1,645,459 and expects to receive those funds by July 1, 2022. Additional information on the bond can be found in Note 10F – Direct Borrowings and Placements: Bonds and Long-Term Loans.

The City made and received five requests totaling $30,005,559 in 2022 (January 20th, March 16th, April 19th, May 20th, and June 22nd) from KDHE for the City's 2020 Kansas Public Water Supply Loan Fund (KPWSLF or Revolving Fund). These draws, along with additional capitalized interest of $39,424 which was rolled into the principal in 2022, bring the total loan to $55,000,000, the max principal amount. Additional information on the loan can be found in Note 10F – Direct Borrowings and Placements: Bonds and Long-Term Loans.

On March 1, 2022, the City entered into its second KPWSLF loan with KDHE in an amount not to exceed $60 million at 1.34% interest. This loan is to help fund the construction of the City's Northwest Water Treatment Facility and is a direct borrowing and placement loan. The City has made and received its first draw on this loan in the amount of $2,824,160 (June 22nd).

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CITY OF WICHITA, KANSAS

PENSION REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
WICHITA EMPLOYEES' RETIREMENT SYSTEM

For the years ended December 31, 2015 through December 31, 2021 [1]

	2021 [2]	2020 [2]	2019 [2]	2018 [2]
TOTAL PENSION LIABILITY				
Service cost	$ 9,639,316	$ 10,132,953	$ 10,067,053	$ 10,049,029
Interest	49,106,352	47,499,432	47,789,825	46,669,189
Differences between expected and actuarial experience	(1,365,285)	3,656,262	(2,668,930)	(1,893,808)
Assumption changes	669,701	(19,749,611)	32,865,478	-
Reclassification due to conversion of members to Plan 3b	(63,361)	(94,720)	(179,012)	(191,292)
Benefit payments, including member refunds	(45,828,504)	(44,447,896)	(41,670,299)	(39,282,815)
Net change in total pension liability	12,158,219	(3,003,580)	46,204,115	15,350,303
Total pension liability - beginning	668,661,985	671,665,565	625,461,450	610,111,147
Total pension liability - ending (a)	$ 680,820,204	$ 668,661,985	$ 671,665,565	$ 625,461,450
PLAN FIDUCIARY NET POSITION				
Employer contributions	$ 11,010,091	$ 9,683,553	$ 10,099,027	$ 9,642,540
Employee contributions	3,809,288	3,770,224	3,755,812	3,682,056
Reclassification due to conversion of members to Plan 3b	(63,361)	(94,720)	(179,012)	(191,292)
Net investment income (loss)	80,782,297	102,909,003	(39,511,690)	91,773,973
Benefit payments, including member refunds	(45,828,504)	(44,447,896)	(41,670,299)	(39,282,815)
Administrative expenses	(573,137)	(619,398)	(580,204)	(633,379)
Net change in Plan fiduciary net position	$ 49,136,674	$ 71,200,766	$ (68,086,366)	$ 64,991,083
Plan fiduciary net position - beginning	617,892,432	546,691,666	614,778,032	549,786,949
Plan fiduciary net position - ending (b)	$ 667,029,106	$ 617,892,432	$ 546,691,666	$ 614,778,032
Net pension liability - ending (a) - (b)	$ 13,791,098	$ 50,769,553	$ 124,973,899	$ 10,683,418
Fiduciary net position as a percentage of total pension liability	97.97%	92.41%	81.39%	98.29%
Covered payroll	$ 80,365,628	$ 80,029,364	$ 78,898,648	$ 78,394,634
Employer's net pension liability as a percentage of covered payroll	17.16%	63.44%	158.40%	13.63%

Note: See *Notes to the Required Supplementary Information* immediately following these schedules.

[1] Schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

[2] Information about the employer's net pension liability is presented as of a measurement date one year prior to the fiscal yearend date. For example, the net pension liability reported as of December 31, 2021 is reported based on a measurement date as of December 31, 2020.

2017 [2]	2016 [2]	2015 [2]
$ 9,679,684	$ 9,644,456	$ 9,278,998
45,634,881	44,305,832	43,680,283
(2,791,029)	(656,102)	(3,427,255)
-	(8,877,507)	(3,550,489)
(244,793)	(465,171)	(571,242)
(39,144,783)	(37,089,403)	(37,681,042)
13,133,960	6,862,105	7,729,253
596,977,187	590,115,082	582,385,829
$ 610,111,147	$ 596,977,187	$ 590,115,082
$ 8,946,064	$ 9,031,463	$ 9,423,640
3,642,007	3,574,026	3,394,544
(244,793)	(465,171)	(571,242)
35,956,780	13,380	28,659,491
(39,144,783)	(37,089,403)	(37,681,042)
(615,829)	(624,085)	(621,460)
$ 8,539,446	$ (25,559,790)	$ 2,603,931
541,247,503	566,807,293	564,203,362
$ 549,786,949	$ 541,247,503	$ 566,807,293
$ 60,324,198	$ 55,729,684	$ 23,307,789
90.11%	90.66%	96.05%
$ 77,121,241	$ 74,028,385	$ 71,391,212
78.22%	75.28%	32.65%

CITY OF WICHITA, KANSAS

PENSION REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
POLICE AND FIRE RETIREMENT SYSTEM

For the years ended December 31, 2015 through December 31, 2021[1]

	2021 [2]	2020 [2]	2019 [2]	2018 [2]
TOTAL PENSION LIABILITY				
Service cost	$ 17,070,149	$ 16,230,358	$ 15,754,976	$ 15,178,226
Interest	57,538,167	55,560,527	53,649,438	51,532,754
Differences between expected and actual experience	(3,886,707)	(3,777,136)	11,768,665	(1,784,785)
Assumption changes	1,753,326	(12,112,003)	26,241,485	-
Benefit payments, including member refunds	(45,162,140)	(42,111,381)	(39,381,501)	(36,930,533)
Net change in total pension liability	27,312,795	13,790,365	68,033,063	27,995,662
Total pension liability - beginning	780,246,739	766,456,374	698,423,311	670,427,649
Total pension liability - ending (a)	$ 807,559,534	$ 780,246,739	$ 766,456,374	$ 698,423,311
PLAN FIDUCIARY NET POSITION				
Employer contributions	$ 16,617,743	$ 13,965,415	$ 14,331,422	$ 13,369,785
Employee contributions	5,927,784	5,428,455	5,599,216	4,915,378
Net investment income (loss)	97,865,002	120,349,987	(43,988,371)	103,236,679
Benefit payments, including member refunds	(45,162,140)	(42,111,381)	(39,381,501)	(36,930,533)
Administrative expenses	(574,182)	(612,049)	(590,098)	(554,641)
Net change in Plan fiduciary net position	$ 74,674,207	$ 97,020,427	$ (64,029,332)	$ 84,036,668
Plan fiduciary net position - beginning	731,075,044	634,054,617	698,083,949	614,047,281
Plan fiduciary net position - ending (b)	$ 805,749,251	$ 731,075,044	$ 634,054,617	$ 698,083,949
Net pension liability - ending (a) - (b)	$ 1,810,283	$ 49,171,695	$ 132,401,757	$ 339,362
Fiduciary net position as a percentage of total pension liability	99.78%	93.70%	82.73%	99.95%
Covered payroll	$ 75,880,105	$ 73,891,085	$ 72,017,196	$ 69,634,297
Employer's net pension liability as a percentage of covered payroll	2.39%	66.55%	183.85%	0.49%

Note: See *Notes to the Required Supplementary Information* immediately following these schedules.

[1] Schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

[2] Information about the employer's net pension liability is presented as of a measurement date one year prior to the fiscal yearend date. For example, the net pension liability reported as of December 31, 2021 is reported based on a measurement date as of December 31, 2020.

2017 [2]	2016 [2]	2015 [2]
$ 14,772,379	$ 14,981,100	$ 15,894,290
49,519,284	47,600,166	46,490,734
(2,576,401)	(3,259,180)	(12,040,126)
-	(10,871,013)	226,376
(35,552,267)	(36,090,820)	(36,415,156)
26,162,995	12,360,253	14,156,118
644,264,654	631,904,401	617,748,283
$ 670,427,649	$ 644,264,654	$ 631,904,401
$ 12,585,895	$ 13,964,379	$ 14,464,181
4,776,958	4,603,331	4,529,895
39,901,640	(163,702)	30,596,067
(35,552,267)	(36,090,820)	(36,415,156)
(548,171)	(521,018)	(542,207)
$ 21,164,055	$ (18,207,830)	$ 12,632,780
592,883,226	611,091,056	598,458,276
$ 614,047,281	$ 592,883,226	$ 611,091,056
$ 56,380,368	$ 51,381,428	$ 20,813,345
91.59%	92.02%	96.71%
$ 66,946,250	$ 65,560,465	$ 64,572,237
84.22%	78.37%	32.23%

CITY OF WICHITA, KANSAS

PENSION REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
WICHITA EMPLOYEES' RETIREMENT SYSTEM

For the years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands)

	2021	2020	2019	2018	2017
Actuarially determined employer contributions	$ 10,722	$ 11,010	$ 9,684	$ 10,099	$ 9,643
Actual employer contributions	10,722	11,010	9,684	10,099	9,643
Annual contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 77,140	$ 80,366	$ 80,029	$ 78,899	$ 78,395
Contributions as a percentage of covered payroll	13.90%	13.70%	12.10%	12.80%	12.30%

NOTES TO SCHEDULE:

The system is funded with fixed contribution rates for members and actuarially determined amounts for the City of Wichita. The Actuarially Determined Contributions in the Schedule of Employer Contributions are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the Actuarially Determined Contribution reported as of December 31, 2021.

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Amortization growth rate	3.25%
Remaining amortization period	20 years
Asset valuation method	Expected + 25% of (Market - Expected Values)
Price inflation	2.75%
Salary increases, including wage inflation	3.50% to 6.50%, varying by years of service
Long-term rate of return, net of investment expense, and including inflation	7.59%
Mortality:	Based on the RP-2000 Employee Table, projected generationally using Scale AA (ages set forward 2 years for males, 0 for females). Based on the RP-2000 Healthy Annuitant Table, projected generationally using Scale AA (ages set forward 2 years for males, 0 for females). Based on the RP-2000 Disabled Table for males and females, projected generationally using Scale AA.

2016	2015	2014	2013	2012
$ 8,946	$ 9,031	$ 9,424	$ 8,940	$ 7,503
8,946	9,031	9,424	8,940	7,503
$ -	$ -	$ -	$ -	$ -
$ 77,121	$ 74,028	$ 71,391	$ 70,953	$ 70,783
11.60%	12.20%	13.20%	12.60%	10.60%

CITY OF WICHITA, KANSAS

PENSION REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE AND FIRE RETIREMENT SYSTEM

For the years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands)

	2021	2020	2019	2018	2017
Actuarially determined employer contributions	$ 17,890	$ 16,618	$ 13,965	$ 14,331	$ 13,370
Actual employer contributions	17,890	16,618	13,965	14,331	13,370
Annual contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 79,159	$ 75,880	$ 73,891	$ 72,017	$ 69,634
Contributions as a percentage of covered payroll	22.60%	21.90%	18.90%	19.90%	19.20%

NOTES TO SCHEDULE:

The system is funded with fixed contribution rates for members and actuarially determined amounts for the City of Wichita. The Actuarially Determined Contributions in the Schedule of Employer Contributions are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the Actuarially Determined Contribution reported as of December 31, 2021.

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Amortization growth rate	3.25%
Remaining amortization period	20 years
Asset valuation method	Expected + 25% of (Market - Expected Values)
Price inflation	2.75%
Salary increases, including wage inflation	4.00% - 5.75%, varying by years of service
Long-term rate of return, net of investment expense, and including inflation	7.57%
Mortality:	Pre-Retirement Healthy Lives: RP-2000 Non-Annuitant Healthy Mortality Table, projected on a generational basis using Scale AA Post-Retirement Healthy Lives: RP-2000 Annuitant Healthy Mortality Table, projected on a generational basis using Scale AA Disabled Lives: RP-2000 Disabled Mortality Table, projected on a generational basis using Scale AA

2016	2015	2014	2013	2012
$ 12,586	$ 13,964	$ 14,464	$ 14,890	$ 14,113
12,586	13,964	14,464	14,890	14,113
$ -	$ -	$ -	$ -	$ -
$ 66,946	$ 65,560	$ 64,572	$ 65,306	$ 64,150
18.80%	21.30%	22.40%	22.80%	22.00%

CITY OF WICHITA, KANSAS

OTHER POST-EMPLOYMENT BENFITS (OPEB) -
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

For the years ended December 31, 2018 through December 31, 2021[1]

	2021	2020	2019	2018
TOTAL OPEB LIABILITY				
Service cost	$ 3,231,584	$ 2,355,707	$ 2,221,238	$ 2,393,138
Interest	946,776	1,214,499	1,486,938	1,242,504
Differences between expected and actual experience	(192,042)	96,216	(4,833,105)	1,580,925
Assumption changes	(403,627)	4,342,639	3,726,542	(2,528,757)
Benefit payments	(1,575,905)	(1,381,842)	(1,929,879)	(2,977,740)
Net change in total OPEB liability	2,006,786	6,627,219	671,734	(289,930)
Total OPEB liability - beginning	42,211,482	35,584,263	34,912,529	35,202,459
Total OPEB liability - ending	$ 44,218,268	$ 42,211,482	$ 35,584,263	$ 34,912,529
Covered employee payroll	$ 161,201,360	$ 155,603,100	$ 153,938,076	$ 155,777,106
Employer's total OPEB liability as a percentage of covered payroll	27.43%	27.13%	23.12%	22.41%

Note: See *Notes to the Required Supplementary Information* immediately following these schedules.

[1] Schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

1. SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

A. WICHITA EMPLOYEES' RETIREMENT SYSTEM

These notes should be read in conjunction with the *Schedule of Changes in the Employer's Net Pension Liability and Related Ratios* on pages A-112 and A-113.

Benefit Changes: There have been no changes to the plan provisions in the last seven years.

Changes in Actuarial Assumptions: The changes in actuarial assumptions by valuation year are as follows.

December 31, 2020 Valuation:
- Decrease in the SEIR from 7.60% to 7.59%.

December 31, 2019 Valuation:
- Increase in the SEIR from 7.31% to 7.60%.

December 31, 2018 Valuation:
- Decrease in the price inflation assumption from 3.25% to 2.75%.
- Decrease in the investment return assumption from 7.75% to 7.50%.
- Decrease in the SEIR from 7.90% to 7.31%.
- Decrease in the general wage growth assumption from 4.00% to 3.25%.
- Decrease in the covered payroll growth assumption from 4.00% to 3.25%.
- Decrease in the indexation of terminated vested benefits from 4.00% to 3.50%.
- Adjusted the retirement rates to better reflect the actual experience.
- Increased the probability of entering DROP from 70% to 75%.
- Adjusted the termination of employment rates to better reflect the actual experience.
- Decrease the merit component of the salary increase assumption.
- Decrease the sick leave load assumption from 2.50% to 1.75%.

December 31, 2015 Valuation:
- There were no changes to the assumptions used for the funding valuation even though the SEIR at the Measurement Date was changed for the GASB 68 valuation.

December 31, 2014 Valuation:
- Decrease in the price inflation rate from 3.50% to 3.25%.
- Modify Plan 2 retirement assumption to partially reflect experience. The changes increased rates at some ages and decreased them at others.
- Eliminate the disability assumption.
- Change the termination of employment assumption to a pure service-based assumption.
- Reduce the sick leave load from 4.0% to 2.5%.
- A 20% corridor was added to the actuarial value of assets calculation.

Annual money-weighted rate of return on pension plan investments: The Wichita Retirement Systems (WRS) issue a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplementary information (including the annual money-weighted annual rate of return on plan investments) for WERS, PFRS and Plan 3b. The financial report may be obtained online at www.wichita.gov/Finance/Pages/Pension.aspx.

B. POLICE AND FIRE RETIREMENT SYSTEM

These notes should be read in conjunction with the *Schedule of Changes in the Employer's Net Pension Liability and Related Ratios* on pages A-114 and A-115.

Benefit Changes: There have been no changes to the plan provisions in the last six years.

Changes in Actuarial Assumptions: The changes in actuarial assumptions by valuation year are as follows.

December 31, 2020 Valuation:
- Decrease in the SEIR from 7.59% to 7.57%.

December 31, 2019 Valuation:
- Increase in the SEIR from 7.45% to 7.59%.

December 31, 2018 Valuation:

- Decrease in the price inflation assumption from 3.25% to 2.75%.
- Decrease in the investment return assumption from 7.75% to 7.50%.
- Decrease in the SEIR from 7.90% to 7.45%.
- Decrease in the general wage growth assumption from 4.00% to 3.25%.
- Decrease in the payroll growth assumption from 4.00% to 3.25%.
- Decrease in the indexation of terminated vested benefits from 4.00% to 3.50%.
- Modified the retirement rates and created a separate assumption for members with more than 30 years of service to better reflect the actual retirement and Back Drop experience.
- Adjusted the termination of employment rates to better reflect the actual experience.
- Adjusted the probability of refund assumptions to better reflect the actuarial experience.
- Decrease the merit component of the salary increase assumption.
- Decrease the sick leave load assumption from 3.00% to 2.50%.

December 31, 2015 Valuation:

- There were no changes to the assumptions used for the funding valuation even though the SEIR at the Measurement Date was changed for the GASB 68 valuation.

December 31, 2014 Valuation:

- Decrease in the price inflation rate from 3.50% to 3.25%.
- Modify Plan C retirement assumption to partially reflect experience. Created separate rates for less than or more than 30 years of service.
- Lower assumed disability rates.
- Change the termination of employment assumption to a pure service-based assumption.
- Modify the probability of electing a refund to partially reflect actual, observed experience.
- Reduce the sick leave load from 4.0% to 3.0%.
- A 20% corridor was added to the actuarial value of assets calculation.

Annual money-weighted rate of return on pension plan investments: The Wichita Retirement Systems (WRS) issue a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplementary information (including the annual money-weighted annual rate of return on plan investments) for WERS, PFRS and Plan 3b. The financial report may be obtained online at www.wichita.gov/Finance/Pages/Pension.aspx.

2. SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

These notes should be read in conjunction with the *Schedule of Changes in the Total Other Post-Employment Benefits (OPEB) Liability and Related Ratios* on page A-120.

The City of Wichita has no accumulated assets held in trust to pay OPEB related benefits.

Benefit Changes: There have been no substantive changes to the plan provisions since the December 31, 2017 valuation.

Changes in Actuarial Assumptions: The changes in actuarial assumptions by valuation year are as follows.

December 31, 2021 Valuation:

- The discount rate has been updated to reflect market conditions as of the Measurement Date. The discount rate decreased from 2.12% to 2.25% which caused an increase in liabilities.
- The mortality table has been updated from SOA RPH-2010 Total Dataset Mortality Table fully generational using Scale MP-2020 as follows, which caused a slight increase in liabilities:
  - General employees and retirees: SOA Pub-2010 General Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021
  - Public safety employees and retirees: SOA Pub-2010 Public Safety Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021
  - Surviving spouses: SOA Pub-2010 Contingent Survivor Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021

December 31, 2020 Valuation:

- The discount rate has been updated to reflect market conditions as of the Measurement Date. The discount rate decreased from 3.26% to 2.12% which caused an increase in liabilities.
- The mortality table has been updated from SOA RPH-2010 Total Dataset Mortality Table fully generational using Scale MP-2019 as follows, which caused a slight increase in liabilities:
  - General employees and retirees: SOA Pub-2010 General Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2020
  - Public safety employees and retirees: SOA Pub-2010 Public Safety Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2020
  - Surviving spouses: SOA Pub-2010 Contingent Survivor Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2020

December 31, 2019 Valuation:

- The discount rate has been updated to reflect market conditions as of the Measurement Date. The discount rate decreased from 4.11% to 3.26%.
- The mortality table has been updated from SOA RPH-2010 Total Dataset Mortality Table fully generational using Scale MP-2018 as follows:
  - General employees and retirees: SOA Pub-2010 General Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2019
  - Public safety employees and retirees: SOA Pub-2010 Public Safety Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2019
  - Surviving spouses: SOA Pub-2010 Contingent Survivor Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2019
- Termination rate tables, retirement rate tables and payroll growth rates have been updated to follow the actuarial assumptions from the Wichita Employees' Retirement System and the Police and Fire Retirement System actuarial valuations as of December 31, 2018.

December 31, 2018 Valuation:

The previous valuation was performed under GASB 45 and the following assumptions have been updated in accordance with GASB 75:

- The actuarial cost method has been updated from the Projected Unit Credit with linear proration to decrement to Entry Age Normal Level Percent Salary. In conjunction with this change, the payroll growth assumption has been updated based on the most recent WRS and PRFS actuarial valuations as of December 31, 2017. The net impact of these changes is a decrease in liabilities.
- The discount rate as of the measurement date, December 31, 2018, has been updated to be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality of another rating scale). The prior valuation used a discount rate of 4.00%. The current valuation uses a discount rate of 3.44% as the January 1, 2018 and 4.11% as of December 31, 2018. This change caused an increase in the liabilities as of the beginning of the year and a decrease in liabilities during the year.

Additionally, the following assumptions have also been updated.

- The mortality table was updated from SAO RPH-2017 Total Dataset Mortality Table fully generational using Scale MP-2017 to SOA RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018. The impact of this change was a slight decrease in liabilities.
- The health care trend rates were updated to an initial rate of 8.50% decreasing by 0.50% annually to an ultimate rate of 4.50%. This change caused a decrease in liabilities.

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GOVERNMENTAL FUNDS



CITY OF WICHITA KANSAS

GOVERNMENTAL FUNDS

Governmental fund financial statements distinguish revenues and expenditures from other financing sources and uses. Other financing sources and uses are increases or decreases in the fund balance of a governmental fund that are not considered revenues or expenditures.

Nonmajor Special Revenue Funds

The primary purpose of the special revenue funds is to account for designated revenues used to finance specified activities as required by law or administrative action. The following nonmajor special revenue funds are reported:

- Homelessness Assistance
- Special Alcohol Program
- Landfill
- Metropolitan Area Building and Construction
- Environmental TIF (Tax Increment Financing) Districts
- City–County Joint Operations
- Wichita Ice Center
- Tourism Business Improvement District
- Tourism and Convention
- Special Parks and Recreation
- Landfill Post-Closure
- Downtown Parking
- Self-Supported Municipal Improvement District
- Municipal Court Restricted
- Community Improvement Districts

Nonmajor Capital Projects Funds

The purpose of the capital projects funds is to account for capital improvements (except those financed by proprietary funds) that are financed from the proceeds of general obligation bonds, special assessment bonds, local sales tax, grants and other City funds. The following nonmajor capital project funds are reported:

- Park Bond Construction
- Local Sales Tax CIP (Construction in Progress)
- Neighborhood Improvements
- Sales Tax Construction Pledge

Permanent Fund

The Cemetery Fund is reported as a permanent fund and receives earnings from investments that are used for the perpetual care of three cemeteries and a mausoleum maintained by the City.

Other Supplementary Information

Budgetary schedules for each fund with either (1) a legally adopted budget (i.e., fund is certified with the State of Kansas) or (2) a budget adopted by the City Council are presented in this section.

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUND TYPES

December 31, 2021

	Governmental Fund Types			
	Special Revenue Funds	Capital Projects Funds	Permanent Fund Cemetery	Total
ASSETS				
Cash and cash equivalents	$ 67,830,796	$ -	$ 584,326	$ 68,415,122
Investments	-	-	1,000,149	1,000,149
Receivables, net:				
Due from other agencies	985,089	-	-	985,089
Accounts receivable	1,259,124	-	-	1,259,124
Due from other funds	26,202	47,886,241	16	47,912,459
Inventories	19,881	-	-	19,881
Prepaid items	12,786	-	-	12,786
Total assets	$ 70,133,878	$ 47,886,241	$ 1,584,491	$ 119,604,610
LIABILITIES				
Accounts payable and other liabilities	$ 2,250,628	$ 3,703,644	$ -	$ 5,954,272
Accrued interest payable	-	301,982	-	301,982
Temporary notes payable	-	45,033,875	-	45,033,875
Deposits	31,080	-	-	31,080
Unearned revenue	15,555	-	-	15,555
Due to other agencies	458,561	-	-	458,561
Due to other funds	14,933	19,701,069	-	19,716,002
Total liabilities	2,770,757	68,740,570	-	71,511,327
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Other	741,000	-	-	741,000
Total deferred inflows of resources	741,000	-	-	741,000
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	235,437	235,437
Restricted	50,202,589	47,886,241	1,349,054	99,437,884
Committed	15,218,676	-	-	15,218,676
Assigned	1,200,856	-	-	1,200,856
Unassigned	-	(68,740,570)	-	(68,740,570)
Total fund balances (deficits)	66,622,121	(20,854,329)	1,584,491	47,352,283
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 70,133,878	$ 47,886,241	$ 1,584,491	$ 119,604,610

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2021

	Homelessness Assistance	Tourism and Convention	Special Alcohol Program	Special Parks and Recreation
ASSETS				
Cash and cash equivalents	$ -	$ 5,430,087	$ 1,951,755	$ 464,658
Receivables, net:				
Due from other agencies	-	-	-	-
Accounts receivable	16,244	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 16,244	$ 5,430,087	$ 1,951,755	$ 464,658
LIABILITIES				
Accounts payable and other liabilities	$ 1,311	$ 76,292	$ 210,882	$ -
Deposits	-	-	-	-
Unearned revenue	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	14,933	-	-	-
Total liabilities	16,244	76,292	210,882	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Other	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Restricted	-	5,353,795	1,740,873	464,658
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	-	5,353,795	1,740,873	464,658
Total liabilities, deferred inflows of resources and fund balances	$ 16,244	$ 5,430,087	$ 1,951,755	$ 464,658

Landfill	Landfill Post-Closure	Metropolitan Area Building and Construction	Downtown Parking
$ 4,244,726	$ 9,322,466	$ 349,223	$ 1,302,318
-	-	985,089	-
418,111	-	-	32,670
107	771	-	19,323
-	-	-	-
-	-	-	-
$ 4,662,944	$ 9,323,237	$ 1,334,312	$ 1,354,311
$ 102,431	$ 9,654	$ 53,199	$ 51,734
-	-	31,080	-
7,174	-	-	-
-	-	-	-
-	-	-	-
109,605	9,654	84,279	51,734
-	-	-	-
-	-	-	-
-	-	-	-
4,553,339	8,112,727	1,250,033	1,302,577
-	1,200,856	-	-
4,553,339	9,313,583	1,250,033	1,302,577
$ 4,662,944	$ 9,323,237	$ 1,334,312	$ 1,354,311

(Continued)

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

December 31, 2021

	Environmental TIF Districts	Self-Supported Municipal Improvement District	City-County Joint Operations	Municipal Court Restricted
ASSETS				
Cash and cash equivalents	$ 38,320,865	$ 6,739	$ 626,890	$ 3,771,475
Receivables, net:				
Due from other agencies	-	-	-	-
Accounts receivable	741,000	-	-	-
Due from other funds	4,342	-	1,659	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 39,066,207	$ 6,739	$ 628,549	$ 3,771,475
LIABILITIES				
Accounts payable and other liabilities	$ 416,382	$ -	$ 343,006	$ 91,484
Deposits	-	-	-	-
Unearned revenue	-	-	-	-
Due to other agencies	-	-	-	458,561
Due to other funds	-	-	-	-
Total liabilities	416,382	-	343,006	550,045
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Other	741,000	-	-	-
Total deferred inflows of resources	741,000	-	-	-
FUND BALANCES				
Restricted	37,908,825	6,739	285,543	3,221,430
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	37,908,825	6,739	285,543	3,221,430
Total liabilities, deferred inflows of resources and fund balances	$ 39,066,207	$ 6,739	$ 628,549	$ 3,771,475

Wichita Ice Center	Community Improvement Districts	Tourism Business Improvement District	Total
$ 49,236	$ 1,628,261	$ 362,097	$ 67,830,796
-			
-	-	-	985,089
51,099	-	-	1,259,124
-	-	-	26,202
19,881	-	-	19,881
12,786	-	-	12,786
$ 133,002	$ 1,628,261	$ 362,097	$ 70,133,878
$ 89,728	$ 442,428	$ 362,097	$ 2,250,628
-	-	-	31,080
8,381	-	-	15,555
-	-	-	458,561
-	-	-	14,933
98,109	442,428	362,097	2,770,757
-	-	-	741,000
-	-	-	741,000
34,893	1,185,833	-	50,202,589
-	-	-	15,218,676
-	-	-	1,200,856
34,893	1,185,833	-	66,622,121
$ 133,002	$ 1,628,261	$ 362,097	$ 70,133,878

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

December 31, 2021

	Park Bond Construction	Neighborhood Improvements	Local Sales Tax CIP	Sales Tax Construction Pledge	Total
ASSETS					
Due from other funds	$ -	$ -	$ 37,656,745	$ 10,229,496	$ 47,886,241
Total assets	$ -	$ -	$ 37,656,745	$ 10,229,496	$ 47,886,241
LIABILITIES					
Accounts payable and other liabilities	$ 397,595	$ 3,306,049	$ -	$ -	$ 3,703,644
Accrued interest payable	98,995	202,987	-	-	301,982
Temporary notes payable	14,539,775	30,494,100	-	-	45,033,875
Due to other funds	5,600,397	14,100,672	-	-	19,701,069
Total liabilities	20,636,762	48,103,808	-	-	68,740,570
FUND BALANCES (DEFICITS)					
Restricted	-	-	37,656,745	10,229,496	47,886,241
Unassigned	(20,636,762)	(48,103,808)	-	-	(68,740,570)
Total fund balances (deficits)	(20,636,762)	(48,103,808)	37,656,745	10,229,496	(20,854,329)
Total liabilities and fund balances (deficits)	$ -	$ -	$ 37,656,745	$ 10,229,496	$ 47,886,241

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUND TYPES

For the year ended December 31, 2021

	Governmental Fund Types			
	Special Revenue Funds	Capital Projects Funds	Permanent Fund Cemetery	Total
REVENUES				
Property taxes	$ 4,520,352	$ -	$ -	$ 4,520,352
Motor vehicle taxes	35,885	-	-	35,885
Transient guest taxes	8,507,013	-	-	8,507,013
Special assessments	-	711,989	-	711,989
Local sales tax	1,882,219	35,092,223	-	36,974,442
Intergovernmental	9,631,082	-	-	9,631,082
Licenses and permits	-	-	4,375	4,375
Fines and penalties	449,199	-	-	449,199
Rentals	341,748	106,939	-	448,687
Sale of property	20,451	8,234,221	-	8,254,672
Interest and investment earnings	-	-	198,998	198,998
Charges for services and sales	4,501,565	-	-	4,501,565
Other revenue	1,002,258	2,758	-	1,005,016
Total revenues	30,891,772	44,148,130	203,373	75,243,275
EXPENDITURES				
Current:				
General government	5,189,140	-	20,453	5,209,593
Public safety	5,770,333	-	-	5,770,333
Sanitation	3,394,259	-	-	3,394,259
Health and welfare	7,166,088	-	-	7,166,088
Culture and recreation	6,091,100	-	-	6,091,100
Debt service:				
Interest and fiscal charges	-	392,147	-	392,147
Capital outlay	-	39,569,456	-	39,569,456
Total expenditures	27,610,920	39,961,603	20,453	67,592,976
Excess of revenues over expenditures	3,280,852	4,186,527	182,920	7,650,299
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	29,214,637	-	29,214,637
Premiums on issuance of debt	-	4,745,000	-	4,745,000
Transfers from other funds	1,608,577	19,375,564	-	20,984,141
Transfers to other funds	(6,478,091)	(56,880,599)	-	(63,358,690)
Total other financing uses	(4,869,514)	(3,545,398)	-	(8,414,912)
Net change in fund balance	(1,588,662)	641,129	182,920	(764,613)
Fund balances (deficits) - beginning, as previously reported	68,182,503	(21,495,458)	1,401,571	48,088,616
Prior period adjustment*	28,280	-	-	28,280
Fund balances (deficits) - beginning, as restated	68,210,783	(21,495,458)	1,401,571	48,116,896
Fund balances (deficits) - ending	$ 66,622,121	$ (20,854,329)	$ 1,584,491	$ 47,352,283

* See Note 21 in the Notes to the Financial Statements for further information.

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the year ended December 31, 2021

	Homelessness Assistance	Tourism and Convention	Special Alcohol Program	Special Parks and Recreation
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Motor vehicle taxes	-	-	-	-
Transient guest taxes	-	5,695,696	-	-
Local sales tax	-	-	-	-
Intergovernmental	171,656	-	2,168,572	2,168,572
Fines and penalties	-	-	-	-
Rentals	-	-	-	-
Sale of property	-	-	-	-
Charges for services and sales	-	-	-	-
Other revenue	-	-	-	-
Total revenues	171,656	5,695,696	2,168,572	2,168,572
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Sanitation	-	-	-	-
Health and welfare	343,312	-	2,084,676	-
Culture and recreation	-	2,204,435	-	-
Total expenditures	343,312	2,204,435	2,084,676	-
Excess (deficiency) of revenues over (under) expenditures	(171,656)	3,491,261	83,896	2,168,572
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	171,656	-	-	-
Transfers to other funds	-	(3,652,425)	-	(1,703,914)
Total other financing sources (uses)	171,656	(3,652,425)	-	(1,703,914)
Net change in fund balance	-	(161,164)	83,896	464,658
Fund balances - beginning, as previously reported	-	5,514,959	1,656,977	-
Prior period adjustment*	-	-	-	-
Fund balances - beginning, as restated	-	5,514,959	1,656,977	-
Fund balances - ending	$ -	$ 5,353,795	$ 1,740,873	$ 464,658

* See Note 21 in the Notes to the Financial Statements for further information.

Landfill	Landfill Post-Closure	Metropolitan Area Building and Construction	Downtown Parking
$ -	$ -	$ -	$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	3,685,361	-
-	-	-	-
-	-	-	-
-	-	-	-
2,536,712	-	-	962,856
117,497	-	-	74,216
2,654,209	-	3,685,361	1,037,072
-	-	-	1,444,524
-	-	3,685,902	-
2,934,139	460,120	-	-
-	-	-	-
-	-	-	-
2,934,139	460,120	3,685,902	1,444,524
(279,930)	(460,120)	(541)	(407,452)
-	-	-	-
-	(150,000)	-	(70,000)
-	(150,000)	-	(70,000)
(279,930)	(610,120)	(541)	(477,452)
4,833,269	9,923,703	1,250,574	1,780,029
-	-	-	-
4,833,269	9,923,703	1,250,574	1,780,029
$ 4,553,339	$ 9,313,583	$ 1,250,033	$ 1,302,577

(Continued)

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

For the year ended December 31, 2021

	Environmental TIF Districts	Self-Supported Municipal Improvement District	City-County Joint Operations	Municipal Court Restricted
REVENUES				
Property taxes	$ 3,835,341	$ 685,011	$ -	$ -
Motor vehicle taxes	-	35,885	-	-
Transient guest taxes	-	-	-	-
Local sales tax	-	-	-	-
Intergovernmental	-	-	1,436,921	-
Fines and penalties	-	-	-	449,199
Rentals	-	-	-	-
Sale of property	20,451	-	-	-
Charges for services and sales	-	-	315,822	-
Other revenue	312,602	-	455,651	-
Total revenues	4,168,394	720,896	2,208,394	449,199
EXPENDITURES				
Current:				
General government	-	752,416	1,319,097	18,691
Public safety	-	-	2,084,431	-
Sanitation	-	-	-	-
Health and welfare	4,738,100	-	-	-
Culture and recreation	-	-	-	-
Total expenditures	4,738,100	752,416	3,403,528	18,691
Excess (deficiency) of revenues over (under) expenditures	(569,706)	(31,520)	(1,195,134)	430,508
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	1,436,921	-
Transfers to other funds	-	-	-	(895,911)
Total other financing sources (uses)	-	-	1,436,921	(895,911)
Net change in fund balance	(569,706)	(31,520)	241,787	(465,403)
Fund balances - beginning, as previously reported	38,478,531	38,259	43,756	3,686,833
Prior period adjustment*	-	-	-	-
Fund balances - beginning, as restated	38,478,531	38,259	43,756	3,686,833
Fund balances - ending	$ 37,908,825	$ 6,739	$ 285,543	$ 3,221,430

* See Note 21 in the Notes to the Financial Statements for further information.

Wichita Ice Center	Community Improvement Districts	Tourism Business Improvement District	Total
$ -	$ -	$ -	$ 4,520,352
-	-	-	35,885
-	-	2,811,317	8,507,013
-	1,882,219	-	1,882,219
-	-	-	9,631,082
-	-	-	449,199
341,748	-	-	341,748
-	-	-	20,451
686,175	-	-	4,501,565
42,292	-	-	1,002,258
1,070,215	1,882,219	2,811,317	30,891,772
-	1,654,412	-	5,189,140
-	-	-	5,770,333
-	-	-	3,394,259
-	-	-	7,166,088
1,063,602	-	2,823,063	6,091,100
1,063,602	1,654,412	2,823,063	27,610,920
6,613	227,807	(11,746)	3,280,852
-	-	-	1,608,577
-	(5,841)	-	(6,478,091)
-	(5,841)	-	(4,869,514)
6,613	221,966	(11,746)	(1,588,662)
-	963,867	11,746	68,182,503
28,280	-	-	28,280
28,280	963,867	11,746	68,210,783
$ 34,893	$ 1,185,833	$ -	$ 66,622,121

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS

For the year ended December 31, 2021

	Park Bond Construction	Neighborhood Improvements	Local Sales Tax CIP	Sales Tax Construction Pledge	Total
REVENUES					
Special assessments	$ -	$ 711,989	$ -	$ -	$ 711,989
Local sales tax	-	-	-	35,092,223	35,092,223
Rentals	106,939	-	-	-	106,939
Sale of property	25,230	-	8,208,991	-	8,234,221
Other revenue	-	2,758	-	-	2,758
Total revenues	132,169	714,747	8,208,991	35,092,223	44,148,130
EXPENDITURES					
Interest and fiscal charges	103,939	288,208	-	-	392,147
Capital outlay	12,207,004	27,362,452	-	-	39,569,456
Total expenditures	12,310,943	27,650,660	-	-	39,961,603
Excess (deficiency) of revenues over (under) expenditures	(12,178,774)	(26,935,913)	8,208,991	35,092,223	4,186,527
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	29,214,637	-	-	29,214,637
Premiums on issuance of debt	2,115,000	2,630,000	-	-	4,745,000
Transfers from other funds	278,782	48,178	19,048,604	-	19,375,564
Transfers to other funds	-	-	(24,381,645)	(32,498,954)	(56,880,599)
Total other financing sources (uses)	2,393,782	31,892,815	(5,333,041)	(32,498,954)	(3,545,398)
Net change in fund balance	(9,784,992)	4,956,902	2,875,950	2,593,269	641,129
Fund balances (deficits) - beginning	(10,851,770)	(53,060,710)	34,780,795	7,636,227	(21,495,458)
Fund balances (deficits) - ending	$ (20,636,762)	$ (48,103,808)	$ 37,656,745	$ 10,229,496	$ (20,854,329)

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CITY OF WICHITA, KANSAS

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Local government taxes:					
General property taxes:					
Property taxes	$ 92,193,821	$ 92,192,451	$ 94,998,435	$ 2,805,984	$ 87,908,958
Delinquent property taxes	2,200,000	2,200,000	1,191,920	(1,008,080)	1,455,951
Payments in-lieu-of-taxes	100,000	100,000	48,243	(51,757)	40,863
Franchise taxes	47,176,699	47,977,998	47,715,217	(262,781)	45,460,943
Motor vehicle taxes	12,240,560	13,213,722	13,388,291	174,569	12,804,813
Local sales tax	28,823,729	32,530,572	34,600,874	2,070,302	30,820,358
Total local government taxes	182,734,809	188,214,743	191,942,980	3,728,237	178,491,886
Intergovernmental:					
Gas tax	14,331,258	15,491,652	16,262,783	771,131	14,624,976
Other intergovernmental	1,988,681	2,140,623	2,505,843	365,220	2,143,703
Licenses and permits	2,806,899	2,645,603	2,177,531	(468,072)	2,062,390
Fines and penalties:					
Municipal court	6,867,316	7,367,316	8,715,265	1,347,949	7,804,121
Other fines and penalties	840,929	657,595	647,192	(10,403)	540,292
Charges for services and sales	18,014,661	17,352,119	16,465,484	(886,635)	16,466,472
Rental income	860,548	1,003,616	1,088,101	84,485	876,084
Interest and investment earnings	3,150,284	2,600,000	1,366,585	(1,233,415)	5,409,173
Sale of property	228,008	225,008	103,781	(121,227)	133,736
Administrative charges	4,350,613	4,686,578	4,882,234	195,656	4,077,542
Other revenue	5,352,284	5,420,151	5,252,070	(168,081)	4,533,700
Total revenues	241,526,290	247,805,004	251,409,849	3,604,845	237,164,075
EXPENDITURES					
City Council:					
Personnel services	748,730	852,726	737,763	114,963	742,302
Contractual services	89,183	86,043	67,731	18,312	149,207
Materials and supplies	19,890	19,890	11,907	7,983	10,023
Total City Council	857,803	958,659	817,401	141,258	901,532
City Manager's Office (CMO):					
Personnel services	3,800,744	4,324,237	4,232,294	91,943	3,621,269
Contractual services	606,429	2,447,203	2,325,795	121,408	490,135
Materials and supplies	49,389	88,723	60,463	28,260	15,358
Total City Manager's Office (CMO)	4,456,562	6,860,163	6,618,552	241,611	4,126,762
Department of Finance:					
Personnel services	4,920,712	4,964,342	4,647,980	316,362	4,642,574
Contractual services	1,140,398	1,188,895	973,292	215,603	1,094,448
Materials and supplies	45,839	34,694	21,834	12,860	30,079
Capital outlay	-	11,145	11,145	-	-
Other expenditures	150,000	150,000	2,540	147,460	23,327
Total Department of Finance	6,256,949	6,349,076	5,656,791	692,285	5,790,428

(Continued)

CITY OF WICHITA, KANSAS

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
Law Department:					
Personnel services	$ 2,766,811	$ 2,910,533	$ 2,769,437	$ 141,096	$ 2,643,991
Contractual services	219,482	222,317	210,620	11,697	169,648
Materials and supplies	19,120	28,870	26,030	2,840	16,829
Total Law Department	3,005,413	3,161,720	3,006,087	155,633	2,830,468
Municipal Court:					
Personnel services	5,995,820	6,050,373	5,420,209	630,164	5,342,189
Contractual services	1,804,572	1,928,954	1,499,875	429,079	1,286,739
Materials and supplies	65,176	65,213	60,431	4,782	38,993
Planned Savings	(132,137)	-	-	-	-
Total Municipal Court	7,733,431	8,044,540	6,980,515	1,064,025	6,667,921
Fire Department:					
Personnel services	47,241,396	47,541,772	47,538,098	3,674	33,414,523
Contractual services	3,301,183	3,414,840	3,379,470	35,370	3,305,779
Materials and supplies	766,390	1,056,600	984,444	72,156	761,522
Total Fire Department	51,308,969	52,013,212	51,902,012	111,200	37,481,824
Police Department:					
Personnel services	89,593,476	89,526,784	86,968,747	2,558,037	83,636,478
Contractual services	9,564,985	10,015,362	9,412,052	603,310	9,004,929
Materials and supplies	2,022,941	2,626,249	2,561,645	64,604	2,215,927
Capital outlay	7,500	7,500	-	7,500	-
Other expenditures	35,830	-	-	-	35,830
Contingency	110,000	110,000	-	110,000	-
Planned savings	(3,212,164)	(3,281,549)	-	(3,281,549)	-
Total Police Department	98,122,568	99,004,346	98,942,444	61,902	94,893,164
Housing and Community Services:					
Personnel services	-	-	-	-	141,947
Contractual services	-	-	-	-	6,520
Materials and supplies	-	-	-	-	32
Total Housing and Community Services	-	-	-	-	148,499
Library:					
Personnel services	7,145,119	7,367,360	6,583,058	784,302	6,942,017
Contractual services	1,790,273	2,135,952	1,812,775	323,177	1,504,802
Materials and supplies	704,910	806,106	781,908	24,198	692,917
Planned savings	(401,269)	(149,688)	-	(149,688)	-
Total Library	9,239,033	10,159,730	9,177,741	981,989	9,139,736

(Continued)

CITY OF WICHITA, KANSAS

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
CMO - Cultural Arts Division:					
Personnel services	$ 2,567,229	$ -	$ -	$ -	$ 3,786,328
Contractual services	1,985,403	-	-	-	3,331,716
Materials and supplies	52,029	-	-	-	80,162
Other expenditures	88,000	-	-	-	50,123
Contingency	133,004	-	-	-	-
Total CMO - Cultural Arts Division	4,825,665	-	-	-	7,248,329
Public Works and Utilities:					
Personnel services	7,413,004	7,438,567	6,856,830	581,737	6,656,101
Contractual services	8,542,328	9,451,840	9,349,372	102,468	9,049,621
Materials and supplies	821,676	896,802	641,231	255,571	710,567
Other expenditures	100,000	100,000	-	100,000	30,280
Planned savings	(242,842)	(342,842)	-	(342,842)	-
Total Public Works and Utilities	16,634,166	17,544,367	16,847,433	696,934	16,446,569
Cultural Arts, Park and Recreation:					
Personnel services	9,614,537	13,033,533	10,753,430	2,280,103	8,308,326
Contractual services	6,383,751	9,194,533	8,847,105	347,428	6,450,079
Materials and supplies	927,920	1,240,339	1,116,643	123,696	615,627
Capital outlay	30,000	259,000	244,608	14,392	7,500
Other expenditures	51,359	163,231	133,638	29,593	44,151
Contingency	25,000	-	-	-	-
Planned savings	-	(798,444)	-	(798,444)	-
Total Park	17,032,567	23,092,192	21,095,424	1,996,768	15,425,683
Non Departmental:					
Personnel services	1,734,685	(938,336)	-	(938,336)	-
Contractual services	3,095,992	3,530,994	3,530,994	-	2,326,203
Materials and supplies	91,514	59,268	2,420	56,848	22,123
Other expenditures	61,365	311,366	311,366	-	2,809,868
Contingency	1,050,000	211,354	-	211,354	-
Planned savings	(5,179,811)	(5,954,198)	-	(5,954,198)	-
Total Non Departmental	853,745	(2,779,552)	3,844,780	(6,624,332)	5,158,194
Metropolitan Area Building and Construction:					
Personnel services	881,607	780,017	673,689	106,328	760,897
Contractual services	288,561	399,447	399,385	62	299,572
Materials and supplies	43,513	43,817	17,137	26,680	11,819
Planned Savings	(70,000)	-	-	-	-
Total Metropolitan Area Building and Construction	1,143,681	1,223,281	1,090,211	133,070	1,072,288

(Continued)

CITY OF WICHITA, KANSAS

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
Human Resources:					
Personnel services	$ 1,593,184	$ 1,568,277	$ 1,523,577	$ 44,700	$ 1,546,404
Contractual services	166,185	193,034	183,261	9,773	173,692
Materials and supplies	67,997	67,997	29,509	38,488	31,626
Total Human Resources	1,827,366	1,829,308	1,736,347	92,961	1,751,722
Public Works - Gas Tax:					
Personnel services	11,218,998	11,439,757	9,048,802	2,390,955	8,584,962
Contractual services	5,273,691	5,566,758	5,401,252	165,506	5,314,943
Materials and supplies	2,012,497	2,470,823	2,210,108	260,715	2,288,263
Capital outlay	110,000	135,000	14,497	120,503	-
Other expenditures	50,000	-	-	-	50,000
Planned savings	(870,207)	(870,207)	-	(870,207)	-
Total Public Works - Gas Tax	17,794,979	18,742,131	16,674,659	2,067,472	16,238,168
Total expenditures	241,092,897	246,203,173	244,390,397	1,812,776	225,321,287
Excess of revenues over expenditures	433,393	1,601,831	7,019,452	5,417,621	11,842,788
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	6,247,977	5,894,415	4,555,071	(1,339,344)	3,854,586
Transfers to other funds	(6,681,370)	(10,496,246)	(10,248,254)	247,992	(11,192,226)
Total other financing uses	(433,393)	(4,601,831)	(5,693,183)	(1,091,352)	(7,337,640)
Excess before other changes in unencumbered fund balance	-	(3,000,000)	1,326,269	4,326,269	4,505,148
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Cancelled encumbrances	-	-	138,103	138,103	226,349
Total other changes in unencumbered fund balance	-	-	138,103	138,103	226,349
Net change in fund balance	-	(3,000,000)	1,464,372	4,464,372	4,731,497
Unencumbered fund balance, beginning	35,361,357	35,361,357	41,092,854	5,731,497	36,361,357
Unencumbered fund balance, ending	$ 35,361,357	$ 32,361,357	$ 42,557,226	$ 10,195,869	$ 41,092,854

The 2021 certified expenditure budget is $270,774,267, including an appropriated reserve of $23,000,000. The adoption of the Revised Budget and subsequent adjustments includes an appropriated reserve of $14,074.848.

CITY OF WICHITA, KANSAS

GENERAL FUND - ECONOMIC DEVELOPMENT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 150,000	$ 846,000	$ 936,760	$ 90,760	$ 175,260
Rental income	400,000	470,000	358,971	(111,029)	484,342
Sale of property	352,250	352,250	31,016	(321,234)	46,834
Administrative charges	453,500	350,000	359,169	9,169	295,255
Other revenue	130,000	130,000	98,977	(31,023)	-
Revised budget adjustment	-	(662,500)	-	662,500	-
Total revenues	1,485,750	1,485,750	1,784,893	299,143	1,001,691
EXPENDITURES					
General government:					
Personnel services	456,197	493,614	486,988	6,626	437,651
Contractual services	986,676	1,023,583	933,635	89,948	708,572
Materials and supplies	16,450	16,450	7,029	9,421	414
Other expenditures	205,645	213,449	213,449	-	204,422
Contingency	1,150,000	-	-	-	-
Revised budget adjustment	-	1,067,872	-	1,067,872	-
Total expenditures	2,814,968	2,814,968	1,641,101	1,173,867	1,351,059
Excess (deficiency) of revenues over (under) expenditures	(1,329,218)	(1,329,218)	143,792	(874,724)	(349,368)
OTHER FINANCING SOURCES					
Transfers from other funds	-	-	-	-	100,000
Total other financing sources	-	-	-	-	100,000
Excess (deficiency) before other changes in unencumbered fund balance	(1,329,218)	(1,329,218)	143,792	(874,724)	(249,368)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Cancelled encumbrances	-	-	-	-	2,673
Total other changes in unencumbered fund balance	-	-	-	-	2,673
Net change in fund balance	(1,329,218)	(1,329,218)	143,792	(874,724)	(246,695)
Unencumbered fund balance, beginning	1,465,128	1,465,128	1,379,529	(85,599)	1,626,224
Unencumbered fund balance, ending	$ 135,910	$ 135,910	$ 1,523,321	$ (960,323)	$ 1,379,529

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Local government taxes:					
General property taxes:					
Property taxes	$ 25,098,963	$ 25,102,215	$ 25,810,730	$ 708,515	$ 26,047,721
Delinquent property taxes	900,000	900,000	458,308	(441,692)	605,644
Special assessments	24,443,179	21,737,638	21,624,241	(113,397)	23,473,110
Delinquent special assessments	1,286,483	1,286,483	678,749	(607,734)	1,198,275
Motor vehicle taxes	3,331,412	3,696,789	3,986,284	289,495	3,846,668
Local sales tax	500,000	500,000	580,551	80,551	434,114
Total local government taxes	55,560,037	53,223,125	53,138,863	(84,262)	55,605,532
Interest and investment earnings	-	-	50	50	6,222
Sale of property	-	-	-	-	4,500
Other revenue	-	-	34,469	34,469	30,169
Revised budget adjustment	-	2,582,928	-	(2,582,928)	-
Total revenues	55,560,037	55,806,053	53,173,382	(2,632,671)	55,646,423
EXPENDITURES					
Interest on general obligation bonds	6,642,573	5,786,118	6,001,864	(215,746)	7,170,050
Interest on special assessment bonds	6,061,836	5,061,222	5,219,018	(157,796)	5,494,881
Interest on STAR bonds	-	-	173,565	(173,565)	182,717
Retirement of general obligation bonds	25,419,189	22,883,846	22,205,343	678,503	30,204,373
Retirement of special assessment bonds	18,417,025	17,275,497	16,870,497	405,000	18,337,537
Retirement of STAR bonds	-	-	376,186	(376,186)	281,607
Other expenditures	1,129,768	1,129,768	203,906	925,862	388,474
Revised budget adjustment	-	13,533,940	-	13,533,940	-
Total expenditures	57,670,391	65,670,391	51,050,379	14,620,012	62,059,639
Excess (deficiency) of revenues over (under) expenditures	(2,110,354)	(9,864,338)	2,123,003	11,987,341	(6,413,216)
OTHER FINANCING SOURCES (USES)					
Issuance of bonds - premium	500,000	500,000	166,363	(333,637)	241,972
Transfers from other funds	16,850,237	16,604,221	16,013,332	(590,889)	17,225,973
Transfers to other funds	(26,000,000)	(18,000,000)	(13,716,262)	4,283,738	(17,827,252)
Total other financing uses	(8,649,763)	(895,779)	2,463,433	3,359,212	(359,307)
Excess (deficiency) before other changes in unencumbered fund balance	(10,760,117)	(10,760,117)	4,586,436	15,346,553	(6,772,523)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Issuance of refunding bonds - principal	-	-	-	-	5,815,200
Issuance of refunding bonds - premium	-	-	-	-	371,552
Total other changes in unencumbered fund balance	-	-	-	-	6,186,752
Net change in fund balance	(10,760,117)	(10,760,117)	4,586,436	15,346,553	(585,771)
Unencumbered fund balance, beginning	14,752,746	14,752,746	21,537,565	6,784,819	22,123,336
Unencumbered fund balance, ending	$ 3,992,629	$ 3,992,629	$ 26,124,001	$ 22,131,372	$ 21,537,565

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - EAST BANK TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 1,472,798	$ 1,429,901	$ 1,238,735	$ (191,166)	$ 1,195,600
Total revenues	1,472,798	1,429,901	1,238,735	(191,166)	1,195,600
OTHER FINANCING USES					
Transfers to other funds	(1,472,798)	(1,429,901)	(1,238,735)	191,166	(1,195,600)
Total other financing uses	(1,472,798)	(1,429,901)	(1,238,735)	191,166	(1,195,600)
Net change in fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - WEST BANK TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 59,740	$ 150,000	$ 218,142	$ 68,142	$ 60,982
Revised budget adjustment	-	(90,260)	-	90,260	-
Total revenues	59,740	59,740	218,142	158,402	60,982
EXPENDITURES					
General government:					
Contractual services	67,860	-	-	-	70,840
Total expenditures	67,860	-	-	-	70,840
OTHER FINANCING USES					
Transfers to other funds	-	(67,860)	(67,860)	-	-
Total other financing uses	-	(67,860)	(67,860)	-	-
Net change in fund balance	(8,120)	(8,120)	150,282	158,402	(9,858)
Unencumbered fund balance, beginning	8,120	8,120	11,102	2,982	20,960
Unencumbered fund balance, ending	$ -	$ -	$ 161,384	$ 161,384	$ 11,102

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - OLD TOWN CINEMA TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 538,621	$ 580,000	$ 649,435	$ 69,435	$ 522,079
Revised budget adjustment	-	(41,379)	-	41,379	-
Total revenues	538,621	538,621	649,435	110,814	522,079
OTHER FINANCING USES					
Transfers to other funds	(538,621)	(538,621)	(538,621)	-	(522,079)
Total other financing uses	(538,621)	(538,621)	(538,621)	-	(522,079)
Net change in fund balance	-	-	110,814	110,814	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ 110,814	$ 110,814	$ -

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - NORTHEAST REDEVELOPMENT TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 20,842	$ 26,000	$ 81	$ (25,919)	$ 20,750
Revised budget adjustment	-	(5,158)	-	5,158	-
Total revenues	20,842	20,842	81	(20,761)	20,750
EXPENDITURES					
General government:					
Revised budget adjustment	-	20,761	-	20,761	-
Total expenditures	-	20,761	-	20,761	-
Excess of revenues over expenditures	20,842	81	81	-	20,750
OTHER FINANCING USES					
Transfers to other funds	(20,842)	(81)	(81)	-	(45,959)
Total other financing uses	(20,842)	(81)	(81)	-	(45,959)
Net change in fund balance	-	-	-	-	(25,209)
Unencumbered fund balance, beginning	-	-	-	-	25,209
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - SOUTHFORK TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 156,060	$ 156,060	$ 137,928	$ (18,132)	$ 83,587
Total revenues	156,060	156,060	137,928	(18,132)	83,587
EXPENDITURES					
General government:					
Contractual services	221,360	179,150	136,839	42,311	221,360
Revised budget adjustment	-	42,210	-	42,210	-
Total expenditures	221,360	221,360	136,839	84,521	221,360
Net change in fund balance	(65,300)	(65,300)	1,089	66,389	(137,773)
Unencumbered fund balance, beginning	65,300	65,300	23,090	(42,210)	160,863
Unencumbered fund balance, ending	$ -	$ -	$ 24,179	$ 24,179	$ 23,090

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - CENTER CITY TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 661,406	$ 661,406	$ 622,390	$ (39,016)	$ 490,388
Total revenues	661,406	661,406	622,390	(39,016)	490,388
OTHER FINANCING USES					
Transfers to other funds	(661,406)	(661,406)	(654,499)	6,907	(872,508)
Total other financing uses	(661,406)	(661,406)	(654,499)	6,907	(872,508)
Net change in fund balance	-	-	(32,109)	(32,109)	(382,120)
Unencumbered fund balance, beginning	-	-	32,109	32,109	414,229
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ 32,109

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - KEN MAR TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 14,860	$ 14,860	$ 50,231	$ 35,371	$ 8,645
Other revenue	179,790	486,126	-	(486,126)	-
Revised budget adjustment	-	(306,336)	-	306,336	-
Total revenues	194,650	194,650	50,231	(144,419)	8,645
OTHER FINANCING USES					
Transfers to other funds	(194,650)	(194,650)	(50,231)	144,419	(8,645)
Total other financing uses	(194,650)	(194,650)	(50,231)	144,419	(8,645)
Net change in fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - DOUGLAS AND HILLSIDE TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 364,697	$ 150,000	$ 119,693	$ (30,307)	$ 81,184
Revised budget adjustment	-	214,697	-	(214,697)	-
Total revenues	364,697	364,697	119,693	(245,004)	81,184
EXPENDITURES					
General government:					
Revised budget adjustment	-	188,513	-	188,513	-
Total expenditures	-	188,513	-	188,513	-
Excess of revenues over expenditures	364,697	176,184	119,693	(56,491)	81,184
OTHER FINANCING USES					
Transfers to other funds	(364,697)	(176,184)	(145,877)	30,307	(55,000)
Total other financing uses	(364,697)	(176,184)	(145,877)	30,307	(55,000)
Net change in fund balance	-	-	(26,184)	(26,184)	26,184
Unencumbered fund balance, beginning	-	-	26,184	26,184	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ 26,184

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CITY OF WICHITA, KANSAS

DEBT SERVICE FUND - UNION STATION TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 156,060	$ 215,000	$ 211,159	$ (3,841)	$ 58,518
Total revenues	156,060	215,000	211,159	(3,841)	58,518
EXPENDITURES					
General government:					
Contractual services	188,272	215,000	188,272	26,728	91,000
Total expenditures	188,272	215,000	188,272	26,728	91,000
Net change in fund balance	(32,212)	-	22,887	22,887	(32,482)
Unencumbered fund balance, beginning	32,212	32,212	-	(32,212)	32,482
Unencumbered fund balance, ending	$ -	$ 32,212	$ 22,887	$ (9,325)	$ -

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CITY OF WICHITA, KANSAS

HOMELESSNESS ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 191,368	$ 191,368	$ 171,656	$ (19,712)	$ 155,947
Total revenues	191,368	191,368	171,656	(19,712)	155,947
EXPENDITURES					
Health and welfare:					
Contractual services	380,608	380,519	341,095	39,424	310,026
Other expenditures	2,128	2,217	2,217	-	1,868
Total expenditures	382,736	382,736	343,312	39,424	311,894
Deficiency of revenues under expenditures	(191,368)	(191,368)	(171,656)	19,712	(155,947)
OTHER FINANCING SOURCES					
Transfers from other funds	191,368	191,368	171,656	(19,712)	155,947
Total other financing sources	191,368	191,368	171,656	(19,712)	155,947
Net change in fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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CITY OF WICHITA, KANSAS

TOURISM AND CONVENTION PROMOTION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Transient guest taxes	$ 5,813,627	$ 5,150,504	$ 5,695,696	$ 545,192	$ 5,957,989
Revised budget adjustment	-	663,123	-	(663,123)	-
Total revenues	5,813,627	5,813,627	5,695,696	(117,931)	5,957,989
EXPENDITURES					
Culture and recreation:					
Contractual services	2,380,000	2,382,000	2,354,177	27,823	1,907,355
Other expenditures	4,126	3,995	3,995	-	4,126
Total expenditures	2,384,126	2,385,995	2,358,172	27,823	1,911,481
Excess of revenues over expenditures	3,429,501	3,427,632	3,337,524	(90,108)	4,046,508
OTHER FINANCING USES					
Transfers to other funds	(4,238,347)	(4,236,478)	(3,652,425)	584,053	(2,138,245)
Total other financing uses	(4,238,347)	(4,236,478)	(3,652,425)	584,053	(2,138,245)
Excess (deficiency) before other changes in unencumbered fund balance	(808,846)	(808,846)	(314,901)	493,945	1,908,263
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Cancelled encumbrances	-	-	232,550	232,550	78,652
Other changes in unencumbered fund balance	-	-	232,550	232,550	78,652
Net change in fund balance	(808,846)	(808,846)	(82,351)	726,495	1,986,915
Unencumbered fund balance, beginning	1,139,153	1,139,153	5,281,190	4,142,037	3,294,275
Unencumbered fund balance, ending	$ 330,307	$ 330,307	$ 5,198,839	$ 4,868,532	$ 5,281,190

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CITY OF WICHITA, KANSAS

SPECIAL ALCOHOL PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 1,703,914	$ 1,855,856	$ 2,168,572	$ 312,716	$ 1,813,257
Revised budget adjustment	-	(151,942)	-	151,942	-
Total revenues	1,703,914	1,703,914	2,168,572	464,658	1,813,257
EXPENDITURES					
Health and welfare:					
Contractual services	1,755,082	1,793,787	1,786,085	7,702	1,702,585
Other expenditures	1,173,532	435,871	435,871	-	434,202
Contingency	100,000	61,295	-	61,295	-
Revised budget adjustment	-	737,661	-	737,661	-
Total expenditures	3,028,614	3,028,614	2,221,956	806,658	2,136,787
Deficiency of revenues under expenditures	(1,324,700)	(1,324,700)	(53,384)	1,271,316	(323,530)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Cancelled encumbrances	-	-	-	-	71,061
Total other changes in unencumbered fund balance	-	-	-	-	71,061
Net change in fund balance	(1,324,700)	(1,324,700)	(53,384)	1,271,316	(252,469)
Unencumbered fund balance, beginning	1,474,764	1,474,764	1,612,795	138,031	1,865,264
Unencumbered fund balance, ending	$ 150,064	$ 150,064	$ 1,559,411	$ 1,409,347	$ 1,612,795

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CITY OF WICHITA, KANSAS

SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 1,703,914	$ 1,855,856	$ 2,168,572	$ 312,716	$ 1,813,257
Revised budget adjustment	-	(151,942)	-	151,942	-
Total revenues	1,703,914	1,703,914	2,168,572	464,658	1,813,257
OTHER FINANCING USES					
Transfers to other funds	(1,703,914)	(1,703,914)	(1,703,914)	-	(2,006,998)
Total other financing uses	(1,703,914)	(1,703,914)	(1,703,914)	-	(2,006,998)
Net change in fund balance	-	-	464,658	464,658	(193,741)
Unencumbered fund balance, beginning	-	-	-	-	193,741
Unencumbered fund balance, ending	$ -	$ -	$ 464,658	$ 464,658	$ -

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CITY OF WICHITA, KANSAS

LANDFILL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 2,703,545	$ 2,634,541	$ 2,536,712	$ (97,829)	$ 2,708,876
Rental income	-	996	-	(996)	-
Other revenue	5,000	73,008	117,497	44,489	42,104
Total revenues	2,708,545	2,708,545	2,654,209	(54,336)	2,750,980
EXPENDITURES					
Sanitation:					
Personnel services	527,238	534,267	512,027	22,240	541,572
Contractual services	1,574,408	2,118,860	1,294,934	823,926	978,173
Materials and supplies	100,312	115,312	87,087	28,225	75,926
Capital outlay	1,080,000	791,156	790,155	1,001	127,268
Other expenditures	1,511,853	71,494	71,494	-	40,724
Revised budget adjustment	-	1,162,722	-	1,162,722	-
Total expenditures	4,793,811	4,793,811	2,755,697	2,038,114	1,763,663
Excess (deficiency) of revenues over (under) expenditures	(2,085,266)	(2,085,266)	(101,488)	1,983,778	987,317
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Cancelled encumbrances	-	-	-	-	80
Total other changes in unencumbered fund balance	-	-	-	-	80
Net change in fund balance	(2,085,266)	(2,085,266)	(101,488)	1,983,778	987,397
Unencumbered fund balance, beginning	2,324,113	2,324,113	4,599,201	2,275,088	3,611,804
Unencumbered fund balance, ending	$ 238,847	$ 238,847	$ 4,497,713	$ 4,258,866	$ 4,599,201

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CITY OF WICHITA, KANSAS

LANDFILL POST-CLOSURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Other revenue	$ -	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-	-
EXPENDITURES					
Sanitation:					
Personnel services	274,116	298,583	285,443	13,140	279,288
Contractual services	731,229	730,664	155,113	575,551	192,490
Materials and supplies	61,080	148,992	9,914	139,078	10,972
Capital outlay	552,850	14,629	14,628	1	-
Other expenditures	6,958,500	2,325	-	2,325	-
Revised budget adjustment	-	7,382,582	-	7,382,582	-
Total expenditures	8,577,775	8,577,775	465,098	8,112,677	482,750
Deficiency of revenues under expenditures	(8,577,775)	(8,577,775)	(465,098)	8,112,677	(482,750)
OTHER FINANCING USES					
Transfers to other funds	(150,000)	(150,000)	(150,000)	-	(150,000)
Total other financing uses	(150,000)	(150,000)	(150,000)	-	(150,000)
Deficiency before other changes in unencumbered fund balance	(8,727,775)	(8,727,775)	(615,098)	8,112,677	(632,750)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Cancelled encumbrances	-	-	-	-	55
Total other changes in unencumbered fund balance	-	-	-	-	55
Net change in fund balance	(8,727,775)	(8,727,775)	(615,098)	8,112,677	(632,695)
Unencumbered fund balance, beginning	9,164,093	9,164,093	9,922,478	758,385	10,555,173
Unencumbered fund balance, ending	$ 436,318	$ 436,318	$ 9,307,380	$ 8,871,062	$ 9,922,478

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CITY OF WICHITA, KANSAS

METROPOLITAN AREA BUILDING AND CONSTRUCTION DEPARTMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 3,928,713	$ 3,993,191	$ 3,685,361	$ (307,830)	$ 3,748,367
Revised budget adjustment	-	(64,478)	-	64,478	-
Total revenues	3,928,713	3,928,713	3,685,361	(243,352)	3,748,367
EXPENDITURES					
Public safety:					
Personnel services	2,905,185	2,988,513	2,768,411	220,102	2,804,862
Contractual services	244,936	223,025	216,923	6,102	240,480
Materials and supplies	41,784	41,784	28,672	13,112	29,345
Other expenditures	736,808	739,869	671,355	68,514	673,680
Contingency	1,025,000	-	-	-	-
Revised budget adjustment	-	960,522	-	960,522	-
Total expenditures	4,953,713	4,953,713	3,685,361	1,268,352	3,748,367
Net change in fund balance	(1,025,000)	(1,025,000)	-	1,025,000	-
Unencumbered fund balance, beginning	1,250,000	1,250,000	1,250,000	-	1,250,000
Unencumbered fund balance, ending	$ 225,000	$ 225,000	$ 1,250,000	$ 1,025,000	$ 1,250,000

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CITY OF WICHITA, KANSAS

DOWNTOWN PARKING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 1,315,259	$ 965,242	$ 962,856	$ (2,386)	$ 946,316
Rental income	170,000	14,400	-	(14,400)	4,800
Other revenue	107,490	99,202	74,216	(24,986)	59,868
Revised budget adjustment	-	513,905	-	(513,905)	-
Total revenues	1,592,749	1,592,749	1,037,072	(555,677)	1,010,984
EXPENDITURES					
General government:					
Personnel services	208,680	333,588	275,328	58,260	135,505
Contractual services	1,363,466	1,367,162	1,076,448	290,714	991,598
Materials and supplies	78,500	92,700	23,817	68,883	27,005
Capital outlay	14,200	-	-	-	-
Other expenditures	1,005,045	116,766	61,766	55,000	33,045
Contingency	-	-	-	-	-
Revised budget adjustment	-	759,675	-	759,675	-
Total expenditures	2,669,891	2,669,891	1,437,359	1,232,532	1,187,153
Deficiency of revenues under expenditures	(1,077,142)	(1,077,142)	(400,287)	676,855	(176,169)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	-	-	-	100,000
Transfers to other funds	(70,000)	(70,000)	(70,000)	-	(70,000)
Total other financing sources (uses)	(70,000)	(70,000)	(70,000)	-	30,000
Deficiency before other changes in unencumbered fund balance	(1,147,142)	(1,147,142)	(470,287)	676,855	(146,169)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE					
Cancelled encumbrances	-	-	26,712	26,712	9,659
Total other changes in unencumbered fund balance	-	-	26,712	26,712	9,659
Net change in fund balance	(1,147,142)	(1,147,142)	(443,575)	703,567	(136,510)
Unencumbered fund balance, beginning	1,276,618	1,276,618	1,730,987	454,369	1,867,497
Unencumbered fund balance, ending	$ 129,476	$ 129,476	$ 1,287,412	$ 1,157,936	$ 1,730,987

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CITY OF WICHITA, KANSAS

ENVIRONMENTAL TIF DISTRICTS FUND - GILBERT AND MOSLEY TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 2,670,040	$ 2,670,040	$ 2,670,041	$ 1	$ 2,670,040
Other revenue	110,000	110,000	102	(109,898)	589
Total revenues	2,780,040	2,780,040	2,670,143	(109,897)	2,670,629
EXPENDITURES					
Health and welfare:					
Contractual services	2,002,322	1,543,449	508,924	1,034,525	401,963
Materials and supplies	111,050	197,202	15,486	181,716	30,176
Capital outlay	86,397	25,549	25,548	1	-
Other expenditures	14,519,450	5,257,293	257,383	4,999,910	241,158
Revised budget adjustment	-	9,695,726	-	9,695,726	-
Total expenditures	16,719,219	16,719,219	807,341	15,911,878	673,297
Excess (deficiency) of revenues over (under) expenditures	(13,939,179)	(13,939,179)	1,862,802	15,801,981	1,997,332
OTHER FINANCING USES					
Transfers to other funds	-	-	-	-	(325,590)
Total other financing uses	-	-	-	-	(325,590)
Net change in fund balance	(13,939,179)	(13,939,179)	1,862,802	15,801,981	1,671,742
Unencumbered fund balance, beginning	14,773,174	14,773,174	21,141,949	6,368,775	19,470,207
Unencumbered fund balance, ending	$ 833,995	$ 833,995	$ 23,004,751	$ 22,170,756	$ 21,141,949

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CITY OF WICHITA, KANSAS

ENVIRONMENTAL TIF DISTRICTS FUND - NORTH INDUSTRIAL CORRIDOR TIF DISTRICT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 1,165,300	$ 1,165,300	$ 1,165,300	$ -	$ 1,165,300
Sale of property	-	-	20,451	20,451	-
Other revenue	-	582,500	312,500	(270,000)	706,667
Revised budget adjustment	-	(582,500)	-	582,500	-
Total revenues	1,165,300	1,165,300	1,498,251	332,951	1,871,967
EXPENDITURES					
Health and welfare:					
Contractual services	2,386,792	2,629,678	691,627	1,938,051	5,103,753
Materials and supplies	4,050	120,846	1,662	119,184	25,805
Capital outlay	116,900	-	-	-	-
Other expenditures	7,266,656	4,001,718	244,604	3,757,114	233,364
Revised budget adjustment	-	3,022,156	-	3,022,156	-
Total expenditures	9,774,398	9,774,398	937,893	8,836,505	5,362,922
Net change in fund balance	(8,609,098)	(8,609,098)	560,358	9,169,456	(3,490,955)
Unencumbered fund balance, beginning	9,093,598	9,093,598	13,285,607	4,192,009	16,776,562
Unencumbered fund balance, ending	$ 484,500	$ 484,500	$ 13,845,965	$ 13,361,465	$ 13,285,607

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CITY OF WICHITA, KANSAS

SELF-SUPPORTED MUNICIPAL IMPROVEMENT DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Property taxes	$ 673,706	$ 673,706	$ 683,626	$ 9,920	$ 694,508
Delinquent property taxes	26,500	26,500	1,385	(25,115)	5,275
Motor vehicle taxes	28,321	28,321	35,885	7,564	33,890
Total revenues	728,527	728,527	720,896	(7,631)	733,673
EXPENDITURES					
General government:					
Contractual services	752,416	752,416	752,416	-	719,303
Total expenditures	752,416	752,416	752,416	-	719,303
Net change in fund balance	(23,889)	(23,889)	(31,520)	(7,631)	14,370
Unencumbered fund balance, beginning	23,889	23,889	38,259	14,370	23,889
Unencumbered fund balance, ending	$ -	$ -	$ 6,739	$ 6,739	$ 38,259

* The Original column represents the budget certified with the State of Kansas and adopted by the City Council. The Final column is the Adopted Budget (i.e., Original) plus any subsequent adjustments authorized by the City Council.

CITY OF WICHITA, KANSAS

CITY/COUNTY JOINT OPERATIONS FUND - FLOOD CONTROL SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 1,060,926	$ 1,060,926	$ 899,832	$ (161,094)	$ 879,992
Charges for services and sales	-	-	-	-	48
Total revenues	1,060,926	1,060,926	899,832	(161,094)	880,040
EXPENDITURES					
Public safety:					
Personnel services	1,185,208	1,159,169	1,065,771	93,398	1,191,019
Contractual services	609,094	603,838	419,965	183,873	463,652
Materials and supplies	318,200	357,202	313,928	43,274	105,361
Capital outlay	9,350	-	-	-	-
Other expenditures	-	1,643	-	1,643	-
Total expenditures	2,121,852	2,121,852	1,799,664	322,188	1,760,032
Deficiency of revenues under expenditures	(1,060,926)	(1,060,926)	(899,832)	161,094	(879,992)
OTHER FINANCING SOURCES					
Transfers from other funds	1,060,926	1,060,926	899,832	(161,094)	879,992
Total other financing sources	1,060,926	1,060,926	899,832	(161,094)	879,992
Net change in fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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CITY OF WICHITA, KANSAS

CITY/COUNTY JOINT OPERATIONS FUND - METROPOLITAN AREA PLANNING DEPARTMENT SUBFUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 663,910	$ 663,910	$ 537,089	$ (126,821)	$ 568,550
Charges for services and sales	281,515	281,515	315,822	34,307	288,474
Other revenue	481,380	481,380	455,651	(25,729)	442,386
Total revenues	1,426,805	1,426,805	1,308,562	(118,243)	1,299,410
EXPENDITURES					
General government:					
Personnel services	1,881,542	1,863,454	1,599,275	264,179	1,702,329
Contractual services	157,746	205,054	187,102	17,952	140,919
Materials and supplies	15,986	68,375	59,274	9,101	24,712
Capital outlay	3,610	-	-	-	-
Other expenditures	31,831	31,832	-	31,832	-
Planned savings	-	(78,000)	-	(78,000)	-
Total expenditures	2,090,715	2,090,715	1,845,651	245,064	1,867,960
Deficiency of revenues under expenditures	(663,910)	(663,910)	(537,089)	126,821	(568,550)
OTHER FINANCING SOURCES					
Transfers from other funds	663,910	663,910	537,089	(126,821)	568,550
Total other financing sources	663,910	663,910	537,089	(126,821)	568,550
Net change in fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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CITY OF WICHITA, KANSAS

MUNICIPAL COURT RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Fines and penalties	$ 452,010	$ 452,010	$ 449,199	$ (2,811)	$ 265,002
Total revenues	452,010	452,010	449,199	(2,811)	265,002
EXPENDITURES					
General government:					
Contractual services	440,000	440,000	18,691	421,309	9,601
Materials and supplies	125,000	104,089	-	104,089	8,900
Other expenditures	3,100,000	-	-	-	-
Revised budget adjustment	-	2,225,000	-	2,225,000	-
Total expenditures	3,665,000	2,769,089	18,691	2,750,398	18,501
Excess (deficiency) of revenues over (under) expenditures	(3,212,990)	(2,317,079)	430,508	2,747,587	246,501
OTHER FINANCING SOURCES					
Transfers to other funds	-	(895,911)	(895,911)	-	-
Total other financing sources	-	(895,911)	(895,911)	-	-
Net change in fund balance	(3,212,990)	(3,212,990)	(465,403)	2,747,587	246,501
Unencumbered fund balance, beginning	3,327,342	3,327,342	3,686,833	359,491	3,440,332
Unencumbered fund balance, ending	$ 114,352	$ 114,352	$ 3,221,430	$ 3,107,078	$ 3,686,833

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CITY OF WICHITA, KANSAS

WICHITA ICE CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Fines and penalties	$ 1,141,520	$ 1,141,520	$ 1,070,215	$ (71,305)	$ 935,369
Total revenues	1,141,520	1,141,520	1,070,215	(71,305)	935,369
EXPENDITURES					
Culture and recreation:					
Personnel services	469,587	469,587	503,613	(34,026)	365,694
Contractual services	596,555	596,555	539,473	57,082	529,864
Materials and supplies	27,610	27,610	20,508	7,102	23,130
Other expenditures	-	-	8	(8)	5,595
Total expenditures	1,093,752	1,093,752	1,063,602	30,150	924,283
Net change in fund balance	47,768	47,768	6,613	(41,155)	11,086
Unencumbered fund balance, beginning	28,280	28,280	28,280	-	17,194
Unencumbered fund balance, ending	$ 76,048	$ 76,048	$ 34,893	$ (41,155)	$ 28,280

* The Original column represents the Adopted Budget plus any subsequent adjustments authorized by the City Council. This fund was added in 2021 and will be certified with the State of Kansas in 2022. See Note 22 in the Notes to the Financial Statements in the Financial Section of this publication.

CITY OF WICHITA, KANSAS

COMMUNITY IMPROVEMENT DISTRICTS (CID) FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Local sales tax	$ 2,343,452	$ 2,109,107	$ 1,882,219	$ (226,888)	$ 1,282,994
Revised budget adjustment	-	234,345	-	(234,345)	-
Total revenues	2,343,452	2,343,452	1,882,219	(461,233)	1,282,994
EXPENDITURES					
General government:					
Contractual services	1,664,916	1,664,916	1,558,704	106,212	986,964
Materials and supplies	-	-	-	-	59,254
Other expenditures	117,173	117,173	95,708	21,465	-
Total expenditures	1,782,089	1,782,089	1,654,412	127,677	1,046,218
Excess of revenues over expenditures	561,363	561,363	227,807	(333,556)	236,776
OTHER FINANCING USES					
Transfers to other funds	(561,363)	(561,363)	(5,841)	555,522	(2,402)
Total other financing uses	(561,363)	(561,363)	(5,841)	555,522	(2,402)
Net change in fund balance	-	-	221,966	221,966	234,374
Unencumbered fund balance, beginning	104,493	104,493	963,867	859,374	729,493
Unencumbered fund balance, ending	$ 104,493	$ 104,493	$ 1,185,833	$ 1,081,340	$ 963,867

* The Original column represents the budget certified with the State of Kansas and adopted by the City Council. The Final column is the Adopted Budget (i.e., Original) plus any subsequent adjustments authorized by the City Council.

CITY OF WICHITA, KANSAS

TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 2,498,697	$ 2,213,687	$ 2,811,317	$ 597,630	$ 1,744,857
Revised budget adjustment	-	285,010	-	(285,010)	-
Total revenues	2,498,697	2,498,697	2,811,317	312,620	1,744,857
EXPENDITURES					
Culture and recreation:					
Contractual services	62,467	71,409	70,577	832	43,328
Other expenditures	2,436,230	2,427,288	2,401,841	25,447	2,021,366
Total expenditures	2,498,697	2,498,697	2,472,418	26,279	2,064,694
Net change in fund balance	-	-	338,899	338,899	(319,837)
Unencumbered fund balance, beginning	-	-	11,746	(11,746)	331,583
Unencumbered fund balance, ending	$ -	$ -	$ 350,645	$ 327,153	$ 11,746

* The Original column represents the budget certified with the State of Kansas and adopted by the City Council. The Final column is the Adopted Budget (i.e., Original) plus any subsequent adjustments authorized by the City Council.

CITY OF WICHITA, KANSAS

SALES TAX CONSTRUCTION PLEDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Local sales tax	$ 28,823,729	$ 32,530,572	$ 35,092,223	$ 2,561,651	$ 31,283,973
Revised budget adjustment	-	(3,706,843)	-	3,706,843	-
Total revenues	28,823,729	28,823,729	35,092,223	6,268,494	31,283,973
EXPENDITURES					
General government:					
Revised budget adjustment	-	2,784	-	2,784	-
Total expenditures	-	2,784	-	2,784	-
Excess of revenues over expenditures	28,823,729	28,820,945	35,092,223	6,271,278	31,283,973
OTHER FINANCING USES					
Transfers to other funds	(32,501,738)	(32,498,954)	(32,498,954)	-	(28,611,371)
Total other financing uses	(32,501,738)	(32,498,954)	(32,498,954)	-	(28,611,371)
Net change in fund balance	(3,678,009)	(3,678,009)	2,593,269	6,271,278	2,672,602
Unencumbered fund balance, beginning	5,006,314	5,006,314	7,636,227	2,629,913	4,963,625
Unencumbered fund balance, ending	$ 1,328,305	$ 1,328,305	$ 10,229,496	$ 8,901,191	$ 7,636,227

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CITY OF WICHITA, KANSAS

CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Licenses and permits	$ 2,650	$ 2,650	$ 4,375	$ 1,725	$ 575
Interest and investment earnings (loss)	30,000	30,000	198,998	168,998	(90,517)
Total revenues	32,650	32,650	203,373	170,723	(89,942)
EXPENDITURES					
General government:					
Personnel services	4,236	3,813	-	3,813	-
Contractual services	87,783	88,035	20,453	67,582	20,931
Materials and supplies	3,500	3,500	-	3,500	-
Contingency	20,000	20,000	-	20,000	-
Revised budget adjustment	-	171	-	171	-
Total expenditures	115,519	115,519	20,453	95,066	20,931
Net change in fund balance	(82,869)	(82,869)	182,920	265,789	(110,873)
Unencumbered fund balance, beginning	1,429,647	1,429,647	1,401,571	(28,076)	1,512,444
Unencumbered fund balance, ending	$ 1,346,778	$ 1,346,778	$ 1,584,491	$ 237,713	$ 1,401,571

* The Original column represents the budget certified with the State of Kansas and adopted by the City Council. The Final column is the Adopted Budget (i.e., Original) plus any subsequent adjustments authorized by the City Council.

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ENTERPRISE FUNDS



CITY OF WICHITA KANSAS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises with a distinction between operating and non-operating revenues and expenditures. Key financial indicators for management are ending net position and change in net position.

Major Enterprise Funds

The following major enterprise funds are reported in the Financial Section of this Annual Comprehensive Financial Report. The major enterprise funds are as follows:

The Water Utility operates and maintains the potable water supply system.

The Sewer Utility operates and maintains the wastewater disposal system and wastewater treatment plants.

The Airport Authority operates and maintains the facilities for commercial, commuter and pleasure air transportation.

The Stormwater Utility operates and maintains the assets that comprise the surface water drainage and control system.

Nonmajor Enterprise Funds

The following nonmajor enterprise funds are reported in this section:

The Golf Course System operates and maintains the City's public golf facilities.

The Transit Fund operates the public bus service through fixed route and para-transit services.

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

December 31, 2021

	Golf Course System	Transit	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 2,162,100	$ 6,101,863	$ 8,263,963
Receivables, net:			
Due from other agencies	-	1,095,289	1,095,289
Accounts receivable	3,220	83,431	86,651
Due from other funds	3,432	4,854	8,286
Inventories	-	452,900	452,900
Prepaid items	3,700	-	3,700
Total current assets	2,172,452	7,738,337	9,910,789
Noncurrent assets:			
Capital assets:			
Land	654,534	1,880,751	2,535,285
Buildings	2,839,989	13,159,425	15,999,414
Improvements other than buildings	14,761,230	912,713	15,673,943
Machinery, equipment and other assets	1,971,940	33,880,808	35,852,748
Construction in progress	27,850	-	27,850
Less accumulated depreciation	(17,785,671)	(23,686,728)	(41,472,399)
Total capital assets, net	2,469,872	26,146,969	28,616,841
Total noncurrent assets	2,469,872	26,146,969	28,616,841
Total assets	4,642,324	33,885,306	38,527,630
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	280,033	458,235	738,268
Deferred outflows related to OPEB	34,075	252,159	286,234
Total deferred outflows of resources	314,108	710,394	1,024,502
LIABILITIES			
Current liabilities:			
Accounts payable and other liabilities	73,903	250,919	324,822
Accrued interest payable	-	12,714	12,714
Temporary notes payable	-	1,893,013	1,893,013
Deposits	500	-	500
Current portion of long-term obligations:			
Compensated absences	92,093	172,391	264,484
Total current liabilities	166,496	2,329,037	2,495,533
Noncurrent liabilities:			
Unearned revenue	126,242	566	126,808
Due to other funds	5,668,420	-	5,668,420
Net pension liability	151,702	248,241	399,943
Total other post-employment benefits (OPEB) liability	221,091	1,636,076	1,857,167
Compensated absences	28,503	53,356	81,859
Total noncurrent liabilities	6,195,958	1,938,239	8,134,197
Total liabilities	6,362,454	4,267,276	10,629,730
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	749,971	979,029	1,729,000
Deferred inflows related to OPEB	145,051	337,697	482,748
Total deferred inflows of resources	895,022	1,316,726	2,211,748
NET POSITION			
Net investment in capital assets	2,469,872	25,319,429	27,789,301
Unrestricted	(4,770,916)	3,692,269	(1,078,647)
Total net position	$ (2,301,044)	$ 29,011,698	$ 26,710,654

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS

For the year ended December 31, 2021

	Golf Course System	Transit	Total
OPERATING REVENUES			
Charges for services and sales	$ 1,675,386	$ 997,160	$ 2,672,546
Fees	2,222,066	-	2,222,066
Rentals	1,277,010	131,715	1,408,725
Other operating revenues	13,514	515,613	529,127
Total operating revenues	5,187,976	1,644,488	6,832,464
OPERATING EXPENSES			
Personnel services	1,862,748	8,147,508	10,010,256
Contractual services	869,951	2,038,996	2,908,947
Materials and supplies	581,734	1,772,154	2,353,888
Other operating expenses	23,633	172,430	196,063
Administrative charges	223,680	462,275	685,955
Depreciation	469,177	2,945,868	3,415,045
Total operating expenses	4,030,923	15,539,231	19,570,154
Operating income (loss)	1,157,053	(13,894,743)	(12,737,690)
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental grants	-	9,571,481	9,571,481
Other revenues	-	25,136	25,136
Interest expense	-	(14,482)	(14,482)
Gain on sale of assets	-	27,145	27,145
Total non-operating revenues	-	9,609,280	9,609,280
Income (loss) before capital contributions and transfers	1,157,053	(4,285,463)	(3,128,410)
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital contributions	-	162,085	162,085
Transfers from other funds	-	4,286,235	4,286,235
Total capital contributions and transfers	-	4,448,320	4,448,320
Change in net position	1,157,053	162,857	1,319,910
Net position - beginning	(3,458,097)	28,848,841	25,390,744
Net position - ending	$ (2,301,044)	$ 29,011,698	$ 26,710,654

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

For the year ended December 31, 2021

	Golf Course System	Transit	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 5,214,061	$ 1,028,867	$ 6,242,928
Cash payments to suppliers for goods and services	(1,680,468)	(4,516,604)	(6,197,072)
Cash payments to employees for services	(2,069,523)	(8,222,360)	(10,291,883)
Other operating revenues	13,514	540,749	554,263
Net cash provided by (used in) operating activities	1,477,584	(11,169,348)	(9,691,764)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental grants received	-	10,397,819	10,397,819
Interfund loans	(3,432)	(423,514)	(426,946)
Transfers from other funds	-	4,286,235	4,286,235
Net cash provided by (used in) noncapital financing activities	(3,432)	14,260,540	14,257,108
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Issuance of temporary notes	-	1,893,013	1,893,013
Retirement of temporary notes	-	(889,359)	(889,359)
Interest payments on long-term debt	-	(2,115)	(2,115)
Additions to property, plant and equipment	(59,922)	(158,444)	(218,366)
Sale of capital assets	-	27,145	27,145
Capital contributions	-	162,085	162,085
Net cash provided by (used in) capital and related financing activities	(59,922)	1,032,325	972,403
Net increase in cash and temporary investments	1,414,230	4,123,517	5,537,747
Cash and temporary investments - beginning	747,870	1,978,346	2,726,216
Cash and temporary investments - ending	$ 2,162,100	$ 6,101,863	$ 8,263,963
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	$ 1,157,053	$ (13,894,743)	$ (12,737,690)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	469,177	2,945,868	3,415,045
Other revenues	-	25,136	25,136
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:			
(Increase) in receivables	(3,220)	(83,431)	(86,651)
(Increase) in inventory	-	(38,923)	(38,923)
Decrease in deferred outflows related to pensions	150,511	150,085	300,596
Decrease in deferred outflows related to OPEB	21,212	47,965	69,177
Increase in accounts payable	23,471	14,711	38,182
Increase in deposits	500	-	500
Increase (decrease) in unearned revenues	42,319	(16,577)	25,742
(Decrease) in net pension liability	(508,302)	(665,612)	(1,173,914)
Increase (decrease) in total OPEB liability	(74,390)	32,040	(42,350)
(Decrease) in compensated absences	(51,458)	(41,749)	(93,207)
Increase in deferred inflows related to pensions	199,392	352,381	551,773
Increase in deferred inflows related to OPEB	51,319	3,501	54,820
Total adjustments	320,531	2,725,395	3,045,926
Net cash provided by (used in) operating activities	$ 1,477,584	$ (11,169,348)	$ (9,691,764)
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Operating grant receivables	$ -	$ 1,095,289	$ 1,095,289

CITY OF WICHITA, KANSAS

WATER UTILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 108,593,665	$ 108,593,665	$ 111,640,123	$ 3,046,458	$ 102,261,821
Fees	937,536	937,536	1,084,941	147,405	938,736
Rental income	41,472	41,472	46,533	5,061	43,650
Interest and investment earnings	-	-	14,840	14,840	4,924
Sale of property	-	-	11,700	11,700	121,850
Other revenue	799,687	749,687	406,023	(343,664)	921,681
Revised budget adjustment	-	50,000	-	(50,000)	-
Total revenues	110,372,360	110,372,360	113,204,160	2,831,800	104,292,662
EXPENDITURES					
Personnel services	12,844,008	12,186,315	11,600,868	585,447	11,692,910
Contractual services	16,717,365	16,564,981	13,787,875	2,777,106	14,461,634
Materials and supplies	8,160,603	8,018,237	3,972,314	4,045,923	5,083,575
Capital outlay	2,470,000	2,720,000	6,294,416	(3,574,416)	4,614,222
Other operating expenditures	5,903,375	5,446,720	5,446,720	-	5,333,503
Cost of materials used	2,050,000	2,050,000	-	2,050,000	-
City administrative charges	673,508	766,716	766,716	-	623,318
Payments in lieu of franchise taxes	4,433,173	4,983,486	4,983,486	-	4,283,258
Other non-operating expenditures	71,000	71,000	5,109	65,891	66,366
Debt service	35,791,437	36,595,636	35,232,543	1,363,093	34,002,496
Contingency	2,000,000	1,643,533	-	1,643,533	-
Total expenditures	91,114,469	91,046,624	82,090,047	8,956,577	80,161,282
Excess of revenues over expenditures	19,257,891	19,325,736	31,114,113	11,788,377	24,131,380
OTHER FINANCING USES					
Transfers to other funds	-	(67,845)	(67,845)	-	(318,088)
Total other financing uses	-	(67,845)	(67,845)	-	(318,088)
Excess before other changes in unencumbered net position	19,257,891	19,257,891	31,046,268	11,788,377	23,813,292
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Issuance of bonds - principal	-	-	50,462,988	50,462,988	21,470,000
Issuance of refunding bonds - principal	-	-	-	-	4,365,900
Issuance of bonds - premium	-	-	1,607,488	1,607,488	626,094
Issuance of refunding bonds - premium	-	-	-	-	428,066
Proceeds from long-term loans	-	-	24,847,166	24,847,166	-
Transfer to escrow agent	-	-	-	-	(4,741,308)
Transfers to capital project funds	-	-	(37,655,169)	(37,655,169)	(38,390,988)
Transfers from debt service reserve	-	-	12,902	12,902	873,248
Transfers to debt service reserve	-	-	(593,600)	(593,600)	(644,100)
Cancelled encumbrances	-	-	37,575	37,575	201,806
Total other changes in unencumbered net position	-	-	38,719,350	38,719,350	(15,811,282)
Net change in unencumbered net position	19,257,891	19,257,891	69,765,618	50,507,727	8,002,010
Unencumbered net position, beginning	131,292,222	131,292,222	137,125,370	5,833,148	129,123,360
Unencumbered net position, ending	$ 150,550,113	$ 150,550,113	$ 206,890,988	$ 56,340,875	$ 137,125,370

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** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities and prior year encumbrances.

CITY OF WICHITA, KANSAS

SEWER UTILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 73,386,248	$ 73,386,248	$ 73,754,718	$ 368,470	$ 67,499,053
Fees	345,744	345,744	606,811	261,067	597,528
Rental income	16,414	16,414	-	(16,414)	-
Interest and investment earnings	-	-	11,406	11,406	-
Sale of property	-	-	104,998	104,998	160,973
Other revenue	582,578	582,578	533,729	(48,849)	848,752
Total revenues	74,330,984	74,330,984	75,011,662	680,678	69,106,306
EXPENDITURES					
Personnel services	13,242,445	13,131,684	12,278,390	853,294	12,341,037
Contractual services	11,302,943	11,072,510	10,096,124	976,386	9,503,584
Materials and supplies	4,467,414	4,824,871	4,414,431	410,440	4,298,539
Capital outlay	2,858,340	2,858,340	1,985,563	872,777	1,795,523
Other operating expenditures	3,597,187	3,196,857	3,196,857	-	3,187,223
City administrative charges	355,905	412,219	412,219	-	355,905
Payments in lieu of franchise taxes	3,494,954	3,330,789	3,330,789	-	3,328,527
Debt service	22,093,770	22,033,381	21,350,338	683,043	20,480,917
Contingency	250,000	-	-	-	-
Revised budget adjustment	-	652,711	-	652,711	-
Total expenditures	61,662,958	61,513,362	57,064,711	4,448,651	55,291,255
Excess of revenues over expenditures	12,668,026	12,817,622	17,946,951	5,129,329	13,815,051
OTHER FINANCING USES					
Transfers to other funds	-	(149,596)	(149,596)	-	(267,967)
Total other financing uses	-	(149,596)	(149,596)	-	(267,967)
Excess before other changes in unencumbered net position	12,668,026	12,668,026	17,797,355	5,129,329	13,547,084
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Issuance of bonds - principal	-	-	15,955,000	15,955,000	10,930,000
Issuance of refunding bonds - principal	-	-	-	-	6,029,100
Issuance of bonds - premium	-	-	1,236,033	1,236,033	318,922
Issuance of refunding bonds - premium	-	-	-	-	591,138
Transfer to escrow agent for refunded bonds	-	-	-	-	(6,547,520)
Transfers from capital project funds	-	-	(6,490,325)	(6,490,325)	40,535,042
Transfers to capital project funds	-	-	-	-	(13,895,402)
Transfers from debt service reserve	-	-	10,837	10,837	749,998
Transfers to debt service reserve	-	-	(456,250)	(456,250)	(327,900)
Cancelled encumbrances	-	-	13,496	13,496	100,335
Total other changes in unencumbered net position	-	-	10,268,791	10,268,791	38,483,713
Net change in unencumbered net position	12,668,026	12,668,026	28,066,146	15,398,120	52,030,797
Unencumbered net position, beginning	32,477,173	32,477,173	78,838,145	46,360,972	26,807,348
Unencumbered net position, ending	$ 45,145,199	$ 45,145,199	$ 106,904,291	$ 61,759,092	$ 78,838,145

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** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities and prior year encumbrances.

CITY OF WICHITA, KANSAS

AIRPORT AUTHORITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 13,339,559	$ 11,686,742	$ 12,905,318	$ 1,218,576	$ 8,473,641
Licenses and permits	133,929	120,276	115,789	(4,487)	90,841
Rental income	16,163,398	15,326,705	15,146,659	(180,046)	14,020,025
Sale of property	-	-	44,745	44,745	-
Intergovernmental	2,345,947	6,325,909	-	(6,325,909)	11,599,574
Other revenue	3,534,680	3,567,762	51,673	(3,516,089)	1,866
Total revenues	35,517,513	37,027,394	28,264,184	(8,763,210)	34,185,947
EXPENDITURES					
Personnel services	11,109,591	12,025,133	10,833,333	1,191,800	10,945,756
Contractual services	5,156,800	5,293,260	4,786,571	506,689	4,632,418
Materials and supplies	1,168,550	1,237,200	1,006,904	230,296	762,560
Capital outlay	267,250	235,250	159,272	75,978	46,819
Other operating expenditures	990,929	990,929	990,929	-	990,929
Cost of materials used	3,869,551	3,713,135	2,935,068	778,067	3,142,548
City administrative charges	381,953	436,435	436,435	-	381,953
Other non-operating expenditures	80,158	-	-	-	-
Debt service	8,616,440	8,660,351	8,609,588	50,763	8,254,578
Total expenditures	31,641,222	32,591,693	29,758,100	2,833,593	29,157,561
Excess (deficiency) before other changes in unencumbered net position	3,876,291	4,435,701	(1,493,916)	(5,929,617)	5,028,386
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Proceeds from issuance of bonds - principal	-	-	-	-	7,895,000
Proceeds from issuance of bonds - premium	-	-	-	-	509,479
Transfers from restricted funds	-	15,078,676	15,080,760	2,084	461,410
Transfers to capital project funds	(2,456,591)	(9,066,990)	(4,086,618)	4,980,372	(5,999,899)
Cancelled encumbrances	-	-	-	-	9,254
Total other changes in unencumbered net position	(2,456,591)	6,011,686	10,994,142	4,982,456	2,875,244
Net change in unencumbered net position	1,419,700	10,447,387	9,500,226	(947,161)	7,903,630
Unencumbered net position, beginning	16,981,280	19,474,494	19,474,494	-	11,570,864
Unencumbered net position, ending	$ 18,400,980	$ 29,921,881	$ 28,974,720	$ (947,161)	$ 19,474,494

* The Original column represents the Adopted Budget plus any subsequent adjustments authorized by the City Council. This fund is not required to be certified with the State of Kansas and was not certified in 2021.

* These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities and prior year encumbrances.

CITY OF WICHITA, KANSAS

STORMWATER UTILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 12,845,245	$ 13,035,028	$ 13,367,483	$ 332,455	$ 12,859,515
Fees	-	-	166,637	166,637	149,495
Other revenue	-	-	98,481	98,481	183,460
Revised budget adjustment	-	(189,783)	-	189,783	-
Total revenues	12,845,245	12,845,245	13,632,601	787,356	13,192,470
EXPENDITURES					
Personnel services	2,953,134	3,114,641	2,691,909	422,732	2,613,890
Contractual services	3,547,369	3,708,461	3,053,055	655,406	3,261,120
Materials and supplies	381,171	821,241	584,084	237,157	310,060
Capital outlay	428,000	428,000	381,882	46,118	358,750
Other operating expenditures	14,567,722	3,173,747	1,113,672	2,060,075	1,023,432
City administrative charges	269,240	289,304	289,304	-	269,240
Debt service	2,081,518	2,081,518	2,055,580	25,938	2,750,546
Contingency	100,000	100,000	-	100,000	-
Revised budget adjustment	-	10,611,242	-	10,611,242	-
Total expenditures	24,328,154	24,328,154	10,169,486	14,158,668	10,587,038
Excess (deficiency) of revenues over (under) expenditures	(11,482,909)	(11,482,909)	3,463,115	14,946,024	2,605,432
OTHER FINANCING SOURCES					
Transfers from other funds	-	-	41,138	41,138	-
Total other financing sources	-	-	41,138	41,138	-
Excess (deficiency) before other changes in unencumbered net position	(11,482,909)	(11,482,909)	3,504,253	14,987,162	2,605,432
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Issuance of refunding bonds - principal	-	-	-	-	4,834,800
Issuance of refunding bonds - premium	-	-	-	-	367,497
Transfer to escrow agent for refunded bonds	-	-	-	-	(5,198,314)
Transfers to capital project funds	-	-	-	-	(592,967)
Transfers from capital project funds	-	-	423,191	423,191	-
Cancelled encumbrances	-	-	23,495	23,495	77,767
Total other changes in unencumbered net position	-	-	446,686	446,686	(511,217)
Net change in unencumbered net position	(11,482,909)	(11,482,909)	3,950,939	15,433,848	2,094,215
Unencumbered net position, beginning	12,699,290	12,699,290	17,940,482	5,241,192	15,846,267
Unencumbered net position, ending	$ 1,216,381	$ 1,216,381	$ 21,891,421	$ 20,675,040	$ 17,940,482

* The Original column represents the budget certified with the State of Kansas and adopted by the City Council. The Final column is the Adopted Budget (i.e., Original) plus any subsequent adjustments authorized by the City Council.

** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities and prior year encumbrances.

CITY OF WICHITA, KANSAS

TRANSIT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 2,059,079	$ 1,940,201	$ 997,160	$ (943,041)	$ 1,089,385
Rental income	85,000	85,000	141,036	56,036	142,417
Sale of property	-	-	27,145	27,145	162,300
Other revenue	250,000	88,996	530,376	441,380	573,886
Revised budget adjustment	-	279,882	-	(279,882)	-
Total revenues	2,394,079	2,394,079	1,695,717	(698,362)	1,967,988
EXPENDITURES					
Personnel services	1,596,593	1,355,357	1,336,507	18,850	1,375,153
Contractual services	746,433	888,993	807,893	81,100	860,758
Materials and supplies	60,236	35,236	14,940	20,296	51,591
Other operating expenditures	3,130,523	1,045,750	1,060,361	(14,611)	2,367,684
City administrative charges	167,282	210,512	(38,923)	249,435	166,911
Inventory remeasurement	-	-	210,512	(210,512)	-
Other non-operating expenditures	128,844	-	-	-	-
Revised budget adjustment	-	2,075,403	-	2,075,403	-
Total expenditures	5,829,911	5,611,251	3,391,290	2,219,961	4,822,097
Excess (deficiency) of revenues over (under) expenditures	(3,435,832)	(3,217,172)	(1,695,573)	1,521,599	(2,854,109)
OTHER FINANCING SOURCES					
Transfers from other funds	3,586,326	3,586,326	3,586,326	-	4,586,326
Total other financing sources	3,586,326	3,586,326	3,586,326	-	4,586,326
Excess before other changes in unencumbered net position	150,494	369,154	1,890,753	1,521,599	1,732,217
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Repayment of long-term internal loan	(200,000)	(418,660)	(418,660)	-	(200,000)
Total other changes in unencumbered net position	(200,000)	(418,660)	(418,660)	-	(200,000)
Net change in unencumbered net position	(49,506)	(49,506)	1,472,093	1,521,599	1,532,217
Unencumbered net position, beginning	3,661,118	5,180,058	5,180,058	-	3,647,841
Unencumbered net position, ending	$ 3,611,612	$ 5,130,552	$ 6,652,151	$ 1,521,599	$ 5,180,058

* The Original column represents the Adopted Budget plus any subsequent adjustments authorized by the City Council. This fund is not required to be certified with the State of Kansas and was not certified in 2021.

** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities and prior year encumbrances.

CITY OF WICHITA, KANSAS

GOLF COURSE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 3,021,715	$ 2,971,843	$ 3,765,278	$ 793,435	$ 2,939,200
Rental income	877,219	1,022,580	1,277,010	254,430	1,007,964
Other revenue	-	25,218	13,515	(11,703)	23,080
Total revenues	3,898,934	4,019,641	5,055,803	1,036,162	3,970,244
EXPENDITURES					
Personnel services	2,321,980	2,306,001	2,074,465	231,536	1,989,745
Contractual services	783,253	910,484	904,437	6,047	793,091
Materials and supplies	411,978	522,670	480,339	42,331	307,774
Other operating expenditures	108,892	51,825	23,633	28,192	82,130
Cost of materials used	162,842	201,342	201,137	205	125,015
City administrative charges	234,844	223,680	223,680	-	234,844
Other non-operating expenditures	-	350,000	350,000	-	-
Total expenditures	4,023,789	4,566,002	4,257,691	308,311	3,532,599
Excess (deficiency) of revenues over (under) expenditures	(124,855)	(546,361)	798,112	1,344,473	437,645
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Cancelled encumbrances	-	-	-	-	3,751
Total other changes in unencumbered net position	-	-	-	-	3,751
Net change in unencumbered net position	(124,855)	(546,361)	798,112	1,344,473	441,396
Unencumbered net position, beginning	85,138	525,479	525,479	-	84,083
Unencumbered net position, ending	$ (39,717)	$ (20,882)	$ 1,323,591	$ 1,344,473	$ 525,479

* The Original column represents the Adopted Budget plus any subsequent adjustments authorized by the City Council. This fund is not required to be certified with the State of Kansas and was not certified in 2021.

** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities and prior year encumbrances.

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CITY OF
WICHITA

INTERNAL SERVICE FUNDS



CITY OF WICHITA KANSAS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing and administration of general services rendered to the various departments of the City.

The Information Technology Fund is responsible for coordination of the City's technology and automation efforts and provides a City-owned telephone system to the organization. Information Technology also provides printing and photocopying services.

The Fleet Fund purchases, repairs and maintains vehicles and equipment used by City departments.

The Self Insurance Fund accounts for the City's self-insurance programs of health insurance, workers' compensation, group life insurance, auto liability and general liability.

Other Supplementary Information

Budgetary schedules for each fund with either (1) a legally adopted budget (i.e. fund is certified with the State of Kansas) or (2) a budget adopted by the City Council are presented in this section.

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

December 31, 2021

	Information Technology	Fleet	Self Insurance	Total
ASSETS				
Current assets:				
Cash and cash equivalents	$ 3,658,757	$ 5,124,689	$ 58,803,426	$ 67,586,872
Due from other funds	-	-	5,656,555	5,656,555
Inventories	-	1,212,047	-	1,212,047
Prepaid items	-	-	128,900	128,900
Total current assets	3,658,757	6,336,736	64,588,881	74,584,374
Noncurrent assets:				
Capital assets:				
Buildings	44,287	29,955	-	74,242
Improvements other than buildings	74,907	-	-	74,907
Machinery, equipment and other assets	7,487,871	36,934,707	-	44,422,578
Less accumulated depreciation	(6,781,145)	(27,500,660)	-	(34,281,805)
Total capital assets, net	825,920	9,464,002	-	10,289,922
Total noncurrent assets	825,920	9,464,002	-	10,289,922
Total assets	4,484,677	15,800,738	64,588,881	84,874,296
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	1,348,110	677,828	80,806	2,106,744
Deferred outflows related to OPEB	151,689	88,595	6,816	247,100
Total deferred outflows of resources	1,499,799	766,423	87,622	2,353,844
LIABILITIES				
Current liabilities:				
Accounts payable and other liabilities	259,348	214,810	1,810,964	2,285,122
Deposits	-	-	382,344	382,344
Current portion of long-term obligations:				
Claims payable	-	-	14,211,695	14,211,695
Capital lease payable	129,534	-	-	129,534
Compensated absences	252,087	134,958	20,632	407,677
Total current liabilities	640,969	349,768	16,425,635	17,416,372
Noncurrent liabilities:				
Claims payable	-	-	22,795,221	22,795,221
Capital lease payable	161,132	-	-	161,132
Net pension liability	661,973	344,777	41,373	1,048,123
Total other post-employment benefits (OPEB) liability	795,929	574,837	44,218	1,414,984
Compensated absences	78,023	41,770	6,386	126,179
Total noncurrent liabilities	1,697,057	961,384	22,887,198	25,545,639
Total liabilities	2,338,026	1,311,152	39,312,833	42,962,011
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	2,615,175	1,410,816	163,172	4,189,163
Deferred inflows related to OPEB	116,771	125,150	5,164	247,085
Total deferred inflows of resources	2,731,946	1,535,966	168,336	4,436,248
NET POSITION				
Net investment in capital assets	535,254	9,464,002	-	9,999,256
Unrestricted	379,250	4,256,041	25,195,334	29,830,625
Total net position	$ 914,504	$ 13,720,043	$ 25,195,334	$ 39,829,881

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the year ended December 31, 2021

	Information Technology	Fleet	Self Insurance	Total
OPERATING REVENUES				
Charges for services and sales	$ 12,472,583	$ 4,976,249	$ -	$ 17,448,832
Rentals	-	9,506,133	-	9,506,133
Employer contributions	-	-	47,034,413	47,034,413
Employee contributions	-	-	12,022,922	12,022,922
Other operating revenues	-	21,656	895,870	917,526
Total operating revenues	12,472,583	14,504,038	59,953,205	86,929,826
OPERATING EXPENSES				
Personnel services	5,165,465	3,046,104	1,627,816	9,839,385
Contractual services	4,842,795	1,692,565	14,470,055	21,005,415
Materials and supplies	83,295	6,202,698	61,276	6,347,269
Other operating expenses	129,220	-	450,495	579,715
Administrative charges	505,223	491,176	105,404	1,101,803
Depreciation	569,558	2,783,172	-	3,352,730
Employee benefits	-	-	43,926,412	43,926,412
Total operating expenses	11,295,556	14,215,715	60,641,458	86,152,729
Operating income (loss)	1,177,027	288,323	(688,253)	777,097
NON-OPERATING REVENUES (EXPENSES)				
Other revenues (expenses)	-	98,823	(2,001,466)	(1,902,643)
Interest expense	(21,192)	-	-	(21,192)
Gain (loss) on sale of assets	(326,477)	327,410	-	933
Total non-operating revenues (expenses)	(347,669)	426,233	(2,001,466)	(1,922,902)
Income (loss) before capital contributions and transfers	829,358	714,556	(2,689,719)	(1,145,805)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contributions	250,000	377,328	-	627,328
Transfers to other funds	(1,443,655)	-	-	(1,443,655)
Total capital contributions and transfers	(1,193,655)	377,328	-	(816,327)
Change in net position	(364,297)	1,091,884	(2,689,719)	(1,962,132)
Net position - beginning	1,278,801	12,628,159	27,885,053	41,792,013
Net position - ending	$ 914,504	$ 13,720,043	$ 25,195,334	$ 39,829,881

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the year ended December 31, 2021

	Information Technology	Fleet	Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 12,472,720	$ 14,488,415	$ 59,104,924	$ 86,066,059
Cash payments to suppliers for goods and services	(5,507,687)	(8,800,404)	(51,165,657)	(65,473,748)
Cash payments to employees for services	(5,517,821)	(3,267,687)	(1,648,200)	(10,433,708)
Other operating revenues	-	120,479	895,870	1,016,349
Other operating expenses	-	-	(2,001,466)	(2,001,466)
Net cash provided by operating activities	1,447,212	2,540,803	5,185,471	9,173,486
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund loans	-	-	31,207,462	31,207,462
Transfers to other funds	(1,443,655)	-	-	(1,443,655)
Net cash provided by (used in) noncapital financing activities	(1,443,655)	-	31,207,462	29,763,807
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on long-term debt	(122,095)	-	-	(122,095)
Interest payments on long-term debt	(21,192)	-	-	(21,192)
Additions to property, plant and equipment	-	(3,659,201)	-	(3,659,201)
Sale of capital assets	-	327,410	-	327,410
Net cash used in capital and related financing activities	(143,287)	(3,331,791)	-	(3,475,078)
Net increase (decrease) in cash and temporary investments	(139,730)	(790,988)	36,392,933	35,462,215
Cash and temporary investments - beginning	3,798,487	5,915,677	22,410,493	32,124,657
Cash and temporary investments - ending	$ 3,658,757	$ 5,124,689	$ 58,803,426	$ 67,586,872
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	$ 1,177,027	$ 288,323	$ (688,253)	$ 777,097
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	569,558	2,783,172	(2,001,466)	1,351,264
Other revenues	-	98,823	-	98,823
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
Decrease in accounts receivable	137	6,033	47,589	53,759
(Increase) in inventory	-	(299,834)	-	(299,834)
Decrease in deferred outflows related to pensions	236,953	112,152	27,412	376,517
Decrease in deferred outflows related to OPEB	23,637	14,078	1,083	38,798
Increase (decrease) in accounts payable	73,131	(103,060)	457,755	427,826
Increase in deposits	-	-	58,654	58,654
Increase in claims payable	-	-	7,336,230	7,336,230
(Decrease) in net pension liability	(1,673,426)	(873,693)	(110,935)	(2,658,054)
Increase in total OPEB liability	36,122	26,088	2,007	64,217
Increase (decrease) in compensated absences	8,849	(4,647)	(3,054)	1,148
Increase in deferred inflows related to pensions	1,004,271	505,322	58,730	1,568,323
(Decrease) in deferred inflows related to OPEB	(9,047)	(11,954)	(281)	(21,282)
Total adjustments	270,185	2,252,480	5,873,724	8,396,389
Net cash provided by operating activities	$ 1,447,212	$ 2,540,803	$ 5,185,471	$ 9,173,486
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES				
Contribution of capital assets	$ -	$ 377,328	$ -	$ 377,328

CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF NET POSITION
SELF INSURANCE FUND

December 31, 2021

	Life Insurance	Health Insurance	Workers' Compensation	General Liability	Pension Reserve	Total
ASSETS						
Current assets:						
Cash and cash equivalents	$ 713,118	$ 24,996,074	$ 17,000,060	$ 10,217,036	$ 5,877,138	$ 58,803,426
Due from other funds	-	5,656,555	-	-	-	5,656,555
Prepaid items	-	128,900	-	-	-	128,900
Total current assets	713,118	30,781,529	17,000,060	10,217,036	5,877,138	64,588,881
Total assets	713,118	30,781,529	17,000,060	10,217,036	5,877,138	64,588,881
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	-	-	80,806	-	-	80,806
Deferred outflows related to OPEB	-	-	6,816	-	-	6,816
Total deferred outflows of resources	-	-	87,622	-	-	87,622
LIABILITIES						
Current liabilities:						
Accounts payable and other liabilities	-	1,758,803	48,046	4,115	-	1,810,964
Deposits	-	382,344	-	-	-	382,344
Current portion of long-term obligations:						
Claims payable	-	3,782,400	2,379,799	8,049,496	-	14,211,695
Compensated absences	-	-	12,841	7,791	-	20,632
Total current liabilities	-	5,923,547	2,440,686	8,061,402	-	16,425,635
Noncurrent liabilities:						
Claims payable	-	-	8,681,073	14,114,148	-	22,795,221
Net pension liability	-	-	41,373	-	-	41,373
Total OPEB liability	-	-	44,218	-	-	44,218
Compensated absences	-	-	2,469	3,917	-	6,386
Total noncurrent liabilities	-	-	8,769,133	14,118,065	-	22,887,198
Total liabilities	-	5,923,547	11,209,819	22,179,467	-	39,312,833
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	-	-	163,172	-	-	163,172
Deferred inflows related to OPEB	-	-	5,164	-	-	5,164
Total deferred inflows of resources	-	-	168,336	-	-	168,336
NET POSITION						
Unrestricted	713,118	24,857,982	5,709,527	(11,962,431)	5,877,138	25,195,334
Total net position	$ 713,118	$ 24,857,982	$ 5,709,527	$ (11,962,431)	$ 5,877,138	$ 25,195,334

CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
SELF INSURANCE FUND

For the year ended December 31, 2021

	Life Insurance	Health Insurance	Workers' Compensation	General Liability	Pension Reserve	Total
OPERATING REVENUES						
Employer contributions	$ 267,158	$ 39,716,330	$ 4,250,478	$ 2,800,447	$ -	$ 47,034,413
Employee contributions	600,427	11,422,495	-	-	-	12,022,922
Other operating revenues	-	-	153,044	742,826	-	895,870
Total operating revenues	867,585	51,138,825	4,403,522	3,543,273	-	59,953,205
OPERATING EXPENSES						
Personnel services	-	582,548	876,787	168,481	-	1,627,816
Contractual services	864,878	1,679,992	3,316,151	8,609,034	-	14,470,055
Materials and supplies	-	-	822	60,454	-	61,276
Other operating expenses	-	228,771	-	221,724	-	450,495
Administrative charges	714	21,694	36,722	46,274	-	105,404
Employee benefits	-	43,926,412	-	-	-	43,926,412
Total operating expenses	865,592	46,439,417	4,230,482	9,105,967	-	60,641,458
Operating income (loss)	1,993	4,699,408	173,040	(5,562,694)	-	(688,253)
NON-OPERATING EXPENSES						
Other expenses	-	-	(221,292)	(1,780,174)	-	(2,001,466)
Total non-operating expenses	-	-	(221,292)	(1,780,174)	-	(2,001,466)
Income (loss) before transfers	1,993	4,699,408	(48,252)	(7,342,868)	-	(2,689,719)
Change in net position	1,993	4,699,408	(48,252)	(7,342,868)	-	(2,689,719)
Net position - beginning	711,125	20,158,574	5,757,779	(4,619,563)	5,877,138	27,885,053
Net position - ending	$ 713,118	$ 24,857,982	$ 5,709,527	$ (11,962,431)	$ 5,877,138	$ 25,195,334

CITY OF WICHITA, KANSAS

INFORMATION TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 13,474,917	$ 13,654,354	$ 12,472,583	$ (1,181,771)	$ 12,550,475
Revised budget adjustment	-	(179,437)	-	179,437	-
Total revenues	13,474,917	13,474,917	12,472,583	(1,002,334)	12,550,475
EXPENDITURES					
Personnel services	5,977,917	6,157,503	5,538,107	619,396	5,461,024
Contractual services	5,806,371	5,898,813	4,853,946	1,044,867	4,699,330
Materials and supplies	99,250	163,976	28,656	135,320	195,902
Capital outlay	93,229	28,503	28,503	-	-
Other operating expenditures	254,212	129,220	129,220	-	121,107
Cost of materials used	20,000	20,000	-	20,000	-
City administrative charges	523,314	505,223	505,223	-	523,314
Debt service	119,406	143,286	142,686	600	143,286
Planned savings	(223,752)	(226,854)	-	(226,854)	-
Revised budget adjustment	-	1,089	-	1,089	-
Total expenditures	12,669,947	12,820,759	11,226,341	1,594,418	11,143,963
Excess of revenues over expenditures	804,970	654,158	1,246,242	592,084	1,406,512
OTHER FINANCING USES					
Transfers to other funds	(1,594,467)	(1,443,655)	(1,443,655)	-	(1,396,356)
Total other financing uses	(1,594,467)	(1,443,655)	(1,443,655)	-	(1,396,356)
Excess (deficiency) before other changes in unencumbered net position	(789,497)	(789,497)	(197,413)	592,084	10,156
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Cancelled encumbrances	-	-	10	10	3,125
Total other changes in unencumbered net position	-	-	10	10	3,125
Net change in unencumbered net position	(789,497)	(789,497)	(197,403)	592,094	13,281
Unencumbered net position, beginning	1,374,174	1,374,174	3,512,436	2,138,262	3,499,155
Unencumbered net position, ending	$ 584,677	$ 584,677	$ 3,315,033	$ 2,730,356	$ 3,512,436

* The Original column represents the budget certified with the State of Kansas and adopted by the City Council. The Final column is the Adopted Budget plus any subsequent adjustments authorized by the City Council.

** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities and prior year encumbrances.

CITY OF WICHITA, KANSAS

FLEET FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts*		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 4,303,624	$ 4,303,624	$ 4,976,249	$ 672,625	$ 2,946,650
Rental income	10,001,608	10,000,608	9,506,133	(494,475)	9,703,833
Sale of property	250,000	250,000	327,410	77,410	374,910
Other revenue	1,366,000	1,367,000	110,379	(1,256,621)	229,431
Total revenues	15,921,232	15,921,232	14,920,171	(1,001,061)	13,254,824
EXPENDITURES					
Personnel services	4,186,905	4,068,246	3,278,760	789,486	3,449,308
Contractual services	1,397,673	1,835,006	1,748,590	86,416	1,393,748
Materials and supplies	6,568,867	6,501,295	6,128,845	372,450	4,836,545
Capital outlay	3,378,100	3,896,246	2,657,588	1,238,658	1,660,270
Cost of materials used	-	1,000,000	73,852	926,148	-
City administrative charges	422,362	491,176	491,176	-	422,362
Other non-operating expenditures	1,000,000	11,938	-	11,938	-
Planned savings	(750,000)	(750,000)	-	(750,000)	-
Contingency	850,000	-	-	-	-
Total expenditures	17,053,907	17,053,907	14,378,811	2,675,096	11,762,233
Excess (deficiency) of revenues over (under) expenditures	(1,132,675)	(1,132,675)	541,360	1,674,035	1,492,591
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Cancelled encumbrances	-	-	-	-	13,689
Total other changes in unencumbered net position	-	-	-	-	13,689
Net change in unencumbered net position	(1,132,675)	(1,132,675)	541,360	1,674,035	1,506,280
Unencumbered net position, beginning	1,985,143	1,985,143	5,047,175	3,062,032	3,540,895
Unencumbered net position, ending	$ 852,468	$ 852,468	$ 5,588,535	$ 4,736,067	$ 5,047,175

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CITY OF WICHITA, KANSAS

SELF INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION
BUDGET AND ACTUAL - BUDGETARY BASIS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	Budgeted Amounts		2021	Variance with Final Budget Positive	2020
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Employer contributions	$ 47,487,787	$ 49,384,413	$ 47,034,413	$ (2,350,000)	$ 45,133,505
Employee contributions	14,020,946	13,595,127	12,022,922	(1,572,205)	12,356,859
Other revenue	2,437,802	3,099,031	895,870	(2,203,161)	1,454,827
Revised budget adjustment	-	(1,882,036)	-	1,882,036	-
Total revenues	63,946,535	64,196,535	59,953,205	(4,243,330)	58,945,191
EXPENDITURES					
Personnel services	2,552,586	2,195,020	1,652,854	542,166	1,778,362
Contractual services	11,089,210	9,449,791	7,370,326	2,079,465	6,946,330
Materials and supplies	106,584	134,100	80,798	53,302	43,201
Capital outlay	38,523	10,000	-	10,000	-
Other operating expenditures	504,268	486,544	450,495	36,049	489,741
City administrative charges	86,394	105,404	105,404	-	86,394
Other non-operating expenditures	880,000	2,080,000	2,001,466	78,534	685,964
Employee/insurance claims	52,522,969	52,890,209	43,709,212	9,180,997	44,370,042
Contingency	1,000,000	-	-	-	
Revised budget adjustment	-	1,429,466	-	1,429,466	-
Total expenditures	68,780,534	68,780,534	55,370,555	13,409,979	54,400,034
Excess (deficiency) of revenues over (under) expenditures	(4,833,999)	(4,583,999)	4,582,650	9,166,649	4,545,157
OTHER FINANCING SOURCES					
Transfers from other funds	250,000	-	-	-	1,750,000
Cancelled encumbrances	-	-	224	224	149,157
Total other financing sources	250,000	-	224	224	1,899,157
Net change in unencumbered net position	(4,583,999)	(4,583,999)	4,582,874	9,166,873	6,444,314
Unencumbered net position, beginning	25,968,705	25,968,705	57,638,221	31,669,516	51,193,907
Unencumbered net position, ending	$ 21,384,706	$ 21,384,706	$ 62,221,095	$ 40,836,389	$ 57,638,221

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FIDUCIARY FUNDS



CITY OF WICHITA KANSAS

FIDUCIARY FUNDS

Fiduciary funds are used to report fiduciary activities including pension trust funds, investment trust funds, private purpose trust funds and custodial funds. The City reports the following fiduciary funds:

Pension Trust Funds account for the receipt, investment and distribution of retirement contributions made for the benefit of police, fire and other City employees. The City has the following pension trust funds:

- Police and Fire Retirement System
- Employees' Retirement System
- Employees' Retirement System Plan 3b

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

December 31, 2021

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3b	Pension Trust Funds
ASSETS				
Cash and temporary investments	$ 105,124	$ 107,095	$ -	$ 212,219
Receivables:				
Investment sales pending	1,499,013	1,215,007	10,869	2,724,889
Interest and dividends	1,813,291	1,469,741	6,194	3,289,226
Other receivables	438,729	270,256	8,017	717,002
Total receivables	3,751,033	2,955,004	25,080	6,731,117
Investments, at fair value:				
Government short-term investment fund	21,387,277	17,635,756	61,765	39,084,798
Equity:				
Domestic equity	378,078,923	306,462,152	3,405,863	687,946,938
International equity	240,530,717	194,958,750	555,570	436,045,037
Fixed income	157,074,817	127,315,808	461,909	284,852,534
Real estate	57,918,520	46,945,401	-	104,863,921
Target date and money market funds	-	-	7,250,166	7,250,166
Timber	45,254,221	36,682,151	-	81,936,372
Derivative investments	136,393	110,554	401	247,348
Securities lending short-term collateral investment pool	6,348,082	5,145,376	25,252	11,518,710
Total investments	906,728,950	735,255,948	11,760,926	1,653,745,824
Capital assets:				
Pension software	448,990	833,838	-	1,282,828
Accumulated depreciation	(448,990)	(833,838)	-	(1,282,828)
Capital assets, net	-	-	-	-
Total assets	910,585,107	738,318,047	11,786,006	1,660,689,160
LIABILITIES				
Accounts payable and other liabilities	1,601,607	1,261,927	5,229	2,868,763
Investment purchases pending	3,939,140	3,192,834	19,576	7,151,550
Securities lending obligations	6,348,082	5,145,376	25,252	11,518,710
Total liabilities	11,888,829	9,600,137	50,057	21,539,023
NET POSITION				
Restricted for pensions	898,696,278	728,717,910	11,735,949	1,639,150,137
Total net position	$ 898,696,278	$ 728,717,910	$ 11,735,949	$ 1,639,150,137

CITY OF WICHITA, KANSAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the year ended December 31, 2021

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3b	Pension Trust Funds
ADDITIONS				
Contributions:				
Employer	$ 17,889,908	$ 10,722,494	$ 195,927	$ 28,808,329
Employee	6,682,182	3,632,713	195,927	10,510,822
Total contributions	24,572,090	14,355,207	391,854	39,319,151
Investment income:				
From investing activities:				
Net appreciation in the fair value of investments	110,859,419	90,937,225	1,453,685	203,250,329
Interest	4,491,423	3,680,417	15,726	8,187,566
Dividends	4,637,471	3,801,401	30,850	8,469,722
Commission recapture	13,113	10,745	106	23,964
Total investing activity income	120,001,426	98,429,788	1,500,367	219,931,581
Less investment expense	3,817,561	3,139,604	18,795	6,975,960
Net income from investing activities	116,183,865	95,290,184	1,481,572	212,955,621
From securities lending activities:				
Securities lending income	98,119	80,343	610	179,072
Less securities lending expense, net:				
Borrower rebates	(13,840)	(11,347)	(51)	(25,238)
Management fees	30,457	24,947	188	55,592
Total securities lending expenses	16,617	13,600	137	30,354
Net income from securities lending activities	81,502	66,743	473	148,718
Total net investment income	116,265,367	95,356,927	1,482,045	213,104,339
Reclassifications due to participant conversion	-	-	417,138	417,138
Total additions	140,837,457	109,712,134	2,291,037	252,840,628
DEDUCTIONS				
Pension benefits	46,710,856	46,116,217	-	92,827,073
Pension administration	556,934	605,918	7,106	1,169,958
Employee contributions refunded	622,640	884,057	1,288,418	2,795,115
Reclassifications due to participant conversion	-	417,138	-	417,138
Total deductions	47,890,430	48,023,330	1,295,524	97,209,284
Net increase in net position	92,947,027	61,688,804	995,513	155,631,344
Net position - beginning	805,749,251	667,029,106	10,740,436	1,483,518,793
Net position - ending	$ 898,696,278	$ 728,717,910	$ 11,735,949	$ 1,639,150,137

ADDITIONAL INFORMATION



CITY OF WICHITA KANSAS

ADDITIONAL INFORMATION

Additional Information includes various supplementary schedules pertaining to (1) long-term debt obligations, (2) combining financial schedules and (3) insurance policies in force.

Combining financial schedules are shown for the following funds or subfunds:

- General Fund
- Debt Service Fund
- Debt Service Fund - Economic Development TIF Districts Subfund
- Environmental TIF Districts Fund
- City-County Joint Operations Fund
- Community Improvement Districts Fund

CITY OF WICHITA, KANSAS

COMBINED SCHEDULE OF CHANGES IN BONDS PAYABLE

For the year ended December 31, 2021

	Balance December 31, 2020	Issued	Retired	Balance December 31, 2021
General obligation bonds payable from:				
Ad valorem property taxes	$ 60,557,754	$ -	$ 9,032,563	$ 51,525,191
Special assessments	137,658,837	29,215,000	16,870,497	150,003,340
Tax increment financing	24,888,079	-	2,622,780	22,265,299
Transient guest tax	2,450,000	-	20,000	2,430,000
Airport Authority	129,320,000	-	3,320,000	126,000,000
Local sales tax	83,660,000	-	10,530,000	73,130,000
Stormwater Utility	10,795,330	-	1,714,160	9,081,170
Water Utility	105,310,000	-	5,670,000	99,640,000
Revenue bonds payable from:		-		
Water Utility	230,650,001	50,680,571	16,517,743	264,812,829
Sewer Utility	191,059,999	15,955,000	13,907,256	193,107,743
Airport special facilities	8,978,252	-	1,540,532	7,437,720
Local sales tax	4,049,875	-	376,186	3,673,689
	$ 989,378,127	$ 95,850,571	$ 82,121,717	$ 1,003,106,981

RECONCILIATION OF BONDS PAYABLE

As of December 31, 2021

General obligation bonds	$ 534,075,000
Revenue bonds	469,031,981
Total bonds payable	$ 1,003,106,981
Serial bonds payable	$ 303,027,519
Bonds payable from proprietary funds	700,079,462
Total bonds payable	$ 1,003,106,981

CITY OF WICHITA, KANSAS

SUMMARY OF GENERAL OBLIGATION DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM GOVERNMENTAL FUND REVENUES

Based on bonded debt as of December 31, 2021

	PAYABLE FROM PROPERTY TAXES			PAYABLE FROM TRANSIENT GUEST TAX		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2022	$ 9,381,473	$ 1,889,111	$ 11,270,584	$ 25,000	$ 90,163	$ 115,163
2023	7,524,934	1,563,929	9,088,863	30,000	88,787	118,787
2024	6,719,127	1,288,553	8,007,680	35,000	87,163	122,163
2025	5,715,654	1,050,197	6,765,851	40,000	85,287	125,287
2026	5,560,395	833,282	6,393,677	50,000	83,538	133,538
2027	5,247,568	614,739	5,862,307	55,000	81,962	136,962
2028	5,450,852	419,027	5,869,879	65,000	80,163	145,163
2029	4,653,348	215,525	4,868,873	70,000	78,137	148,137
2030	536,840	35,591	572,431	80,000	75,888	155,888
2031	200,000	19,438	219,438	80,000	73,087	153,087
2032	205,000	14,387	219,387	95,000	69,588	164,588
2033	215,000	9,187	224,187	105,000	65,718	170,718
2034	115,000	3,594	118,594	1,700,000	31,875	1,731,875
	$ 51,525,191	$ 7,956,560	$ 59,481,751	$ 2,430,000	$ 991,356	$ 3,421,356

	PAYABLE FROM TAX INCREMENT FINANCING			PAYABLE FROM LOCAL SALES TAX		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2022	$ 2,840,042	$ 666,091	$ 3,506,133	$ 10,810,000	$ 2,481,850	$ 13,291,850
2023	2,056,550	585,417	2,641,967	7,775,000	2,031,600	9,806,600
2024	2,013,058	525,341	2,538,399	8,000,000	1,714,850	9,714,850
2025	1,359,566	477,429	1,836,995	8,195,000	1,388,638	9,583,638
2026	1,491,083	431,550	1,922,633	8,405,000	1,181,400	9,586,400
2027	1,565,000	379,820	1,944,820	7,900,000	928,175	8,828,175
2028	1,330,000	329,710	1,659,710	6,625,000	658,300	7,283,300
2029	1,790,000	283,275	2,073,275	6,785,000	418,550	7,203,550
2030	1,960,000	217,770	2,177,770	1,640,000	189,100	1,829,100
2031	1,790,000	165,980	1,955,980	1,680,000	139,900	1,819,900
2032	1,950,000	115,720	2,065,720	1,725,000	106,300	1,831,300
2033	2,120,000	60,520	2,180,520	1,770,000	71,800	1,841,800
2034	-	-	-	1,820,000	36,400	1,856,400
	$ 22,265,299	$ 4,238,623	$ 26,503,922	$ 73,130,000	$ 11,346,863	$ 84,476,863

	TOTAL PAYABLE FROM TAXES			PAYABLE FROM SPECIAL ASSESSMENTS		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2022	$ 23,056,515	$ 5,127,215	$ 28,183,730	$ 16,053,505	$ 5,423,718	$ 21,477,223
2023	17,386,484	4,269,733	21,656,217	14,945,686	4,598,145	19,543,831
2024	16,767,185	3,615,907	20,383,092	13,798,635	3,959,061	17,757,696
2025	15,310,220	3,001,551	18,311,771	12,735,600	3,411,297	16,146,897
2026	15,506,478	2,529,770	18,036,248	11,588,522	2,897,658	14,486,180
2027	14,767,568	2,004,696	16,772,264	11,537,432	2,419,300	13,956,732
2028	13,470,852	1,487,200	14,958,052	10,834,148	1,956,650	12,790,798
2029	13,298,348	995,487	14,293,835	10,671,652	1,535,741	12,207,393
2030	4,216,840	518,349	4,735,189	8,808,160	1,158,544	9,966,704
2031	3,750,000	398,405	4,148,405	6,890,000	871,600	7,761,600
2032	3,975,000	305,995	4,280,995	6,735,000	681,479	7,416,479
2033	4,210,000	207,225	4,417,225	6,020,000	519,145	6,539,145
2034	3,635,000	71,869	3,706,869	5,160,000	386,324	5,546,324
2035	-	-	-	4,345,000	276,043	4,621,043
2036	-	-	-	3,220,000	187,056	3,407,056
2037	-	-	-	1,740,000	128,912	1,868,912
2038	-	-	-	1,630,000	87,862	1,717,862
2039	-	-	-	1,315,000	53,800	1,368,800
2040	-	-	-	1,105,000	28,450	1,133,450
2041	-	-		870,000	8,700	878,700
	$ 149,350,490	$ 24,533,402	$ 173,883,892	$ 150,003,340	$ 30,589,485	$ 180,592,825

CITY OF WICHITA, KANSAS

SUMMARY OF GENERAL OBLIGATION DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM PROPRIETARY FUND REVENUES

Based on bonded debt as of December 31, 2021

	Airport Authority			Stormwater Utility		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2022	$ 3,545,000	$ 5,168,074	$ 8,713,074	$ 1,774,980	$ 278,004	$ 2,052,984
2023	3,675,000	5,025,811	8,700,811	1,807,830	207,827	2,015,657
2024	3,825,000	4,868,605	8,693,605	1,854,180	135,511	1,989,691
2025	3,980,000	4,706,111	8,686,111	1,199,180	86,677	1,285,857
2026	4,145,000	4,537,774	8,682,774	910,000	54,919	964,919
2027	4,290,000	4,372,105	8,662,105	935,000	28,794	963,794
2028	4,460,000	4,202,021	8,662,021	145,000	13,144	158,144
2029	4,640,000	4,026,182	8,666,182	150,000	10,244	160,244
2030	4,825,000	3,842,455	8,667,455	150,000	7,056	157,056
2031	5,015,000	3,651,734	8,666,734	155,000	3,681	158,681
2032	4,815,000	3,460,785	8,275,785	-	-	-
2033	5,015,000	3,265,665	8,280,665	-	-	-
2034	5,235,000	3,060,290	8,295,290	-	-	-
2035	5,220,000	2,847,971	8,067,971	-	-	-
2036	5,290,000	2,630,089	7,920,089	-	-	-
2037	6,340,000	2,408,306	8,748,306	-	-	-
2038	6,620,000	2,134,717	8,754,717	-	-	-
2039	6,900,000	1,847,253	8,747,253	-	-	-
2040	7,200,000	1,546,202	8,746,202	-	-	-
2041	6,980,000	1,260,965	8,240,965	-	-	-
2042	6,740,000	983,319	7,723,319	-	-	-
2043	7,025,000	702,857	7,727,857	-	-	-
2044	7,325,000	409,837	7,734,837	-	-	-
2045	920,000	111,525	1,031,525	-	-	-
2046	965,000	76,088	1,041,088	-	-	-
2047	1,010,000	38,913	1,048,913	-	-	-
	$ 126,000,000	$ 71,185,654	$ 197,185,654	$ 9,081,170	$ 825,857	$ 9,907,027

	Water Utility			Totals		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2022	$ 5,950,000	$ 3,663,100	$ 9,613,100	$ 11,269,980	$ 9,109,178	$ 20,379,158
2023	6,250,000	3,358,100	9,608,100	11,732,830	8,591,738	20,324,568
2024	6,560,000	3,037,849	9,597,849	12,239,180	8,041,965	20,281,145
2025	6,890,000	2,701,600	9,591,600	12,069,180	7,494,388	19,563,568
2026	7,235,000	2,420,825	9,655,825	12,290,000	7,013,518	19,303,518
2027	7,450,000	2,200,550	9,650,550	12,675,000	6,601,449	19,276,449
2028	7,675,000	1,973,675	9,648,675	12,280,000	6,188,840	18,468,840
2029	7,905,000	1,739,975	9,644,975	12,695,000	5,776,401	18,471,401
2030	8,140,000	1,499,300	9,639,300	13,115,000	5,348,811	18,463,811
2031	8,385,000	1,209,500	9,594,500	13,555,000	4,864,915	18,419,915
2032	8,720,000	867,400	9,587,400	13,535,000	4,328,185	17,863,185
2033	9,070,000	522,938	9,592,938	14,085,000	3,788,603	17,873,603
2034	9,410,000	176,438	9,586,438	14,645,000	3,236,728	17,881,728
2035	-	-	-	5,220,000	2,847,971	8,067,971
2036	-	-	-	5,290,000	2,630,089	7,920,089
2037	-	-	-	6,340,000	2,408,306	8,748,306
2038	-	-	-	6,620,000	2,134,717	8,754,717
2039	-	-	-	6,900,000	1,847,253	8,747,253
2040	-	-	-	7,200,000	1,546,202	8,746,202
2041	-	-	-	6,980,000	1,260,965	8,240,965
2042	-	-	-	6,740,000	983,319	7,723,319
2043	-	-	-	7,025,000	702,857	7,727,857
2044	-	-	-	7,325,000	409,837	7,734,837
2045	-	-	-	920,000	111,525	1,031,525
2046	-	-	-	965,000	76,088	1,041,088
2047	-	-	-	1,010,000	38,913	1,048,913
	$ 99,640,000	$ 25,371,250	$ 125,011,250	$ 234,721,170	$ 97,382,761	$ 332,103,931

CITY OF WICHITA, KANSAS

SUMMARY OF REVENUE BOND DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM PROPRIETARY FUND REVENUES

Based on bonded debt as of December 31, 2021

	Water Utility*			Sewer Utility		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2022	$ 17,690,011	$ 8,350,580	$ 26,040,591	$ 15,584,989	$ 6,816,143	$ 22,401,132
2023	18,384,350	7,573,655	25,958,005	16,235,650	6,182,019	22,417,669
2024	16,867,412	6,794,484	23,661,896	13,627,588	5,524,990	19,152,578
2025	17,588,701	6,046,928	23,635,629	14,391,299	4,945,195	19,336,494
2026	17,095,846	5,310,305	22,406,151	14,184,154	4,373,282	18,557,436
2027	16,927,662	4,651,039	21,578,701	14,147,338	3,828,038	17,975,376
2028	17,411,579	4,014,431	21,426,010	14,648,421	3,296,888	17,945,309
2029	16,851,948	3,789,520	20,641,468	12,320,381	2,822,439	15,142,820
2030	17,118,983	3,240,277	20,359,260	12,148,553	2,417,961	14,566,514
2031	13,745,505	2,723,268	16,468,773	10,852,357	2,037,817	12,890,174
2032	12,421,295	2,313,620	14,734,915	10,172,013	1,711,639	11,883,652
2033	10,313,877	1,960,891	12,274,768	9,675,000	1,388,146	11,063,146
2034	10,499,569	1,677,196	12,176,765	9,960,000	1,095,899	11,055,899
2035	8,780,387	1,380,995	10,161,382	7,015,000	769,575	7,784,575
2036	8,601,331	1,137,573	9,738,904	6,560,000	531,975	7,091,975
2037	8,182,403	901,983	9,084,386	5,885,000	329,544	6,214,544
2038	7,593,604	679,149	8,272,753	2,315,000	147,050	2,462,050
2039	7,694,937	474,011	8,168,948	2,385,000	84,506	2,469,506
2040	2,291,402	266,014	2,557,416	1,000,000	20,000	1,020,000
2041	1,003,002	229,293	1,232,295	-	-	-
2042	1,014,737	218,447	1,233,184	-	-	-
2043	1,026,609	207,473	1,234,082	-	-	-
2044	1,038,620	196,371	1,234,991	-	-	-
2045	1,050,772	185,140	1,235,912	-	-	-
2046	1,063,066	173,777	1,236,843	-	-	-
2047	1,075,504	162,281	1,237,785	-	-	-
2048	1,088,088	150,650	1,238,738	-	-	-
2049	1,100,818	138,883	1,239,701	-	-	-
2050	1,113,698	126,979	1,240,677	-	-	-
2051	1,126,728	114,935	1,241,663	-	-	-
2052	1,139,911	102,751	1,242,662	-	-	-
2053	1,153,248	90,424	1,243,672	-	-	-
2054	1,166,741	77,952	1,244,693	-	-	-
2055	1,180,392	65,335	1,245,727	-	-	-
2056	1,194,202	52,570	1,246,772	-	-	-
2057	1,208,174	39,656	1,247,830	-	-	-
2058	1,222,310	26,591	1,248,901	-	-	-
2059	1,236,611	13,373	1,249,984	-	-	-
	267,264,033	$ 65,658,800	$ 332,922,833	$ 193,107,743	$ 48,323,106	$ 241,430,849
	(2,451,204) **					
	$ 264,812,829					

***** Includes direct borrowing and placement bonds: Water Infrastructure Finance and Innovation Act (WIFIA) revenue bonds.

****** Less estimated interest incurred during the construction phase of the WIFIA bonds that will be rolled into the principal balance.

Year	Airport Authority Principal	Airport Authority Interest	Airport Authority Debt Service Charges	Totals* Principal	Totals* Interest	Totals* Debt Service Charges
2022	$ 247,951	$ 267,474	$ 515,425	$ 33,522,951	$ 15,434,197	$ 48,957,148
2023	255,598	259,827	515,425	34,875,598	14,015,501	48,891,099
2024	263,222	252,203	515,425	30,758,222	12,571,677	43,329,899
2025	1,771,600	173,325	1,944,925	33,751,600	11,165,448	44,917,048
2026	279,978	145,447	425,425	31,559,978	9,829,034	41,389,012
2027	288,615	136,810	425,425	31,363,615	8,615,887	39,979,502
2028	297,311	128,114	425,425	32,357,311	7,439,433	39,796,744
2029	306,691	118,734	425,425	29,479,020	6,730,693	36,209,713
2030	316,154	109,271	425,425	29,583,690	5,767,509	35,351,199
2031	325,909	99,516	425,425	24,923,771	4,860,601	29,784,372
2032	335,816	89,608	425,424	22,929,124	4,114,867	27,043,991
2033	346,329	79,096	425,425	20,335,206	3,428,133	23,763,339
2034	357,017	68,407	425,424	20,816,586	2,841,502	23,658,088
2035	368,036	57,389	425,425	16,163,423	2,207,959	18,371,382
2036	379,313	46,112	425,425	15,540,644	1,715,660	17,256,304
2037	391,104	34,320	425,424	14,458,507	1,265,847	15,724,354
2038	403,178	22,247	425,425	10,311,782	848,446	11,160,228
2039	372,633	9,888	382,521	10,452,570	568,405	11,020,975
2040	131,265	-	131,265	3,422,667	286,014	3,708,681
2041	-	-	-	1,003,002	229,293	1,232,295
2042	-	-	-	1,014,737	218,447	1,233,184
2043	-	-	-	1,026,609	207,473	1,234,082
2044	-	-	-	1,038,620	196,371	1,234,991
2045	-	-	-	1,050,772	185,140	1,235,912
2046	-	-	-	1,063,066	173,777	1,236,843
2047	-	-	-	1,075,504	162,281	1,237,785
2048	-	-	-	1,088,088	150,650	1,238,738
2049	-	-	-	1,100,818	138,883	1,239,701
2050	-	-	-	1,113,698	126,979	1,240,677
2051	-	-	-	1,126,728	114,935	1,241,663
2052	-	-	-	1,139,911	102,751	1,242,662
2053	-	-	-	1,153,248	90,424	1,243,672
2054	-	-	-	1,166,741	77,952	1,244,693
2055	-	-	-	1,180,392	65,335	1,245,727
2056	-	-	-	1,194,202	52,570	1,246,772
2057	-	-	-	1,208,174	39,656	1,247,830
2058	-	-	-	1,222,310	26,591	1,248,901
2059	-	-	-	1,236,611	13,373	1,249,984
	$ 7,437,720	$ 2,097,788	$ 9,535,508	467,809,496	$ 116,079,694	$ 583,889,190
				(2,451,204) **		
				$ 465,358,292		

CITY OF WICHITA, KANSAS

SUMMARY OF REVENUE BOND DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM GOVERNMENTAL FUND REVENUES

Based on bonded debt as of December 31, 2021

	Sales Tax Special Obligation			Total		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2022	$ 246,166	$ 159,193	$ 405,359	$ 246,166	$ 159,193	$ 405,359
2023	365,944	146,940	512,884	365,944	146,940	512,884
2024	383,238	130,669	513,907	383,238	130,669	513,907
2025	470,576	112,885	583,461	470,576	112,885	583,461
2026	493,421	90,569	583,990	493,421	90,569	583,990
2027	248,324	70,313	318,637	248,324	70,313	318,637
2028	106,561	61,844	168,405	106,561	61,844	168,405
2029	111,687	56,686	168,373	111,687	56,686	168,373
2030	116,598	51,800	168,398	116,598	51,800	168,398
2031	121,723	46,646	168,369	121,723	46,646	168,369
2032	126,849	41,648	168,497	126,849	41,648	168,497
2033	133,042	35,304	168,346	133,042	35,304	168,346
2034	138,380	29,982	168,362	138,380	29,982	168,362
2035	143,933	24,447	168,380	143,933	24,447	168,380
2036	149,698	18,690	168,388	149,698	18,690	168,388
2037	155,678	12,702	168,380	155,678	12,702	168,380
2038	161,871	6,475	168,346	161,871	6,475	168,346
	$ 3,673,689	$ 1,096,793	$ 4,770,482	$ 3,673,689	$ 1,096,793	$ 4,770,482

CITY OF WICHITA, KANSAS

SUMMARY OF REVENUE LOAN PAYABLE DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM PROPRIETARY FUND REVENUES

Based on outstanding loan payable as of December 31, 2021

	Water Utility*			Total		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2025	$ 566,894	$ 194,448	$ 761,342	$ 566,894	$ 194,448	$ 761,342
2026	1,146,404	376,280	1,522,684	1,146,404	376,280	1,522,684
2027	1,163,434	359,250	1,522,684	1,163,434	359,250	1,522,684
2028	1,180,716	341,967	1,522,683	1,180,716	341,967	1,522,683
2029	1,198,256	324,428	1,522,684	1,198,256	324,428	1,522,684
2030	1,216,055	306,628	1,522,683	1,216,055	306,628	1,522,683
2031	1,234,119	288,564	1,522,683	1,234,119	288,564	1,522,683
2032	1,252,452	270,232	1,522,684	1,252,452	270,232	1,522,684
2033	1,271,057	251,627	1,522,684	1,271,057	251,627	1,522,684
2034	1,289,938	232,746	1,522,684	1,289,938	232,746	1,522,684
2035	1,309,100	213,584	1,522,684	1,309,100	213,584	1,522,684
2036	1,328,546	194,138	1,522,684	1,328,546	194,138	1,522,684
2037	1,348,281	174,402	1,522,683	1,348,281	174,402	1,522,683
2038	1,368,310	154,374	1,522,684	1,368,310	154,374	1,522,684
2039	1,388,636	134,048	1,522,684	1,388,636	134,048	1,522,684
2040	1,409,264	113,420	1,522,684	1,409,264	113,420	1,522,684
2041	1,430,198	92,486	1,522,684	1,430,198	92,486	1,522,684
2042	1,451,443	71,241	1,522,684	1,451,443	71,241	1,522,684
2043	1,473,004	49,680	1,522,684	1,473,004	49,680	1,522,684
2044	1,494,885	27,799	1,522,684	1,494,885	27,799	1,522,684
2045	755,749	5,593	761,342	755,749	5,593	761,342
	$ 26,276,741	$ 4,176,935	$ 30,453,676	$ 26,276,741	$ 4,176,935	$ 30,453,676
	(1,321,724) **					
	$ 24,955,017					

* Revenue loan payable by the Water Utility is a Kansas Public Water Supply Loan Fund (KPWSLF) loan, which is a direct borrowing and placement loan.

** Less estimated interest incurred during the construction phase of the KPWSLF loan that will be rolled into the principal balance.

CITY OF WICHITA, KANSAS

STATEMENT OF OUTSTANDING DEBT

As of December 31, 2021

OUTSTANDING DEBT:			
Bonded debt payable from:			
General obligation bonds:			
Ad valorem property taxes			**$ 51,525,191**
Other than ad valorem property taxes:			
Special assessments	$	150,003,340	
Tax increment financing		22,265,299	
Transient guest tax		2,430,000	
Airport Authority		126,000,000	
Local sales tax		73,130,000	
Stormwater Utility		9,081,170	
Water Utility		99,640,000	**482,549,809**
Total bonded debt - general obligation			**534,075,000**
Revenue bonds - specified revenues:			
Water-Sewer Utility Revenue Bonds		428,000,000	
Water-Sewer Utility WIFIA Bond [2]		29,920,572	
Sales Tax Special Obligation Revenue Bonds - 2017 [1]		1,873,890	
Sales Tax Special Obligation Revenue Bonds - 2018 [1]		1,799,799	
Airport Facility Revenue Bonds		7,437,720	**469,031,981**
Gross City bonded debt			**1,003,106,981**
Loan from specific revenues:			
Water-Sewer Utility KPWSLF Loan - 2020 [3]			**24,955,017**
Total outstanding debt			**$ 1,028,061,998**
Less: non-general obligation debt:			
Revenue bonds - specific revenues:			
Water-Sewer Utility Revenue Bonds	$	(428,000,000)	
Water-Sewer Utility WIFIA Bond [2]		(29,920,572)	
Sales Tax Special Obligation Revenue Bonds - 2017 [1]		(1,873,890)	
Sales Tax Special Obligation Revenue Bonds - 2018 [1]		(1,799,799)	
Airport Facility Revenue Bonds		(7,437,720)	**(469,031,981)**
Loan from specific revenues:			
Water-Sewer Utility KPWSLF Loan - 2020 [3]			**(24,955,017)**
Add: General obligation temporary notes			
Internal Improvements - Series 306, Dated 10/15/21		131,540,000	
Internal Improvements - Taxable Series 305, Dated 10/15/21		6,500,000	**138,040,000**
Total general obligation outstanding debt			**$ 672,115,000**

[1] Portion of the bonds outstanding listed are based upon City's portion of the 1% Sedgwick County Sales Tax.

[2] The City entered into an agreement on May 14, 2020, for a Water and Sewer Utility Water Infrastructure Finance and Innovation Act (WIFIA) Bond ("WIFIA Bond") in an amount not to exceed $331,000,000 to fund a portion of the Northwest Water Treatment Plant.

[3] The City entered into an agreement on June 22, 2020, for a Water and Sewer Utility Kansas Public Water Supply Loan Fund (KPWSLF) loan, in an amount not to exceed $55,000,000 to fund a portion of the Northwest Water Treatment Plant.

CITY OF WICHITA, KANSAS

SCHEDULE OF INSURANCE IN FORCE

December 31, 2021

Company	Policy Period From	Policy Period To	Details of Coverage	Terms	Deductible	Value Limits
Zurich	01-21	01-22	All risk coverage on real and personal property for which the City is legally liable, per I.A.W. statement of values on replacement cost basis.	Per occurrence with total insured values of approximately $1 billion.	$ 250,000 (2% TIV, min. $500,000 per location wind and hail)	$ 350,000,000
Zurich	01-21	01-22	Comprehensive coverage for steam boilers, air conditioners, and electric motors on a repair or replacement cost basis.	Per occurrence	250,000	Included
Zurich	01-21	01-22	Data processing property protection	Hardware	250,000	Included
Hartford Fire	01-21	01-22	Burglary and/or theft coverage for monies and securities	Per occurrence	10,000	1,000,000
Housing Authority Risk Retention Group	06-21	06-22	Wichita Housing Authority (WHA) commercial liability coverage	Per occurrence	10,000	5,000,000
Housing Authority Property Insurance	06-21	06-22	WHA commercial property coverage	Per occurrence with combined limit based on individual property values.	10,000	59,671,460
Housing Specialty Insurance Company	06-21	06-22	WHA vacant property coverage	Per occurrence with combined limit based on individual actual cash values.	25,000	8,561,213
Philadelphia Indemnity Insurance	12-21	12-22	WHA flood insurance on 29 owned units	Per occurrence	5,000 to 1,000 per unit	48,000 to 50,000 per unit
Safety National Casualty	01-21	01-22	Excess workers' compensation Employers' liability	Per occurrence-liability Per occurrence	750,000 -	Statutory 1,000,000
Zurich	01-21	01-22	Travel accident insurance	Per person/occurrence Aggregate	- -	100,000 500,000
Chubb	01-21	01-22	Foreign package-General liability	Per occurrence	-	1,000,000
Safety National, Kinsale and AIG	01-21	01-22	Special liability - $2 million (self-insured retention), $10 million primary, $10 million secondary	Per occurrence	2,000,000	20,000,000
Travelers	01-21	01-22	Position bonding	Per occurrence	-	20,000
AXA-XL	01-21	01-22	Cyber insurance	Combined aggregate	50,000	5,000,000
WICHITA AIRPORT AUTHORITY						
AIG	01-21	01-22	Comprehensive general liability	Per occurrence	$ 1,000	$ 100,000,000
Great American Alliance Ins.	01-21	01-22	Underground storage tank liability (City-Wide)	Per occurrence	10,000	1,000,000
WICHITA ART MUSEUM						
AXA/Ironshore Indemnity Inc.	01-21	01-22	All risk coverage for fine arts collections, on premises; worldwide transit coverage; and other locations.	Per occurrence at insured's Per occurrence not at Art in transit	$ 1,000 1,000 1,000	$ 200,000,000 100,000,000 100,000,000

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
GENERAL FUND

December 31, 2021

	Economic Development	General Fund	Intrafund Elimination	Combined General Fund
ASSETS				
Cash and cash equivalents	$ 1,599,237	$ 58,160,167	$ -	$ 59,759,404
Receivables, net:				
Property taxes	-	95,473,293	-	95,473,293
Due from other agencies	-	23	-	23
Accounts receivable	215,000	1,738,285	-	1,953,285
Due from other funds	87	100,026	-	100,113
Prepaid items	-	264,419	-	264,419
Total assets	$ 1,814,324	$ 155,736,213	$ -	$ 157,550,537
LIABILITIES				
Accounts payable and other liabilities	$ 212,238	$ 7,166,011	$ -	$ 7,378,249
Deposits	48,957	279,122	-	328,079
Unearned revenue	10,000	612,353	-	622,353
Total liabilities	271,195	8,057,486	-	8,328,681
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Property taxes	-	95,473,293	-	95,473,293
Total deferred inflows of resources	-	95,473,293	-	95,473,293
FUND BALANCES				
Nonspendable	-	264,419	-	264,419
Assigned	1,543,129	1,823,866	-	3,366,995
Unassigned	-	50,117,149	-	50,117,149
Total fund balances	1,543,129	52,205,434	-	53,748,563
Total liabilities, deferred inflows of resources and fund balances	$ 1,814,324	$ 155,736,213	$ -	$ 157,550,537

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
DEBT SERVICE FUND

December 31, 2021

	Economic Development TIF Districts	Debt Service Fund	Intrafund Elimination	Combined Debt Service Fund
ASSETS				
Cash and cash equivalents	$ 351,357	$ 23,437,089	$ -	$ 23,788,446
Cash with fiscal agent	-	107,760	-	107,760
Receivables, net:				
Property taxes	-	25,952,153	-	25,952,153
Special assessments	-	165,927,645	-	165,927,645
Notes receivable	-	424,492	-	424,492
Due from other funds	-	5,668,420	-	5,668,420
Total assets	$ 351,357	$ 221,517,559	$ -	$ 221,868,916
LIABILITIES				
Accounts payable and other liabilities	$ 20,635	$ -	$ -	$ 20,635
Deposits	11,458	445,029	-	456,487
Unearned revenue	-	2,035,049	-	2,035,049
Total liabilities	32,093	2,480,078	-	2,512,171
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue:				
Property taxes	-	25,952,153	-	25,952,153
Unavailable revenue:				
Special assessments	-	165,927,645	-	165,927,645
Other	-	424,492	-	424,492
Total deferred inflows of resources	-	192,304,290	-	192,304,290
FUND BALANCES				
Restricted	319,264	26,733,191	-	27,052,455
Total fund balances	319,264	26,733,191	-	27,052,455
Total liabilities, deferred inflows of resources and fund balances	$ 351,357	$ 221,517,559	$ -	$ 221,868,916

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
DEBT SERVICE FUND - ECONOMIC DEVELOPMENT TIF DISTRICTS SUBFUND

December 31, 2021

	East Bank	West Bank	Old Town Cinema	Northeast Redevelopment
ASSETS				
Cash and cash equivalents	$ -	$ 161,384	$ 110,814	$ 20,635
Total assets	-	161,384	110,814	20,635
LIABILITIES				
Accounts payable and other liabilities	-	-	-	20,635
Deposits	-	-	-	-
Total liabilities	-	-	-	20,635
FUND BALANCES				
Restricted	-	161,384	110,814	-
Total fund balances	-	161,384	110,814	-
Total liabilities, deferred inflows of resources and fund balances	$ -	$ 161,384	$ 110,814	$ 20,635

Southfork	Center City	Ken Mar	Douglas & Hillside	Union Station	Economic Development TIF Districts
$ 24,179	$ -	$ -	$ -	$ 34,345	$ 351,357
24,179	-	-	-	34,345	351,357
-	-	-	-	-	20,635
-	-	-	-	11,458	11,458
-	-	-	-	11,458	32,093
24,179	-	-	-	22,887	319,264
24,179	-	-	-	22,887	319,264
$ 24,179	$ -	$ -	$ -	$ 34,345	$ 351,357

(Continued)

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
ENVIRONMENTAL TIF DISTRICTS FUND

December 31, 2021

	Gilbert & Mosely TIF District	North Industrial Corridor TIF District	Environmental TIF Districts
ASSETS			
Cash and cash equivalents	$ 23,037,565	$ 15,283,300	$ 38,320,865
Receivables, net:			
Accounts receivable	741,000	-	741,000
Due from other funds	4,342	-	4,342
Total assets	23,782,907	15,283,300	39,066,207
LIABILITIES			
Accounts payable and other liabilities	4,003	412,379	416,382
Total liabilities	4,003	412,379	416,382
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue:			
Other	741,000	-	741,000
Total deferred inflows of resources	741,000	-	741,000
FUND BALANCES			
Restricted	23,037,904	14,870,921	37,908,825
Total fund balances	23,037,904	14,870,921	37,908,825
Total liabilities and fund balances	$ 23,782,907	$ 15,283,300	$ 39,066,207

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
CITY-COUNTY JOINT OPERATIONS FUND

December 31, 2021

	City-County Flood Control	City-County Metropolitan Planning	City-County Joint Operations
ASSETS			
Cash and cash equivalents	$ 384,778	$ 242,112	$ 626,890
Due from other funds	1,659	-	1,659
Total assets	386,437	242,112	628,549
LIABILITIES			
Accounts payable and other liabilities	186,999	156,007	343,006
Total liabilities	186,999	156,007	343,006
FUND BALANCES			
Restricted	199,438	86,105	285,543
Total fund balances	199,438	86,105	285,543
Total liabilities and fund balances	$ 386,437	$ 242,112	$ 628,549

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
COMMUNITY IMPROVEMENT DISTRICTS (CID) FUND

December 31, 2021

	WaterWalk Hotel	Broadview Hotel	Central & Oliver	Greenwich & K-96 (Cabelas)
ASSETS				
Cash and cash equivalents	$ 11,203	$ 3,875	$ 2,249	$ 55,649
Total assets	$ 11,203	$ 3,875	$ 2,249	$ 55,649
LIABILITIES				
Accounts payable and other liabilities	$ 11,203	$ 3,875	$ 2,249	$ 55,649
Total liabilities	11,203	3,875	2,249	55,649
FUND BALANCES				
Restricted	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities, deferred inflows of resources and fund balances	$ 11,203	$ 3,875	$ 2,249	$ 55,649

Douglas & Broadway	Kellogg & West	Greenwich & K-96 (STAR)	Wichita Downtown	Chicken & Pickle	Spaghetti Works
$ 22,868	$ 19,779	$ 1,154,194	$ 6,828	$ 41,301	$ 7,676
$ 22,868	$ 19,779	$ 1,154,194	$ 6,828	$ 41,301	$ 7,676
$ 22,868	$ 19,779	$ -	$ 6,828	$ 10,536	$ 7,676
22,868	19,779	-	6,828	10,536	7,676
-	-	1,154,194	-	30,765	-
-	-	1,154,194	-	30,765	-
$ 22,868	$ 19,779	$ 1,154,194	$ 6,828	$ 41,301	$ 7,676

(Continued)

CITY OF WICHITA, KANSAS

COMBINING BALANCE SHEET
COMMUNITY IMPROVEMENT DISTRICTS (CID) FUND (CONTINUED)

December 31, 2021

	Multi-Sports Stadium	Douglas & Emporia	Delano RD Catalyst	Delano Catalyst	Community Improvement Districts
ASSETS					
Cash and cash equivalents	$ 287,466	$ 8,303	$ 5,047	$ 1,823	$ 1,628,261
Total assets	$ 287,466	$ 8,303	$ 5,047	$ 1,823	$ 1,628,261
LIABILITIES					
Accounts payable and other liabilities	$ 287,466	$ 7,429	$ 5,047	$ 1,823	$ 442,428
Total liabilities	287,466	7,429	5,047	1,823	442,428
FUND BALANCES					
Restricted	-	874	-	-	1,185,833
Total fund balances	-	874	-	-	1,185,833
Total liabilities, deferred inflows of resources and fund balances	$ 287,466	$ 8,303	$ 5,047	$ 1,823	$ 1,628,261

CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND

For the year ended December 31, 2021

	Economic Development	General Fund	Intrafund Elimination	Combined General Fund
REVENUES				
Property taxes	$ -	$ 96,238,598	$ -	$ 96,238,598
Motor vehicle taxes	-	13,388,291	-	13,388,291
Franchise taxes	-	47,715,217	-	47,715,217
Local sales tax	-	34,600,874	-	34,600,874
Intergovernmental	-	18,768,626	-	18,768,626
Licenses and permits	-	2,177,531	-	2,177,531
Fines and penalties	-	9,362,457	-	9,362,457
Rentals	358,971	1,088,101	-	1,447,072
Sale of property	31,016	103,781	-	134,797
Interest and investment earnings	-	1,366,585	-	1,366,585
Charges for services and sales	936,760	16,465,484	-	17,402,244
Other revenue	458,146	10,134,304	(119,734)	10,472,716
Total revenues	1,784,893	251,409,849	(119,734)	253,075,008
EXPENDITURES				
Current:				
General government	1,637,168	36,746,058	(119,734)	38,263,492
Public safety	-	156,658,494	-	156,658,494
Highways and streets	-	14,995,174	-	14,995,174
Sanitation	-	5,140,806	-	5,140,806
Health and welfare	-	1,356,451	-	1,356,451
Culture and recreation	-	28,677,852	-	28,677,852
Total expenditures	1,637,168	243,574,835	(119,734)	245,092,269
Excess of revenues over expenditures	147,725	7,835,014	-	7,982,739
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	4,555,071	-	4,555,071
Transfers to other funds	-	(7,248,254)	-	(7,248,254)
Total other financing uses	-	(2,693,183)	-	(2,693,183)
Net change in fund balance	147,725	5,141,831	-	5,289,556
Fund balances - beginning	1,395,404	47,063,603	-	48,459,007
Fund balances - ending	$ 1,543,129	$ 52,205,434	$ -	$ 53,748,563

CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND

For the year ended December 31, 2021

	Economic Development TIF Districts	Debt Service Fund	Intrafund Elimination	Combined Debt Service Fund
REVENUES				
Property taxes	$ 3,247,794	$ 26,269,038	$ -	$ 29,516,832
Motor vehicle taxes	-	3,986,284	-	3,986,284
Special assessments	-	22,302,990	-	22,302,990
Local sales tax	-	580,551	-	580,551
Interest and investment earnings	-	50	-	50
Other revenue	-	41,439	-	41,439
Total revenues	3,247,794	53,180,352	-	56,428,146
EXPENDITURES				
Current:				
General government	325,111	-	-	325,111
Debt service:				
Principal retirement	-	39,452,026	-	39,452,026
Interest and fiscal charges	-	11,394,447	-	11,394,447
Other debt service	-	203,906	-	203,906
Total expenditures	325,111	51,050,379	-	51,375,490
Excess of revenues over expenditures	2,922,683	2,129,973	-	5,052,656
OTHER FINANCING SOURCES (USES)				
Premiums on issuance of debt	-	166,363	-	166,363
Transfers from other funds	-	16,615,552	(2,157,283)	14,458,269
Transfers to other funds	(2,695,904)	(13,716,262)	2,157,283	(14,254,883)
Total other financing sources (uses)	(2,695,904)	3,065,653	-	369,749
Net change in fund balance	226,779	5,195,626	-	5,422,405
Fund balances - beginning	92,485	21,537,565	-	21,630,050
Fund balances - ending	$ 319,264	$ 26,733,191	$ -	$ 27,052,455

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CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND - ECONOMIC DEVELOPMENT TIF DISTRICTS SUBFUND

For the year ended December 31, 2021

	East Bank	West Bank	Old Town Cinema	Northeast Redevelopment
REVENUES				
Property taxes	$ 1,238,735	$ 218,142	$ 649,435	$ 81
Total revenues	1,238,735	218,142	649,435	81
EXPENDITURES				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	1,238,735	218,142	649,435	81
OTHER FINANCING USES				
Transfers to other funds	(1,238,735)	(67,860)	(538,621)	(81)
Total other financing uses	(1,238,735)	(67,860)	(538,621)	(81)
Net change in fund balance	-	150,282	110,814	-
Fund balances - beginning	-	11,102	-	-
Fund balances - ending	$ -	$ 161,384	$ 110,814	$ -

Southfork	Center City	Ken Mar	Douglas & Hillside	Union Station	Economic Development TIF Districts
$ 137,928	$ 622,390	$ 50,231	$ 119,693	$ 211,159	$ 3,247,794
137,928	622,390	50,231	119,693	211,159	3,247,794
136,839	-	-	-	188,272	325,111
136,839	-	-	-	188,272	325,111
1,089	622,390	50,231	119,693	22,887	2,922,683
-	(654,499)	(50,231)	(145,877)	-	(2,695,904)
-	(654,499)	(50,231)	(145,877)	-	(2,695,904)
1,089	(32,109)	-	(26,184)	22,887	226,779
23,090	32,109	-	26,184	-	92,485
$ 24,179	$ -	$ -	$ -	$ 22,887	$ 319,264

(Continued)

CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ENVIRONMENTAL TIF DISTRICTS FUND

For the year ended December 31, 2021

	Gilbert & Mosley TIF District	North Industrial Corridor TIF District	Environmental TIF Districts
REVENUES			
Property taxes	$ 2,670,041	$ 1,165,300	$ 3,835,341
Sale of property	-	20,451	20,451
Other revenue	102	312,500	312,602
Total revenues	2,670,143	1,498,251	4,168,394
EXPENDITURES			
Current:			
Health and welfare	775,479	3,962,621	4,738,100
Total expenditures	775,479	3,962,621	4,738,100
Net change in fund balance	1,894,664	(2,464,370)	(569,706)
Fund balances - beginning	21,143,240	17,335,291	38,478,531
Fund balances - ending	$ 23,037,904	$ 14,870,921	$ 37,908,825

CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CITY-COUNTY JOINT OPERATIONS FUND

For the year ended December 31, 2021

	City-County Flood Control	City-County Metropolitan Planning	City-County Joint Operations
REVENUES			
Intergovernmental	$ 899,832	$ 537,089	$ 1,436,921
Charges for services and sales	-	315,822	315,822
Other revenue	-	455,651	455,651
Total revenues	899,832	1,308,562	2,208,394
EXPENDITURES			
Current:			
General government	-	1,319,097	1,319,097
Public safety	1,628,780	455,651	2,084,431
Total expenditures	1,628,780	1,774,748	3,403,528
Deficiency of revenues under expenditures	(728,948)	(466,186)	(1,195,134)
OTHER FINANCING SOURCES			
Transfers from other funds	899,832	537,089	1,436,921
Total other financing sources	899,832	537,089	1,436,921
Net change in fund balance	170,884	70,903	241,787
Fund balances - beginning	28,554	15,202	43,756
Fund balances - ending	$ 199,438	$ 86,105	$ 285,543

CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COMMUNITY IMPROVEMENT DISTRICTS FUND

For the year ended December 31, 2021

	WaterWalk Hotel	Broadview Hotel	Central & Oliver	Greenwich & K-96 (Cabelas)
REVENUES				
Local sales tax	$ 74,056	$ 86,069	$ 20,189	$ 363,630
Total revenues	74,056	86,069	20,189	363,630
EXPENDITURES				
Current:				
General government	74,341	86,318	20,274	364,867
Total expenditures	74,341	86,318	20,274	364,867
Excess (deficiency) of revenues over (under) expenditures	(285)	(249)	(85)	(1,237)
OTHER FINANCING USES				
Transfers to other funds	-	-	-	-
Total other financing uses	-	-	-	-
Net change in fund balance	(285)	(249)	(85)	(1,237)
Fund balances - beginning	285	249	85	1,237
Fund balances - ending	$ -	$ -	$ -	$ -

Douglas & Broadway	Kellogg & West	Greenwich & K-96 (STAR)	Wichita Downtown	Chicken & Pickle	Spaghetti Works
$ 109,580	$ 240,066	$ 448,393	$ 52,386	$ 125,237	$ 58,410
109,580	240,066	448,393	52,386	125,237	58,410
109,944	240,588	158,634	52,823	113,212	74,186
109,944	240,588	158,634	52,823	113,212	74,186
(364)	(522)	289,759	(437)	12,025	(15,776)
-	-	-	-	-	(5,841)
-	-	-	-	-	(5,841)
(364)	(522)	289,759	(437)	12,025	(21,617)
364	522	864,435	437	18,740	21,617
$ -	$ -	$ 1,154,194	$ -	$ 30,765	$ -

(Continued)

CITY OF WICHITA, KANSAS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COMMUNITY IMPROVEMENT DISTRICTS FUND (CONTINUED)

For the year ended December 31, 2021

	Multi-Sports Stadium	Douglas & Emporia	Delano RD Catalyst	Delano Catalyst	Community Improvement Districts
REVENUES					
Local sales tax	$ 241,437	$ 8,740	$ 46,317	$ 7,709	$ 1,882,219
Total revenues	241,437	8,740	46,317	7,709	1,882,219
EXPENDITURES					
Current:					
General government	297,333	7,866	46,317	7,709	1,654,412
Total expenditures	297,333	7,866	46,317	7,709	1,654,412
Excess (deficiency) of revenues over (under) expenditures	(55,896)	874	-	-	227,807
OTHER FINANCING USES					
Transfers to other funds	-	-	-	-	(5,841)
Total other financing uses	-	-	-	-	(5,841)
Net change in fund balance	(55,896)	874	-	-	221,966
Fund balances - beginning	55,896	-	-	-	963,867
Fund balances - ending	$ -	$ 874	$ -	$ -	$ 1,185,833

STATISTICAL SECTION



CITY OF WICHITA KANSAS

STATISTICAL SECTION

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

Financial trends help the reader understand how the City's financial performance and well-being have changed over time.

Revenue capacity information is intended to help the reader assess the factors affecting the City's ability to generate property and sales tax.

Debt capacity schedules present information to help the reader assess the affordability of the City's current outstanding debt and the City's ability to issue additional debt in the future.

Demographic and economic indicators are offered to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time.

Operating information is provided to help the reader understand how the City's financial information relates to the services provided and the activities performed by the City.

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CITY OF WICHITA, KANSAS

NET POSITION BY COMPONENT

For years ended December 31, 2012 through December 31, 2021
(accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
GOVERNMENTAL ACTIVITIES					
Net investment in capital assets	$ 659,114	$ 730,439	$ 714,088	$ 779,473	$ 831,119
Restricted for:					
Capital projects	38,986	23,033	24,909	22,017	30,743
Highways and streets	-	-	-	-	702
Debt service	277,226	226,947	221,877	191,172	183,820
Perpetual care	790	762	749	721	1,498
Other purposes	11,135	15,372	19,618	23,628	28,192
Unrestricted	1,918	(11,285)	48,517	27,477	38,389
Total governmental activities net position	$ 989,169	$ 985,268	$ 1,029,758	$ 1,044,488	$ 1,114,463
BUSINESS-TYPE ACTIVITIES					
Net investment in capital assets	$ 820,105	$ 854,195	$ 908,335	$ 920,577	$ 956,424
Restricted for:					
Capital projects	32,308	53,653	31,221	37,578	18,398
Operating projects	-	-	-	-	-
Revenue bond covenants	131,943	117,763	107,357	105,443	114,093
Unrestricted	38,391	40,446	61,782	56,332	72,483
Total business-type activities net position	$ 1,022,747	$ 1,066,057	$ 1,108,695	$ 1,119,930	$ 1,161,398
PRIMARY GOVERNMENT					
Net investment in capital assets	$ 1,479,219	$ 1,584,634	$ 1,622,423	$ 1,700,050	$ 1,787,543
Restricted for:					
Capital projects	71,294	76,686	56,130	59,595	49,141
Operating projects	-	-	-	-	-
Highways and streets	-	-	-	-	702
Debt service	277,226	226,947	221,877	191,172	183,820
Revenue bond covenants	131,943	117,763	107,357	105,443	114,093
Perpetual care	790	762	749	721	1,498
Other purposes	11,135	15,372	19,618	23,628	28,192
Unrestricted	40,309	29,161	110,299	83,809	110,872
Total primary government net position	$ 2,011,916	$ 2,051,325	$ 2,138,453	$ 2,164,418	$ 2,275,861

	Fiscal Year				
	2017	2018	2019	2020	2021
GOVERNMENTAL ACTIVITIES					
Net investment in capital assets	$ 860,155	$ 877,975	$ 893,090	$ 929,603	$ 891,532
Restricted for:					
Capital projects	14,594	59,996	29,334	11,485	46,703
Highways and streets	2,958	9,227	13,466	16,380	20,952
Debt service	180,661	176,757	171,034	170,604	190,954
Perpetual care	1,500	1,386	1,512	1,402	1,584
Other purposes	28,372	25,063	33,103	35,170	37,638
Unrestricted	20,546	(5,915)	(35,463)	(44,506)	(24,276)
Total governmental activities net position	$ 1,108,786	$ 1,144,489	$ 1,106,076	$ 1,120,138	$ 1,165,087
BUSINESS-TYPE ACTIVITIES					
Net investment in capital assets	$ 966,425	$ 1,006,030	$ 1,006,493	$ 1,038,139	$ 1,078,289
Restricted for:					
Capital projects	9,554	13,836	18,058	20,121	5,808
Operating projects	-	-	-	6,108	6,983
Revenue bond covenants	131,055	113,163	145,733	162,408	207,987
Unrestricted	85,514	86,752	78,696	82,781	90,805
Total business-type activities net position	$ 1,192,548	$ 1,219,781	$ 1,248,980	$ 1,309,557	$ 1,389,872
PRIMARY GOVERNMENT					
Net investment in capital assets	$ 1,826,580	$ 1,884,005	$ 1,899,583	$ 1,967,742	$ 1,969,821
Restricted for:					
Capital projects	24,148	73,832	47,392	31,606	52,511
Operating projects	-	-	-	6,108	6,983
Highways and streets	2,958	9,227	13,466	16,380	20,952
Debt service	180,661	176,757	171,034	170,604	190,954
Revenue bond covenants	131,055	113,163	145,733	162,408	207,987
Perpetual care	1,500	1,386	1,512	1,402	1,584
Other purposes	28,372	25,063	33,103	35,170	37,638
Unrestricted	106,060	80,837	43,233	38,275	66,529
Total primary government net position	$ 2,301,334	$ 2,364,270	$ 2,355,056	$ 2,429,695	$ 2,554,959

CITY OF WICHITA, KANSAS

CHANGES IN NET POSITION

For years ended December 31, 2012 through December 31, 2021
(accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
EXPENSES					
Governmental activities:					
General government	$ 52,538	$ 44,510	$ 46,350	$ 64,844	$ 47,613
Public safety	129,684	129,627	132,601	136,232	151,445
Highways and streets	62,484	60,735	50,698	68,326	44,659
Sanitation	3,567	4,700	4,489	5,384	5,054
Health and welfare	35,358	29,919	29,668	31,896	34,973
Culture and recreation	36,090	34,624	35,629	37,707	43,908
Interest on long-term debt	13,676	15,656	13,729	12,334	14,874
Total governmental activities expenses	333,397	319,771	313,164	356,723	342,526
Business-type activities:					
Water Utility	48,613	50,066	60,654	72,179	75,308
Sewer Utility	38,577	43,743	46,801	44,943	48,510
Airport Authority	32,651	26,781	28,691	38,967	38,671
Stormwater Utility	8,540	7,933	8,476	10,905	10,111
Golf Course System	4,594	4,765	4,887	4,960	5,038
Transit	15,152	15,139	15,340	16,337	14,086
Total business-type activities expenses	148,127	148,427	164,849	188,291	191,724
Total primary government expenses	$ 481,524	$ 468,198	$ 478,013	$ 545,014	$ 534,250
PROGRAM REVENUES					
Governmental activities:					
Charges for services:					
General government	$ 14,210	$ 12,432	$ 15,778	$ 22,389	$ 32,111
Public safety	7,093	6,636	6,588	7,411	7,566
Highways and streets	4,423	4,313	4,558	5,196	6,606
Sanitation	1,103	1,265	1,115	1,085	2,134
Health and welfare	4,110	5,138	3,821	3,332	4,271
Culture and recreation	5,494	4,634	4,798	4,979	5,921
Operating grants and contributions	47,413	46,950	45,088	46,685	49,012
Capital grants and contributions	33,870	11,133	38,795	50,301	51,006
Total governmental activities revenues	117,716	92,501	120,541	141,378	158,627
Business-type activities:					
Charges for services:					
Water Utility	80,088	64,790	75,173	74,906	77,241
Sewer Utility	45,979	49,754	51,291	53,236	54,626
Airport Authority	22,112	21,964	23,687	25,752	28,394
Stormwater Utility	9,057	9,170	9,315	9,353	9,198
Golf Course System	4,726	4,182	4,301	4,632	4,412
Transit	2,146	2,050	2,035	2,089	1,783
Operating grants and contributions	6,689	7,139	8,859	4,592	7,406
Capital grants and contributions	15,381	33,102	22,871	27,842	33,555
Total business-type activities revenues	186,178	192,151	197,532	202,402	216,615
Total primary government revenues	$ 303,894	$ 284,652	$ 318,073	$ 343,780	$ 375,242
NET REVENUE (EXPENSE)					
Governmental activities	$ (215,681)	$ (227,270)	$ (192,623)	$ (215,345)	$ (183,899)
Business-type activities	38,051	43,724	32,683	14,111	24,891
Total primary government net expense	$ (177,630)	$ (183,546)	$ (159,940)	$ (201,234)	$ (159,008)

	Fiscal Year				
	2017	2018	2019	2020	2021
EXPENSES					
Governmental activities:					
General government	$ 62,657	$ 53,601	$ 53,832	$ 50,481	$ 53,279
Public safety	150,548	146,543	170,966	173,495	154,190
Highways and streets	101,127	77,138	93,555	67,712	57,704
Sanitation	5,035	5,198	4,781	7,536	8,882
Health and welfare	33,392	42,045	36,035	34,918	62,423
Culture and recreation	45,189	48,998	49,526	42,140	42,094
Interest on long-term debt	11,258	10,585	12,305	11,557	7,014
Total governmental activities expenses	409,206	384,108	421,000	387,839	385,586
Business-type activities:					
Water Utility	77,795	77,052	77,827	82,008	82,923
Sewer Utility	49,942	51,177	53,290	53,565	51,984
Airport Authority	39,887	39,852	42,813	42,755	37,457
Stormwater Utility	9,937	9,958	11,050	11,856	10,721
Golf Course System	5,296	5,016	4,897	4,281	4,024
Transit	14,829	15,780	15,476	16,038	15,570
Total business-type activities expenses	197,686	198,835	205,353	210,503	202,679
Total primary government expenses	$ 606,892	$ 582,943	$ 626,353	$ 598,342	$ 588,265
PROGRAM REVENUES					
Governmental activities:					
Charges for services					
General government	$ 24,337	$ 24,422	$ 27,206	$ 23,203	$ 28,464
Public safety	3,244	5,020	5,106	6,114	3,878
Highways and streets	3,584	4,322	3,792	3,835	3,503
Sanitation	4,710	3,168	2,864	2,711	2,537
Health and welfare	2,590	3,486	3,420	4,322	2,447
Culture and recreation	3,707	5,063	5,221	2,527	4,501
Operating grants and contributions	49,218	45,880	53,891	65,495	86,167
Capital grants and contributions	76,791	98,229	40,591	42,664	42,949
Total governmental activities revenues	168,181	189,590	142,091	150,871	174,446
Business-type activities:					
Charges for services:					
Water Utility	81,026	88,015	85,197	103,244	112,772
Sewer Utility	57,409	62,665	65,697	68,116	74,382
Airport Authority	31,012	30,565	32,086	23,251	29,229
Stormwater Utility	11,897	12,853	12,799	13,009	13,534
Golf Course System	4,352	4,190	3,985	4,062	5,174
Transit	1,908	2,152	2,083	1,232	1,129
Operating grants and contributions	6,781	7,036	6,864	19,166	10,081
Capital grants and contributions	22,290	11,037	16,003	23,180	13,214
Total business-type activities revenues	216,675	218,513	224,714	255,260	259,515
Total primary government revenues	$ 384,856	$ 408,103	$ 366,805	$ 406,131	$ 433,961
NET REVENUE (EXPENSE)					
Governmental activities	$ (241,025)	$ (194,518)	$ (278,909)	$ (236,968)	$ (211,140)
Business-type activities	18,989	19,678	19,361	44,757	56,836
Total primary government net expense	$ (222,036)	$ (174,840)	$ (259,548)	$ (192,211)	$ (154,304)

(Continued)

CITY OF WICHITA, KANSAS

CHANGES IN NET POSITION (CONTINUED)

For years ended December 31, 2012 through December 31, 2021
(accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
GENERAL REVENUES					
Governmental activities:					
Taxes:					
Property taxes	$ 105,874	$ 106,347	$ 105,989	$ 106,706	$ 108,266
Sales taxes	54,095	58,519	56,143	57,959	58,660
Franchise taxes	37,407	39,283	41,864	44,304	44,766
Motor vehicle taxes	13,116	13,398	14,397	14,732	15,704
Transient guest taxes	6,100	6,360	6,754	7,255	7,178
Interest and investment earnings	530	828	1,422	1,725	2,255
Miscellaneous	5,683	7,755	15,289	11,952	12,585
Special item - loss on sale of Hyatt Hotel	-	-	-	-	(11,754)
Transfers	2,566	2,406	(4,744)	(3,539)	(4,114)
Total governmental activities general revenues	225,371	234,896	237,114	241,094	233,546
Business-type activities:					
Interest and investment earnings	3,813	487	42	449	103
Miscellaneous	2,138	4,464	5,170	2,013	1,286
Transfers	(2,566)	(2,406)	4,744	3,539	4,114
Total business-type activities general revenues	3,385	2,545	9,956	6,001	5,503
Total primary government general revenues	$ 228,756	$ 237,441	$ 247,070	$ 247,095	$ 239,049
CHANGE IN NET POSITION					
Governmental activities:					
Change in net position before prior period adjustment	$ 9,690	$ 7,626	$ 44,491	$ 25,749	$ 49,647
Prior period adjustment	-	(11,527)	-	(11,019)	20,328
Total governmental activities change in net position	9,690	(3,901)	44,491	14,730	69,975
Business-type activities:					
Change in net position before prior period adjustment	41,436	46,269	42,639	20,112	30,394
Prior period adjustment	-	(2,960)	-	(8,878)	11,073
Total business-type activities change in net position	41,436	43,309	42,639	11,234	41,467
Primary Government:					
Change in net position before prior period adjustment	51,126	53,895	87,130	45,861	80,041
Prior period adjustment	-	(14,487)	-	(19,897)	31,401
Total primary government change in net position	$ 51,126	$ 39,408	$ 87,130	$ 25,964	$ 111,442

	Fiscal Year				
	2017	2018	2019	2020	2021
GENERAL REVENUES					
Governmental activities:					
Taxes:					
Property taxes	$ 110,624	$ 113,366	$ 118,080	$ 123,116	$ 130,276
Sales taxes	57,683	59,602	63,024	63,822	72,156
Franchise taxes	45,564	47,282	44,797	45,461	47,715
Motor vehicle taxes	15,738	16,116	16,609	16,685	17,410
Transient guest taxes	7,065	7,411	11,057	7,703	8,507
Interest and investment earnings	3,921	7,362	11,388	5,488	1,631
Miscellaneous	5,720	1,968	3,529	2,654	1,075
Special item - loss on sale of Hyatt Hotel	-	-	-	-	-
Transfers	(11,017)	(12,829)	(12,741)	(13,898)	(22,709)
Total governmental activities general revenues	235,298	240,278	255,743	251,031	256,061
Business-type activities:					
Interest and investment earnings	428	1,086	1,463	378	51
Miscellaneous	714	927	1,718	1,543	719
Transfers	11,017	12,829	12,741	13,898	22,709
Total business-type activities general revenues	12,159	14,842	15,922	15,819	23,479
Total primary government general revenues	$ 247,457	$ 255,120	$ 271,665	$ 266,850	$ 279,540
CHANGE IN NET POSITION					
Governmental activities:					
Change in net position before prior period adjustment	$ (5,727)	$ 45,760	$ (23,166)	$ 14,063	$ 44,921
Prior period adjustment	52	(10,057)	(15,248)	-	28
Total governmental activities change in net position	(5,675)	35,703	(38,414)	14,063	44,949
Business-type activities:					
Change in net position before prior period adjustment	31,148	34,520	35,283	60,576	80,315
Prior period adjustment	-	(7,287)	(6,083)	-	-
Total business-type activities change in net position	31,148	27,233	29,200	60,576	80,315
Primary Government:					
Change in net position before prior period adjustment	25,421	80,280	12,117	74,639	125,236
Prior period adjustment	52	(17,344)	(21,331)	-	28
Total primary government change in net position	$ 25,473	$ 62,936	$ (9,214)	$ 74,639	$ 125,264

CITY OF WICHITA, KANSAS

FUND BALANCES OF GOVERNMENTAL FUNDS

For years ended December 31, 2012 through December 31, 2021
(modified accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
General Fund					
Nonspendable	$ 841	$ 847	$ 888	$ 949	$ 858
Committed	-	-	-	-	14,000
Assigned	6,035	5,392	5,384	6,347	5,249
Unassigned	24,291	26,315	27,859	28,824	36,449
Total General Fund	$ 31,167	$ 32,554	$ 34,131	$ 36,120	$ 56,556
Debt Service Fund					
Nonspendable	$ -	$ -	$ -	$ 4,067	$ 3,777
Restricted	114,344	88,293	41,315	27,125	21,984
Total Debt Service Fund	$ 114,344	$ 88,293	$ 41,315	$ 31,192	$ 25,761
All other governmental funds					
Nonspendable	$ 314	$ 345	$ 356	$ 396	$ 352
Restricted	66,502	54,354	59,275	87,087	84,437
Committed	25,206	15,590	16,527	16,142	18,004
Assigned	-	8,901	1,853	2,084	796
Unassigned	(83,499)	(131,412)	(43,465)	(67,116)	(82,449)
Total all other governmental funds	$ 8,523	$ (52,222)	$ 34,546	$ 38,593	$ 21,140

	Fiscal Year				
	2017	2018	2019	2020	2021
General Fund					
Nonspendable	$ 850	$ 1,050	$ 621	$ 920	$ 265
Committed	19,000	-	-	-	-
Assigned	3,704	3,376	5,473	2,507	3,367
Unassigned	33,262	35,563	37,225	45,032	50,117
Total General Fund	$ 56,816	$ 39,989	$ 43,319	$ 48,459	$ 53,749
Debt Service Fund					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	46,098	40,390	30,768	21,630	27,052
Total Debt Service Fund	$ 46,098	$ 40,390	$ 30,768	$ 21,630	$ 27,052
All other governmental funds					
Nonspendable	$ 369	$ 379	$ 450	$ 441	$ 339
Restricted	75,112	74,151	97,895	99,209	113,142
Committed	17,101	15,528	16,800	16,704	15,219
Assigned	850	1,073	1,489	1,902	1,201
Unassigned	(102,281)	(80,573)	(115,156)	(184,590)	(191,576)
Total all other governmental funds	$ (8,849)	$ 10,558	$ 1,478	$ (66,334)	$ (61,675)

CITY OF WICHITA, KANSAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

For years ended December 31, 2012 through December 31, 2021
(modified accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
REVENUES					
Taxes	$ 179,185	$ 184,625	$ 183,283	$ 186,651	$ 189,808
Special assessments	33,327	33,669	31,509	29,797	28,665
Franchise taxes	37,407	39,283	41,863	44,304	44,766
Intergovernmental	61,057	59,823	57,530	70,185	82,921
Licenses and permits	7,427	7,468	7,241	7,732	8,096
Fines and penalties	10,476	9,391	9,858	9,767	9,121
Rentals	4,737	4,400	4,203	6,227	4,328
Interest and investment earnings	551	851	1,456	1,725	2,255
Charges for services and sales	10,647	11,052	12,122	21,947	23,525
Other revenue	12,986	13,354	22,117	13,740	15,243
Total revenues	357,800	363,916	371,182	392,075	408,728
EXPENDITURES					
Current:					
General government	34,643	36,414	37,368	37,601	39,113
Public safety	126,734	129,573	129,934	131,496	136,049
Highways and streets	18,185	16,676	18,416	20,301	19,760
Sanitation	3,722	3,774	4,366	4,977	4,558
Health and welfare	32,134	31,854	31,656	33,035	36,431
Culture and recreation	31,061	30,379	31,044	33,391	36,591
Debt service:					
Principal	65,923	62,137	50,925	51,669	51,082
Interest and other debt service	20,027	20,438	17,132	18,699	16,480
Capital outlay	109,959	108,380	76,379	91,671	93,164
Total expenditures	442,388	439,625	397,220	422,840	433,228
Deficiency of revenues under expenditures	(84,588)	(75,709)	(26,038)	(30,765)	(24,500)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	108,605	16,290	108,370	50,560	11,731
Issuance of refunding debt	-	-	-	-	13,357
Premiums on issuance of debt	10,003	646	9,842	6,045	2,977
Discounts on issuance of debt	-	-	(33)	-	(349)
Payments on refunded debt	(22,490)	(35,460)	(48,905)	(32,321)	(24,267)
Transfers from other funds	95,855	82,035	90,735	124,180	70,463
Transfers to other funds	(92,540)	(77,826)	(92,603)	(126,142)	(72,533)
Total other financing sources (uses)	99,433	(14,315)	67,406	22,322	1,379
Net change in fund balance before special items	14,845	(90,024)	41,368	(8,443)	(23,121)
SPECIAL ITEMS					
Sale of Hyatt Hotel	-	-	-	-	20,003
Transfers to other funds, Hyatt Hotel proceeds	-	-	-	-	-
Total special items	-	-	-	-	20,003
Net change in fund balance before prior period adjustment	14,845	(90,024)	41,368	(8,443)	(3,118)
Prior period adjustment	-	4,614	-	4,354	671
Total changes in fund balances	$ 14,845	$ (85,410)	$ 41,368	$ (4,089)	$ (2,447)
Debt service as a percentage of noncapital expenditures	25.9%	24.9%	21.2%	21.2%	19.9%

	Fiscal Year				
	2017	2018	2019	2020	2021
REVENUES					
Taxes	$ 191,109	$ 196,496	$ 208,769	$ 211,326	$ 228,349
Special assessments	28,991	28,367	25,894	24,954	23,015
Franchise taxes	45,563	47,282	44,797	45,461	47,715
Intergovernmental	93,656	119,050	75,089	88,634	90,713
Licenses and permits	2,857	2,939	2,715	2,063	2,182
Fines and penalties	8,271	8,187	10,616	8,616	9,823
Rentals	4,216	4,237	3,841	2,389	2,875
Interest and investment earnings	3,921	7,362	11,388	5,488	1,631
Charges for services and sales	19,927	20,953	21,114	20,780	21,966
Other revenue	20,795	18,200	23,397	19,682	25,416
Total revenues	419,306	453,073	427,620	429,393	453,685
EXPENDITURES					
Current:					
General government	38,243	39,409	42,163	43,195	44,969
Public safety	136,336	144,224	147,100	162,077	166,195
Highways and streets	20,217	17,646	18,286	15,752	14,995
Sanitation	4,671	4,924	4,379	7,148	8,535
Health and welfare	35,388	35,896	36,836	39,125	59,234
Culture and recreation	37,018	37,042	40,463	32,959	35,443
Debt service:					
Principal	57,588	52,787	55,601	56,684	39,452
Interest and other debt service	16,035	15,202	15,994	16,126	18,215
Capital outlay	118,071	134,089	165,779	159,496	86,995
Total expenditures	463,567	481,219	526,601	532,562	474,033
Deficiency of revenues under expenditures	(44,261)	(28,146)	(98,981)	(103,169)	(20,348)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	34,370	27,235	81,030	24,095	29,215
Issuance of refunding debt	-	-	-	5,815	-
Premiums on issuance of debt	5,629	1,946	8,864	5,803	9,141
Discounts on issuance of debt	-	-	-	-	-
Payments on refunded debt	(1,406)	-	-	-	-
Transfers from other funds	84,556	99,993	95,416	77,766	82,252
Transfers to other funds	(88,332)	(85,156)	(102,334)	(82,120)	(84,918)
Total other financing sources (uses)	34,817	44,018	82,976	31,359	35,690
Net change in fund balance before special items	(9,444)	15,872	(16,005)	(71,810)	15,342
SPECIAL ITEMS					
Sale of Hyatt Hotel	-	-	-	-	-
Transfers to other funds, Hyatt Hotel proceeds	-	(19,000)	-	-	-
Total special items	-	(19,000)	-	-	-
Net change in fund balance before prior period adjustment	(9,444)	(3,128)	(16,005)	(71,810)	15,342
Prior period adjustment	52	-	634	-	28
Total changes in fund balances	$ (9,392)	$ (3,128)	$ (15,371)	$ (71,810)	$ 15,370
Debt service as a percentage of noncapital expenditures	21.3%	19.6%	19.8%	19.5%	14.9%

CITY OF WICHITA, KANSAS

GOVERNMENTAL OWN SOURCE REVENUES BY SOURCE

For years ended December 31, 2012 through December 31, 2021
(modified accrual basis of accounting)
(dollars expressed in thousands)

Year	Property Taxes[1]	Special Assessments[2]	Franchise Taxes
2012	$ 118,990	$ 32,800	$ 37,407
2013	119,745	33,056	39,283
2014	120,385	31,407	41,863
2015	121,437	29,786	44,304
2016	123,970	28,539	44,766
2017	126,362	28,343	45,563
2018	129,482	28,367	47,282
2019	134,689	25,894	44,797
2020	139,801	24,954	45,461
2021	147,686	23,015	47,715

[1] Property taxes include motor vehicle taxes.

[2] Special assessments includes the assessments for improvements.

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CITY OF WICHITA, KANSAS

GOVERNMENTAL REVENUES BY SOURCE

For years ended December 31, 2012 through December 31, 2021
(modified accrual basis of accounting)
(dollars expressed in thousands)

Year	Taxes	Special Assessments[1]	Franchise Taxes	Local Sales Tax	Intergovern-mental	Licenses and Permits
2012	$ 125,089	$ 33,327	$ 37,407	$ 54,095	$ 61,057	$ 7,427
2013	126,106	33,669	39,283	58,519	59,823	7,468
2014	127,140	31,509	41,863	56,143	57,530	7,241
2015	128,692	29,797	44,304	57,959	70,185	7,732
2016	131,149	28,665	44,766	58,660	82,921	8,096
2017	133,426	28,991	45,563	57,683	93,656	2,857
2018	136,893	28,367	47,282	59,603	119,050	2,939
2019	145,746	25,894	44,797	63,024	75,089	2,715
2020	147,505	24,954	45,461	63,821	88,634	2,063
2021	156,193	23,015	47,715	72,156	90,713	2,182

GOVERNMENTAL EXPENDITURES BY FUNCTION

For years ended December 31, 2012 through December 31, 2021
(modified accrual basis of accounting)
(dollars expressed in thousands)

Year	General Government	Public Safety	Highways and Streets	Sanitation	Health and Welfare	Culture and Recreation
2012	$ 36,588	$ 122,930	$ 22,450	$ 4,264	$ 35,379	$ 30,793
2013	34,643	126,734	18,186	3,722	32,134	31,061
2014	36,414	129,574	16,676	3,774	31,854	30,379
2015	37,368	129,934	18,416	4,366	31,656	31,044
2016	37,601	131,496	20,301	4,977	33,035	33,391
2017	39,113	136,049	19,760	4,559	36,431	36,592
2018	38,243	136,336	20,217	4,671	35,388	37,018
2019	39,409	144,224	17,646	4,924	35,896	37,042
2020	43,195	162,077	15,752	7,148	39,125	32,959
2021	44,969	166,195	14,995	8,535	59,234	35,443

[1] Includes all collections through specials, including nuisance collections.

Fines and Penalties	Rentals	Interest Earnings	Charges for Services and Sales	Other Revenue	Total	Year
$ 10,476	$ 4,737	$ 551	$ 10,647	$ 12,987	$ 357,800	2012
9,391	4,400	851	11,052	13,354	363,916	2013
9,857	4,203	1,456	12,122	22,118	371,182	2014
9,767	6,227	1,725	21,947	13,742	392,077	2015
9,121	4,328	2,255	23,525	15,242	408,728	2016
8,271	4,216	3,921	19,927	20,795	419,306	2017
8,187	4,237	7,362	20,953	18,200	453,073	2018
10,616	3,841	11,388	21,114	23,395	427,619	2019
8,616	2,389	5,488	20,780	19,682	429,393	2020
9,823	2,875	1,631	21,966	25,416	453,685	2021

Debt Service	Capital Outlay	Total	Year
$ 72,672	$ 82,901	$ 407,977	2012
85,949	109,959	442,388	2013
82,574	108,380	439,625	2014
68,057	76,412	397,253	2015
70,369	91,671	422,841	2016
67,561	93,163	433,228	2017
73,623	118,071	463,567	2018
67,989	134,089	481,219	2019
72,810	159,496	532,562	2020
57,667	86,995	474,033	2021

CITY OF WICHITA, KANSAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands)

	Real Property		Personal Property		State Assessed Property	
Year[1]	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2012	$ 2,889,209	$ 19,908,386	$ 125,492	$ 518,004	$ 96,872	$ 293,550
2013	2,910,786	20,007,283	118,751	491,029	94,794	287,253
2014	2,963,148	20,364,338	93,990	404,245	91,126	276,140
2015	3,008,647	20,663,543	83,860	356,982	99,075	300,226
2016	3,091,273	21,259,793	76,025	324,973	102,892	311,793
2017	3,188,988	21,998,612	67,904	293,980	108,329	328,268
2018	3,301,681	22,866,442	61,731	268,000	116,034	351,619
2019	3,442,934	23,873,953	55,439	239,227	125,996	381,807
2020	3,619,274	25,224,588	55,931	232,649	134,393	407,250
2021	3,754,447	26,374,201	50,120	213,058	138,398	419,388

	Totals Assessed Property		Assessed Value as a Percent of	Total Direct	Tangible Valuation of	Total Valuation for Bonded Debt
Year[1]	Assessed Value	Estimated Actual Value	Actual Value	Tax Rate[2]	Motor Vehicles	Limitations
2012	$ 3,111,573	$ 20,719,940	15.02 %	32.471	$ 385,358	$ 3,496,931
2013	3,124,331	20,785,565	15.03	32.509	396,435	3,520,766
2014	3,148,264	21,044,723	14.96	32.651	404,427	3,552,691
2015	3,191,582	21,320,751	14.97	32.686	417,145	3,608,727
2016	3,270,190	21,896,559	14.93	32.685	428,945	3,699,135
2017	3,365,221	22,620,860	14.88	32.667	436,201	3,801,422
2018	3,479,446	23,486,061	14.81	32.692	443,772	3,923,218
2019	3,624,369	24,494,987	14.80	32.721	458,988	4,083,357
2020	3,809,598	25,864,487	14.73	32.749	456,720	4,266,318
2021	3,942,965	27,006,647	14.60	32.758	473,947	4,416,912

[1] The assessed value and tax rate of the referenced year supports the budget of the subsequent year. For example, the assessed value of 2021 multiplied by the tax rate supports the budget of fiscal 2022.

[2] Direct tax rates are per $1,000 of actual value.

Source: Sedgwick County Clerk and Sedgwick County Appraiser

CITY OF WICHITA, KANSAS

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS

For years ended December 31, 2012 through December 31, 2021

	City of Wichita			Overlapping Rates				
Year[1]	Operating Millage	Debt Millage	Total Millage	State Levy	Sedgwick County	Unified School District 259	Total Overlapping	Total Direct & Overlapping Rates
2012	24.443	8.028	32.471	1.500	29.447	57.184	88.131	120.602
2013	24.003	8.506	32.509	1.500	29.377	57.215	88.092	120.601
2014	24.114	8.537	32.651	1.500	29.478	53.735	84.713	117.364
2015	24.177	8.509	32.686	1.500	29.383	53.278	84.161	116.847
2016	24.177	8.508	32.685	1.500	29.393	53.683	84.576	117.261
2017	24.156	8.511	32.667	1.500	29.393	53.733	84.626	117.293
2018	25.186	7.506	32.692	1.500	29.383	53.638	84.521	117.213
2019	25.214	7.507	32.721	1.500	29.384	53.183	84.067	116.788
2020	25.742	7.007	32.749	1.500	29.376	52.974	83.850	116.599
2021	25.756	7.002	32.758	1.500	29.370	52.514	83.384	116.142

[1] Represents the year the taxes were levied, which provides support for the subsequent budget year (i.e., 2021 taxes are for the 2022 fiscal year).

Source: Sedgwick County Clerk and Sedgwick County Appraiser

CITY OF WICHITA, KANSAS

PRINCIPAL PROPERTY TAXPAYERS

For years ended December 31, 2012 and December 31, 2021
(dollars expressed in thousands)

	2021			2012		
Taxpayer	Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Evergy Kansas South (formerly KGE/Westar)	$ 76,230	1	1.93 %	$ 37,050	1	1.19 %
Kansas Gas Service-A Division of One Gas	26,579	2	0.67	19,195	5	0.62
Wesley Medical Center LLC	25,012	3	0.63	28,031	2	0.90
Walmart/Sam's	22,459	4	0.57	13,492	6	0.43
Bradley Fair Properties LLC	14,527	5	0.37	5,666	9	0.18
New Market Square I, LLC	12,592	6	0.32	5,538	10	0.18
Simon Property Group LP	12,267	7	0.31	25,810	3	0.83
Southwestern Bell Telephone Company	9,065	8	0.23	19,678	4	0.63
City of Wichita	8,969	9	0.23	12,643	7	0.41
Black Hills Corp	8,624	10	0.22	-	-	-
Target Corporation	-	-	-	7,806	8	0.25
Totals	$ 216,324		5.48 %	$ 174,909		5.62 %

PRINCIPAL EMPLOYERS, WICHITA AREA

For years ended December 31, 2012 and December 31, 2021

	2021			2012		
Employer	Total Full-time Wichita-area Employees	Rank	Percentage of Total Wichita-area Employment	Total Full-time Wichita-area Employees	Rank	Percentage of Total Wichita-area Employment
Spirit AeroSystems, Inc.	9,500	1	3.28 %	10,800	1	3.57 %
Textron Aviation	9,000	2	3.11	-	-	-
USD 259 Wichita	5,604	3	1.94	5,421	3	1.79
Ascension Via Christi Health	5,389	4	1.86	6,237	2	2.06
U.S. Government	5,167	5	1.79	2,708	9	0.90
McConnell Air Force Base	3,500	6	1.21	-	-	-
Koch Industries	3,300	7	1.14	2,650	10	0.88
City of Wichita	2,762	8	0.95	2,924	7	0.97
Sedgwick County	2,580	9	0.89	-	-	-
Wichita State University	2,105	10	0.73	-	-	-
State of Kansas	-	-	-	3,967	6	1.31
Cessna Aircraft Co.	-	-	-	5,000	4	1.65
Bombardier Aerospace Learjet, Inc.	-	-	-	2,800	8	0.93
Hawker Beechcraft Corp.	-	-	-	4,500	5	1.49
Percent of total employment			16.90 %			15.55 %
Total employment	289,300			302,447		

Source: Wichita Business Journal; total employment is from U.S. Department of Labor - Bureau of Labor Statistics

CITY OF WICHITA, KANSAS

PROPERTY TAX LEVIES AND COLLECTIONS

GENERAL AND DEBT SERVICE FUNDS

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands)

Year Ended December 31[1]	Taxes Levied	Collections in Initial Year		Total Collections in Subsequent Years	Total Tax Collections	
		Amount	Percentage Levy		Amount	Percentage of Levy
2012	$ 101,997	$ 96,611	94.72 %	$ 6,872	$ 103,483	101.46 %
2013	101,036	96,596	95.61	6,644	103,240	102.18
2014	101,569	97,108	95.61	6,294	103,402	101.80
2015	102,796	97,403	94.75	5,645	103,048	100.25
2016	104,322	99,117	95.01	4,184	103,301	99.02
2017	106,691	101,733	95.35	4,793	106,526	99.85
2018	109,931	104,485	95.05	1,527	106,012	96.43
2019	113,747	108,626	95.50	1,902	110,528	97.17
2020	118,591	113,535	95.74	-	113,535	95.74
2021	124,759	120,809	96.83	-	120,809	96.83

TAX INCREMENT FINANCING (TIF) AND
SELF SUPPORTED MUNICIPAL IMPROVEMENT (SSMID) DISTRICTS

For years ended December 31, 2011 through December 31, 2020
(dollars expressed in thousands)

Year Ended December 31[1]	Taxes Levied [2]	Collections in Initial Year		Total Collections in Subsequent Years	Total Tax Collections	
		Amount	Percentage Levy		Amount	Percentage of Levy [2]
2012	$ 6,589	$ 5,820	88.33 %	$ 95	$ 5,915	89.77 %
2013	6,886	5,726	83.15	570	6,296	91.43
2014	6,297	5,921	94.03	186	6,107	96.98
2015	6,879	5,834	84.81	154	5,988	87.05
2016	6,875	5,830	84.80	416	6,246	90.85
2017	6,838	6,071	88.78	5	6,076	88.86
2018	6,948	6,224	89.58	93	6,317	90.92
2019	7,508	6,422	85.54	72	6,494	86.49
2020	8,344	7,091	84.98	-	7,091	84.98
2021	7,978	7,701	96.53	-	7,701	96.53

[1] The year shown is the year in which the collections were received. The levy or assessment is certified to the County the previous year.

[2] The amount reported as Taxes Levied is the estimated tax revenue from the certified budgets. Economic development tax increment financing districts collect all property taxes paid above the base year and do not have a district levy. As a result, collections may exceed the budgeted

[3] Special assessments of proprietary funds, advance payments and nuisance assessments are not included.

CITY OF WICHITA, KANSAS

PROPERTY TAX LEVIES AND COLLECTIONS

SPECIAL ASSESSMENT LEVIES AND COLLECTIONS

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands)

Year Ended December 31[1]	Assessments Certified to County[2]	Collections in Initial Year		Total Collections in Subsequent Years	Total Tax Collections	
		Amount	Percentage of Assessment		Amount	Percentage of Assessment
2012	$ 33,088	$ 29,296	88.54 %	$ 4,191	$ 33,487	101.21 %
2013	31,857	29,090	91.31	4,584	33,674	105.70
2014	29,982	27,839	92.85	3,479	31,318	104.46
2015	28,112	26,575	94.53	2,827	29,402	104.59
2016	26,819	25,341	94.49	2,318	27,659	103.13
2017	26,810	25,514	95.17	1,931	27,445	102.37
2018	25,439	24,528	96.42	2,300	26,828	105.46
2019	24,204	22,134	91.45	364	22,498	92.95
2020	23,558	22,563	95.78	-	22,563	95.78
2021	21,427	20,816	97.15	-	20,816	97.15

[1] The year shown is the year in which the collections were received. The levy or assessment is certified to the County the previous year.

[2] Special assessments of proprietary funds, advance payments and nuisance assessments are not included.

CITY OF WICHITA, KANSAS

RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands except per capita amounts)

Fiscal Year	Estimated Actual Value of Taxable Property[2]	General Obligation (G.O.) Bonds[1]	Plus G.O. Premiums (Discounts)	Less: Amounts Available in Debt Service Fund [4]	Net General Obligation Debt	Percent of Estimated Actual Value of Taxable Property[2]	Per Capita[3]
2012	$ 20,719,940	$ 558,037	$ 26,235	$ 114,344	$ 469,928	2.27 %	$ 1,218.2
2013	20,785,565	480,005	22,774	88,293	414,486	1.99	1,070.4
2014	21,044,723	630,375	40,099	41,315	629,159	2.99	1,619.6
2015	21,320,751	682,625	47,114	27,125	702,614	3.30	1,804.2
2016	21,896,559	622,160	46,213	21,984	646,389	2.95	1,655.1
2017	22,620,860	604,835	46,904	46,908	604,831	2.67	1,549.6
2018	23,486,061	567,965	43,519	40,390	571,094	2.43	1,467.1
2019	24,494,987	584,230	47,395	30,768	600,857	2.45	1,540.9
2020	25,864,487	554,640	44,691	21,630	577,701	2.23	1,453.2
2021	27,006,647	534,075	42,098	26,895	549,278	2.03	1,381.7

[1] Includes all general obligation bonded debt.
[2] Excludes estimated actual value of motor vehicles.
[3] Population figures provided on page G-29 on this section.
[4] Debt Service Fund fund balance, excluding Economic Development TIF Districts that are pay-as-you-go financing.

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GOVERNMENT EXPENDITURES

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands)

Fiscal Year	Principal	Interest	Debt Service[5]	Total Governmental Expenditures[6]	Ratio of Debt Service to Government Expenditures
2012	$ 51,435	17,001	68,436	442,388	15.47 %
2013	51,322	16,594	67,916	439,625	15.45
2014	47,460	16,528	63,988	397,253	16.11
2015	51,552	18,383	69,935	422,841	16.54
2016	50,854	16,353	67,207	433,228	15.51
2017	57,305	13,789	71,094	463,567	15.34
2018	52,520	13,109	65,629	481,219	13.64
2019	55,355	12,127	67,482	526,601	12.81
2020	56,402	12,841	69,243	532,562	13.00
2021	39,076	11,221	50,297	474,034	10.61

[5] For years 2011 through 2012, debt service related to a Section 108 loan is excluded.
[6] Includes expenditures of all governmental fund types.

CITY OF WICHITA, KANSAS

RATIO OF NET GENERAL OBLIGATION (G.O.) BONDED DEBT EXPECTED TO BE PAID BY PROPERTY TAXES TO ASSESSED VALUE AND NET G.O. BONDED DEBT PER CAPITA

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands except per capita amounts)

Year	Assessed Value[1]	General Obligation Bonded Debt[2]	Plus G.O. Premiums (Discounts)	Less: Amounts Available in Debt Service Fund[4]	G.O. Debt Payable from Non-Property Tax Sources	
					Local Sales Tax	Transient Guest Tax
2012	$ 3,496,931	$ 558,037	$ 26,235	$ 114,344	$ 152,390	$ 1,064
2013	3,520,766	480,005	22,774	88,293	122,195	167
2014	3,552,691	630,375	40,099	41,315	148,770	2,485
2015	3,608,727	682,625	47,114	27,125	131,560	2,485
2016	3,699,135	622,160	46,213	21,984	114,035	2,485
2017	3,801,422	604,835	46,904	46,908	96,275	2,480
2018	3,923,218	567,965	43,519	40,390	81,995	2,475
2019	4,083,357	584,230	47,395	30,768	93,975	2,465
2020	4,266,318	554,640	44,691	21,630	83,660	2,450
2021	4,416,912	534,075	42,098	26,895	73,130	2,430

[1] Includes assessed value and motor vehicle valuations expressed in thousands.

[2] Includes all long-term general obligation debt repayable from governmental and proprietary funds.

[3] Based on most recent population data reported on page G-29.

[4] Debt Service Fund fund balance, excluding Economic Development TIF Districts that are pay-as-you-go financing.

G.O. Debt Payable from Non-Property Tax Sources		Net G.O. Bonded Debt Expected to be Payable from Property Taxes	Ratio of Net G.O. to Bonded Debt Assessed Value	Net G.O. Bonded Debt Per Capita[3]	Year
Proprietary Revenues	Special Assessments				
$ 49,005	$ 254,955	$ 12,514	0.004	$ 32.44	2012
44,834	216,625	30,665	0.009	79.19	2013
196,082	192,575	89,247	0.025	229.74	2014
287,881	181,733	98,955	0.027	254.10	2015
276,622	167,574	85,673	0.023	219.37	2016
284,852	172,707	48,517	0.013	124.30	2017
273,916	164,381	48,327	0.012	124.15	2018
263,652	146,406	94,359	0.023	241.98	2019
260,285	137,659	93,647	0.022	235.57	2020
248,539	150,003	75,176	0.017	189.11	2021

CITY OF WICHITA, KANSAS

RATIOS OF OUTSTANDING DEBT BY TYPE

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands, except per capita amounts)

	Proprietary Activities					
Fiscal Year	Water Utility Bonds	Sewer Utility Bonds	Airport Authority Bonds	General Obligation Bonds	Water Utility Loans	Bond Anticipation Notes
2012	$ 243,497	$ 181,249	$ 11,370	$ 49,005	$ -	$ -
2013	239,883	181,879	11,310	44,834	-	7,933
2014	231,195	180,231	11,330	196,082	-	96,565
2015	234,609	181,503	5,460	287,881	-	-
2016	238,517	186,735	5,460	276,622	-	-
2017	239,815	229,615	5,460	284,852	-	-
2018	224,790	214,325	5,460	273,916	-	-
2019	244,685	209,609	11,550	263,652	-	-
2020	249,842	206,143	8,978	260,285	-	-
2021	283,783	207,674	7,438	248,539	24,955	-

	Component Unit	
Fiscal Year	Wichita Public Building Commission	Wichita Senior RAD LP
2012	$ 11,220	$ -
2013	1,595	-
2014	-	-
2015	-	-
2016	-	-
2017	-	-
2018	-	-
2019	-	-
2020	-	-
2021	-	27,564

[1] Expressed in dollars. Population figures are presented on page G-29 of this section.

Governmental Activities								
General Obligation Bonds	Local Sales Tax Revenue Bonds	HUD Section 108 Loan	Capital Lease Debt	Bond Anticipation Notes	Total Debt Primary Government	Total Debt Per Capita[1]	Total Debt as a Percent of Per Capita Income	Fiscal Year
$ 535,267	$ -	$ 350	$ 153	$ 10,465	$ 1,031,356	$ 2,674	5.87 %	2012
457,945	-	-	435	3,465	947,684	2,447	5.30	2013
474,392	1,635	-	341	-	1,191,771	3,068	6.34	2014
441,858	1,698	-	272	-	1,153,281	2,961	6.28	2015
391,751	1,471	-	171	-	1,100,727	2,818	6.04	2016
366,887	3,045	-	64	-	1,129,738	2,894	5.93	2017
337,568	4,577	-	-	-	1,060,636	2,725	5.25	2018
367,973	4,331	-	528	-	1,102,328	2,827	5.44	2019
339,046	4,050	-	413	-	1,068,757	2,688	4.98	2020
327,634	3,674	-	291	-	1,103,988	2,777	5.14	2021

CITY OF WICHITA, KANSAS

LEGAL DEBT MARGIN INFORMATION

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands)

	2012	2013	2014	2015	2016
Debt limit	$ 1,049,079	$ 1,056,230	$ 1,065,807	$ 1,082,618	$ 1,109,740
Total net debt applicable to limit	169,407	137,511	244,903	320,290	323,362
Legal debt margin	$ 879,672	$ 918,719	$ 820,904	$ 762,328	$ 786,378
Total net debt applicable to limit as a percentage of debt limit	16.15%	13.02%	22.98%	29.58%	29.14%

[1] Debt Service Fund fund balance, excluding Economic Development TIF Districts that are pay-as-you-go financing.

2017	2018	2019	2020	2021
$ 1,140,427	$ 1,176,965	$ 1,225,007	$ 1,279,895	$ 1,325,074
306,658	322,923	340,728	339,537	367,841
$ 833,769	$ 854,042	$ 884,279	$ 940,358	$ 957,233
26.89%	27.44%	27.81%	26.53%	27.76%

Total debt	$ 1,166,102
2021 Equalized assessed valuation of taxable tangible property	$ 3,942,965
Add: 2021 Estimated tangible valuation of motor vehicles	473,947
Total assessed value	$ 4,416,912
Debt limit (30% of equalized assessed value)	$ 1,325,074
Debt applicable to limit:	
General obligation bonds and temporary notes	$ 394,736
Less: Amount set aside for repayment of general obligation debt[1]	26,895
Total net debt applicable to limit	$ 367,841
Legal debt margin	$ 957,233

CITY OF WICHITA, KANSAS

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

For years ended December 31, 2019 through December 31, 2021

	December 31, 2019		December 31, 2020		December 31, 2021	
	Percent of Debt Applicable to City	City of Wichita Share of Debt	Percent of Debt Applicable to City	City of Wichita Share of Debt	Percent of Debt Applicable to City	City of Wichita Share of Debt
Direct Debt:						
General obligation bonded debt payable from:						
Ad valorem taxes		$ 67,960,655		$ 60,557,754		$ 51,525,191
Special assessments		146,406,374		137,658,837		150,003,340
Tax increment financing		24,899,351		24,888,079		22,265,299
Transient guest taxes		2,465,000		2,450,000		2,430,000
Local sales tax		93,975,000		83,660,000		73,130,000
Premiums (discounts)		32,267,151		29,830,979		28,280,439
Revenue bonds payable from:						
Local sales tax		4,331,482		4,049,875		3,673,689
Capital lease		527,843		412,761		290,666
Total direct debt		372,832,856		343,508,285		331,598,624
Overlapping debt:						
Sedgwick County	71.6%	126,041,060	71.8%	123,819,831	71.8%	88,212,404
USD 259	57.1%	236,722,325	57.1%	164,133,950	56.6%	135,602,280
Total overlapping debt		362,763,385		287,953,781		223,814,684
Total direct and overlapping debt		$ 735,596,241		$ 631,462,066		$ 555,413,308

Note 1: Percentage of overlapping debt based on assessed valuation.

Note 2: Sedgwick County and USD 259 assessed valuation was adjusted to include motor vehicle assessed value, to be consistent with the City, and thus, the overlapping debt percentages and the City's share of the overlapping debt, has been updated accordingly.

CITY OF WICHITA, KANSAS

DEMOGRAPHIC AND ECONOMIC STATISTICS

For years 2012 through 2021

Fiscal Year	Population of Wichita[2]	Population of Wichita MSA[1, 2]	Personal Income of Wichita MSA (amounts expressed in thousands)[2]	Per Capita Personal Income[2]
2012	385,753	636,019	$ 28,960,000	$ 45,533
2013	387,240	638,248	29,447,300	46,143
2014	388,465	640,604	30,988,200	48,387
2015	389,437	642,257	30,295,600	47,132
2016	390,549	645,129	30,103,400	46,695
2017	390,307	644,949	30,801,300	48,818
2018	389,255	644,888	33,060,860	51,854
2019	389,938	640,218	33,281,653	51,985
2020	397,532	643,768	34,765,136	54,003
2021	397,532 [2]	643,768 [2]	34,765,136 [2]	54,003 [2]

Fiscal Year	Median Age[2]	School Enrollment	Average Annual Unemployment Rates	
			City of Wichita	Wichita MSA
2012	35.1	50,639	7.4	6.7 %
2013	34.0	51,169	6.4	6.0
2014	34.0	51,330	5.6	5.2
2015	34.6	51,133	5.0	4.7
2016	34.7	50,566	5.0	4.6
2017	35.9	51,416	4.4	4.2
2018	35.3	49,953	3.8	3.6
2019	35.3	49,375	3.6	3.4
2020	35.3	46,987	9.2	8.4
2021	35.3 [2]	46,701	5.8	5.0

Note: Data provided by the Center of Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University, as provided at time of publishing. The statistical information may reflect revisions made to data originally reported.

[1] Wichita Metropolitan Statistical Area

[2] Current year Information is not available at time of publishing, thus prior year numbers are repeated in the current year.

CITY OF WICHITA, KANSAS

PLEDGED REVENUE COVERAGE

For years ended December 31, 2012 through December 31, 2021
(dollars expressed in thousands)

	Water Revenue Bonds					
Fiscal Year	Gross Earnings	Less: Operating and Maintenance Expense	Net Revenue Available for Debt Service	Principal	Interest	Coverage
2012	$ 83,737	$ 31,246	$ 52,491	$ 14,087	$ 11,127	2.08
2013	69,355	32,522	36,833	13,546	11,274	1.48
2014	80,476	29,182	51,294	13,166	10,746	2.15
2015	82,604	28,982	53,622	12,759	10,289	2.33
2016	83,383	32,030	51,353	15,427	10,120	2.01
2017	87,683	31,588	56,095	12,859	8,975	2.57
2018	93,096	29,710	63,386	14,088	8,768	2.77
2019	91,051	32,319	58,732	13,074	9,032	2.66
2020	106,171	35,293	70,878	15,002	8,889	2.97
2021	115,009	31,009	84,000	16,518	8,696	3.33

	Sewer Revenue Bonds					
Fiscal Year	Gross Earnings	Less: Operating and Maintenance Expense	Net Revenue Available for Debt Service	Principal	Interest	Coverage
2012	$ 47,713	$ 22,509	$ 25,204	$ 10,712	$ 7,670	1.37
2013	52,074	23,389	28,685	10,290	8,333	1.54
2014	53,402	23,314	30,088	9,324	7,958	1.74
2015	55,882	22,217	33,665	8,762	7,817	2.03
2016	57,355	25,004	32,351	10,478	7,915	1.76
2017	60,865	25,041	35,824	11,815	8,220	1.79
2018	66,193	26,632	39,561	14,167	8,646	1.73
2019	69,862	28,909	40,953	12,601	8,365	1.95
2020	70,430	28,370	42,060	12,768	7,398	2.09
2021	76,196	27,322	48,874	13,907	7,122	2.32

	Combined Water and Sewer Revenue Bonds					
Fiscal Year	Gross Earnings	Less: Operating and Maintenance Expense	Net Revenue Available for Debt Service	Principal	Interest	Coverage
2012	$ 131,450	$ 53,755	$ 77,695	$ 24,799	$ 18,797	1.78
2013	121,429	55,911	65,518	23,836	19,607	1.51
2014	133,878	52,496	81,382	22,490	18,704	1.98
2015	138,486	51,199	87,287	21,521	18,106	2.20
2016	140,738	57,034	83,704	25,905	18,035	1.90
2017	148,548	56,629	91,919	24,674	17,195	2.20
2018	159,289	56,342	102,947	28,255	17,414	2.25
2019	160,913	61,228	99,685	25,675	17,397	2.31
2020	176,601	63,663	112,938	27,770	16,287	2.56
2021	191,205	58,331	132,874	30,425	15,818	2.87

Note: The covenants of the revenue bonds require the combined Utilities to produce net revenues for the debt service of the Utilities' revenue bonds of not less that 120% of the current year's debt service requirements.

CITY OF WICHITA, KANSAS

CAPITAL ASSET STATISTICS BY FUNCTION

For years ended December 31, 2012 through December 31, 2021

	Fiscal Year									
FUNCTION	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety:										
Police stations[4]	4	4	4	4	4	4	4	5	5	5
Police patrol units	183	175	171	180	175	174	197	220	220	222
Fire stations	22	22	22	22	22	22	22	22	22	22
Highways and Streets:										
Streets (miles)	1,902	1,904	1,906	1,909	1,921	1,917	1,924	1,926	1,931	1,949
Signalized intersections	585	584	592	594	601	604	608	610	612	609
Culture and Recreation:										
Parks acreage	4,903	4,905	4,904	4,996	5,008	5,004	5,004	5,002	5,007	5,007
Swimming pools	9	9	9	9	9	8	7	9	6	6
Interactive water features	5	5	5	5	5	5	6	6	6	10
Fishing ponds	13	13	13	13	13	12	12	12	12	12
Tennis courts	75	77	77	73	77	76	76	69	68	68
Pickle Ball[5]	-	-	-	-	-	-	-	-	13	27
Exercise/fitness trails	13	13	13	14	14	14	14	15	15	15
Children's playgrounds	79	81	81	80	81	83	84	86	86	86
Community centers	9	9	9	9	9	9	7	7	7	7
Golf courses[3]	5	5	5	5	5	5	5	4	4	4
Libraries	9	9	9	8	8	8	7	7	7	7
Water:										
Water mains (miles)	2,387	2,407	2,422	2,416	2,413	2,383	2,487	2,419	2,402	2,413
Maximum daily capacity (million gallons per day)[1]	125	125	125	125	125	125	125	120	120	120
Sewer:										
Sanitary sewers (miles)[2]	2,016	2,016	2,022	2,030	2,033	2,046	2,185	2,198	2,083	2,096
Storm sewers (miles)	750	925	925	1,091	1,395	1,459	1,481	1,240	1,607	1,157
Maximum daily treatment capacity (million gallons per day)[1]	62	62	62	62	62	62	65	87	51	49
Airport:										
Public airports	2	2	2	2	2	2	2	2	2	2
Transit:										
Bus fleet	54	56	56	52	53	55	55	54	54	50
Para-transit vans	24	24	22	25	24	24	27	27	27	26

Source: City of Wichita Operating Departments

[1] Estimated daily average.

[2] Miles of sanitary sewers are estimates.

[3] LW Clapp golf course closed in August 2019, leaving 4 remaining golf courses.

[4] Police Traffic Section moved back to City Hall, therefore creating an additional station.

[5] Pickle Ball courts were first operational in 2020.

CITY OF WICHITA, KANSAS

OPERATING INDICATORS BY FUNCTION

For years ended December 31, 2012 through December 31, 2021

FUNCTION	Fiscal Year 2012	2013	2014	2015	2016
Public Safety:					
Police:					
Dispatched calls for 911 service	227,787	231,290	218,614	218,160	221,529
Parking violations	14,917	14,276	16,012	16,372	12,156
Traffic violations	64,437	54,820	58,824	53,184	48,170
Fire:					
Number of unit responses	73,389	73,184	76,539	76,962	76,328
Fires contained to room of origin	71%	72%	69%	76%	64%
Inspections[2]	12,969	15,225	7,342	7,873	9,320
Highways and Streets:					
Street resurfacing (miles)	22	14	22	22	12
Potholes repaired	47,851	54,661	56,558	73,275	66,488
Culture and Recreation:					
Golf rounds played[3]	178,886	155,460	155,611	166,536	157,572
Trees planted	1,944	291	909	1,422	1,647
Swim lessons (total registered)	1,531	1,394	1,433	1,126	1,073
Botanica visitors	166,390	154,509	206,193	220,041	220,716
Convention & Performance Center:					
Conventions	29	26	28	27	23
Consumer shows	33	30	30	33	35
Performances	63	52	66	57	60
Other events	207	171	139	324	265
Library circulation	2,218,997	2,137,656	2,102,505	2,104,230	1,983,642
Library program attendance	71,714	62,291	56,944	70,035	66,915
Water:					
Water customers[1]	144,190	144,261	144,106	146,717	147,876
Main Breaks[4] (per 1,000 miles of mains)	340	233	214	296	371
Average daily consumption (million gallons per day)	60	51	52	50	50
Sewer (wastewater):					
Sewer customers[1]	134,491	133,952	136,019	137,058	138,126
Average daily sewage treated (million gallons per day)	29	38	37	35	35
Airport:					
Number of passengers	1,509,206	1,512,507	1,533,669	1,571,348	1,602,311
Passenger enplanements	752,108	757,401	763,597	782,725	798,804
Number of daily flights	33	34	34	34	32
Transit:					
Bus rides	1,940,461	1,851,654	1,864,279	1,886,495	1,233,899
Para-transit van rides	309,872	301,465	260,906	237,441	69,191

Source: City of Wichita Operating Departments

[1] Water and Sewer customers estimated.

[2] Fire Department increased enforcement efforts related code administration inspections beginning in 2012.

[3] Golf rounds includs rounds played at LW Clapp golf course prior to closure August 2019.

[4] 2018 was incorrectly reported and should have been 746 main breaks instead of 193.

[5] Many operating indicators for 2020 and 2021 in this category were affected by the COVID-19 pandemic and its effects (i.e. closures, reduced travel).

FUNCTION	Fiscal Year 2017	2018	2019	2020	2021
Public Safety:					
Police:					
Dispatched calls for 911 service	219,955	211,781	212,670	201,595	202,361
Parking violations	9,369	7,423	5,811	6,289	6,856
Traffic violations	37,531	38,178	35,425	35,390	27,711
Fire:					
Number of unit responses	78,160	68,072	70,252	74,095	86,961
Fires contained to room of origin	65%	58%	74%	63%	66%
Inspections[2]	7,508	6,657	6,479	6,562	5,924
Highways and Streets:					
Street resurfacing (miles)	16	30	36	38	115
Potholes repaired	78,333	68,695	81,256	71,879	83,485
Culture and Recreation:[5]					
Golf rounds played[3]	151,716	138,443	135,180	145,231	177,214
Trees planted	1,825	1,682	1,870	1,875	467
Swim lessons (total registered)	1,321	1,216	1,262	-	1,191
Botanica visitors	231,542	217,925	270,489	145,389	300,412
Convention & Performance Center:					
Conventions	25	24	26	3	8
Consumer shows	36	36	41	34	18
Performances	54	55	61	16	25
Other events	195	175	169	94	71
Library circulation	1,942,851	2,125,915	2,003,591	2,125,915	1,738,681
Library program attendance	74,748	71,031	77,913	15,308	12,107
Water:					
Water customers[1]	152,758	152,825	154,071	154,809	159,761
Main Breaks[4] (per 1,000 miles of mains)	391	746	659	730	1,019
Average daily consumption (million gallons per day)	50	50	50	43	43
Sewer (wastewater):					
Sewer customers[1]	138,189	139,154	140,517	141,980	145,752
Average daily sewage treated (million gallons per day)	34	32	34	32	29
Airport:[5]					
Number of passengers	1,620,240	1,665,116	1,749,906	789,856	1,285,070
Passenger enplanements	810,246	832,831	876,864	394,706	645,352
Number of daily flights	33	34	33	21	28
Transit:[5]					
Bus rides	1,262,552	1,411,363	1,286,807	756,328	768,859
Para-transit van rides	71,713	81,032	80,153	59,832	73,683

CITY OF WICHITA, KANSAS

CITY GOVERNMENT EMPLOYEES BY FUNCTION

For years ended December 31, 2012 through December 31, 2021

	Fiscal Year				
FUNCTION	2012	2013	2014	2015	2016
General Government:					
City council and city manager	15	15	15	20	21
General government	36	24	19	22	21
Economic development	4	4	4	3	4
Financial services	70	68	67	68	68
Legal services	27	26	26	26	27
Building services	92	95	101	101	101
Fleet services	54	55	57	57	57
Municipal court	120	116	116	115	115
Information technology	56	56	57	59	59
Metropolitan planning	28	28	18	18	17
Human resources	17	17	17	17	19
Public Safety:					
Police	854	843	840	838	846
Fire	453	453	452	453	453
Metropolitan area building and construction	78	63	53	50	49
Flood control	18	18	18	18	18
Highways and Streets:					
Administration	43	9	9	9	9
Street maintenance	119	121	121	121	121
Engineering and architecture	104	93	88	88	87
Sanitation:					
Landfill operations	3	3	3	3	12
Street cleaning	24	24	24	24	24
Health and Welfare:					
Housing and community services	89	88	82	82	81
Environmental services	30	36	29	29	29
Culture and Recreation:					
Libraries	151	149	139	138	135
Art museum	26	26	26	22	18
Parks and recreation	122	158	124	129	140
Golf courses	33	33	33	33	33
Community facilities	51	51	52	49	46
Water Utility	186	214	214	215	207
Sewer Utility	155	154	154	154	154
Airport Authority	126	118	134	136	136
Stormwater Utility	37	38	39	39	39
Transit	135	135	139	138	136
Total	3,356	3,331	3,270	3,274	3,282

Note: Numbers presented are authorized positions as reported in the Adopted Budget and includes part-time and seasonal employees.

FUNCTION	Fiscal Year 2017	2018	2019	2020	2021
General Government:					
City council and city manager	21	22	22	25	25
General government	17	41	40	37	35
Economic development	4	4	4	4	4
Financial services	73	72	72	72	72
Legal services	27	27	26	27	28
Building services	100	100	99	85	84
Fleet services	57	57	57	48	48
Municipal court	115	115	115	115	115
Information technology	59	57	60	60	61
Metropolitan planning	13	17	17	17	18
Human resources	14	15	15	18	17
Public Safety:					
Police	845	842	842	893	905
Fire	453	453	443	484	484
Metropolitan area building and construction	47	43	43	40	41
Flood control	18	18	18	18	18
Highways and Streets:					
Administration	9	9	9	9	9
Street maintenance	121	121	121	95	95
Engineering and architecture	87	87	89	75	75
Sanitation:					
Landfill operations	12	12	12	13	13
Street cleaning	24	24	24	22	22
Health and Welfare:					
Housing and community services	81	81	61	58	70
Environmental services	28	28	28	21	21
Culture and Recreation:					
Libraries	134	148	143	141	141
Art museum	13	13	13	11	9
Parks and recreation	136	136	133	133	134
Golf courses	33	33	31	21	21
Community facilities	50	50	46	44	28
Water Utility	208	189	196	187	187
Sewer Utility	154	154	154	154	155
Airport Authority	140	140	141	141	141
Stormwater Utility	39	39	39	37	37
Transit	145	145	154	153	153
Total	3,277	3,292	3,267	3,258	3,266

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SINGLE AUDIT SECTION



CITY OF WICHITA KANSAS

SINGLE AUDIT SECTION

The Single Audit Section includes the Independent Auditor's reports, schedules and exhibits reflecting federal, state and local matching participation for various projects and programs of the City.

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's 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*

To the Honorable Mayor and Members of the City Council
City of Wichita
Wichita, Kansas

We have audited, in accordance with 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wichita ("the City"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2022. Our report includes a reference to other auditors who audited the financial statements of Wichita RAD Senior, L.P., a discretely presented component unit, as described in our report on the City's financial statements. The financial statements of Wichita RAD Senior, L.P. audited by other auditors were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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.

Eide Bailly LLP

Fargo, North Dakota
June 27, 2022

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Honorable Mayor and Members of the City Council
City of Wichita
Wichita, Kansas

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the City of Wichita's ("the City") 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 the City's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Water Infrastructure Finance and Innovation Act (WIFIA) Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the WIFIA Program for the year ended December 31, 2021.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2021.

Basis for Qualified and Unmodified Opinions

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 City 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 City's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on the WIFIA Program

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding Assistance Listing No. 66.958 WIFIA as described in finding number 2021-001 for Reporting.

Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

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 City'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 City'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 City'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 City'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 City'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 City'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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a material weakness.

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 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.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Eide Bailly LLP

Fargo, North Dakota
June 27, 2022

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance for the Passenger Facility Charge Program and on Internal Control over Compliance

To the Honorable Mayor and Members of the City Council
City of Wichita
Wichita, Kansas

Report on Compliance

Opinion on Compliance with the Passenger Facility Charge Program

We have audited the compliance of the City of Wichita's ("the City") compliance with the types of requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the Guide), issued by the Federal Aviation Administration, that could have a direct and material effect on its passenger facility charge program for the year ended December 31, 2021.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program for the year ended December 31, 2021.

Basis for our Opinion

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 Guide. Our responsibilities under those standards and the Guide 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 City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance. Our audit does not provide a legal determination of the City's 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 City's government 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 City'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 Guide, 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 City's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, 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 City'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 City'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 guide, but not for the purpose of expressing an opinion on the effectiveness of the City'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 the passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 the passenger facility charge 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 the passenger facility charge 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 have not been 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 Guide. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Fargo, North Dakota
June 27, 2022

CITY OF WICHITA, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2021

Federal Grantor, Pass-Through Grantor, Program or Cluster Title	Cluster	Federal CFDA Number*	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture Food and Nutrition Services					
Passed Through Kansas State Department of Education:					
Child and Audlt Care Food Program		10.558	M0709-CAP	$ -	$ 16,101
Total U.S. Department of Agriculture Food and Nutrition Services				-	16,101
U.S. Department of Housing and Urban Development					
Direct Funding:					
Community Development Block Grants/Entitlement Grants	1	14.218		366,186	2,979,940
COVID-19 Community Development Block Grants/ Entitlement Grants	1	14.218		1,481,556	1,637,350
Emergency Solutions Grant Program		14.231		88,231	226,127
COVID-19 Emergency Solutions Grant Program		14.231		995,252	1,152,033
HOME Investment Partnerships Program		14.239		-	699,069
Public and Indian Housing		14.850		-	1,478,369
COVID-19 Public and Indian Housing		14.850		-	177,766
Section 8 Housing Choice Vouchers	2	14.871		-	19,360,990
COVID-19 Section 8 Housing Choice Vouchers	2	14.871		-	668,566
Public Housing Capital Fund		14.872		-	2,017,315
Mainstream Vouchers	2	14.879		-	352,134
Family Self-Sufficiency Program		14.896		-	119,999
Lead-Based Paint Hazard Control in Privately-Owned Housing		14.900		-	60,081
Total U.S. Department of Housing and Urban Development				2,931,225	30,929,739
U.S. Department of Justice					
Direct Funding:					
Joint Law Enforcement Operations		16.111		-	8,175
Drug Court Discretionary Grant Program		16.585		-	58,725
Public Safety Partnership and Community Policing Grants		16.710		-	242,441
Byrne Criminal Justice Innovation Program		16.817		-	61,129
Body Worn Camera Policy and Implementation		16.835		-	18,572
Equitable Sharing Program		16.922		-	212,600
COVID-19 Coronavirus Emergency Supplemental Funding Program		16.034		-	314,019
Passed Through Sedgwick County:					
Missing Children's Assistance		16.543	2019-MC-FX-K054	-	139,890
Edward Byrne Memorial Justice Assistance Grant Program		16.738	2018-H3031-KS-DJ	-	50,827
Edward Byrne Memorial Justice Assistance Grant Program		16.738	2018-DG-BX-0013	-	146,671
Edward Byrne Memorial Justice Assistance Grant Program		16.738	2019-DG-BX-0006	16,000	49,900
Edward Byrne Memorial Justice Assistance Grant Program		16.738	2019-H3726-KS-DJ	-	38,925
Passed Through Kansas Governor's Grant Program:					
Crime Victim Assistance		16.575	21-VOCA-46	-	78,951
Crime Victim Assistance		16.575	22-VOCA-47	-	20,094
Crime Victim Assistance		16.575	21-VOCA-45	-	117,215
Crime Victim Assistance		16.575	22-VOCA-46	-	44,236
Violence Against Women Formula Grant		16.588	21-VAWA-20	-	32,435
Project Safe Neighborhoods		16.609	19-PSN-02	-	16,053
Project Safe Neighborhoods		16.609	20-PSN-02	-	36,455
Total U.S. Department of Justice				16,000	1,687,313

(Continued)

* Federal CFDA Number is also known as the Federal Financial Assistance Listing.

CITY OF WICHITA, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

For the year ended December 31, 2021

Federal Grantor, Pass-Through Grantor, Program or Cluster Title	Cluster	Federal CFDA Number*	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation					
Direct Funding:					
Airport Improvement Program		20.106		$ -	$ 9,311,751
COVID-19 Airport Improvement Program		20.106		-	36,090
Federal Transit - Formula Grants	3	20.507		98,562	2,335,765
COVID-19 Federal Transit - Formula Grants	3	20.507		-	5,332,425
Enhance Mobility for Seniors and Individuals with Disabilities	4	20.513		89,038	104,725
Enhance Mobility for Seniors and Individuals with Disabilities	4	20.513		6,722	65,734
Bus and Bus Facilities Formula Program	3	20.526		-	684,031
Passed Through Kansas Department of Transportation:					
Highway Planning and Construction	5	20.205	KA-2382-01	-	1,054,066
Highway Planning and Construction	5	20.205	N-0662-01	-	1,078,340
Highway Planning and Construction	5	20.205	N-0660-01	-	1,563,860
Highway Planning and Construction	5	20.205	N-0684-01	-	190,912
Highway Planning and Construction	5	20.205	TE-0451-01	-	107,139
State and Community Highway Safety	6	20.600	PT-1049-21	-	60,220
State and Community Highway Safety	6	20.600	PT-1049-22	-	4,795
Total U.S. Department of Transportation				194,322	21,929,853
U.S. Department of Treasury					
Direct Funding:					
Emergency Rental Assistance Program		21.023		-	16,572,830
Coronavirus State and Local Fiscal Recovery Funds		21.027		-	64,828
Total U.S. Department of Treasury				-	16,637,658
National Endowment for the Humanities					
Passed Through State Library of Kansas					
Library Services and Technology		45.310	21-LSTA-ARPA-036	-	7,409
Total National Endowment for the Humanities				-	7,409
U.S. Small Business Administration					
Direct Funding:					
Shuttered Venue Operators Grant		59.075		-	231,639
Total U.S. Small Business Administration				-	231,639
U.S. Environmental Protection Agency					
Direct Funding:					
Water Infrastructure Finance and Innovation Act (WIFIA)		66.958		-	29,702,988
Passed Through Kansas Department of Health and Environment:					
Air Pollution Control Program Support		66.001	KSA 75-6401	-	10,497
Air Pollution Control Program Support		66.001	00796211	-	37,802
Air Pollution Control Program Support		66.001	00796211	-	9,656
Total U.S. Environmental Protection Agency				-	29,760,943

(Continued)

** Federal CFDA Number is also known as the Federal Financial Assistance Listing.*

CITY OF WICHITA, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

For the year ended December 31, 2021

Federal Grantor, Pass-Through Grantor, Program or Cluster Title	Cluster	Federal CFDA Number*	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services					
Direct Funding:					
Community Programs to Improve Minority Health Grant Program		93.137		$ 206,130	$ 206,130
Passed Through Kansas Housing Resources Corporation:					
Community Services Block Grant	8	93.569	20-CSBG-01	-	773,271
Community Services Block Grant	8	93.569	21-CSBG-01	-	176,695
COVID-19 Community Services Block Grant	8	93.569	20 CARES 01	-	87,805
Passed Through Kansas Department of Health and Environment:					
Child Care and Development Block Grant	7	93.575	3028/2643450K	-	187,644
Child Care and Development Block Grant	7	93.575	3028/2643450M	-	170,743
Child Care and Development Block Grant	7	93.575	2101KSCCCS	-	14,453
Child Care and Development Block Grant	7	93.575	2101KSCDC6	-	37,735
Child Care and Development Block Grant	7	93.575	2001KSCCC3	-	3,003
Total U.S. Department of Health and Human Services				206,130	1,657,479
Executive Office of the President					
Passed Through Kansas Bureau of Investigation:					
High Intensity Drug Trafficking Areas Program		95.001	G20MW0003A	-	58,889
High Intensity Drug Trafficking Areas Program		95.001	G21MW0003A	-	101,813
High Intensity Drug Trafficking Areas Program		95.001	G19MW0003A	-	397
Total Executive Office of the President				-	161,099
U.S. Department of Homeland Security					
Direct Funding:					
Disaster Grants - Public Assistance		97.036		-	579,795
Staffing for Adequate Fire and Emergency Response		97.083		-	574,964
Total U.S. Department of Homeland Security				-	1,154,759
Total Federal Financial Assistance				$ 3,347,677	$ 104,173,992

Federal Grant/Program Clusters

CDBG-Entitlement Grants Cluster	1	$ 4,617,290
Housing Voucher Cluster	2	20,381,690
Federal Transit Cluster	3	8,352,221
Transit Services Programs Cluster	4	170,459
Highway Planning and Construction Cluster	5	3,994,317
Highway Safety Cluster	6	65,015
CCDF Cluster	7	413,578
477 Cluster	8	1,037,771

** Federal CFDA Number is also known as the Federal Financial Assistance Listing.*

1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the City of Wichita and is presented on the modified accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. The information in the SEFA 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

2. INDIRECT COST RATE

The City of Wichita has elected not to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.Instead of the de minimus rate, the City of Wichita works with a consultant to prepare an indirect cost rate plan (ICAP) that is submitted to the cognizant agency on an annual basis for review and approval. The City's indirect cost rates used in the 2021 financial statements and for reimbursement for 2021 federal expenditures were approved by the cognizant agency.

3. FEDERAL FORFEITED PROPERTY PROGRAM

In 2021, the Narcotic Seizure program acquired $56,987 in federal forfeited property and expended $90,695 on the qualified program expenditures.

4. COMMUNITY SERVICES BLOCK GRANT

The Community Services Block Grant (CSBG) is passed to the City of Wichita through the Kansas Housing Resources Corporation. Expenditures for the grant program years ending September 30, 2021 and September 30, 2022 are summarized in the following tables.

CSBG Grant Program Year Ended September 30, 2021					
	Budget	Actual			Variance
	Apr 1, 2020 to Sept 30, 2021	Apr 1, 2020 to Dec 31, 2020	Jan 1, 2021 to Sept 30, 2021	Total	
Revenue	$ 1,012,800	$ 334,224	$ 678,576	$ 1,012,800	$ -
Expenditures:					
Personnel	$ 589,055	$ 134,978	$ 390,961	$ 525,939	$ 63,116
Contractuals	402,736	89,325	288,314	377,639	25,097
Commodities	13,290	14,691	30,693	45,384	(32,094)
Other	7,719	536	63,302	63,838	(56,119)
Total expenditures	$ 1,012,800	$ 239,530	$ 773,270	$ 1,012,800	$ -

CSBG Grant Program Year Ending September 30, 2022		
	Budget	Actual
	Apr 1, 2021 to Sept 30, 2022	Apr 1, 2021 to Dec 31, 2021
Revenue	$ 965,802	$ 174,673
Expenditures:		
Personnel	$ 490,153	$ 101,172
Contractuals	450,245	62,931
Commodities	13,858	10,599
Other	11,546	1,992
Total expenditures	$ 965,802	$ 176,694

Section I – Summary of Auditor's Results

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	No
Type of auditor's report issued on compliance for major programs:	Unmodified for all major federal programs except for 66.958, which was a qualified opinion.
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	Yes

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing/CFDA Number
COVID-19 Community Development Block Grants/Entitlement Grants Cluster	14.218
Highway Planning and Construction Cluster	20.205
COVID-19 Federal Transit Cluster	20.507 / 20.526
Emergency Rental Assistance Program	21.023
Water Infrastructure Finance and Innovation Act (WIFIA)	66.958

Dollar threshold used to distinguish between type A and type B programs:	$ 3,000,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None Reported

Section III – Federal Award Findings and Questioned Costs

2021-001 **U.S. Environmental Protection Agency Federal Financial Assistance Listing/CFDA Number 66.958, WIFIA – N18108KS, 2020**
Water Infrastructure Finance and Innovation Act (WIFIA) Program

Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance

Criteria: A good system of internal accounting control contemplates an adequate system for ensuring that all reports are completed and submitted timely and accurately by the City's Public Works & Utilities Department, in accordance with the WIFIA Credit Agreement with the U.S. Environmental Protection Agency dated April 23, 2020.

Condition: During the course of our engagement, we noted that the quarterly construction reporting was not done for the quarters ended March 31, 2021 and June 30, 2021. The quarterly construction reports submitted for the quarters ended September 30, 2021 and December 31, 2021, both had amounts reported that did not agree to the general ledger system of the City.

Cause: The City's Public Works & Utilities Department does not have an internal control system designed to ensure that all construction reports are submitted timely and accurately.

Effect: The control deficiency could result in the City's construction reports for the WIFIA program not being completed timely and/or accurately by staff in the City's Public Works & Utilities Department.

Questioned Costs: None reported.

Context/Sampling: The entirety of the quarterly construction reports for the WIFIA program were tested.

Repeat Finding from Prior Year(s): No

Recommendation: Management should put procedures in place to ensure that all quarterly construction reports are accurate and submitted by the required due dates.

Views of Responsible Officials: Management is in agreement with the finding. The City's Public Works & Utilities Department is working with the EPA to correct the amounts reported on the third and fourth quarter reports, that were submitted in 2021. In addition to correcting the reports, Public Works & Utilities staff will be working with Finance staff to have the quarterly reports reviewed for accuracy before submission to the EPA.

CITY OF WICHITA, KANSAS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended December 31, 2020

Fiscal Year	Finding Number	Finding	CFDA	Comments
2020	2020-001	Under 2 CFR 200 section 430(i)(1)(i), charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.	20.500, 20.507, and 20.526	The City of Wichita (City) implemented a new payroll system, MUNIS Payroll, on 12/26/2020 which replaced the prior system, Cyborg, which had been in place for 30 years. The new payroll system has been designed and setup to properly calculate all forms of payroll expenditures, including overtime, based on all of the City's various union contracts. The system calculations were rigorously tested as a part of the implementation of the new payroll system. Quarterly checks were performed in 2021 to ensure that overtime was calculated correctly, thus ensuring that the grants were being accurately charged. These quarterly checks were submitted to both the auditors and KDOT for review and assurance.

WATER UTILITIES SECTION



CITY OF WICHITA KANSAS

WATER UTILITIES SECTION

The Water Utilities Section contains schedules and exhibits that fulfill the requirements of the Water and Sewer Utility revenue bond covenants.

Wichita Water & Sewer Utilities
Director's Office
City Hall – Eighth Floor
455 North Main Street
Wichita, Kansas 67202

June 27, 2022

To our Water and Sewer Bondholders:

Please review and accept the 2021 Annual Report, presented on behalf of the City of Wichita and the Water and Sewer Utilities.

The City of Wichita is committed to providing top-quality, reliable water and sewer service to residents of Wichita and the surrounding communities. More than 450,000 citizens of southcentral Kansas are served by the Wichita Water Utility. Wichita's utility system is comprised of over 4,600 miles of water and sewer mains, 68 sanitary sewer lift stations, four wastewater treatment plants, one drinking water treatment plant, one surface water treatment plant, about 150,000 water meters, and numerous other assets. Through efficient operations and strategic financial management, the Utilities will continue to provide high value services to all customers.

Throughout 2021, the Utility gradually returned to "normal" following the consequences of and responses to the worldwide COVID-19 pandemic. During the pandemic, commercial volumes declined while residential and wholesale volumes increased. Overall volumes were strong as they continued to be influenced by hot, dry weather more than any other factor. Throughout 2021, volumes among customer types, gradually returned to pre-pandemic norms and overall volumes remained strong, again due to hot, dry weather. In response to the pandemic, shutoffs for non-payment were suspended for most of 2020, while other collection efforts remained in full effect. Shutoffs for non-payment resumed in April 2021 and gradually built-up to pre-pandemic shutoff rates throughout the remainder of the year. As a result of resuming shutoffs, as well as aid provided by local, state, and federal water assistance programs, the Utility's delinquency rate has returned to a pre-pandemic level.

The Utility's two largest projects are the construction of a new water treatment plant, called the Northwest Water Facility (NWWF), and upgrades to wastewater treatment facilities that are needed to meet new regulatory standards regarding Biological Nutrient Removal (BNR). Significant progress was made on both projects throughout 2021. Construction of the NWWF is on schedule and is still expected to be substantially complete by September 2024. In October 2021, the City was invited to apply for a Water Infrastructure Finance and Investment Act (WIFIA) loan for nearly half the cost of the BNR project. Also, in 2021, the Kansas Department of Health and Environment (KDHE) accepted the City's request to include the BNR project on the State's Project Priority List, which is the first step in securing a Water Pollution Control State Revolving Fund (SRF) loan for the other half of the project. A similar mix of financing is in place for the NWWF project, which is expected to provide significant cost savings and ease ratepayer burdens.

Finally, it is important to recognize the hundreds of employees dedicated to providing safe, clean, and reliable services. Senior management routinely engages in succession planning efforts to ensure the same qualified, dedicated staff will be available to provide these essential services now and into the future. The City of Wichita is committed to continuing responsible financial and operational management practices necessary to provide excellent service levels that customers expect.



Alan King
Director of Public Works & Utilities
for the Water & Sewer Utilities
City of Wichita, Kansas

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CITY OF WICHITA, KANSAS

WATER UTILITIES COMBINED STATEMENT OF NET POSITION

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	$ 34,957,372	$ 57,935,273
Receivables, net:		
Accounts receivable	27,156,793	19,933,408
Due from other funds	88,458	-
Inventories	4,162,269	3,071,598
Prepaid items	681,240	712,107
Restricted assets:		
Cash and cash equivalents	43,334,334	41,982,373
Total current assets	110,380,466	123,634,759
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	168,761,756	124,558,051
Capital assets:		
Land	21,485,379	21,483,451
Buildings	279,667,408	256,455,027
Improvements other than buildings	1,253,773,232	1,207,818,114
Machinery, equipment and other assets	193,062,396	187,355,527
Construction in progress	216,024,686	159,482,788
Less accumulated depreciation	(629,120,503)	(590,963,306)
Total capital assets, net	1,334,892,598	1,241,631,601
Total noncurrent assets	1,503,654,354	1,366,189,652
Total assets	1,614,034,820	1,489,824,411
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized refunding costs	10,646,446	11,871,962
Deferred outflows related to pensions	5,631,940	5,575,775
Deferred outflows related to OPEB	857,259	900,317
Total deferred outflows of resources	17,135,645	18,348,054

(Continued)

CITY OF WICHITA, KANSAS

WATER UTILITIES COMBINED STATEMENT OF NET POSITION (CONTINUED)

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	2021	2020
LIABILITIES		
Current liabilities:		
Accounts payable and other liabilities	$ 23,863,221	$ 15,635,459
Accrued interest payable	169,676	253,014
Deposits	2,955,607	3,814,284
Due to other agencies	63,361	-
Due to other funds	311,695	-
Current portion of long-term obligations:		
General obligation bonds payable	5,950,000	5,670,000
Compensated absences	766,670	701,668
Current liabilities payable from restricted assets:		
Accrued interest payable	4,109,334	4,233,236
Revenue bonds payable	33,275,000	30,425,000
Total current liabilities	71,464,564	60,732,661
Noncurrent liabilities:		
General obligation bonds payable	101,187,176	107,740,975
Revenue bonds payable	458,182,495	425,559,933
Loans payable	24,955,017	-
Net pension liability	2,523,771	8,275,437
Total other post-employment benefits (OPEB) liability	4,156,517	3,925,669
Compensated absences	237,289	201,838
Total noncurrent liabilities	591,242,265	545,703,852
Total liabilities	662,706,829	606,436,513
DEFERRED INFLOWS OF RESOURCES		
Unamortized refunding costs	1,008,337	1,117,293
Deferred inflows related to pensions	9,966,807	5,700,769
Deferred inflows related to OPEB	664,129	673,233
Total deferred inflows of resources	11,639,273	7,491,295
NET POSITION		
Net investment in capital assets	699,349,039	669,810,769
Restricted for:		
Capital projects	-	1,654,137
Revenue bond covenants	207,986,756	162,408,123
Unrestricted	49,488,568	60,371,628
Total net position	$ 956,824,363	$ 894,244,657

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CITY OF WICHITA, KANSAS

WATER UTILITIES COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	2021	2020
OPERATING REVENUES		
Charges for services and sales	$ 185,394,841	$ 169,760,874
Fees	1,691,752	1,536,264
Rentals	67,062	62,944
Other operating revenues	384,308	1,331,769
Total operating revenues	187,537,963	172,691,851
OPERATING EXPENSES		
Personnel services	22,702,722	25,726,372
Contractual services	24,075,189	25,357,389
Materials and supplies	8,525,245	9,628,719
Other operating expenses	8,643,576	8,520,726
Administrative charges	1,178,935	979,223
Payments in lieu of franchise taxes	8,314,275	7,611,785
Depreciation	39,158,227	39,235,812
Total operating expenses	112,598,169	117,060,026
Operating income	74,939,794	55,631,825
NON-OPERATING REVENUES (EXPENSES)		
Interest and investment earnings	50,069	339,664
Other expenses	(4,381,923)	(790,330)
Interest expense	(20,078,016)	(20,561,415)
Gain on sale of assets	(175,688)	79,454
Bond premium amortization	3,068,770	3,041,896
Total non-operating expenses	(21,516,788)	(17,890,731)
Income before capital contributions and transfers	53,423,006	37,741,094
Capital contributions and transfers		
Capital contributions	9,374,141	7,660,845
Transfers to other funds	(217,441)	(586,055)
Total capital contributions and transfers	9,156,700	7,074,790
Change in net position	62,579,706	44,815,884
Net position - beginning	894,244,657	849,428,773
Net position - ending	$ 956,824,363	$ 894,244,657

CITY OF WICHITA, KANSAS

WATER UTILITIES COMBINED STATEMENT OF CASH FLOWS

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 178,988,255	$ 169,364,787
Cash payments to suppliers for goods and services	(43,743,051)	(43,699,235)
Cash payments to employees for services	(23,780,223)	(24,647,351)
Payments in lieu of franchise taxes	(8,314,275)	(7,611,785)
Other operating revenues	392,083	1,355,101
Other operating expenses	(3,654,398)	-
Net cash provided by operating activities	99,888,391	94,761,517
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interfund loans	223,237	-
Transfers to other funds	(217,441)	(586,055)
Net cash used in noncapital financing activities	5,796	(586,055)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Issuance of temporary notes	15,955,000	-
Issuance of capital debt	76,871,622	42,795,000
Premiums on issuance of capital debt	1,607,488	1,964,219
Accrued interest on issuance of capital debt	26,246	11,723
Debt issuance costs paid	(740,409)	(818,586)
Debt service - principal refunded	-	(11,275,000)
Debt service - interest placed in escrow on refunded debt	-	(13,827)
Principal payments on long-term debt	(36,095,000)	(33,170,000)
Interest payments on long-term debt	(20,196,809)	(20,372,493)
Additions to property, plant and equipment	(115,432,754)	(57,841,627)
Sale of capital assets	116,700	282,823
Capital contributions	547,671	408,738
Net cash used in capital and related financing activities	(77,340,245)	(78,029,030)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	23,823	332,865
Net cash provided by investing activities	23,823	332,865
Net increase in cash and temporary investments	22,577,765	16,479,297
Cash and temporary investments - beginning	224,475,697	207,996,400
Cash and temporary investments - ending	$ 247,053,462	$ 224,475,697

(Continued)

CITY OF WICHITA, KANSAS

WATER UTILITIES COMBINED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

	2021	2020
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 74,939,794	$ 55,631,825
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	39,158,227	39,235,812
Other expenses	(3,646,623)	(43,255)
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
(Increase) decrease in accounts receivable	(7,223,385)	(1,350,857)
(Increase) decrease in inventory	(1,090,671)	8,394
Decrease in prepaid items	30,867	32,102
(Increase) decrease in deferred outflows related to pensions	(56,165)	12,846,821
(Increase) in deferred outflows related to OPEB	43,058	(500,613)
Increase (decrease) in accounts payable	(224,626)	132,924
(Decrease) in accrued interest payable	(83,338)	(31,388)
Increase in due to other agencies	63,361	-
(Decrease) in deposits	(858,677)	(546,463)
Increase (decrease) in net pension liability	(5,751,666)	(11,470,439)
Increase (decrease) in total OPEB liability	230,848	794,253
Increase (decrease) in compensated absences	100,453	84,307
Increase (decrease) in deferred inflows related to pensions	4,266,038	6,690
Increase (decrease) in deferred inflows related to OPEB	(9,104)	(68,596)
Total adjustments	24,948,597	39,129,692
Net cash provided by operating activities	$ 99,888,391	$ 94,761,517
SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Contribution of capital assets	$ 8,826,470	$ 7,252,107
Capital assets in accounts payable	21,631,980	13,179,593

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Wichita is a municipal corporation governed by an elected mayor and six-member council. The accompanying combined financial statements represent the proprietary Water Utility and Sewer Utility Funds of the municipal government. The Water Utility Fund accounts for the operation and maintenance of the water supply component of the combined Utility. The Sewer Utility Fund accounts for the operation and maintenance of the sewer component of the combined Utility, including wastewater treatment plants and the sewer mains and laterals.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The Water and Sewer Utility (Utilities) Fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Operating revenues and expenses are distinguished from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Utilities' principal ongoing operations. Principal operating revenues of the Utilities are charges to customers for sales and services and the portion of tap fees intended for recovery of connecting new customers to the system. Operating expenses of the Utilities include the cost of sales and services, administration expenses and depreciation on capital assets.

Revenues and expenses not meeting these criteria are reported as non-operating revenues and expenses. Consistent with GASB Statement 33, Accounting and Financial Reporting for Nonexchange Transactions, capital contributions resulting from non-exchange transactions are included in non-operating revenues.

C. CASH AND INVESTMENTS

Cash resources of the individual funds are combined to form a pool of cash and temporary investments, which is managed by the Director of Finance (except for investments of the pension trust funds). Information on the pooled cash and investments of the City is provided in Note 5 - Cash, Investments and Securities Lending of the Notes to the Financial Statements in the Financial Section of this publication.

D. REVENUE RECOGNITION

The Utilities recognize revenue on sales when services are rendered. All users, including other City departments, are charged for services provided. Accounts receivable represent uncollected charges (both billed and unbilled) as of December 31st, net of amounts estimated to be uncollectible.

E. INVENTORIES

Inventories are stated at the lower of cost or market, cost being determined by the average unit cost method for both the Water Utility and Sewer Utility.

F. CAPITAL ASSETS

Capital assets, which include property, plant and equipment assets, are defined as assets with a minimum initial cost ranging from $5,000 to $100,000, depending on the type of the asset. Capital assets are valued at historical cost or estimated historical cost (if actual historical cost is not available). Donated capital assets are valued at their estimated acquisition value on the date donated. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

Asset Classifications	Estimated Useful Life
Buildings and improvements	1-100 years
Improvements other than buildings	1-85 years
Equipment	1-33 years
Vehicles	1-20 years
Water/Sewer mains & drainage	75-85 years

Depreciation of all exhaustible capital assets, including the depreciation of capital leased assets, is charged as an expense against operations. Accumulated depreciation is reported on the funds' statement of net position. Capital assets of the Utilities are depreciated using the straight-line method over the estimated useful lives shown in the chart above.

G. PAYMENTS IN LIEU OF FRANCHISE TAXES

Annually, the Water Utility and Sewer Utility pay the City's General Fund amounts in lieu of franchise taxes in an amount not to exceed 5% of gross revenues for the preceding year, which is appropriated by the City and included in the Annual Budget. The combined Utilities payments in lieu of franchise taxes totaled $8,314,275 in 2021 and $7,611,785 in 2020. These payments are treated as an operating expense and passed through to the Utilities' customers.

H. COMPENSATED ABSENCES

The City's policy is to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation pay is accrued and accumulated vacation is recorded as a liability in the financial statements. The City does not have a policy to pay accumulated sick pay benefits upon termination of employment; consequently, there is no liability for unpaid accumulated sick leave.

I. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The Utilities report deferred charges on refunding in the statement of net position. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Utilities also report a collective deferred outflow of resources related to pensions, which is described in more detail in Note 7 - Retirement Funds and a collective deferred outflow of resources related to OPEB, which is described in more detail in Note 8 – Other Post-Employment Healthcare Benefits.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (reduction of expense) until that time. The Utilities report deferred charges on refunding in the statement of net position. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Utilities report a collective deferred inflow of resources related to pensions, which is described in more detail in Note 7 - Retirement Funds and a collective deferred inflow of resources related to OPEB, which is described in more detail in Note 8 – Other Post-Employment Healthcare Benefits.

2. CASH AND INVESTMENTS

At December 31, 2021 and 2020, the Utilities had combined cash and temporary investments in the amounts of $247,053,462 and $224,475,697 respectively, which are included in the City's pooled cash and temporary investments, with the exception of the separate investments Utilities bond reserves. As of December 31, 2021 and 2020, the Utilities had non-pooled investments of $14,119,746 and $14,633,250, respectively.

The City of Wichita has adopted a formal investment policy. The primary objectives of the investment activities are, in priority order: safety, liquidity and yield. The standard of care to be used by investment officials shall be the "prudent investor rule" as set forth in the Uniform Prudent Investors Act K.S.A. 58-24a01 et seq. and shall be applied in the context of managing an overall portfolio. Additional information on the City's investment policy and the cash and investments of the City is located in Note 5 - Cash, Investments and Securities Lending of the Notes to the Financial Statements in the Financial Section of this publication.

On December 31, 2021, revenue bond proceeds for debt service reserve funds of the Water and Sewer Utility were invested as follows:

Investment Type	Fair Value	Modified Duration (years)	Percent of Bond Proceeds Investments
U.S. Treasury securities	$ 14,119,746	0.071	100.0%
Total value	$ 14,119,746		100.0%
Total weighted average maturity		0.071	

The fair value measurements for the Water and Sewer Utilities revenue bond reserve investments on December 31, 2021 are classified as Level 1 of the fair value hierarchy and are valued using quoted prices in active markets for identical securities.

The Series 2017A revenue refunding bonds also had advanced proceeds for two specific major sewer projects. As of December 31, 2021, $2,000,341 is being held in an individual account in the Kansas Municipal Investment Pool. All the proceeds and related interest earnings on those proceeds have been spent as of December 31, 2021, and thus, are not restricted.

3. CAPITAL ASSETS

Capital asset activity of the Water Utility and Sewer Utility for the year ended December 31, 2021 is shown as follows:

Capital Assets Activity
For the Year Ended December 31, 2021
(dollars in thousands)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 21,483	$ 83	$ (81)	$ -	$ 21,485
Construction in progress	159,483	120,395	(63,853)	-	216,025
Total capital assets, not being depreciated	180,966	120,478	(63,934)	-	237,510
Capital assets, being depreciated:					
Buildings	256,455	23,212	-	-	279,667
Improvements other than buildings	1,207,818	38,612	(55)	7,398	1,253,773
Machinery, equipment and other assets	187,356	6,853	(1,177)	31	193,063
Total capital assets being depreciated	1,651,629	68,677	(1,232)	7,429	1,726,503
Less accumulated depreciation for:					
Buildings	(108,378)	(5,485)	-	-	(113,863)
Improvements other than buildings	(347,543)	(23,528)	17	-	(371,054)
Machinery, equipment and other assets	(135,042)	(10,145)	1,004	(20)	(144,203)
Total accumulated depreciation	(590,963)	(39,158)	1,021	(20)	(629,120)
Total capital assets, being depreciated, net	1,060,666	29,519	(211)	7,409	1,097,383
Water and Sewer Utility capital assets, net	$ 1,241,632	$ 149,997	$ (64,145)	$ 7,409	$ 1,334,893

4. RETIREMENT FUNDS

The reporting entity contributes to a defined single-employer retirement benefit plan, the Wichita Employees' Retirement System (WERS) and a single-employer defined contribution plan, the Wichita Employees' Retirement System Plan 3b. Both plans are governed by the Wichita Employees' Retirement System Board of Trustees. All full-time employees of the Utilities participate in one of the retirement plans.

Additional information on the retirement systems is reported in Note 7 - Retirement Funds of the Notes to the Financials Statements located in the Financial Section of this publication. The Wichita Retirement Systems also issue a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplementary information for WERS. The financial report may be obtained online at www.wichita.gov/Finance/Pages/Pension.aspx.

The Utilities are required to contribute at an actuarially determined rate for WERS. The rate for 2021 and 2020 was 13.9% and 13.7% of annual covered payroll, respectively. As of December 31, 2021 and 2020, the Utilities reported a net pension liability of $2,523,771 and $8,275,437, respectively and also recorded the related deferred outflows of resources and inflows of resources related to their portion of the net pension liability.

5. OTHER POST-EMPLOYMENT HEALTHCARE BENEFITS (OPEB)

Kansas statute provides that post employment healthcare benefits be extended to retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The health insurance benefit provides the same coverage for retirees and their dependents as for active employees and their dependents. The benefit is available for selection at retirement and is extended to retirees and their dependents until the individuals become eligible for Medicare at age 65. The accounting for the health insurance for retirees is included in the City's Self Insurance Fund, with the subsidy provided from the Self Insurance Fund. Separate audited financial statements are not prepared by the Plan. Additional information on the other post employment health care benefits is reported in Note 8 – Other Post-Employment Healthcare Benefits located in the Financial Section of this publication.

As of December 31, 2021 and 2020, the Utilities reported a total OPEB liability of $4,156,517 and $3,925,669, respectively, and have recorded the related deferred outflows of resources and inflows of resources related to their portion of the total OPEB liability.

6. SELF INSURANCE FUND AND INSURANCE COVERAGE

The City established a Self Insurance Fund in 1987 to account for self-insurance programs of workers' compensation, group life insurance, employee liability, property damage, auto liability and general liability for the reporting entity. The Utilities participate in the self insurance programs of workers' compensation, group life insurance, group health insurance, employee liability, property damage, auto liability and general liability. Property insurance for the Utilities is included in the City's coverage with limits established for the entire City.

Information on the insurance programs is located in Note 9 - Self Insurance Fund of the Notes to the Financial Statements located in the Financial Section of this publication. Details of purchased insurance coverage are provided within the Additional Information subsection of this report on page F-8 of this publication.

7. LONG-TERM DEBT

A. LONG-TERM OBLIGATIONS

Changes in the long-term liability of the Water and Sewer Utility for the combined Utilities for the year ended December 31, 2021 are summarized in the following table:

Long-Term Obligations Activity
For the Year Ended December 31, 2021
(dollars in thousands)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	$ 105,310	$ -	$ (5,670)	$ 99,640	$ 5,950
Unamortized premium	8,101	-	(604)	7,497	-
Revenue bonds	421,710	36,715	(30,425)	428,000	33,275
Unamortized premium	34,275	2,844	(3,582)	33,537	-
Direct borrowing and placement:					
Revenue bonds*	-	29,921	-	29,921	-
Total bonds payable	569,396	69,480	(40,281)	598,595	39,225
Direct borrowing and placement:					
Loans payable**	-	24,955	-	24,955	-
Compensated absences	904	1,508	(1,408)	1,004	767
Net pension liability	8,275	11,993	(17,744)	2,524	-
Total OPEB liability	3,926	435	(204)	4,157	-
Total long-term liabilities	$ 582,501	$ 108,371	$ (59,637)	$ 631,235	$ 39,992

* Water Infrastructure Finance and Innovation Act (WIFIA) bonds.

** Kansas Public Water Supply Loan Fund (KPWSLF) loan.

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B. GENERAL OBLIGATION BONDS

General obligation bonds are issued by the City of Wichita to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations of the City and pledge the full faith and credit of the government. The combined Utilities had the following general obligation bond outstanding as of December 31, 2021.

General Obligation Bonds
Outstanding on December 31, 2021
(dollars in thousands)

Outstanding issue	Interest Rate	Dated Date	Final Maturity Date	Amount Outstanding
Series 811	3.00% - 5.00%	10/01/2014	2034	$ 99,640
Total Water & Sewer Utility General Obligation Bonds				$ 99,640

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

Annual Debt Service Requirements
General Obligation Bonds
(dollars in thousands)

Year Ending December 31,	Principal	Interest
2022	$ 5,950	$ 3,663
2023	6,250	3,358
2024	6,560	3,038
2025	6,890	2,702
2026	7,235	2,421
2027 – 2031	39,555	8,623
2032 – 2034	27,200	1,566
Totals	$ 99,640	$ 25,371

C. REVENUE BONDS

Revenue bonds are issued by the City of Wichita where income derived from the acquired or constructed assets is pledged to pay debt service. The bonds are payable solely from net revenues of the Utilities. The combined Utilities had the following revenue bonds outstanding at December 31, 2021.

Revenue Bonds
Outstanding on December 31, 2021
(dollars in thousands)

Outstanding issue	Interest Rate	Issued Date	Final Maturity Date	Amount Outstanding
2014A Water & Sewer Refunding	3.00% - 5.00%	8/1/2014	2030	$ 18,075
2014B Water & Sewer	2.50% - 5.00%	12/1/2014	2034	9,340
2015B Water & Sewer Refunding	2.38% - 5.00%	4/1/2015	2031	23,160
2015C Water & Sewer	2.50% - 5.00%	11/1/2015	2035	18,275
2015D Water & Sewer Refunding	2.50% - 5.00%	11/1/2015	2032	16,805
2016A Water & Sewer	3.00% - 5.00%	8/1/2016	2036	19,415
2016B Water & Sewer Refunding	3.00% - 5.00%	8/1/2016	2039	82,345
2017A Water & Sewer	3.00% - 5.00%	6/1/2017	2037	56,295
2017B Water & Sewer Refunding	3.00% - 5.00%	12/1/2017	2030	16,570
2019A Water & Sewer	3.00% - 5.00%	3/1/2019	2039	41,375
2019B Water & Sewer Refunding	3.00%	12/1/2019	2030	48,980
2020A Water & Sewer	3.00%	5/1/2020	2039	31,005
2020C Water & Sewer Refunding	2.00% - 3.50%	10/1/2020	2032	9,645
2021A Water & Sewer	2.00% - 4.00%	6/1/2021	2040	36,715
Total Water and Sewer Utilities revenue bonds				$ 428,000
From Direct Borrowings and Placements:				
2020B (WIFIA) Taxable Water & Sewer	1.17%	10/1/2021	2059	$ 29,921
Total Water Utility WIFIA revenue bonds				$ 29,921

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

Annual Debt Service Requirements Revenue Bonds (dollars in thousands)				
	Revenue Bonds		Direct Borrowing and Placement Revenue Bonds	
Year Ending December 31,	Principal	Interest	Principal	Interest
2022	$ 33,275	$ 15,167	$ -	$ -
2023	34,620	13,756	-	-
2024	30,495	12,320	-	-
2025	31,980	10,992	-	-
2026	31,280	9,683	-	-
2027 – 2031	143,525	31,800	2,648	1,105
2032 – 2036	89,375	12,459	4,624	1,632
2037 – 2041	33,450	1,879	4,900	1,355
2042 – 2046	-	-	5,194	1,062
2047 – 2051	-	-	5,505	751
2052 – 2056	-	-	5,834	421
2057 – 2059	-	-	3,667	86
Total debt service	$ 428,000	$ 108,056	$ 32,372	$ 6,412
	Less: interest rolled into principal*		(2,451)	
		Total	$ 29,921	

* Estimated interest rolled into principal during construction phase. See Note 7E below.

D. LONG-TERM LOANS

The Water Utility has entered into a long-term loan, where income derived from the acquired or constructed assets is pledged to pay debt service. The table below presents the long-term loan outstanding as of December 31, 2021.

Long-term Loans Outstanding on December 31, 2021 (dollars in thousands)				
Outstanding issue	Interest Rate	Issued Date	Final Maturity Date	Amount Outstanding
From Direct Borrowings and Placements:				
2020 KPWSLF Loan*	1.48%	6/22/2020	2045	$ 24,955
Total Water Utility long-term loan				$ 24,955

* Kansas Public Water Supply Loan Fund (KPWSLF) loan. See Note 7E below for further details.

Debt service requirements to maturity for the long-term loan outstanding is presented in the table below.

Annual Debt Service Requirements Long-term Loans (dollars in thousands)		
Year ending December 31,	Business-type Activities Principal	Interest
2025	$ 567	$ 195
2026	1,146	376
2027 – 2031	5,993	1,621
2032 – 2036	6,451	1,162
2037 – 2041	6,945	669
2042 – 2045	5,175	154
Totals	$ 26,277	$ 4,177
Less: interest rolled into principal	(1,322)	
	$ 24,955	

*Estimated interest rolled into principal during construction phase. See Note 7E for further details.

E. DIRECT BORROWINGS AND PLACEMENTS: BONDS AND LONG-TERM LOANS

Water Infrastructure Finance and Innovation Act (WIFIA) Bond: On April 27, 2020, the City entered into a Water Infrastructure Finance and Innovation Act (WIFIA) credit agreement at 1.17% for up to $280,860,714 with the United States Environmental Protection Agency (EPA), a direct borrowing/placement, to fund part of the City's new Northwest Water Treatment Facility (NWWTF) Project, which is expected to cost approximately $550 million. The WIFIA Bond will be due in semi-annual installments of interest and annual payments of principal, with a final maturity date of 35 years following the substantial completion date of the Project. No interest accrues until the City makes its first drawdown of funds from the WIFIA Bond. No interest will be due during until after the substantial completion date of the project and such interest accrued will be rolled into the WIFIA credit balance up to a maximum principal amount of $331,000,000. As of December 31, 2021, the City has an outstanding balance of $29,920,572, which includes $217,584 of interest rolled into the balance. The City has projected an additional $2,451,204 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

Kansas Public Water Supply Loan Fund (KPWSLF or Revolving Fund): On June 22, 2020, the City entered into a direct borrowing loan agreement with the Kansas Department of Health and Environment (KDHE) to fund part of the City's new Northwest Water Treatment Facility (NWWTF) Project, which is expected to cost approximately $550 million. The KPWSLF loan is not to exceed $55,000,000 and carries an interest rate of 1.48%. The loan is subject to the availability of KDHE's State and Federal funds and proceeds from KDFA (Kansas Development Finance Authority) Bonds. No interest accrues until the City makes its first drawdown of funds from the KPWSLF loan and no principal payments are due until the earlier of August 1, 2025 or one year after Project completion. The City may not prepay the outstanding principal of the loan, except as may be consented in writing by KDHE in advance of such prepayment. As of December 31, 2021, the City has a principal balance of $24,955,017, which includes $107,850 of interest rolled into that balance. The City has projected an additional $1,321,724 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

For additional information about these direct borrowings and placements, please see Note – 10. F. Direct Borrowings and Placements: Bonds and Long-Term Loans.

F. REVENUE BOND ORDINANCE PROVISIONS AND RESERVE REQUIREMENTS

Revenue bond ordinances related to the issuance of revenue bonds provide for specific deposits to debt service and other related bond reserve and maintenance accounts. At December 31, 2021 and 2020, unrestricted cash available in accordance with the revenue requirements of the bond covenants was $34,957,372 and $57,935,273, respectively.

Water and Sewer Utility Restricted Cash		
	2021	2020
Principal and interest	$ 16,839,488	$ 16,159,014
Bond reserve	15,166,726	15,567,824
Depreciation and replacement	16,292,876	14,013,676
Payment to the City	728,177	7,935,016
Improvements	162,491,234	111,210,757
Public Safety Fees	577,589	-
Unspent bond proceeds	-	1,654,137
Total restricted cash	$ 212,096,090	$ 166,540,424

At December 31, 2021 and 2020, the City was in compliance with the reserve requirements of the respective Water and Sewer Utility revenue bond covenants. Significant requirements are listed below.

Unrestricted cash: In addition to any cash remaining after satisfying all other restriction requirements, the amount budgeted for ensuing 60 days operating expenses for utility operation, repairs and maintenance.

Principal and interest: Principal and interest, an equal prorated portion of the next annual principal payment and semi-annual interest payment of various revenue bond series on the first day of each month, which is sufficient to meet the maturing bond and interest requirements.

Bond reserve: A sum equal to greater of the amount of interest which shall become due and payable on various revenue bond series during next fiscal year or the maximum amount of interest which shall become due and payable on various revenue bond series in any subsequent year, shall be used solely for the payment of principal and interest on revenue bond series for which funds might not otherwise be available, or to pay a like amount of final maturing series.

Depreciation and replacement: 15% of the operating revenues of the preceding year are accumulated for the purpose of extraordinary maintenance and repairs, capital improvements and if other funds are not available, for the cost of operating and maintaining the Utilities.

Improvements: The amount remaining in the Revenue Fund on each January 1, which shall not be required for the operation and maintenance of the Utility or for the transfers required to the above accounts for a period of 90 days, shall be credited to the account. Funds may be used for (1) operational and maintenance expenses of the Utility; (2) increase amounts in any of the other accounts to cover potential deficiencies; (3) improvements, repairs or extensions of the utility; (4) redemption of bonds issued under provisions of the ordinance prior to maturity; or (5) to make transfers to the Revenue Fund.

Payment to the City: Proportionate monthly amounts equal to the next required Payment to the City are deposited into the account.

8. LEASES

The Sewer Utility and the Airport Authority entered into a 50-year operating lease for land which requires an annual rent payment. The following table provides future minimum rentals of the non-cancelable operating lease.

Year Ending December 31,	Minimum Rentals of Non-cancelable Operating Lease
2022	$ 51,397
2023	53,960
2024	53,960
2025	53,960
2026	53,960
2027 – 2031	280,622
2032 – 2036	294,618
2037 – 2041	309,296
2042 – 2046	324,774
2047 – 2051	340,981
2052 – 2056	357,988
2057 – 2058	91,261
Total minimum future	$ 2,266,777

9. SEGMENT INFORMATION

The Utility maintains separate funds for water and sewer services. Segment information for the year ended December 31, 2021 is located in the Financial Section of this publication.

CITY OF WICHITA, KANSAS

UNAUDITED

WATER UTILITIES

NET REVENUES AVAILABLE FOR DEBT SERVICE AND CAPITAL EXPENDITURES MADE FROM OPERATING REVENUES

For the year ended December 31, 2021

	Water Utility	Sewer Utility	Combined
GROSS EARNINGS			
Charges for services and sales	$ 112,771,597	$ 74,382,058	$ 187,153,655
Capital contributions - cash	172,879	374,792	547,671
Bond premium amortization	1,811,201	1,257,569	3,068,770
Other revenues	225,549	158,759	384,308
Interest and investment earnings	27,742	22,327	50,069
Total gross earnings	115,008,968	76,195,505	191,204,473
OPERATIONS AND MAINTENANCE EXPENSES			
Personnel services	11,006,703	11,696,019	22,702,722
Contractual services	13,892,103	10,183,086	24,075,189
Materials and supplies	3,970,400	4,554,845	8,525,245
Other operating expenses	1,372,759	475,647	1,848,406
Administrative charges	766,716	412,219	1,178,935
Total operations and maintenance	31,008,681	27,321,816	58,330,497
Net revenues available for debt service	$ 84,000,287	$ 48,873,689	$ 132,873,976
REVENUE BOND DEBT SERVICE	$ 25,213,914	$ 21,028,584	$ 46,242,498
DEBT SERVICE COVERAGE RATIO	3.33	2.32	2.87
RECONCILIATION OF GROSS EARNINGS TO OPERATING REVENUES			
Gross earnings	$ 115,008,968	$ 76,195,505	$ 191,204,473
Less: capital contributions - cash	172,879	374,792	547,671
Less: bond premium amortization	1,811,201	1,257,569	3,068,770
Less: gain on capital assets	(61,784)	-	(61,784)
Less: interest and investment earnings	27,742	22,327	50,069
Operating revenues	$ 113,058,930	$ 74,540,817	$ 187,599,747
CAPITAL EXPENDITURES FROM OPERATING REVENUES	$ 6,294,416	$ 1,985,563	$ 8,279,979

PROPERTY INSURANCE

As of December 31, 2021

Insurance Company	Coverage Details	Deductible	Coverage Period
Zurich	*All risk coverage on real and personal property on a replacement cost basis, with a value limitation of $350 million.	Per occurrence. Property: $250,000; Wind and Hail: $500,000	01-21 to 01-22
Zurich	*Comprehensive coverage for steam boilers, air conditioners, and electric motors on a repair or replacement cost basis.	Per occurrence - $250,000	01-21 to 01-22

* Property insurance for the Utilities is included in the City's coverage. Limits shown are for the entire City.

CITY OF WICHITA, KANSAS
WATER AND SEWER UTILITY STATISTICS BY CUSTOMER CLASS

For year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

UNAUDITED

WATER UTILITY STATISTICS BY CUSTOMER CLASS

	Number of Customers		Water Revenues		Water Consumed (Thousands of Gallons)	
CUSTOMER CLASS	2021	2020	2021	2020	2021	2020
Residential	141,054	136,348	$ 63,483,702	$ 61,212,280	7,830	8,524
Commercial / Industrial	13,509	13,219	31,528,707	26,193,175	5,760	4,955
Wholesale	16	13	6,653,677	6,531,588	1,572	831
Lawn Services	3,193	3,171	N/A	N/A	N/A	N/A
Fire Protection	1,689	1,708	928,109	859,116	N/A	N/A
Contract	268	318	1,049,895	1,028,963	154	91
Backflow Charges	N/A	N/A	285,291	296,342	N/A	N/A
Other Sales	N/A	N/A	458,892	439,691	23	23
Estimated Leaks	N/A	N/A	N/A	N/A	35	719
Water Utility Uses	32	32	N/A	N/A	221	303
Unaccounted for Water	N/A	N/A	N/A	N/A	2,622	1,028
	159,761	154,809	$ 104,388,273	$ 96,561,155	18,217	16,474

SEWER UTILITY STATISTICS BY CUSTOMER CLASS

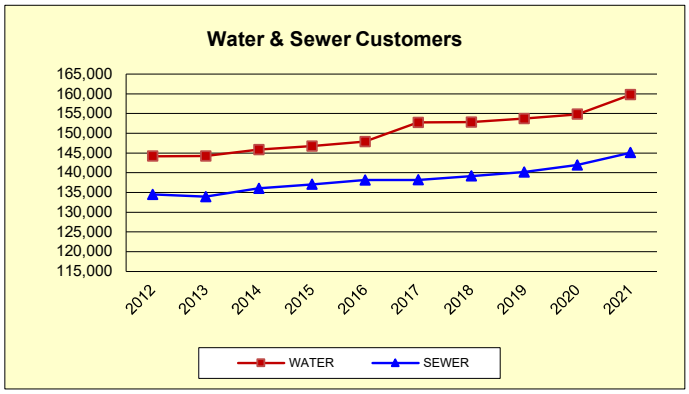
	Number of Customers		Sewer Revenues	
CUSTOMER CLASS	2021	2020	2021	2020
Residential	132,466	129,598	$ 39,010,217	$ 37,732,214
Commercial	11,801	11,587	26,763,758	23,505,099
Industrial	7	7	2,501,779	5,532,144
Institutional	784	771	1,075,728	1,000,227
Wholesale	1	1	367,518	497,733
Extra Strength	16	16	2,010,697	2,477,158
	145,075	141,980	$ 71,729,697	$ 70,744,575

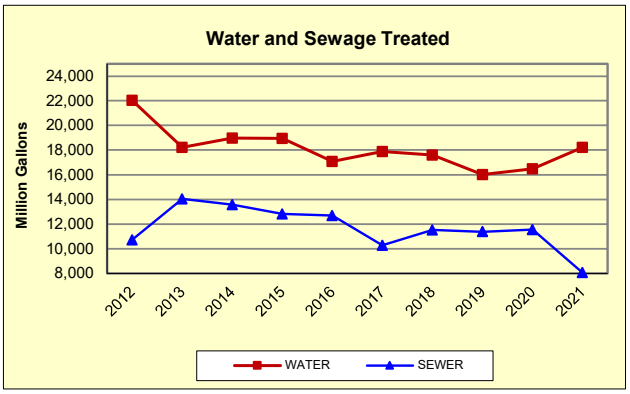
CITY OF WICHITA, KANSAS
WATER AND SEWER UTILITY STATISTICS BY CUSTOMER CLASS

For year ended December 31, 2021
(with comparative totals for the year ended December 31, 2020)

UNAUDITED

WATER AND SEWER CUSTOMERS: 2012 - 2021





REPORT IN BRIEF

	2021	2020	Change
Number of Water Customers	159,761	154,809	3.20%
Number of Sewer Customers	145,075	141,980	2.18%
Miles of Water Line	2,413	2,402	0.46%
Miles of Sanitary Sewer Line	2,096	2,083	0.62%
Water Produced (Million Gallons)	18,217	16,474	10.58%
Wastewater Treated (Million Gallons)	10,605	11,544	-8.13%
Cost of Treated, Pressurized Water per 1000 gal.	$ 1.16	$ 1.00	15.54%
Cost of Treated Wastewater per 1000 gal.	$ 1.41	$ 0.98	44.23%

CITY OF WICHITA, KANSAS

WATER AND SEWER UTILITY RATES

For year ended December 31, 2021

Customers of the Utility are billed monthly with rates structured to encourage water conservation. The rates provided in the table below are those in effect on January 1, 2021.

Water and Sewer Utility Rates - 2021

Meter Size (inches)	Water		Sewer	
	Inside City	Outside City and Wholesale	Inside City	Outside City
5/8	$ 16.41	$ 26.27	$ 10.42	$ 16.70
3/4	16.41	26.27	10.42	16.70
1	16.41	26.27	10.42	16.70
1.5	21.34	34.14	16.84	26.95
2	27.16	43.49	25.20	40.18
3	45.73	73.20	72.86	116.58
4	60.74	97.24	92.68	148.27
6	91.97	147.23	175.30	280.48
8	122.95	196.83	249.86	399.73
10	157.31	251.85	385.33	616.52
12	218.43	349.67	562.40	899.83
16	-	790.95	-	-

The average monthly residential water and sewer bill in 2021 for a customer with a water and sewer Average Winter Consumption (AWC) of 6,000 gallons per month, using approximately 7,500 gallons of water, would be $76.92, excluding applicable fees.

Rates for volume charges in 2021 per 1,000 gallons are in the table below:

Volume Charges	Inside City	Outside City	Wholesale
Water:			
< 110% of AWC*	$ 2.61	$ 4.18	$ 3.02
111% - 310% of AWC*	9.11	14.59	15.66
>310% of AWC*	13.33	21.34	23.45
Sewer	4.11	6.57	3.25

*Average Winter Consumption (AWC)

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