2023 Annual Comprehensive Financial Report

Fiscal Year Ended December 31, 2023

Keepers on Parade: Celebrating 150 Years of Wichita

CITY OF WICHITA KANSAS



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CITY OF
WICHITA

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, 2023

CITY OF WICHITA

City Council

Lily Wu, Mayor
Maggie Ballard, Vice Mayor (VI)
Brandon Johnson, Council Member (I)
Becky Tuttle, Council Member (II)
Mike Hoheisel, Council Member (III)
Dalton Glasscock, Council Member (IV)
J.V. Johnston, Council Member (V)

City Manager

Robert Layton, City Manager

Department of Finance

Mark L. Manning, Director of Finance

Prepared by the Controller's Office
Department of Finance

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CITY OF
WICHITA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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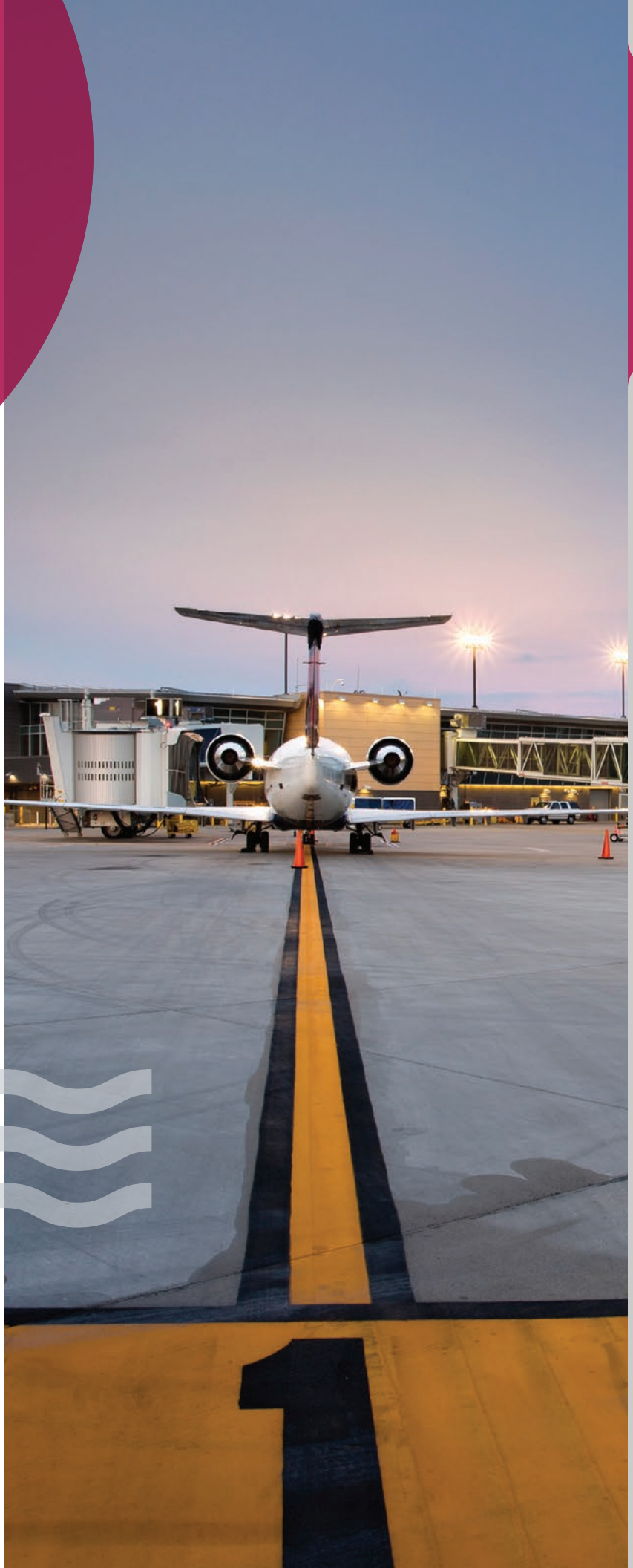
Introductory Section

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.



Introductory Section

Our Vision

The City of Wichita is a leading-edge organization serving a dynamic and inclusive community.

Our Mission

As an exceptionally well-run city, we will

- Keep Wichita safe,
- Grow our economy,
- Build dependable infrastructure and
- Provide conditions for living well.

Our Values

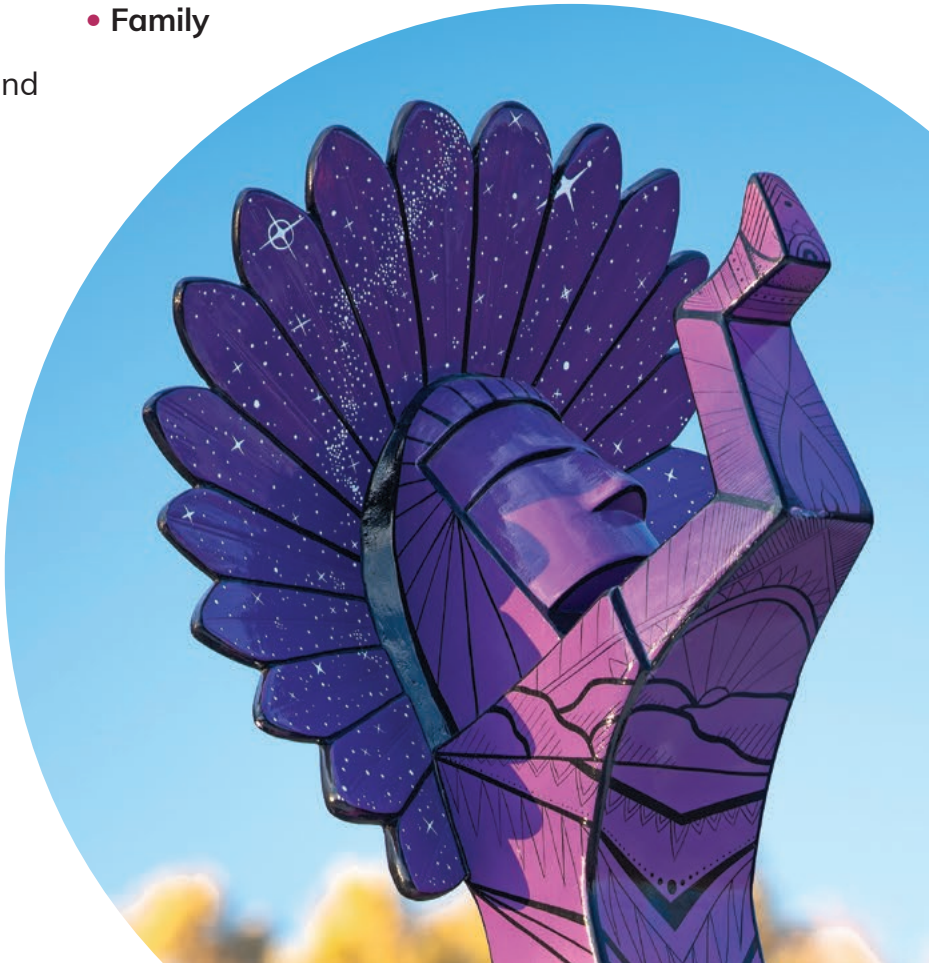
To accomplish our mission, we anchor our work in our core values of **trust** and **service.**

Trust Means:

- **Respect**
- **Empowerment**
- **Ethics**
- **Stewardship**
- **Integrity**
- **Engagement**
- **Family**

Service Means:

- **Professionalism**
- **Innovation**
- **Excellence**
- **Equity**



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

June 27, 2024

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, 2023. 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; its blended component unit, the Airport Authority; and its discretely presented component unit Wichita RAD Senior LP.

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 are 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, 2023. 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. The City did not have any findings in its Single Audit for 2023.

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 REPORT

This Annual Comprehensive Financial Report (Annual Report) is presented in five sections. It includes all funds of the City and the City's component units. In addition to the financial audit, the single audit includes a schedule of expenditures of federal awards, and the independent auditor's reports on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The Annual Comprehensive Financial Report is presented in five sections:

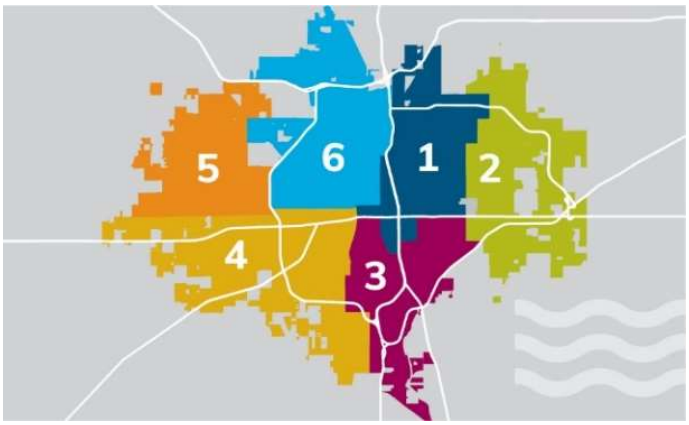
- The **Introductory Section** includes this Transmittal Letter, the City's organizational chart, principal officials and its certificate of achievement.

- The **Financial Section** includes the Independent Auditor's Report; Management's Discussion and Analysis (MD&A); the basic financial statements; and required supplementary information. The basic financial statements include the following:
  - Government-wide financial statements comprised of the Statement of Net Position and the Statement of Activities, which includes the City's component unit, Wichita RAD Senior LP;
  - Financial statements for governmental funds;
  - Reconciliations of the governmental funds' financial statements to governmental activities in the government-wide financial statements;
  - Financial statements for proprietary funds, including statements of cash flows;
  - Financial statements for the City's fiduciary funds; and
  - Combining financial statements for the City's nonmajor funds in the Governmental Funds, Enterprise Funds, Internal Service Funds, and Fiduciary Funds Sections.
- The **Additional Information Section** includes various supplementary schedules pertaining to long-term debt obligations, combining financial schedules and insurance policies in force.
- The **Statistical Section** includes selected financial and demographic information, on a multi-year basis.
- 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 that are fully or partially funded by federal funds.
- The **Water Utilities Section** includes schedules and exhibits that fulfill the requirements of the Water and Sewer Utility revenue bond covenants.

CITY PROFILE

With a population of 395,951[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 1.2 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.

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

[1] *Source: Estimated by the Center for Economic Development and Business Research (CEDBR) - W. Frank Barton School of Business – Wichita State University (WSU)*

[2] *Source: Estimated by the 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.*

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 LOCAL ECONOMY[3]

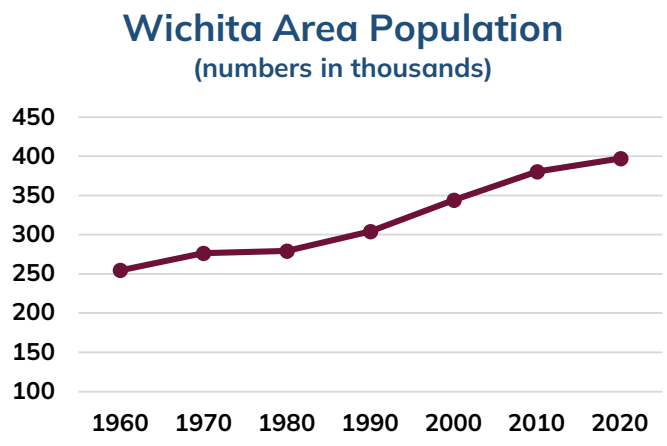
The local economy includes a number of industries, and represents a convergence of advanced manufacturing, a highly skilled workforce, and global aerospace leadership. The aerospace sector is an important component of the local economy; however, agriculture, energy, healthcare and IT systems support are important sectors as well. The population of Wichita is diverse and growing, as is the labor pool.

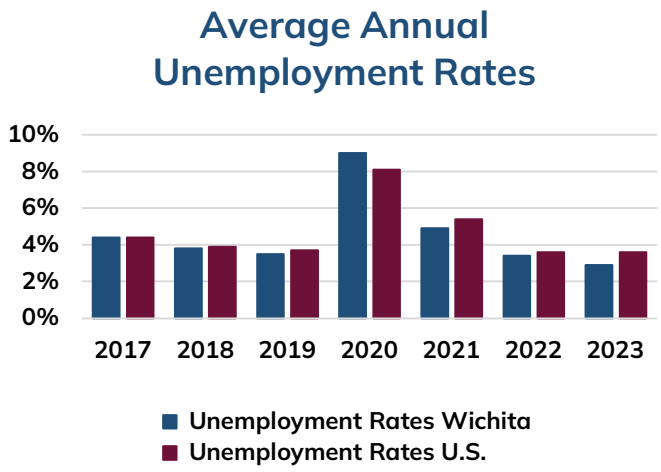
The Wichita Metropolitan Statistical Area (MSA) has a diverse economic base, producing a wide variety of products and services. Approximately 46% of Wichita's employment is in service-providing industries; 23% is in goods-producing industries; 17% is in trade, transportation and utilities; and 14% is in government. The Wichita area is home to more than 15,000 business establishments, with approximately 97% of those employing fewer than 100 workers. Annual average employment increased by 2.7% in 2023.

Total Employment - Wichita MSA			
	2021	2022	2023
Service sectors	139,083	138,823	142,072
Production sectors	62,775	67,015	69,665
Trade, transportation and utilities	49,717	51,198	52,359
Government	41,300	42,536	43,831
Total nonfarm employment	**292,875**	**299,572**	**307,927**

POPULATION AND LABOR MARKETS

Wichita has a growing population that is approaching 400,000 residents, with the MSA population at nearly 700,000. Unemployment has remained low in Wichita, usually slightly lower than the overall rate in the United States. Since the pandemic influenced peak in unemployment in April 2020, the rate has declined significantly, to 2.9% in 2023.





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

THE ANNUAL BUDGET PROCESS, FINANCIAL POLICIES AND FINANCIAL PLANNING

The City develops the budget each year based on a defined process, consistent with State statute. In addition, the City has well defined policies that guide financial management. This includes the Reserve Policy, the Debt Policy, and the Investment Policy. The City also produces quarterly financial reports and this Annual Report.

THE BUDGET PROCESS

The budget process is impacted by Kansas statutes, organizational policies, accounting standards and budgeting practices. 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 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.

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 fund for which an appropriated annual budget has been certified with the State of Kansas or approved by the City Council. For the General Fund, this comparison is presented on page A-33 as part of the basic financial statements, as well as a more detailed presentation beginning on page B-16. For funds (other than the General Fund) with appropriated annual budgets, these comparisons are presented in the Governmental Funds, Enterprise Funds, and Internal Service Funds Sections of this report beginning on pages B-20, C-8, and D-10, respectively.

RESERVE BALANCE POLICIES

Reserve policies are established several different ways. For the General Fund, the Stabilization Reserve, and the Pension Reserve Fund, an updated reserve policy (City Council Policy 40), was approved on August 22, 2023. Per City Council Policy 40, the minimum balance for the General Fund is 15% of the subsequent year's expenditures; formerly, it was 10%. Additionally, City Council Policy 40 set the reserve level for the Stabilization Reserve at 5% of General Fund expenditures, and the Pension Reserve at 3% of General Fund personnel services expenditures. Other reserves, particularly for the Water and Sewer funds as well as the local sales tax fund, are dictated by bond covenants.

Reserve requirements and the parameters for other funds are included in the annual budget. Generally, the target balance for other funds is 10% of expenditures. Funds with higher reserve balances are typically due to City code requirements, bond covenants, liquidity needs or volatile/seasonal revenues.

REVENUE CASH MANAGEMENT

The City considers market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges. The City directs its efforts to maintain a diversified and stable revenue framework to mitigate fluctuations in any one revenue source and the City follows an aggressive revenue collection policy. Where possible, the City establishes user charges and fees at a level related to the full cost (operating, direct, indirect and capital) of providing the service. The City reviews fees/charges regularly and designs and modifies revenue systems to include provisions that automatically allow charges to grow at a rate that keeps pace with the cost of providing services.

INVESTMENT POLICY

The Pooled Funds Investment Policy is annually approved by the City Council and is then submitted to the State of Kansas Pooled Money Investment Board (PMIB) for approval. It was most recently approved in November 2023. The policy specifies the objectives for the City's investment portfolio, which are: safety of principal, liquidity and earnings. Available investment options, diversification parameters, collateralization requirements and internal controls are also addressed in the policy.

DEBT MANAGEMENT POLICIES

The procedure for issuance of debt is outlined in City Council Policy 29. All bonds, with the exception of refundings or advance refundings, are required to be sold competitively. The City confines long-term borrowing to capital improvements. In anticipation of bonding, the City uses short-term debt in the form of temporary notes. Revenue bonds are issued when practical for City enterprises to reduce the amount of the City's general obligation (G.O.) debt; particularly for debt issued by the Water Utility and Sewer Utility. The City uses special assessment general obligation debt to fund special benefit district improvements consistent with existing policies.

The City maintains an aggressive schedule for retirement of existing debt: 10 years for most city-at-large debt and 15 years for special assessment debt, with 20-year debt used in some cases. The Capital Improvement Program Administrative Regulation (A.R.) 2.8 outlines debt guidelines, including 10-year to 15-year G.O. debt; 10-year to 15-year double-barreled bonds for local sales tax financed projects; and up to 20-year revenue bonds for Sewer and Water Utility and Airport projects.

LONG-TERM FINANCIAL PLANNING

To facilitate long-term financial planning, a six-year Financial Plan is developed annually in conjunction with the annual budget. The primary purpose of the Financial Plan is to identify potential issues as early as possible and to address those challenges in a thoughtful and pragmatic manner. The City's two taxing funds (the General Fund and Debt Service Fund) are presented in far more detail than the other funds. However, each of the City's other funds are also examined to provide a broad overview of circumstances, issues and trends impacting revenues and expenditures. This analysis begins with the consideration of relevant legal conditions that influence revenues and expenditures. Major one-time and ongoing shifts in revenues, expenditures and fund balances are then reviewed to develop context for understanding the current and projected status of each fund. Finally, strategies are frequently recommended to improve or maintain the status of each fund.

THE CITY BUSINESS PLAN

The City's Annual Budget is strategically based around the City's mission and goals approved by the City Council. 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 the annual budget. The City has a very robust engagement effort, involving residents through a variety of in-person and online channels to collect feedback. This process, including an online Budget Simulator, encourages feedback on the importance of selected areas of the City Budget.

City Council Goals

As an exceptionally well-run city, we will:

- ***Keep Wichita safe,***
- ***Grow our economy,***
- ***Build dependable infrastructure and***
- ***Provide conditions for living well.***

STRATEGIC HIGHLIGHTS

The City's Annual Budget is strategically based around the City's mission and goals approved by the City Council. A sampling of accomplishments and future plans related to City goals is outlined below:

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.

The ***Wichita Fire Department*** is leveraging predictive analytics software to evaluate equipment, staffing and station needs to support data-driven deployment decisions. The Capital Improvement Plan (CIP) also includes funding for new fire stations based upon data-driven decision making.

The City's ARPA (American Rescue Plan Act) Plan includes funding for two new police stations, Patrol East and Patrol West, as well as, various fire projects. For further, information please visit the City's ARPA website at: https://www.wichita.gov/311/American-Rescue-Plan-Act-ARPA-Funding.



Wichita Patrol East Substation Rendering

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). This 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. In 2023, because of the success of the ICT1 unit, the City and County have expanded the ICT program to create four additional ICT units (ICT2, 3, 4 and 5). This expansion includes embedding an additional four Crisis Mobile Clinicians and four Integrated Care Specialists.

GROWING OUR ECONOMY

Wichita's economy has emerged from the pandemic-induced downturn and is moving forward. The following examples are a sampling of current projects and those that have been announced.

Wichita-based ***Integra Technologies*** plans to build a new 1 million square-foot semiconductor facility in the Wichita area. The project will be a $1.8 billion investment that will create 2,000 to 2,500 new jobs over five years. The state APEX program (Attracting Powerful Economic Expansion) is providing $304 million of incentives and the remaining $1.5 billion will be private investment. Integra was founded in Wichita 40 years ago, is considered the largest outsourced semiconductor assembly and test (OSAT) company in the U.S. and is an employee-owned company.



Photo Credit: Integra Technologies

The Kansas Board of Regents has approved moving forward on a $302 Million ***Wichita Biomedical Campus*** to be built in downtown Wichita. The project will be a joint effort between the University of Kansas School of Medicine (KUSM) and Wichita State University (WSU) and is expected to provide a 470,000 square foot medical campus to be completed in 2026. The complex will serve as the location for all of the programs and clinics of KUSM-Wichita, including the KU School of Pharmacy, WSU's College of Health Professions, and WSU Tech's health



Photo Credit: Wichita State University

professions programs. It will bring 3,000 students to downtown and support 1,600 jobs. The WSU Center for Economic Development and Business Research (CEDBR) estimates the project will have an economic impact of $205 million.

The City's new $75 million ***Riverfront Baseball Stadium*** and museum opened for the inaugural season in 2021. The stadium has a seating capacity of 7,000, total capacity of 10,000, and hosts the Wichita Wind Surge – the Double-A affiliate of the Minnesota Twins. The City Council has approved a development agreement for a 3-acre site adjacent to the City's new Riverfront Baseball Stadium. This will be a $100-million development with 500,000 feet of commercial use, including a 155-room hotel, a 150-unit apartment complex, 10,000 square feet of retail space, and a 250-stall parking garage.


Riverfront Baseball Stadium

Multi-modal Center near Downtown: 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 2025.


Photo Credit: Transystems

Tax Abatements: The City of Wichita 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 City has three major programs: the Industrial Revenue Bonds (IRBs) Program, the Economic Development Exemptions (EDX) Program and the Community Improvement Districts (CID) Program. For more information about the City's incentive programs, see Note 21 to the financial statements.

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 initial Green *Project* was completed in November 2021. In November 2020, a joint effort between the City of Wichita, Sedgwick County and the Kansas Department of Transportation (KDOT) began on the *Accelerated Gold Project*. The project has an estimated cost of $50 million, for which the City has entered into a cost sharing agreement with KDOT. 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 expected to be substantially completed by 2026.

East Kellogg: The City is continuing the East Kellogg (US highway 400) freeway project, a cooperative effort between the City of Wichita and KDOT. In 2021, improvements were completed adding two new interchanges and the widening of Kellogg to a six-lane freeway to K-96. Moving forward, the City is again partnering with KDOT, as well as Butler County, to continue the



Photo Credit: EastKellogg.gov

expansion of East Kellogg out to 159th St East and the Sedgwick/Butler County line. Construction is planned for 2024 through 2025.

K-96 Highway: The City is cooperating with Sedgwick County and KDOT to improve the K-96 corridor between I-135 and I-35. Improvements are being made to enhance safety, relieve traffic congestion, and increase capacity in order to maintain a smooth flow of traffic. The use of Diverging Diamond Interchanges will provide enhanced safety for pedestrians and cyclists as well. Construction is anticipated to begin as soon as 2027.



Northwest Water Treatment Plant (NWWTP): The City is nearing completion of its new $550 million Northwest Water Treatment Plant. This 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 secured 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) several Kansas Public Water Supply Loan Fund (KPWSLF) or State Revolving Fund (SRF) loans with KHDE, including a loan not to exceed $55 million at 1.48%, a second SRF loan not to exceed $60 million at 1.60%, and a third SRF not to exceed $76 million at a rate of 2.20%, with additional loans anticipated for a total loan of $267.3 million.


BNR Plant Rendering

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 started in 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 $390 million. The Utility entered into a WIFIA credit agreement to fund up to $191.5 million of the project and has entered into its first SRF loan with KDHE, not to exceed $65 million at 2.13%, with additional loans anticipated for a total loan of $185 million.

PROVIDING CONDITIONS FOR LIVING WELL

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


Carl G Brewer Community Center Rendering

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 2022 and 2021, 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. The system recently

completed a $24 million Aquatics Master Plan project, upgrading swimming pools and splash pads. Continuing investments in facilities include the Carl G Brewer Community Events center, estimated to cost $10 million, and a new recreation center in Planeview.

***Providing Affordable Housing*:** 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.

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, 2022, which represents the 50th consecutive year that the City earned the 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, 2022. The 2022 award represents the City's 14th 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, 2022, representing the 24nd consecutive year that the Wichita Retirement Systems earned this recognition.


Keeper of the Plains Statue

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 be considered for another award.

For the 36th consecutive year, the City earned the GFOA's Distinguished Budget Presentation Award for its 2024 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 L. Manning, Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wichita
Kansas

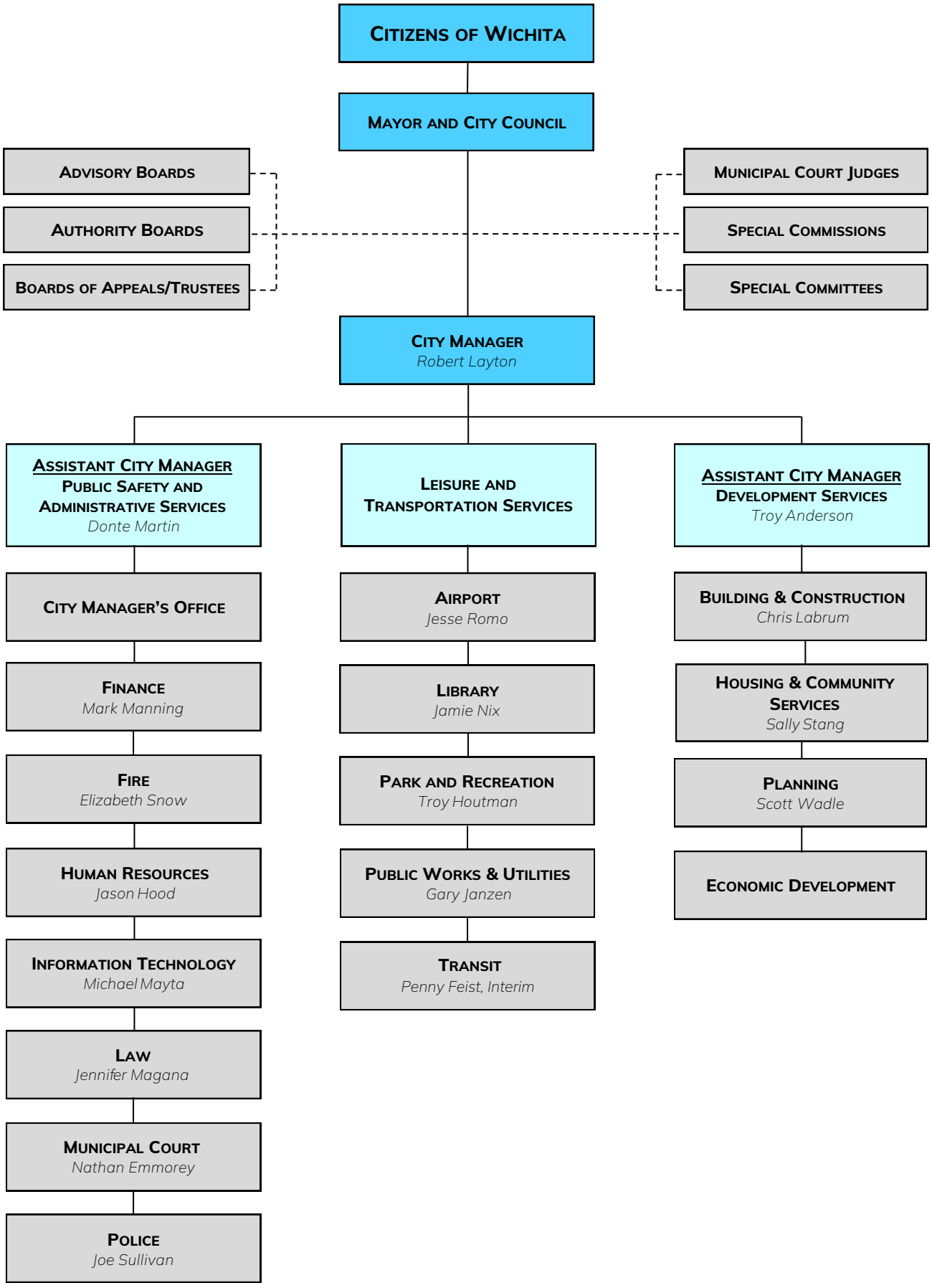
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO

x


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
LEISURE AND TRANSPORTATION SERVICES
ASSISTANT CITY MANAGER
DEVELOPMENT SERVICES
Troy Anderson
CITY MANAGER'S OFFICE
FINANCE
Mark Manning
FIRE
Elizabeth Snow
HUMAN RESOURCES
Jason Hood
INFORMATION TECHNOLOGY
Michael Mayta
LAW
Jennifer Magana
MUNICIPAL COURT
Nathan Emmorey
POLICE
Joe Sullivan
AIRPORT
Jesse Romo
LIBRARY
Jamie Nix
PARK AND RECREATION
Troy Houtman
PUBLIC WORKS & UTILITIES
Gary Janzen
TRANSIT
Penny Feist, Interim
BUILDING & CONSTRUCTION
Chris Labrum
HOUSING & COMMUNITY SERVICES
Sally Stang
PLANNING
Scott Wadle
ECONOMIC DEVELOPMENT

CITY COUNCIL MEMBERS[1]

Lily Wu	Mayor	(316) 268-4331
Maggie Ballard	Vice Mayor (VI)	(316) 268-4331
Brandon Johnson	Council Member (I)	(316) 268-4331
Becky Tuttle	Council Member (II)	(316) 268-4331
Mike Hoheisel	Council Member (III)	(316) 268-4331
Dalton Glasscock	Council Member (IV)	(316) 268-4331
J.V. Johnston	Council Member (V)	(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 the City's YouTube channel at 9:00 AM on Tuesdays. Previously recorded meetings can also be viewed upon demand on the City's YouTube channel. City Council meetings can also be viewed LIVE or archived video may also be viewed via the internet at the following link: https://www.wichita.gov/599/City-Council .

CITY OFFICES[1]

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	Troy Anderson, Assistant City Manager
Airport	(316) 946-4700	Jesse Romo, Director
Finance	(316) 268-4444	Mark Manning, Director
Fire	(316) 268-4451	Elizabeth Snow, Fire Chief
Housing and Community Services	(316) 462-3795	Sally Stang, Director
Human Resources	(316) 268-4531	Jason Hood, 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 Nix, 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	Joe Sullivan, Chief of Police
Public Works and Utilities	(316) 268-4497	Gary Janzen, Director
Transit	(316) 352-4802	Penny Feist, Interim Director

[1] *Listings of City Council Members, City Manager, Assistant City Managers and Department Directors are as of report issuance date.*

Financial Section

The Financial Section presents financial information about the City for 2023. Additionally, the Financial Section presents management's discussion and analysis, financial statements, notes to the financial statements and other supplementary information.



CITY OF WICHITA

Financial Section

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

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic 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 ("the City") as of and for the year ended December 31, 2023, and the related notes 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, 2023, 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* issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Adoption of New Accounting Standards

As discussed in Notes 1.R. and 14 to the financial statements, the City has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 94, *Private-Public and Public-Public Partnerships and Availability Payment Arrangements*, for the year ended December 31, 2023. Accordingly, a restatement has been made to the General Fund fund balance and the governmental activities net position as of January 1, 2023, to restate beginning fund balance and net position. Our opinions are not modified with respect to this matter.

As discussed in Notes 1.R. and 13 to the financial statements, the City has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended December 31, 2023. Accordingly, a restatement has been made to the governmental and business-type activities net position as of January 1, 2023, to restate beginning net position. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 (asset) and related ratios, schedules of employer contributions, and schedule of changes in the 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, budgetary comparison 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules, 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, 2024, 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, 2024

This management's discussion and analysis provides an overview of the City's financial activities and performance for the fiscal year ended December 31, 2023, and 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. Please see **pages A11-A12** for comparative charts supporting the financial highlights below.

FINANCIAL HIGHLIGHTS

STATEMENT OF NET POSITION

- The City's net position increased $129.8 million during 2023, with a $28.3 million increase in governmental activities and a $101.5 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.

City's Net Position



$2,814.3M
FY 2023
Up $129.8M
from FY 2022

- Capital assets represented a significant portion of the City's assets at approximately 74.5% of the City's total assets for 2023, as compared to 74% for 2022. The City's capital assets increased $261 million or 7.7%, with $240.2 million of that increase in business-type activities.

The Water Utility increased its capital assets by nearly $212 million in 2023.

- The most notable fluctuations in the City's current and other assets over 2022 were as follows.

  (1) Cash and cash equivalents, restricted and unrestricted combined, increased $59.2 million or 11.4% over the prior year, with business-type activities' cash and cash equivalents increasing $51.7 million, primarily driven by the Utilities, which are discussed in more depth later.

  (2) Accounts receivable grew nearly $31.3 million or 9.1% over 2022, with an increase of $24.2 million and $7.1 million in governmental activities and business-type activities, respectively.

The City's property tax valuation (base) increased 9.1%.

Property tax and special assessments were the largest drivers of the growth in governmental activities receivables. The growth in property taxes was primarily attributable to strong growth in the City's property tax base.

The increase in business-type activities receivables is primarily due to a $7.9 million federal grant receivable for the Water Utility capital project.

City's Assets



$4,905.9M
FY 2023
Up $322.5M
from FY 2022

  (3) The City has $45.5 million in leases receivables with the majority in business-type activities from the Airport Authority. However, as a part of the implementation of GASB 94 in the current year, the City has $4.5 million recorded as of December 31, 2023, for its two public-private partnerships (recorded in governmental activities) for the operation of the Riverfront Stadium and the Stryker Sports Complex. See Note 14 – Public-Private Partnerships (PPPs) for further information.

  (4) The City's net pension asset (liability) is measured one year prior to the financial statement date, as allowed by accounting standards. For 2023, the City recognized a net pension liability of $287 million versus a net pension asset of $49.3 million in 2022. This transition from a NPA to a NPL is chiefly a result of market losses experienced by the City's pension plans as of December 31, 2022 (results recorded one-year in arrears – i.e. 2023 financial statements record the 2022 actuarial valuation). Investment markets have experienced an unusually high degree of volatility the last several years. Further details can be found in Note 7 – Retirement Funds.

City's Deferred Outflows of Resources



$250.8M
FY 2023
Up $144.9M
from FY 2022

- The City's deferred outflows of resources increased $144.9 million or 136.8% over 2022. Deferred outflows related to pensions contributed $145.5 million of this increase, primarily due to market fluctuations of the City's pension plans. The difference between actual investment activity experienced versus projected in its previous actuarial valuation was deferred and amortized over five years. Further details can be found in Note 7 – Retirement Funds.

- The City's **total liabilities** increased $474.2 million or 28.9% in 2023. The City has analyzed these changes in two segments, other liabilities and non-current liabilities, below.
- The most notable decreases in the City's **other liabilities** were as follows.



  (1) **Accounts payable and other liabilities** increased $17.8 million for the City as a whole, with governmental activities and business-type activities growing by $9.2 million and $8.6 million, respectively.

  Governmental activities increased primarily as a result of timing on the City's various capital and American Rescue Plan Act (ARPA) projects.

  The Water Utility's Northwest Water Treatment Facility (NWWTF) project and the Sewer Utility's Biological Nutrient Removal (BNR) project account for the majority of the increase in business-type activities, which is within expectations as these projects continue to progress.

  (2) **Temporary notes payable** declined approximately $17.1 million or 13% since the prior year. Temporary note balances will fluctuate depending on the number of in-progress projects that have not yet been permanently financed.

  (3) **Unearned revenue** decreased $23.5 million or 29.4% from 2022, almost entirely in governmental activities, as the City's ARPA projects continue to progress, with several being completed in 2023. For further information on the City's ARPA projects, please visit https://www.wichita.gov/311/American-Rescue-Plan-Act-ARPA-Funding.

- The most significant changes in **non-current liabilities, including claims payable**, were as follows. Further information about the City's long-term liabilities can be found in Note 10 – Long-term Obligations.

  (1) **Revenue bonds**, including related premiums, increased nearly $123.7 million, with governmental activities decreasing slightly and business-type activities increasing $124.3 million. The largest factor was the issuance of $130.8 million in WIFIA Revenue Bonds for the Water Utility's NWWTF and the Sewer Utility's BNR project, which was offset by principal and premium reductions.

  (2) **Loans payable** by the Water and Sewer Utility (business-type activities) increased $85.2 million over 2022 as more loan proceeds were drawn down as the NWWTF and BNR projects continue.

  (3) The City's **net pension liability** switched from a net pension asset in 2022 to a net pension liability in 2023, which resulted in a growth of long-term liabilities of $287 million.

  (4) The City's **claims liability** decreased $7.4 million due to a variety of factors, including assumption changes and resolution of several larger claims. See Note 9 – Self Insurance Fund for further details.

  (5) As a result of the implementation of GASB 96 - Subscription-Based Information Technology Arrangements (SBITAs), the City has $3 million in SBITA liabilities as of year-end. For further information, please see Note 13 and 23.

City's Liabilities

$2,117M FY 2023 Up $474.2M from FY 2022

- The City's **deferred inflows of resources** decreased $136.6 million since 2022. The deferred inflows related to deferred revenues, leases, pension, OPEB and unamortized refunding costs.

  (1) **Deferred revenue** in governmental activities increased $12.2 million or 9%, and was for the 2023 property tax levy, which is legally restricted for 2024 operations by Kansas statute. See further information in Note 1F. Increase is consistent with the increase in property tax valuation as the City's levy rate is consistent with 2022.

  (2) **Deferred inflows related to pensions and OPEB** decreased $151.8 million from 2022, primarily as a result of the City's net difference between expected and actual investment experience becoming a deferred outflow in 2023. See Note 7 and 8 for further information on the City's retirement funds and other post-employment benefits (OPEB), respectively.

Down $136.6M from FY2022 to $225.4M in FY 2023

City's Deferred Inflows of Resources

STATEMENT OF ACTIVITIES

The City's total revenues of $833.9 million increased 12%.

- The City's **total revenues** of $833.9 million increased $91.5 million, with governmental activities and business-type activities increasing $71.2 million and $20.3 million, respectively.
- Overall, **governmental activities revenue** in 2023 of $521.8 million increased $71.20 million or 15.8% over the prior year. The major fluctuations are discussed below.

  (1) **Operating grants and contributions** increased $6.1 million, primarily due to fluctuations in the recognition of pandemic related federal grants. The City's grant fund contributed approximately $3.5 million towards this increase with two major fluctuations within its functions: (1) an increase in the general government function of $13.2 million, which was offset by (2) a decrease in the health and welfare function of nearly $10.4 million.

  (2) **Capital grants and contributions** of $44 million were up $9.5 million or 27.5% over the prior year due to (1) an increase in capital funded grant contributions of $6.5M, primarily related to ARPA and (2) an increase in special assessment revenue recognized of $4.8 million. Special assessment revenue will fluctuate based upon timing and amount of residential developer projects.

  (3) **Property tax revenues** increased 7.7% in 2023 with $144.1 million recognized in 2023 versus $133.8 million in 2022. This increase was primarily due to increased assessed valuation.

  (4) The City recognized **investment income** of $37.3 million in 2023 versus an investment loss of $7.7 million in 2022, an increase of $45 million. The change in the City's unrealized gains/losses in the fair market value of its investments accounts for $25.5 million of this growth, with the remainder being in interest and realized gains.

- In 2023, the **business-type activities revenue** of $312.1 million increased $20.3 million or 7% over 2022's revenue of $291.8 million, excluding transfers. Three categories experienced significant fluctuations versus the prior year and are discussed below.

  (1) **Charges for services** accounted for $10.3 million of the growth in business-type revenue, increasing 4% over 2022. The Water Utility, Sewer Utility and Airport Authority contributed $3.6 million, $3.3 million and $2.1 million, respectively. The Water and Sewer Utility is primarily attributed to rate increases.

  (2) **Operating grants and contributions** decreased $11.6 million in 2023 after increasing $13.8 million in 2022. This decrease was expected as the Airport Authority recognized $13.7 million in the additional revenue from pandemic related operating grants in 2022 versus $0.8 million in 2023. The decrease was offset by a slight increase in operating and grant contributions from Transit, the vast majority of which is from federal grants.

  (3) **Capital grants and contributions** can fluctuate greatly based on the timing of federal awards and expenses related to those projects. In 2023, the City's capital grants and contributions increased $20.4 million as a result of (1) a $7.9 million grant awarded in 2023 for a previously capital project in the Water Utility and (2) an increase of $10.5 million for the Airport Authority, primarily for apron restruction.

- The City recognized **total expenses** of $705.2 million, which is an increase of $92 million or 15% over the prior year's total expenses of $613.2 million, with $84.2 million of this increase being realized in governmental activities and $7.8 million in business-type activities.
- The overall cost of **governmental activities** grew $84.2 million or 21.5% to $476.3 million, as compared to $392.1 million in 2022. The City's overall expenses chiefly increased due to (1) increases in wages pursuant to its salary ordinance and (2) as a result of the City's actuarial valuation of its pension system, which accounted for nearly $70 million of this increase. The 2023 actuarial valuation (as of December 31, 2022) resulted in an increase in pension expense of $33.4 million in 2023 versus a reduction in pension expense of $36 million in 2022. Further information about the City's net pension liability can be found in Note 7.

City's Program Revenues



$479.3M FY 2023 Up $30.7M from FY 2022

City's General Revenues



$354.6M FY 2023 Up $60.8M from FY 2022

City's Expenses



$705.2M FY 2023 Up $92M from FY 2022

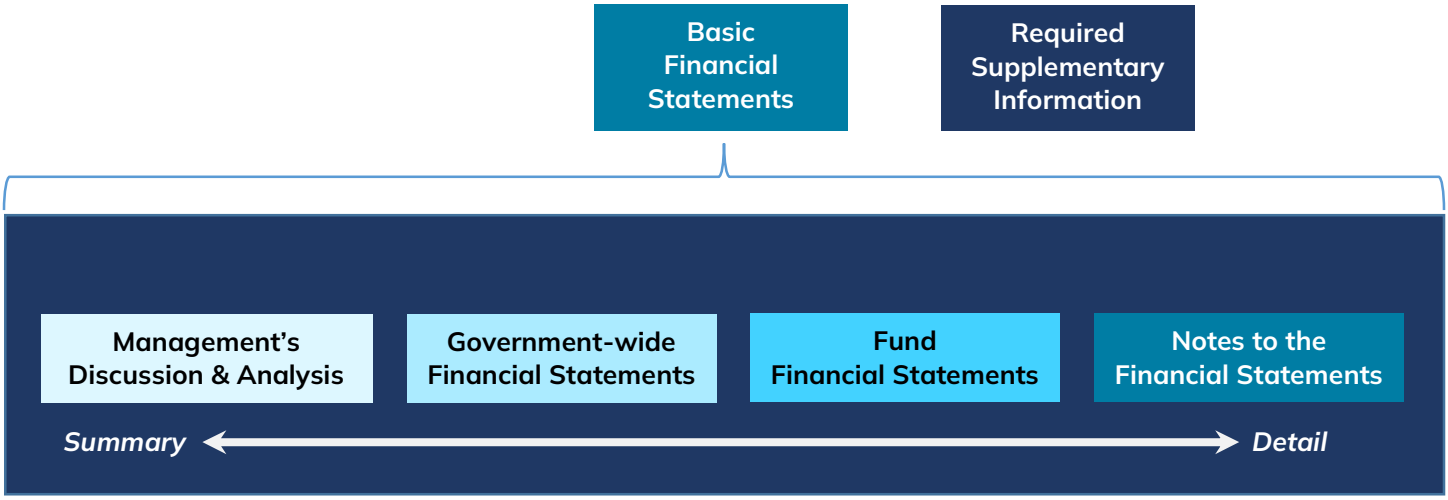
- The cost of **business-type activities** at $228.9 million increased $7.8 million or 3.5% over 2022's $221.1 million in expenses, primarily due to a $12 million swing in net pension expense. 2023 incurred an increase in net pension expense of $6 million versus a reduction in net pension expense of $6 million in 2022. This increase was offset by a reduction in expenses of $3.5 million as a result of the allocation of the City's internal service funds between governmental activities and business-type activities for 2023.
- On a budgetary basis, the **General Fund** realized an increase in fund balance of $766 thousand for 2023 with a fund balance of nearly $48 million as of December 31, 2023, which is 15 % of the 2024 Adopted Budget, excluding appropriated reserves of $31 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The ***Annual Comprehensive Financial Report*** consists of four major sections: ***Introductory***, ***Financial***, ***Statistical*** and ***Single Audit*** sections. The ***Financial Section*** includes 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. One set of statements focuses on the City as a whole (***government-wide***) and the other set focuses on the individual funds (***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.

COMPONENTS OF THE FINANCIAL SECTION



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 RAD Senior L.P. for which the City is considered financially accountable or for which the nature and significance of its relationship to 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. See Note 24 for further details.

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 10-year trend information for the City can be seen in the ***Statistical Section***.

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 considered 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, Transit and Landfill.

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-29 and A-31:A-32. Key differences include the impact of accounting for capital assets and long-term obligations.

The City maintains 26 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 23 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-33, 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 Note 3 – Budgetary Basis of Accounting.

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, transit and landfill 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 two fiduciary funds: a Pension Trust Fund and a custodial 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, 2023. This section also contains combining schedules for the City's funds which are broken out further into subfunds.
- The ***Statistical Section***, presented beginning on page G-1, provides detailed information as context for understanding the information in the financial statements, note disclosures and required supplementary information. This 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 $129.8 million for 2023, including a restatement of $1.1 million for the implementation of GASB 94 - Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs) and GASB 96 – Subscription-Based Information Technology Arrangements (SBITAs). See Notes 13, 14 and 23 for further details.

Approximately 71.5% of the City's net position consists of its **net investment in capital assets** (e.g., land, construction in progress, buildings, improvements, equipment, infrastructure, lease assets and subscription assets), 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 2023 of just over $2.01 billion increased $54.5 million or 2.8% over the prior year, as maintaining and replacing its assets continues to be a priority of the City.

An additional portion of net position represents resources with external restrictions dedicated to specific purposes. The overall **restricted net position** of the City of $535.2 million increased $26.6 million or 5.2%. The restricted net position of governmental activities, the majority of which was restricted for capital projects and debt service, increased approximately $15.6 million or 5.1%. The business-type activities' restricted net position increased $11 million or 5.5% and is primarily restricted by Water and Sewer Utility bond covenants. The Water and Sewer Utility's restricted net position accounted for $199.5 million of the business-type activities restricted net position and increased $16.6 million over 2022.

The **unrestricted portion of the net position** that may be used for the government's ongoing operations is $268 million, which grew $48.7 million over the 2022 unrestricted balance of $219.3 million. The unrestricted net position of governmental activities decreased $7.9 million and business-type activities increased $56.6 million in 2023. A major factor contributing to the governmental activities decrease in unrestricted net position is due to the City's net pension asset (NPA) in 2022 changing to a net pension liability (NPL) in 2023. The shift from a NPA to a NPL, is partially offset by changes in the related deferred outflows and inflows. The net impact on the City's net position related to its defined pension plans were: (1) a net impact of $(69.6) million in 2023 versus (2) a net impact of $(28.7) million in 2022, for a decrease of $40.9 million in net position ($34.9 million for governmental activities and $6 million for business-type activities). This decrease in net position was partially mitigated by several other factors (see discussion of Changes in Net Position for further details). Business-type activities' unrestricted net position increased due to a combination of strong operational surpluses in the enterprise funds, along with the continued effect of being released from a restrictive bond covenant in 2022.

Net Position – Primary Government
As of December 31,
(dollars in millions)

	Governmental Activities		Business-type Activities		Primary Government	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and other assets	$ 686.7	$ 693.5	$ 568.5	$ 500.2	$ 1,255.2	$ 1,193.7
Capital assets, net	1,424.3	1,403.5	2,226.4	1,986.2	3,650.7	3,389.7
Total assets	**2,111.0**	**2,097.0**	**2,794.9**	**2,486.4**	**4,905.9**	**4,583.4**
Deferred outflows of resources	**208.7**	**82.3**	**42.1**	**23.6**	**250.8**	**105.9**
Liabilities:						
Non-current liabilities*	646.7	394.7	1,102.2	858.6	1,748.9	1,253.3
Other liabilities*	267.5	295.6	100.6	93.9	368.1	389.5
Total liabilities	**914.2**	**690.3**	**1,202.8**	**952.5**	**2,117.0**	**1,642.8**
Deferred inflows of resources	**180.2**	**292.0**	**45.2**	**70.0**	**225.4**	**362.0**
Net position:						
Net investment in capital assets	911.0	890.4	1,100.1	1,066.2	2,011.1	1,956.6
Restricted	324.3	308.7	210.9	199.9	535.2	508.6
Unrestricted	(10.0)	(2.1)	278.0	221.4	268.0	219.3
Total net position	**$ 1,225.3**	**$ 1,197.0**	**$ 1,589.0**	**$ 1,487.5**	**$ 2,814.3**	**$ 2,684.5**

Note: *2022 balances were not (1) restated for the implementation of GASB 94 (PPPs) or (2) restated for the implementation of GASB 96 (SBITAs). See Notes 13, 14 and 23, for further information.*

** Non-current liabilities exclude the current portion of non-current liabilities.*

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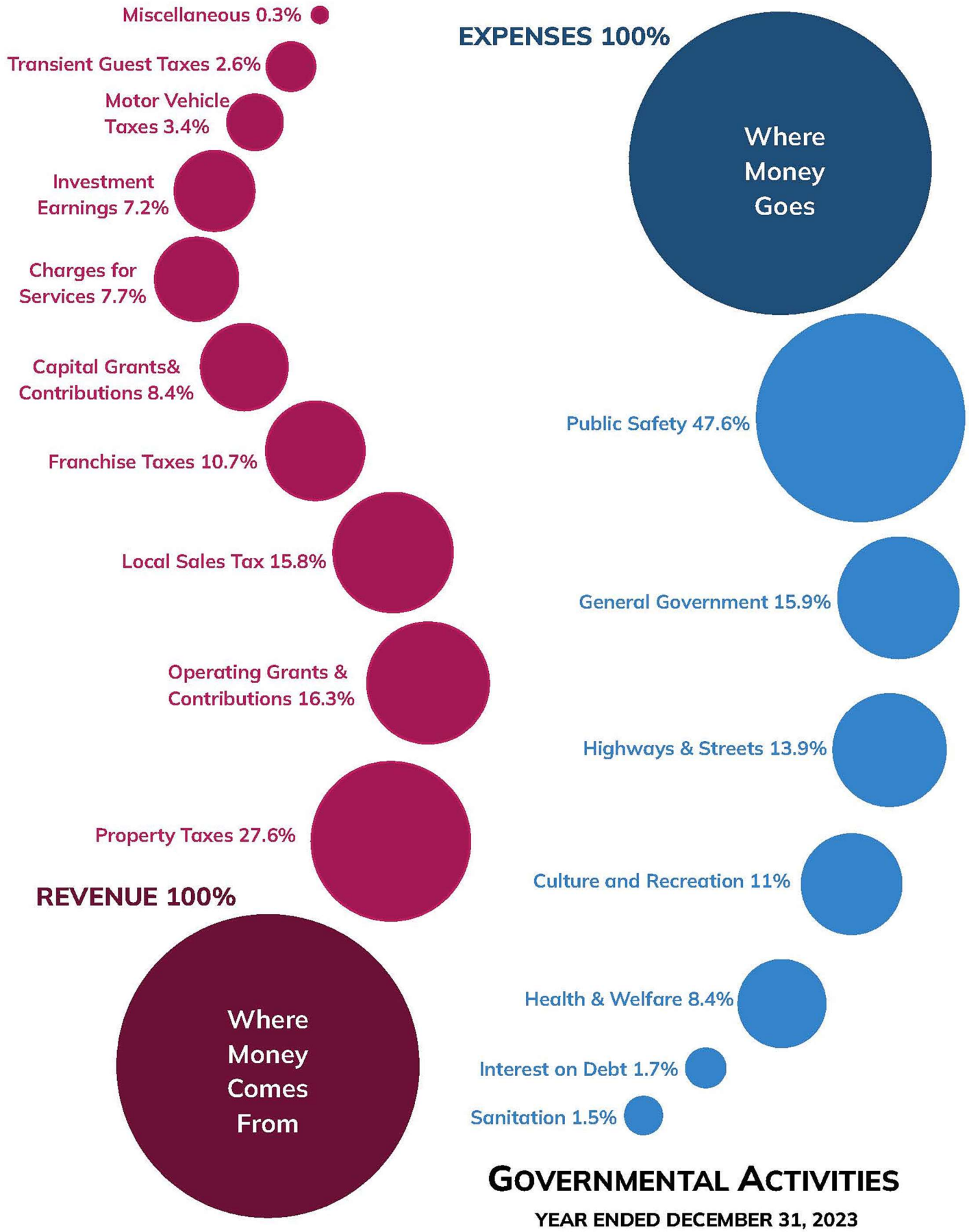
REVENUES AND EXPENSES OF THE PRIMARY GOVERNMENT

The following table summarizes the revenues and expenses that contributed to the increase in the net position of the primary government. In 2023, total revenues and expenses increased by $91.5 million and $92 million, respectively. An in-depth analysis is provided on the following pages.

Changes in Net Position – Primary Government
For the Year Ended December 31,
(dollars in millions)

	Governmental Activities		Business-type Activities		Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	$ 40.2	$ 44.2	$ 266.9	$ 256.6	$ 307.1	$ 300.8
Operating grants & contributions	85.1	79.0	12.3	23.9	97.4	102.9
Capital grants & contributions	44.0	34.5	30.8	10.4	74.8	44.9
General revenues:						
Property taxes	144.1	133.8	-	-	144.1	133.8
Sales taxes	82.5	79.9	-	-	82.5	79.9
Franchise taxes	55.9	55.5	-	-	55.9	55.5
Motor vehicle taxes	17.7	17.1	-	-	17.7	17.1
Transient guest taxes	13.4	12.0	-	-	13.4	12.0
Investment earnings	37.3	(7.7)	0.7	0.1	38.0	(7.6)
Miscellaneous	1.6	2.3	1.4	0.8	3.0	3.1
Total revenues	**521.8**	**450.6**	**312.1**	**291.8**	**833.9**	**742.4**
Expenses:						
General government	75.7	61.4	-	-	75.7	61.4
Public safety	226.7	149.7	-	-	226.7	149.7
Highways & streets	66.2	62.0	-	-	66.2	62.0
Sanitation	7.3	6.3	-	-	7.3	6.3
Health & welfare	40.0	56.3	-	-	40.0	56.3
Culture & recreation	52.5	46.6	-	-	52.5	46.6
Interest on long-term debt	7.9	9.8	-	-	7.9	9.8
Water Utility	-	-	92.9	93.9	92.9	93.9
Sewer Utility	-	-	56.0	55.1	56.0	55.1
Airport Authority	-	-	42.2	38.8	42.2	38.8
Stormwater Utility	-	-	12.0	10.0	12.0	10.0
Golf Course System	-	-	5.5	4.4	5.5	4.4
Transit	-	-	17.7	16.2	17.7	16.2
Landfill	-	-	2.6	2.7	2.6	2.7
Total expenses	**476.3**	**392.1**	**228.9**	**221.1**	**705.2**	**613.2**
Excess before transfers	**45.5**	**58.5**	**83.2**	**70.7**	**128.7**	**129.2**
Transfers	(18.1)	(22.4)	18.1	22.4	-	-
Increase in net position	**27.4**	**36.1**	**101.3**	**93.1**	**128.7**	**129.2**
Net position, beginning of year	**1,197.0**	**1,160.9**	**1,487.5**	**1,394.4**	**2,684.5**	**2,555.3**
Restatement – GASB 94 & 96*	0.9	-	0.2	-	1.1	-
Net position, beginning of year, as restated	**1,197.9**	**1,160.9**	**1,487.7**	**1,394.4**	**2,685.6**	**2,555.3**
Net position, end of year	**$ 1,225.3**	**$ 1,197.0**	**$ 1,589.0**	**$ 1,487.5**	**$ 2,814.3**	**$ 2,684.5**

** For 2023, prior period adjustments are for (1) the implementation of GASB 94 (PPPs) and (2) the implementation of GASB 96 (SBITAs). 2022 figures have not been restated for GASB 94 and 96. See Notes 13, 14 and 23, for further information.*



GOVERNMENTAL ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

GOVERNMENTAL ACTIVITIES

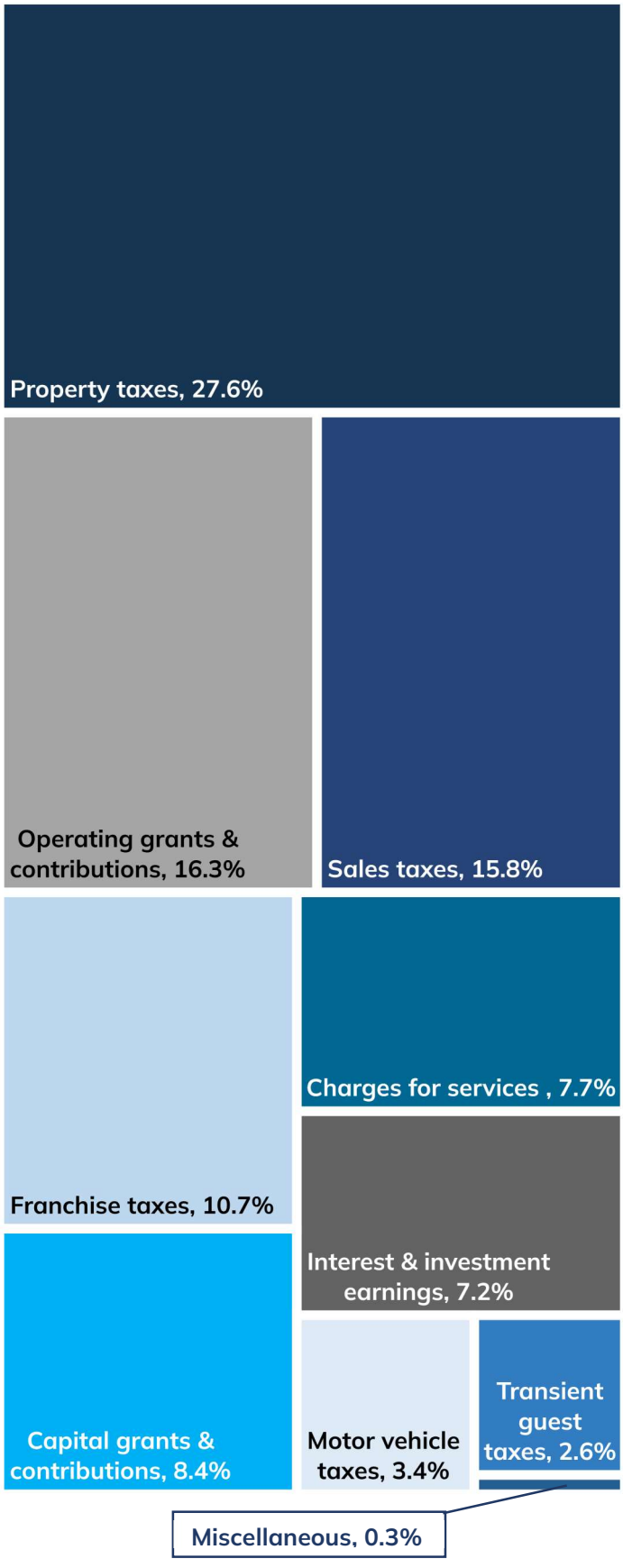
The **net position** of governmental activities increased $28.3 million or 2.4% in 2023, as compared to an increase of $36.1 million or 3.1% in 2022.

Revenues: The City had total revenues of $521.8 million in 2023, and increase of $71.2 million over the prior year. The most significant fluctuations in governmental revenues, in order of magnitude, were: **(1)** a rise in investment earnings of $45 million, **(2)** growth in property taxes of $10.3 million, **(3)** an increase in capital grants and contributions of $9.5 million and **(4)** an increase of $6.1 million in operating grants and contributions. All other revenues accounted for a combined net increase of $0.3 million.

The chart to the right shows the various revenue streams for the City's governmental activities and the percentage of total revenues each represents.

- The City recognized $37.3 million in **investment income** for 2023 due to sustained higher market interest rates, which included unrealized investment income of $10.1 million. In comparison, the City recognized a $7.7 million investment loss in 2022, a total fluctuation of $45 million. It is important to note, that while the City's cash and investments portfolio is booked at fair market value on a GAAP basis, as required, the City never expects to realize these unrealized gains/losses as its investment policy is to buy and hold.
- The City's property tax assessed valuation for the 2022 levy (recognized in 2023) increased approximately 7.7% over 2021 and is the primary factor for the $10.3 million or 7.7% increase in 2023 for a total $144.1 million in **property tax revenue**. The City continues to have a strong housing market with continued development of new residential neighborhoods.
- In 2023, the City recognized $44 million in **capital grants and contributions**, an increase of $9.5 million as a result of increased spending of the City's ARPA grant and an increase in special assessments. The amount of special assessments will fluctuate year over year depending on timing and the activity levels of new developments in Wichita.
- **Operating grants and contributions** grew $6.1 million, primarily due to fluctuations in the recognition of pandemic related federal grants in 2023. The City's grant fund contributed approximately $3.5 million towards this increase with two major fluctuations within its functions:
  - an increase of $13.2 million in the spending of the City's ARPA allocation for non-capital purposes and
  - a decrease of $10.4 million due to decreased housing related pandemic grants to assist citizens with rent and utilities.

2023 REVENUES - $521.8 MILLION

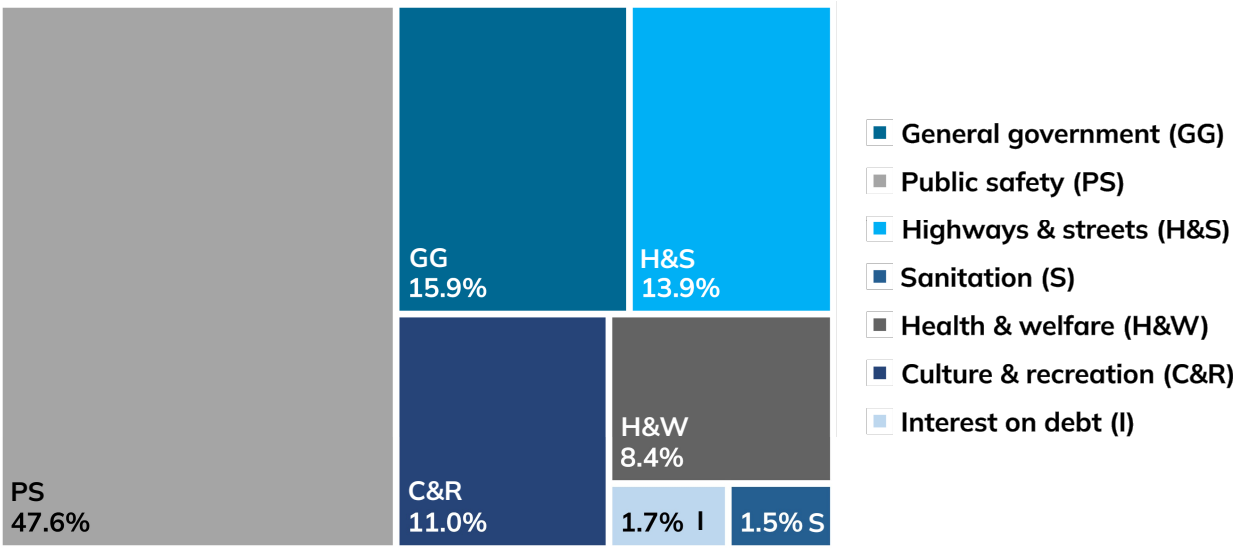


GOVERNMENTAL ACTIVITIES (CONTINUED)

Expenses: As a whole, the cost of governmental activities totaled $476.3 million for 2023, an $84.2 million or 21.5% increase over the prior year's total expenses of $392.1 million. The overall themes for increased expenditures related to (1) increased wages from salary ordinances and (2) increase in net pension expense per the City's actuarial evaluation of its two defined benefit pension plans. There were noteworthy fluctuations within four categories which are discussed below.

- General government expenses were $75.7 million in 2023, an increase of $14.3 million or 23.3% over 2022 with $61.4 million. The increase was driven by an increase in non-capital ARPA expenditures and an $8 million swing in net pension expense. Governmental activities recognized an increase in net pension expense of $3.9 million in 2023 versus a reduction of net pension expense of $4.1 million in 2022.
- Public safety continues to be a priority for the City, and accordingly, it comprises the largest expense category of governmental activities at 47.6% of total of governmental activities expense. In 2023, public safety expenditures were $226.7 million as compared to 149.7 million in 2022, an increase of $77 million or 51%. A portion of this increase is related to increases in wages in accordance with the City's union contracts; however, the largest portion of this increase ($51.7 million) is entirely related to a non-cash swing in pension expense in accordance with generally accepted accounting principles (GAAP). The City's net pension asset become a net pension liability in 2023 and public safety's portion of the net pension expense for 2023 was an increase totaling $24.9 million; conversely, a reduction of net pension expense of $26.8 million was recognized in 2022. See Note 7 for further information.
- In 2023, health and welfare expenses of $40 million decreased $16.3 million or 29% from 2022's expenses of $56.3 million. The City's expenses for housing related pandemic grants, including payments to assist citizens with rent and utilities, continued to decline in 2023 as these non-recurring grant funds are exhausted.
- In 2023, the City incurred $52.5 million in culture and recreation expenses, an increase of $5.9 million or 12.7% over the prior year. The City's swing in net pension expense of $4.7 million for culture and recreation accounts for the majority of the increase over 2022.

GOVERNMENTAL ACTIVITIES - 2023 EXPENSES
$476.3 MILLION



Transfers out: Transfers to business-type activities of $18.1 million in 2023 decreased slightly from 2022's transfers of $22.4 million. Governmental activities transferred (1) $3.6 million to the Transit Fund to supplement its operations, as well as, (2) completed infrastructure assets of the Utility programs. The assets transferred to the Utilities are primarily for special assessment funded infrastructure (i.e., neighborhood improvements for water, sewer and stormwater).

BUSINESS-TYPE ACTIVITIES

The **net position** of business-type activities grew $101.5 million in 2023, including restatement of $0.2 million, versus $93.1 million in 2022. The greatest increase in net position resulted from (1) activities in the Water Utility, Sewer Utility and Airport Authority programs with additions to net position of $45.7 million, $23.8 million and $12.9 million, respectively, and (2) transfers in from governmental activities of $18.1 million. These transfers in are to supplement Transit's operations ($3.6 million) and for contributions of completed capital assets to the Utilities (neighborhood improvements funded by special assessments).

Revenues: Business-type activities revenue, excluding transfers of $18.1 million, totaled $312.1 million. This represents an increase of $20.3 million or 7% over the 2022 revenues of $291.8 million.

Charges for services for business-type activities totaled $266.9 million for 2023, an increase of $10.3 million or 4.1%, with all programs experiencing increases over 2022. The Water and Sewer Utilities had the largest dollar increases at $3.6 million or 2.8% and $3.3 million or 4%, respectively. The Airport Authority charges for services increased 6.4%, as it experienced its second busiest year on record. Finally, the Golf Course System's charges for services increased just over 14% as a result of strategies implemented by the City in recent years.

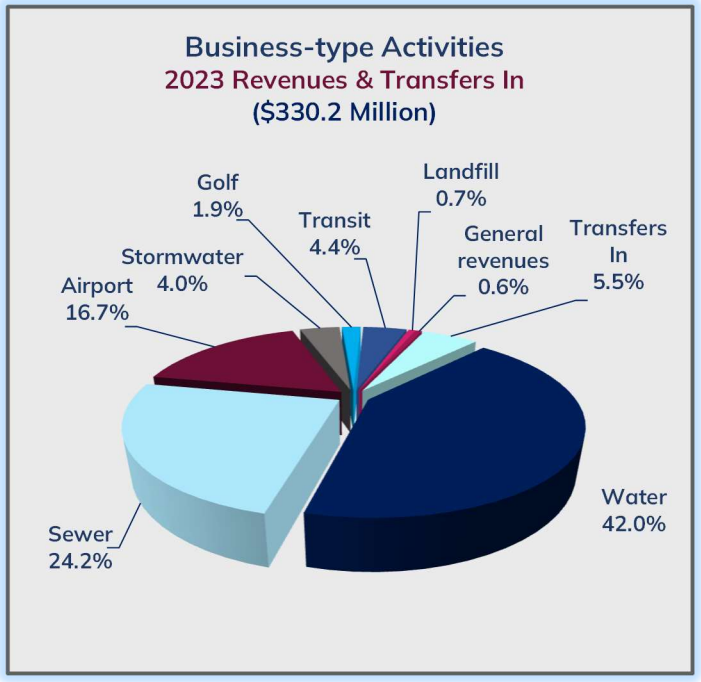
Operating grants and contributions decreased $11.6 million in 2023. In 2022, the Airport recognized nearly $13.1 million in non-recurring pandemic related federal funding to supplement its operations versus only $0.8 million in 2023.

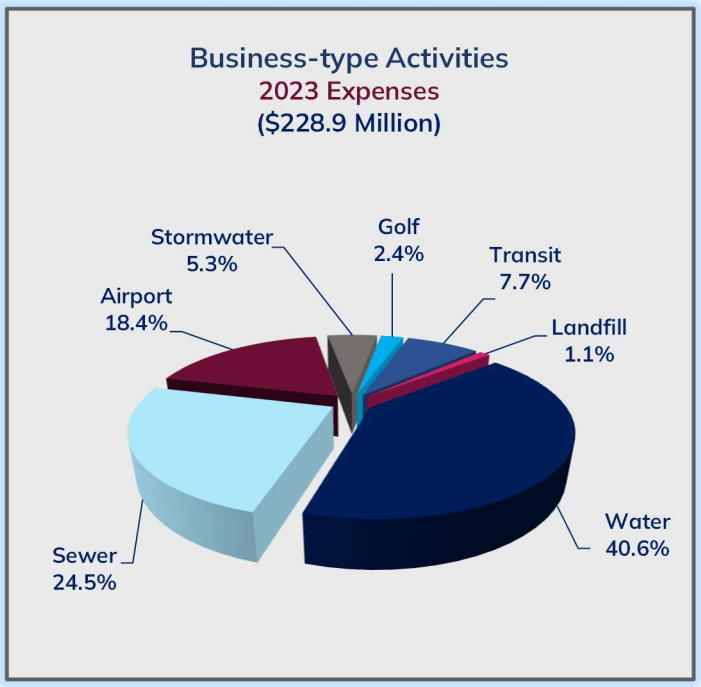
In 2023, business-type activities had **capital grants and contributions revenues** of $30.8 million, a growth of $20.4 million from the prior year at $10.4 million, with increases in the Water Utility and Airport programs. The Water Utility received a $7.9 million grant award for a previously constructed capital project. Annually, the Airport Authority receives 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 $19.5 million in capital contributions in the current year, an increase of $10.5 million over the prior year.

Expenses: The cost of business-type activities for 2023 at $228.9 million increased $7.8 million or 3.5% over 2022's expenses of $221.1 million. The largest driver of the increase related to the swing in net pension expense in 2023. For further details on the City's pension plans see Note 7.

In 2023, the Water and Sewer Utility account for the largest slices of the business-type activity expenses at 65.1%; however, the expenses are very consistent with the prior year.

The largest dollar increase was the Airport Authority, the third largest program, with an increase of $3.4 million or 8.8%, which correlates closely with the increase in charges for services in 2023.





ANALYSIS OF THE GOVERNMENT'S FUNDS

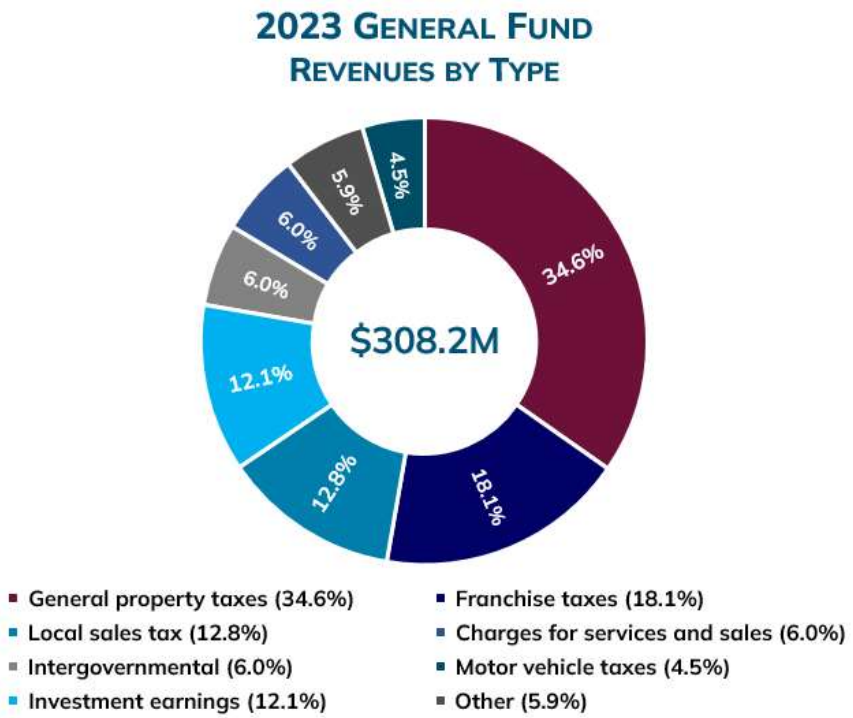
GOVERNMENTAL FUNDS

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, 2023, the governmental funds had $238.9 million in cash and cash equivalents; $1.2 million in cash with fiscal agent, primarily for specific capital projects; and $14 million in restricted investments. The governmental funds reported a combined ending fund balance of $63.5 million in 2023 as compared to $22.3 million at the close of 2022. The $41.1 million increase in fund balance, including restatement, largely resulted from (1) a $31.5 million increase in the General Fund and (2) a $7.8 million increase in nonmajor governmental funds.

The **General Fund** is the major operating and taxing fund of the City of Wichita. At the close of 2023, the General Fund and its combined subfunds had a fund balance of nearly $80.9 million dollars, an increase of $31.5 million from the prior year. 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, 2023, approximately $76.6 million or 94.7% of the General Fund's fund balance was unassigned. The General Fund also had approximately $4.2 million in assigned fund balance for encumbrances and the activity of its economic development subfund, with the remaining $64 thousand of its fund balance being nonspendable in the form of prepaid expenditures.

Revenue of the General Fund and its subfunds, excluding transfers, grew $52.6 million over the prior year. The majority of the General Fund's revenue streams experienced growth in 2023, with some exceptions like fines and penalties and other revenue experiencing modest declines. The most significant fluctuations in revenue were as follows, in order of magnitude:



(1) The General Fund recorded **investment earnings** of $37.1 million on a modified accrual basis (GAAP) in 2023 as compared to an investment loss of $7.8 million in 2022, an increase of $44.9 million. The investment earnings are a combination of the City's realized investment income of $26.2 million and a $10.9 million fair market value adjustment on its pooled investments. It is important to note that the unrealized gains/losses are not likely to be realized as the City's investment policy is to buy and hold.

(2) **Property taxes** represent the largest revenue source of the General Fund at nearly 35% of total revenues. In 2023, property taxes totaled $106.5 million, a growth of $6.4 million or 6.4% over 2022. This increase is primarily due to the increase in the City's assessed valuation for the 2022 levy (recognized in 2023) of 7.7%.

In 2023, the General Fund had **expenditures** of nearly $278.3 million, an increase of $22.7 million or 8.9% over the prior year. The general government, public safety and culture and recreation functions had the largest dollar increases of $2.4 million (6.1%), $17.5 million (10.8%) and $2.8 million (9.5%), respectively. The increases in expenditures are primarily related to wage growth, as personnel costs comprised nearly 75% of the expenditures in the General Fund for 2023. Public safety continued to be a priority for the City at 64.8% of the General Fund's expenditures. The table on the following page summarizes the General Fund expenditures by function for the last five years.

General Fund Expenditures by Function Fiscal years 2019 through 2023 (dollars in millions)						
	2019	2020	2021	2022	2023	2023 Percent of Total
General government	$ 37.2	$ 38.9	$ 38.3	$ 40.1	$ 42.6	15.3%
Public safety	145.3	138.8	156.7	162.8	180.3	64.8%
Highways and streets	13.5	15.8	15.0	15.7	14.8	5.3%
Sanitation	5.7	5.0	5.1	5.9	6.2	2.2%
Health and welfare	1.3	1.4	1.3	1.7	1.9	0.7%
Culture and recreation	30.6	28.9	28.7	29.4	32.2	11.6%
Debt service	-	-	-	-	0.3	0.1%
Total expenditures	**$ 233.6**	**$ 228.8**	**$ 245.1**	**$ 255.6**	**$ 278.3**	**100.0%**

The fund balance of the **Debt Service Fund** and its subfunds ended at $32.6 million for 2023, an increase of $3 million or 10% over 2022. Revenues increased slightly over the prior year, while debt service expenditures decreased $4.8 million or 9.4%, to produce revenues in excess of expenditures of $12.5 million. Transfers in from other funds, primarily for debt service reimbursements for LST and TIF bonds, decreased $1.9 million, while transfers out to other funds, to cash fund capital projects, increased by $3.5 million.

The **Grants and Other Assistance Fund** became a major fund in 2020 due to increased grant activity related to the pandemic and remained a major fund through 2023. The Grants and Other Assistance Fund experienced a $1.1 million decrease in fund balance due to expenditures temporarily exceeding revenues. While the net change in fund balance was not significant there were significant fluctuations in revenues and expenditures, discussed below.

- **Revenues** and **transfers in** of $66.8 million were up $10.4 million or 18.4% from 2022 revenues and transfers in of $56.4 million. The change in revenue recognized is primarily due to an increase in revenues of the general government function for ARPA related grants, followed by a decrease in the health and welfare function related to less (non-recurring) pandemic related grant revenues being recognized.
- **Expenditures** and **transfers out** of $68.1 million increased $8.9 million or 15% over the prior year of $59.2 million. The majority of this increase was seen in the general government function and transfers out for the City's ARPA grant, offset by a decrease in health and welfare function expenditures as those pandemic related grants start to wind down.

Nonmajor Governmental Funds: As of December 31, 2023, the fund balance of the nonmajor governmental funds was a deficit of $60.0 million, an improvement of $7.8 million over the 2022 deficit of $67.8 million. The special revenue funds increased $4.2 million or 6.5% over 2022, with the Tourism and Convention Promotion Fund contributing $3.3 million to this increase due to reduced transfers into the General Fund. The Cemetery (permanent) Fund was consistent with the prior year. The City's governmental fund capital projects are normally at a deficit until they are permanently financed, as they are funded through the issuance of temporary notes while in progress. Thus, their balances can fluctuate year over year depending on the timing of projects and the financing of those projects. Temporary notes, as they are short-term financing, do not have an effect on the fund balance. For further information, see Note 4 – Fund Balance and Net Position Deficits and Note 11 - Temporary Notes Payable.

Fund Balance (Deficit) and Temporary Notes Nonmajor Governmental Funds (dollars in millions)		
	2023	2022
Special revenue funds	$ 68.6	$ 64.4
Capital project funds	(130.2)	(133.8)
Permanent fund	1.6	1.6
Total fund deficit	**$ (60.0)**	**$ (67.8)**
Temporary notes payable	$113.9	$131.0

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ENTERPRISE FUNDS

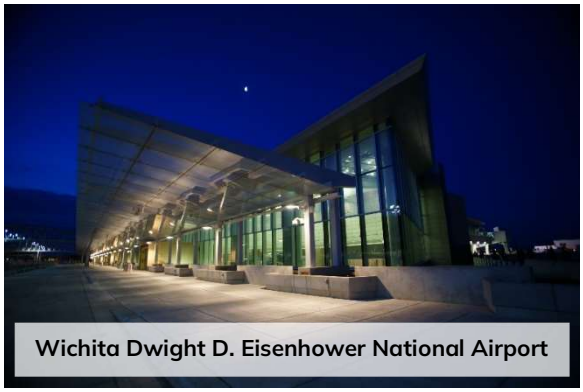
The increase in net position from operations of the Enterprise Funds totaled $98 million in 2023, including restatement of beginning net position for the implementation of new accounting standards (see Note 23), with the largest increases coming from the Water Utility, Sewer Utility, Airport Authority, and Stormwater Utility, respectively.

Net Position of Proprietary Funds (dollars in millions)		
	2023	2022
Water Utility	$ 637.9	$ 589.8
Sewer Utility	455.6	427.5
Airport Authority	234.5	223.0
Stormwater Utility	220.3	210.3
Golf Course System	(0.1)	(1.3)
Transit	30.2	29.7
Landfill	5.9	7.3
Total Net Position	**$ 1,584.3**	**$ 1,486.3**

The **Water Utility** Fund, which accounts for the operation and maintenance of the water supply system, recognized an increase in net position of approximately $48.1 million in 2023 as compared to $34.5 million in the prior year. There were two non-operating items that drove the larger increase in 2023 over 2022: (1) the Water Utility was awarded a $7.9 million grant for a previously constructed capital asset and (2) there were less projects constructed in 2023 that were not capitalizable in 2023 versus 2022. The Water Utility is currently constructing its $550 million water treatment plant, which is being funded by revenue bonds and loans. Debt service on these bonds and loans will start in 2025.

The **Sewer Utility**, which accounts for the wastewater treatment system, increased its net position by $28.1 million. This increase is primarily due to revenues continuing to exceed expenses, as revenues and expenses were fairly consistent with the prior year. The Sewer Utility has one very large capital project currently underway, its Biological Nutrient Removal (BNR) project, which has an estimated budget of $390 million.

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 Eisenhower Airport continued to perform well, with 2023 being its second highest record for passengers realized. The Airport's net position grew by $11.5 million in 2023 as compared to $16.7 million in 2022. The lower increase in net position is a result of two main factors (1) a $4.3 million increase in personnel costs due to wage growth and increased net pension expense (see Note 7) and (2) a slight decrease in federal grants (operating and capital) of $1.8 million, which is expected as the Airport recognized $13.1 million in non-recurring pandemic related operating grants in 2022 versus $0.8 million in 2023.


Wichita Dwight D. Eisenhower National Airport

The **Stormwater Utility** is funded from fees paid by customers. The Utility operates seven pump stations, which move excess surface water from heavy rains. The addition to net position of the Stormwater Utility Fund was $10 million for 2023, slightly lower than $11.6 million in 2022. The majority of the increase in net position is a result of capital contributions of $8.7 million, most of which come from neighborhood improvements funded by special assessments.

In the **nonmajor enterprise funds**:

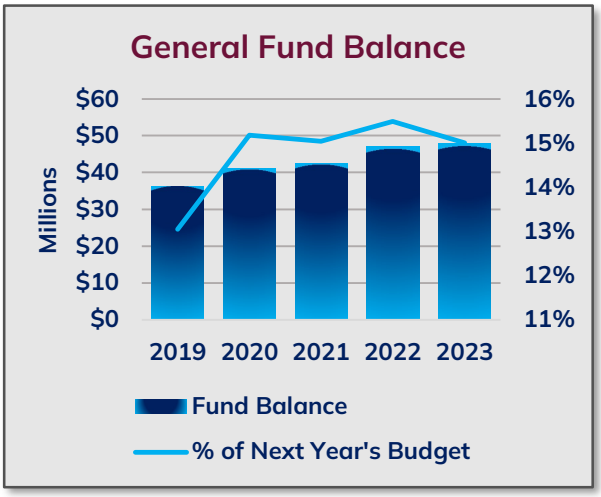

Auburn Hills Golf Course

- The **Golf Course System Fund** continued to perform well, with an increase in net position of $1.2 million or $0.2 million higher than 2022. This increase in net position changed its negative net position from $1.3 million to only $0.1 million, the best the Golf Fund has seen in years. For further information about the Fund's deficit net position and the City's plans and progress on addressing it, see Note 4.
- The **Transit Fund's** net position continued to increase slightly in 2023, up $0.5 million over 2022. The Transit Fund's operating loss of $15.5 million was supplemented by $10.7 million in operating grants, $1.6 million in capital grant contributions and a $3.6 million transfer from the General Fund (consistent with prior years).
- The net position of the **Landfill Fund** decreased by $1.4 million, chiefly due to a $1.3 million transfer (planned) to the City's Landfill Post-Closure Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The budgetary fund balance of the General Fund grew by $0.8 million in 2023, to keep the fund balance at 15% of the 2024 Adopted Budget, with the remaining excess transferred to the City's General Fund stabilization reserve (in accordance with the City's fund balance policy). General Fund revenues and other sources of approximately $299.1 million came in $5.3 million below its Final Budget and its expenditures and other uses of $298.6 million also were below the Final Budget by $4.7 million.

In 2023, the majority of revenues exceeded the prior year and were fairly consistent with the Final Budget, with one notable difference: transfers from other funds. Transfers from other funds were $3.4 million lower than the final budget, due to a few transfers being deemed unnecessary in light of the General Fund outperforming expectations overall.



Comparing 2023 revenues to the prior year, there were two notable differences not already discussed.

(1) Property tax revenues grew $6.4 million or 6.4% over 2022 for a total of $106.5 million in 2023. This increase resulted from continued growth in the City's tax base (assessed valuation), which is important as property taxes are the largest revenue of the General Fund at 35.6% of total revenues and other sources.

(2) Interest earnings were $26.2 million, an increase of $20.4 million over the Original Budget and $19.5 million more than 2022's interest earnings of $6.7 million. Interest earnings on a budgetary basis are recognized based on amortized cost and not fair market value (a difference with its GAAP financial statements) as this more closely shows the revenue the City will realize as its investment policy for its pooled funds is to buy and hold.

Local sales taxes also performed well, but to a lesser degree than last year, increasing $1.4 million or 3.5% over 2022.

Actual expenditures (excluding transfers) totaled $275.8 million, were approximately 98.4% of the Final Budget, and grew $19.3 million over 2022. The largest expenditure of the General Fund is personnel services, which accounted for 75.5% of 2023 expenditures and increased $15.6 million over the prior year.

Public safety expenditures continued to be a priority for the City at $179.8 million or 65.2% of total expenditures and accounted for $16.5 million of the increase in General Fund expenditures. Personnel expenditures in public safety made up approximately $14.8 million of the increase with the rest in contractual services and material and supplies. General government and culture and recreation were the functions with the next largest dollar increases at $2.2 million and $1 million, respectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At the end of 2023, the City of Wichita reported $3.65 billion in capital assets, net of depreciation/amortization, which is an increase of approximately $261 million over 2022. Assets are acquired through direct investments by the City, capital contributions, grants, leases, subscription agreements and from street and right-of-way dedications. The City's capital assets include land, construction in progress, 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 the City's capital assets can be found in Note 6 – Capital Assets. Also, see Note 22.C and 22.D for information on the City's outstanding construction and capital commitments.

Major capital outlays in the City's governmental activities during 2023 included the following projects:

- Arterial streets and bridges totaling almost $19.6 million, including $3.1 million for 21st N, I-35 to Mosley and $7.5 million for the North Amidon Bridge over the Arkansas River.
- Neighborhood paving projects totaling $9.6 million.
- Investment of $3.2 million in snow and heavy fleet equipment and $3.3 million in fire apparatus.
- Improvements at Century II totaling $3.4 million.

- Improvements of parks and recreation assets totaling $3.5 million, including $0.4 million for the LW Clapp Park Master Plan and $0.6 million on the McAdams Facility.

The most significant capital asset investments in 2023 for the business-type activities are listed below:

- Water Utility infrastructure improvements of approximately $232.3 million, including $215.7 million for construction of the Northwest Water Treatment Facility.
- Sewer Utility infrastructure improvements totaling $20.5 million, including $17.4 million for construction of the Biological Nutrient Removal (BNR) project.
- Airport improvements totaling $18.6 million, including $14.5 million in runway and apron reconstruction.
- The Utilities also received $16 million in capital contributions from governmental activities in 2023.

Primary Government
Capital Assets, Net of Accumulated Depreciation/Amortization
As of December 31,
(dollars in millions)

	Governmental Activities		Business-type Activities		Total Primary Government		
	2023	2022	2023	2022	2023	2022	Percent Change
Land	$ 272.7	$ 272.0	$ 51.6	$ 51.6	$ 324.3	$ 323.6	0.2%
Airfields	-	-	66.9	52.8	66.9	52.8	26.7%
Buildings & improvements	343.2	351.6	1,503.5	1,504.3	1,846.7	1,855.9	(0.5%)
Equipment & other assets	52.8	44.3	65.4	70.8	118.2	115.1	2.7%
Infrastructure	622.1	632.7	-	-	622.1	632.7	(1.7%)
Construction in progress	133.5	102.9	539.0	306.7	672.5	409.6	64.2%
Total capital assets, net	**$1,424.3**	**$1,403.5**	**$2,226.4**	**$1,986.2**	**$3,650.7**	**$3,389.7**	**7.7%**

Note: The 2023 balances include a restatement for the implementation of GASB 94 and 96. See Notes 13, 14 and 23 for details. The 2022 balances have not been restated, as to match the 2022 ACFR.

LONG-TERM BONDED DEBT

At year-end, the City had nearly $1.2 billion in outstanding bonds. Of this amount, outstanding general obligation and revenue bonds payable from governmental activities revenue sources totaled $313.6 million. The City also held $113.9 million in general obligation temporary notes, all held by governmental capital project funds. Bonded debt increased $122.7 million in 2023, with governmental activities and business-type activities debt increasing $10.2 and $112.5 million, respectively. The largest increase for business-type activities was in the Water Utility, which issued $137.5 million in 2023. A majority of the Water Utility's debt issued was to fund its new water treatment facility.

Primary Government
General Obligation and Revenue Bonds
As of December 31,
(dollars in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
Revenue Source	2023	2022	2023	2022	2023	2022
Ad valorem property taxes	$ 59.6	$ 51.9	$ -	$ -	$ 59.6	$ 51.9
Special assessments	165.5	156.5	-	-	165.5	156.5
Tax increment financing	29.0	27.1	-	-	29.0	27.1
Transient guest tax	2.4	2.4	-	-	2.4	2.4
Local sales tax	57.1	65.5	-	-	57.1	65.5
Enterprise funds	-	-	873.2	760.7	873.2	760.7
Total bonds payable	**$ 313.6**	**$ 303.4**	**$ 873.2**	**$ 760.7**	**$ 1,186.8**	**$ 1,064.1**

The City primarily finances capital projects with general obligation bonds/notes, revenue bonds, revenue loans, 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 2023 limitation for the City was slightly above $1.5 billion, with a legal debt margin of $1.2 billion. More detailed information regarding long-term debt is located in Note 10 – Long-term Obligations, 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%. In 2023, total employment reached 307,927, an increase of 2.7% over 2022. This measure is expected to grow an additional 0.7% in 2024.

Economic indicators continued to point to a strong local economy. The Center for Economic Development and Business Research (CEDBR) reported the Wichita Current Conditions Index had increased in 2023 to 106.7, a 1.7% increase over 2022. The leading Indicators Index increased to 141.02, a 19.5% increase over the 117.0 level of 2022.

Average Annual Unemployment Rates

	Wichita	Wichita MSA	Nation
2019	3.5%	3.4%	3.7%
2020	9.0%	8.1%	8.1%
2021	4.9%	4.4%	5.4%
2022	3.4%	3.2%	3.6%
2023	3.1%	2.9%	3.6%

Wichita's real estate market provides another indication of the underlying strength of the Wichita economy. Home prices continued to grow in 2023. Downtown Wichita has also benefited from significant investment. In 2022, the $75 million Kansas Health Science Center campus opened in downtown Wichita. This campus revitalized several historic buildings in the downtown core. In addition, a new bio medical campus downtown, a joint effort between Kansas School of Medicine and Wichita State University, is expected to bring approximately $300 million in additional investment to downtown Wichita. Across the river from downtown in the Delano neighborhood, a significant amount of investment has been made in the past few years, including the construction of a $40 million apartment building development, 225 Sycamore, and the new $75 million Riverfront Stadium. Continued investment around Riverfront Stadium, including a new hotel, apartments and retail space is expected.

Wichita's retail sector grew significantly in 2021 and 2022. However, in 2023, sales decreased by 0.3%, which was attributed to the end of stimulus programs (which had boosted 2022 activity, and a more cautious stance by consumers). A return to growth in the retail sector is anticipated beginning in 2024, although at more muted rates as compared to the pandemic fueled rates of 2021 and 2022.

While the local economy has shown resiliency considering the recent pandemic, economic uncertainty and recessionary risks remain elevated due to both national and local factors. Geo-political concerns could impact Wichita, since aviation products built here are sold and used worldwide. In addition, monetary policy strategies to combat inflation could impact local economic conditions. The City's budget has been able to successfully navigate challenges of the past few years in part 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 support small business, enhance job training, address affordable housing issues and cash fund infrastructure projects.

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.

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STATEMENT OF NET POSITION

December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wichita RAD Senior LP
ASSETS				
Cash and cash equivalents	$ 307,963,198	$ 268,664,944	$ 576,628,142	$ 708,437
Investments	12,898,686	-	12,898,686	-
Receivables, net:				
Property taxes	152,234,145	-	152,234,145	-
Special assessments	182,467,514	-	182,467,514	-
Due from other agencies	4,311,820	3,684,148	7,995,968	-
Accounts receivable	3,800,216	37,125,106	40,925,322	34,835
Notes receivable	1,165,270	-	1,165,270	-
Pledges receivable	2,000,000	-	2,000,000	-
Leases receivable	7,001,331	38,495,744	45,497,075	-
Internal balances	1,181,771	(1,181,771)	-	-
Inventories	1,707,289	6,515,014	8,222,303	-
Prepaid items	7,202,618	628,725	7,831,343	40,394
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents	1,672,546	214,487,701	216,160,247	17,140,272
Investments	831,891	-	831,891	-
Permanently restricted:				
Investments	235,437	-	235,437	-
Capital assets:				
Land and construction in progress	406,216,629	590,613,408	996,830,037	841,130
Other capital assets, net	1,018,097,723	1,635,796,779	2,653,894,502	28,835,996
Total capital assets, net	1,424,314,352	2,226,410,187	3,650,724,539	29,677,126
Total assets	2,110,988,084	2,794,829,798	4,905,817,882	47,601,064
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized refunding costs	116,002	9,533,475	9,649,477	-
Deferred outflows related to pensions	203,078,311	30,906,866	233,985,177	-
Deferred outflows related to OPEB	5,548,163	1,614,552	7,162,715	-
Total deferred outflows of resources	208,742,476	42,054,893	250,797,369	-

(Continued)

STATEMENT OF NET POSITION (CONTINUED)

December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wichita RAD Senior LP
LIABILITIES				
Accounts payable and other liabilities	$ 31,996,414	$ 44,006,761	$ 76,003,175	$ 793,031
Accrued interest payable	2,598,814	4,303,117	6,901,931	38,922
Temporary notes payable	113,875,000	-	113,875,000	-
Deposits	3,774,620	3,569,546	7,344,166	30,457
Unearned revenue	53,878,200	2,646,598	56,524,798	15,761
Due to other agencies	482,328	38,382	520,710	-
Noncurrent liabilities, including claims payable:				
Due within one year	60,916,633	45,997,704	106,914,337	152,801
Due in more than one year	646,660,466	1,102,196,960	1,748,857,426	41,992,152
Total liabilities	914,182,475	1,202,759,068	2,116,941,543	43,023,124
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	148,886,984	-	148,886,984	-
Unamortized refunding costs	93,326	860,869	954,195	-
Deferred inflows related to leases	7,081,496	38,564,727	45,646,223	-
Deferred inflows related to pensions	14,132,589	2,417,604	16,550,193	-
Deferred inflows related to OPEB	10,028,086	3,339,243	13,367,329	-
Total deferred inflows of resources	180,222,481	45,182,443	225,404,924	-
NET POSITION				
Net investment in capital assets	911,031,288	1,100,117,015	2,011,148,303	3,677,934
Restricted for:				
Alcohol and drug programs	4,160,332	-	4,160,332	-
Capital projects	44,403,273	3,316,678	47,719,951	-
Cemetery:				
Expendable	1,328,243	-	1,328,243	-
Nonexpendable	235,437	-	235,437	-
Debt service	213,032,688	-	213,032,688	-
Environmental remediation	6,317,491	-	6,317,491	-
Grant programs	10,565,613	-	10,565,613	-
Highways and streets	29,536,688	-	29,536,688	-
Housing operations	-	-	-	900,006
Municipal court	3,824,243	-	3,824,243	-
Operating projects	-	8,047,169	8,047,169	-
Other purposes	15,361	-	15,361	-
Park and recreation	897,420	-	897,420	-
Promotion and development	9,988,001	-	9,988,001	-
Revenue bond covenants	-	199,451,113	199,451,113	-
Unrestricted	(10,010,474)	278,011,205	268,000,731	-
Total net position	$ 1,225,325,604	$ 1,588,943,180	$ 2,814,268,784	$ 4,577,940

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

STATEMENT OF ACTIVITIES

For the year ended December 31, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 75,645,806	$ 23,998,750	$ 21,227,673	$ 7,554,952
Public safety	226,644,173	3,952,451	6,200,257	199,506
Highways and streets	66,200,202	3,967,197	15,562,879	33,572,954
Sanitation	7,342,234	-	-	-
Health and welfare	39,972,187	1,424,279	37,795,362	-
Culture and recreation	52,543,275	6,853,291	4,356,458	2,675,000
Interest on debt	7,906,499	-	-	-
Total governmental activities	476,254,376	40,195,968	85,142,629	44,002,412
Business-type activities:				
Water Utility	92,842,556	129,733,711	-	8,816,938
Sewer Utility	56,004,112	78,958,456	-	821,338
Airport Authority	42,201,899	34,796,324	786,511	19,470,496
Stormwater Utility	12,027,666	13,299,661	-	132,900
Golf Course System	5,505,380	6,182,089	-	-
Transit	17,699,679	1,499,678	11,509,175	1,570,792
Landfill	2,573,160	2,454,225	-	-
Total business-type activities	228,854,452	266,924,144	12,295,686	30,812,464
Total primary government	$ 705,108,828	$ 307,120,112	$ 97,438,315	$ 74,814,876
Component unit:				
Wichita RAD Senior, L.P.	$ 1,353,836	$ 804,194	$ -	$ 2,301,449

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 [1, 2]	
Net position - beginning, as adjusted	
Net position - ending	

[1] See Note 23 (Change in Accounting Principles) in the Notes to the Financial Statements for further information.

[2] See Note 24.K (Wichita RAD Senior LP, Prior Period Adjustment) 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
$ (22,864,431)	$ -	$ (22,864,431)	$ -
(216,291,959)	-	(216,291,959)	-
(13,097,172)	-	(13,097,172)	-
(7,342,234)	-	(7,342,234)	-
(752,546)	-	(752,546)	-
(38,658,526)	-	(38,658,526)	-
(7,906,499)	-	(7,906,499)	-
(306,913,367)	-	(306,913,367)	-
-	45,708,093	45,708,093	-
-	23,775,682	23,775,682	-
-	12,851,432	12,851,432	-
-	1,404,895	1,404,895	-
-	676,709	676,709	-
-	(3,120,034)	(3,120,034)	-
-	(118,935)	(118,935)	-
-	81,177,842	81,177,842	-
(306,913,367)	81,177,842	(225,735,525)	-
-	-	-	1,751,807
144,054,984	-	144,054,984	-
82,511,211	-	82,511,211	-
55,865,977	-	55,865,977	-
17,702,015	-	17,702,015	-
13,421,913	-	13,421,913	-
37,254,215	662,602	37,916,817	(98,383)
1,601,990	1,359,953	2,961,943	-
(18,096,214)	18,096,214	-	-
334,316,091	20,118,769	354,434,860	(98,383)
27,402,724	101,296,611	128,699,335	1,653,424
1,197,031,048	1,487,467,501	2,684,498,549	2,101,052
891,832	179,068	1,070,900	823,464
1,197,922,880	1,487,646,569	2,685,569,449	2,924,516
$ 1,225,325,604	$ 1,588,943,180	$ 2,814,268,784	$ 4,577,940

BALANCE SHEET

December 31, 2023

	General Fund	Debt Service Fund	Grants and Other Assistance Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 88,705,617	$ 31,698,203	$ 47,291,107	$ 71,196,026	$ 238,890,953
Cash with fiscal agent	-	142,340	-	1,033,864	1,176,204
Investments	-	-	12,898,686	1,067,328	13,966,014
Receivables, net:					
Property taxes	119,707,038	32,527,107	-	-	152,234,145
Special assessments	-	182,467,514	-	-	182,467,514
Due from other agencies	-	-	3,407,626	904,194	4,311,820
Accounts receivable	1,733,411	-	231,428	1,748,974	3,713,813
Notes receivable	-	350,881	468,664	345,725	1,165,270
Pledges receivable	-	-	-	2,000,000	2,000,000
Leases receivable	2,528,243	-	-	4,473,088	7,001,331
Due from other funds	113,735	5,668,420	-	43,806,866	49,589,021
Inventories	-	-	42,174	40,061	82,235
Prepaid items	63,828	-	262,377	43,542	369,747
Total assets	$ 212,851,872	$ 252,854,465	$ 64,602,062	$ 126,659,668	$ 656,968,067
LIABILITIES					
Accounts payable and other liabilities	$ 9,444,699	$ -	$ 3,435,034	$ 15,707,564	$ 28,587,297
Accrued interest payable	-	-	-	954,229	954,229
Temporary notes payable	-	-	-	113,875,000	113,875,000
Deposits	634,114	1,671,014	1,034,420	31,080	3,370,628
Unearned revenue	171,746	3,597,822	49,310,494	798,138	53,878,200
Due to other agencies	-	-	256,501	225,827	482,328
Due to other funds	-	-	-	47,317,006	47,317,006
Total liabilities	10,250,559	5,268,836	54,036,449	178,908,844	248,464,688
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue:					
Property taxes	117,075,197	31,811,787	-	-	148,886,984
Unavailable revenue:					
Property taxes	1,921,830	521,332	-	-	2,443,162
Special assessments	-	182,253,281	-	-	182,253,281
Other	167,982	350,881	613,756	3,211,225	4,343,844
Deferred inflows related to leases	2,570,302	-	-	4,511,194	7,081,496
Total deferred inflows of resources	121,735,311	214,937,281	613,756	7,722,419	345,008,767
FUND BALANCES (DEFICITS)					
Nonspendable	63,828	-	304,551	319,040	687,419
Restricted	-	32,648,348	9,647,306	100,394,323	142,689,977
Committed	-	-	-	11,162,411	11,162,411
Assigned	4,229,169	-	-	723,696	4,952,865
Unassigned	76,573,005	-	-	(172,571,065)	(95,998,060)
Total fund balances (deficits)	80,866,002	32,648,348	9,951,857	(59,971,595)	63,494,612
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 212,851,872	$ 252,854,465	$ 64,602,062	$ 126,659,668	$ 656,968,067

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

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

December 31, 2023

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:		
TOTAL FUND BALANCE - GOVERNMENTAL FUNDS		**$ 63,494,612**
Capital assets, including right-to-use (lease and SBITA) assets, used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements.		
Cost	$ 2,169,996,492	
Accumulated depreciation/amortization	(767,591,915)	1,402,404,577
Certain items, which result in a consumption of net position applicable to a future reporting period, are recognized as assets in the government-wide financial statements.		
Prepaid operating lease	6,132,375	6,132,375
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	116,002	
Deferred outflows related to pensions	195,836,854	
Deferred outflows related to OPEB	5,358,074	201,310,930
Long-term 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	(145,592,490)	
Special assessment bonds payable	(165,514,150)	
Sales tax revenue bonds payable	(2,549,393)	
Premiums on bonds payable	(24,553,325)	
Accrued interest on bonds payable	(1,644,585)	
Lease liability	(1,023,593)	
SBITA liability	(648,885)	
Compensated absences	(13,506,311)	
Net pension liability	(235,716,971)	
Total other post-employment benefits (OPEB) liability	(30,512,852)	
Environmental remediation liability	(32,200,959)	
Liability for future landfill closure and post-closure costs	(10,417,126)	(663,880,640)
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	(93,326)	
Deferred inflows related to pensions	(13,650,387)	
Deferred inflows related to OPEB	(9,503,321)	(23,247,034)
Property tax receivables, from recognized levy years, which are not considered available to liquidate liabilities of the current period are deferred as unavailable in the funds. They are recorded as revenue in the government-wide statements.		2,443,162
Special assessment receivables are not considered available to liquidate liabilities of the current period and, therefore, are deferred as unavailable in the funds. However, they are recognized as revenue in the government-wide statements as soon as the related improvement is completed.		182,253,281
Accounts receivable which are not considered available to liquidate liabilities of the current period are deferred as unavailable in the funds. They are recorded as revenue in the government-wide statements.		4,343,844
Internal service funds are used to charge the cost of certain activities, such as insurance, to individual funds. The assets, deferred inflows/outflows and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		50,070,497
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		**$ 1,225,325,604**

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended December 31, 2023

	General Fund	Debt Service Fund	Grants and Other Assistance Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	$ 106,542,889	$ 33,716,638	$ -	$ 1,890,965	$ 142,150,492
Motor vehicle taxes	13,890,343	3,776,393	-	35,279	17,702,015
Transient guest taxes	-	-	-	13,421,913	13,421,913
Special assessments	-	19,879,348	-	677,064	20,556,412
Franchise taxes	55,865,977	-	-	-	55,865,977
Local sales tax	39,600,831	814,648	-	42,095,732	82,511,211
Intergovernmental	18,557,776	-	62,330,810	15,388,271	96,276,857
Licenses and permits	2,350,944	-	-	2,690	2,353,634
Fines and penalties	6,518,149	-	3,472	347,176	6,868,797
Rentals	1,304,808	-	268,514	1,888,003	3,461,325
Sale of property	216,538	-	883,026	645,050	1,744,614
Interest and investment earnings	37,132,776	73,896	15,866	31,677	37,254,215
Charges for services and sales	18,420,350	-	13,556	4,152,987	22,586,893
Premiums from the issuance of temporary notes	-	-	-	1,816,143	1,816,143
Other revenue	7,812,497	567,560	2,506,985	4,068,326	14,955,368
Total revenues	308,213,878	58,828,483	66,022,229	86,461,276	519,525,866
EXPENDITURES					
Current:					
General government	42,548,336	449,525	15,298,621	5,584,058	63,880,540
Public safety	180,305,240	-	5,759,365	6,539,809	192,604,414
Highways and streets	14,812,767	-	-	-	14,812,767
Sanitation	6,220,746	-	-	449,676	6,670,422
Health and welfare	1,865,876	-	36,350,920	4,133,558	42,350,354
Culture and recreation	32,179,221	-	1,701,400	11,827,977	45,708,598
Debt service:					
Principal retirement - bonds	-	34,533,032	-	-	34,533,032
Interest and fiscal charges - bonds/notes	-	11,067,327	-	7,247,072	18,314,399
Principal retirement - leases	113,880	-	61,104	78,685	253,669
Interest - leases	37,167	-	2,076	1,631	40,874
Principal retirement - SBITA	181,913	-	18,000	-	199,913
Interest - SBITA	2,225	-	11,477	-	13,702
Other debt service	-	239,489	-	-	239,489
Capital outlay	-	-	-	103,880,341	103,880,341
Total expenditures	278,267,371	46,289,373	59,202,963	139,742,807	523,502,514
Excess (deficiency) of revenues over (under) expenditures	29,946,507	12,539,110	6,819,266	(53,281,531)	(3,976,648)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	-	-	44,730,000	44,730,000
Premiums on issuance of debt	-	401,611	-	1,635,000	2,036,611
Repayments on long-term note receivables	-	-	-	49,532	49,532
Issuance of long-term note receivables	-	-	-	(25,500)	(25,500)
Issuance of long-term lease	109,040	-	111,074	92,014	312,128
Issuance of SBITA	245,922	-	-	-	245,922
Transfers from other funds	10,611,454	14,494,994	788,681	102,903,297	128,798,426
Transfers to other funds	(9,350,910)	(24,475,236)	(8,862,860)	(88,276,062)	(130,965,068)
Total other financing sources (uses)	1,615,506	(9,578,631)	(7,963,105)	61,108,281	45,182,051
Net change in fund balance	31,562,013	2,960,479	(1,143,839)	7,826,750	41,205,403
Fund balances (deficits) - beginning, as previously stated	49,403,655	29,687,869	11,095,696	(67,798,345)	22,388,875
Prior period adjustment[1]	(99,666)	-	-	-	(99,666)
Fund balances (deficits) - beginning, as adjusted	49,303,989	29,687,869	11,095,696	(67,798,345)	22,289,209
Fund balances (deficits) - ending	$ 80,866,002	$ 32,648,348	$ 9,951,857	$ (59,971,595)	$ 63,494,612

[1] See Note 23 (Change in Accounting Principles) in the Notes to the Financial Statements for further information.

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

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

For the year ended December 31, 2023

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:

NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUNDS		**$ 41,205,403**
Governmental funds report capital asset and right-to-use (lease and SBITA) 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 or amortization expense. This is the amount by which capital asset acquisitions exceeded depreciation/amortization expense in the current period.		
Depreciation/amortization expense	$ (44,393,411)	
Net capital asset acquisition	78,901,644	34,508,233
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.		(1,199,976)
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.		(24,044,992)
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		13,981,181
Debt proceeds provide current financial resources of governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position.		
Lease liability	(312,128)	
SBITA liability	(245,922)	
General obligation bonds payable	(20,150,000)	
Special assessment bonds payable	(24,580,000)	
Premiums on bonds payable	(2,036,611)	(47,324,661)
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.		
Lease liability	253,669	
SBITA liability	199,913	
General obligation bonds payable	18,356,484	
Special assessment bonds payable	15,555,686	
Sales tax revenue bonds payable	620,862	34,986,614
The amortization of debt premiums affects long-term liabilities on the Statement of Net Position, but does not provide or consume current financial resources of the governmental funds.		3,454,880
Deferred refunding costs reduce current financial resources of governmental funds, but do not decrease long-term liabilities in the Statement of Net Position.		15,979
The cancellation of lease liabilities reduces the long-term liabilities in the Statement of Net Position but does not impact the current financial resources of governmental funds.		8,135

(Continued)

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

For the year ended December 31, 2023

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	$ (15,967)	
Compensated absences	(1,621,941)	
Net pension (asset) liability	13,006,184	
Total other post-employment benefits (OPEB) liability	(1,402,318)	
Environmental remediation liability	66,717	
Liability for future landfill closure and post-closure costs	(322,265)	
Prepaid operating lease	(623,640)	$ 9,086,770
The amortization of collective deferred outflows and inflows of resources related to pensions and OPEB affects the change in net position, but does not provide or use current financial resources in the governmental funds.		
Deferred outflows related to pensions	(54,061,344)	
Deferred outflows related to OPEB	(1,085,085)	
Deferred inflows related to pensions	7,650,282	
Deferred inflows related to OPEB	1,570,542	(45,925,605)
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.		8,650,763
CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES		**$ 27,402,724**

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

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

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Year to Date	Variance with Final Budget Positive (Negative)	2022 Actual Year to Date
	Original	Final			
REVENUES					
General property taxes	$ 105,056,551	$ 105,056,551	$ 106,535,253	$ 1,478,702	$ 100,127,095
Franchise taxes	49,894,336	57,386,655	55,865,977	(1,520,678)	55,552,327
Motor vehicle taxes	13,827,523	13,686,897	13,890,343	203,446	13,382,367
Local sales taxes	39,847,152	40,239,810	39,600,831	(638,979)	38,246,593
Intergovernmental	17,596,083	18,559,623	18,557,776	(1,847)	18,340,570
Licenses and permits	2,700,541	2,700,541	2,350,944	(349,597)	2,394,040
Fines and penalties	6,603,620	7,064,584	6,518,149	(546,435)	7,102,060
Charges for services and sales	18,606,015	19,478,015	18,315,418	(1,162,597)	17,397,940
Rental income	792,649	846,194	752,641	(93,553)	833,171
Interest earnings	5,800,000	24,700,000	26,182,618	1,482,618	6,716,124
Sale of property	100,000	100,000	198,312	98,312	251,857
Administrative charges	4,741,864	4,297,373	3,976,429	(320,944)	4,840,606
Other revenue	3,728,497	4,179,186	3,590,709	(588,477)	3,882,107
Total revenues	269,294,831	298,295,429	296,335,400	(1,960,029)	269,066,857
EXPENDITURES					
General government	46,025,710	43,231,452	41,090,259	2,141,193	38,932,627
Public safety	168,519,747	180,341,604	179,802,388	539,216	163,332,827
Highways and streets	16,867,052	16,446,200	15,319,761	1,126,439	16,146,925
Sanitation	6,190,214	6,727,339	6,220,746	506,593	5,898,858
Health and welfare	1,803,746	1,938,120	1,871,721	66,399	1,699,204
Culture and recreation	30,386,448	31,640,446	31,456,945	183,501	30,438,924
Total expenditures	269,792,917	280,325,161	275,761,820	4,563,341	256,449,365
Excess (deficiencies) of revenues over (under) expenditures	(498,086)	17,970,268	20,573,580	2,603,312	12,617,492
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	6,939,491	6,164,573	2,786,068	(3,378,505)	5,567,388
Transfers to other funds	(6,441,405)	(23,013,727)	(22,868,567)	145,160	(13,721,295)
Total other financing sources (uses)	498,086	(16,849,154)	(20,082,499)	(3,233,345)	(8,153,907)
Excess before other changes in unencumbered fund balance	-	1,121,114	491,081	(630,033)	4,463,585
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	275,283	275,283	163,673
Total other changes in unencumbered fund balance	-	-	275,283	275,283	163,673
Net change in unencumbered fund balance	-	1,121,114	766,364	(354,750)	4,627,258
Unencumbered fund balance, beginning	42,557,226	47,184,484	47,184,484	-	42,557,226
Unencumbered fund balance, ending	$ 42,557,226	$ 48,305,598	$ 47,950,848	$ (354,750)	$ 47,184,484

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

The 2023 certified expenditure budget is $304,534,322, including an appropriated reserve of $1,195,434 with the Revised Budget.

* 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 were excluded from budgetary controls as they related to the cancellation of prior year encumbrances.

STATEMENT OF FUND NET POSITION

December 31, 2023

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
ASSETS			
Current assets:			
Cash and cash equivalents	$ 118,336,439	$ 65,762,524	$ 45,420,438
Receivables, net:			
Due from other agencies	-	-	1,391,044
Accounts receivable	21,977,506	10,989,949	1,438,766
Lease receivables	-	-	3,648,899
Due from other funds	-	81,873	84,099
Inventories	5,912,843	135,819	-
Prepaid items	-	621,598	3,427
Restricted assets:			
Cash and cash equivalents	26,281,354	15,386,386	11,363,847
Total current assets	172,508,142	92,978,149	63,350,520
Noncurrent assets:			
Restricted assets:	-		
Cash and cash equivalents	99,023,419	62,432,695	-
Lease receviables	-	-	34,799,266
Capital assets:			
Lease assets:			
Machinery, equipment and other assets	-	-	-
Less: accumulated amortization	-	-	-
SBITA assets:			
Machinery, equipment and other assets	-	-	284,039
Less: accumulated amortization	-	-	(99,880)
Other capital assets:			
Land	17,118,361	4,343,103	17,886,413
Airfield	-	-	227,446,918
Buildings	155,335,847	138,921,502	196,818,759
Improvements other than buildings	811,917,265	524,807,155	101,611,255
Machinery, equipment and other assets	132,576,115	72,870,162	42,636,301
Construction in progress	493,210,156	39,691,531	3,169,945
Less accumulated depreciation	(445,538,012)	(263,612,806)	(278,664,790)
Total capital assets, net	1,164,619,732	517,020,647	311,088,960
Total noncurrent assets	1,263,643,151	579,453,342	345,888,226
Total assets	1,436,151,293	672,431,491	409,238,746
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized refunding costs	6,295,503	2,821,096	416,876
Deferred outflows related to pensions	9,587,219	6,824,086	9,161,818
Deferred outflows related to OPEB	390,815	485,126	227,766
Total deferred outflows of resources	16,273,537	10,130,308	9,806,460

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
$ 24,911,073	$ 14,234,470	$ 268,664,944	$ 69,568,587
-	2,293,104	3,684,148	-
2,289,857	429,028	37,125,106	86,403
-	23,689	3,672,588	-
631	6,892	173,495	3,519,626
-	466,352	6,515,014	1,625,054
-	3,700	628,725	700,496
-	-	53,031,587	-
27,201,561	17,457,235	373,495,607	75,500,166
-	-	161,456,114	-
-	23,890	34,823,156	-
-	2,559,706	2,559,706	376,653
-	(187,166)	(187,166)	(341,980)
-	628,940	912,979	4,364,302
-	(170,452)	(270,332)	(1,690,246)
7,891,012	4,412,174	51,651,063	-
-	-	227,446,918	-
9,481,468	15,847,256	516,404,832	74,242
227,711,109	16,091,242	1,682,138,026	74,907
7,663,839	38,485,311	294,231,728	57,919,178
1,723,963	1,166,750	538,962,345	261,446
(53,169,606)	(46,454,698)	(1,087,439,912)	(39,128,727)
201,301,785	32,379,063	2,226,410,187	21,909,775
201,301,785	32,402,953	2,422,689,457	21,909,775
228,503,346	49,860,188	2,796,185,064	97,409,941
-	-	9,533,475	-
1,832,608	3,501,135	30,906,866	7,241,457
79,127	431,718	1,614,552	190,089
1,911,735	3,932,853	42,054,893	7,431,546

(Continued)

STATEMENT OF FUND NET POSITION (CONTINUED)

December 31, 2023

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
LIABILITIES			
Current liabilities:			
Accounts payable and other liabilities	$ 35,169,816	$ 3,243,851	$ 3,872,389
Accrued interest payable	131,189	-	487,045
Deposits	3,555,335	-	14,211
Due to other agencies	3,754	34,628	-
Due to other funds	274,901	-	-
Current portion of long-term liabilities:			
General obligation bonds payable	6,560,000	-	3,825,000
Claims payable	-	-	-
Lease liability	-	-	-
SBITA liability	-	-	103,246
Compensated absences	521,931	293,960	529,979
Current liabilities payable from restricted assets:			
Accounts payable and other liabilities	-	-	51,895
Accrued interest payable	2,193,942	1,478,798	-
Revenue bonds payable	17,527,412	13,907,588	-
Total current liabilities	65,938,280	18,958,825	8,883,765
Noncurrent liabilities:			
Unearned revenue	-	-	2,501,496
Due to other funds	-	-	-
General obligation bonds payable	87,169,577	-	119,915,135
Revenue bonds payable	479,292,288	181,738,340	-
Loans payable	165,660,182	13,242,307	-
Claims payable	-	-	-
Lease liability	-	-	-
SBITA liability	-	-	57,559
Net pension liability	13,001,747	9,341,061	11,753,332
Total other post-employment benefits (OPEB) liability	1,759,613	1,682,267	1,508,240
Compensated absences	118,995	67,020	120,830
Total noncurrent liabilities	747,002,402	206,070,995	135,856,592
Total liabilities	812,940,682	225,029,820	144,740,357
DEFERRED INFLOWS OF RESOURCES			
Unamortized refunding costs	298,293	492,132	-
Deferred inflows related to leases	-	-	38,517,513
Deferred inflows related to pensions	580,764	643,197	632,998
Deferred inflows related to OPEB	725,202	808,398	599,126
Total deferred inflows of resources	1,604,259	1,943,727	39,749,637
NET POSITION			
Net investment in capital assets	383,214,162	308,319,418	184,401,875
Restricted for:			
Capital projects	-	-	3,316,678
Operating projects	-	-	8,047,169
Revenue bond covenants	123,110,830	76,340,283	-
Unrestricted	131,554,897	70,928,551	38,789,490
Total net position	$ 637,879,889	$ 455,588,252	$ 234,555,212

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
	$ 301,900	$ 1,366,910	$ 43,954,866	$ 3,409,117
	12,143	-	630,377	-
	-	-	3,569,546	403,992
	-	-	38,382	-
	-	-	274,901	-
	1,854,180	-	12,239,180	-
	-	-	-	10,303,590
	-	368,266	368,266	30,044
	-	50,460	153,706	1,463,599
	103,158	352,524	1,801,552	499,438
	-	-	51,895	-
	-	-	3,672,740	-
	-	-	31,435,000	-
	2,271,381	2,138,160	98,190,411	16,109,780
	-	145,102	2,646,598	-
	21,815	5,668,420	5,690,235	-
	4,129,122	-	211,213,834	-
	-	-	661,030,628	-
	-	-	178,902,489	-
	-	-	-	21,474,964
	-	2,019,127	2,019,127	-
	-	232,851	290,410	361,817
	2,524,611	4,670,533	41,291,284	9,972,214
	386,728	1,701,604	7,038,452	1,121,512
	23,519	80,372	410,736	113,866
	7,085,795	14,518,009	1,110,533,793	33,044,373
	9,357,176	16,656,169	1,208,724,204	49,154,153
	70,444	-	860,869	-
	-	47,214	38,564,727	-
	301,118	259,527	2,417,604	482,202
	370,616	835,901	3,339,243	524,765
	742,178	1,142,642	45,182,443	1,006,967
	195,175,539	29,006,021	1,100,117,015	20,042,550
	-	-	3,316,678	-
	-	-	8,047,169	-
	-	-	199,451,113	-
	25,140,188	6,988,209	273,401,335	34,637,817
	$ 220,315,727	$ 35,994,230	1,584,333,310	$ 54,680,367
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.			4,609,870	
Net position of business-type activities			$ 1,588,943,180	

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

For the year ended December 31, 2023

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
OPERATING REVENUES			
Charges for services and sales	$ 128,291,045	$ 78,344,945	$ 18,950,016
Fees	1,332,344	557,428	190,852
Rentals	39,717	23,998	15,607,156
Employer contributions	-	-	-
Employee contributions	-	-	-
Other operating revenues	-	372,193	298,404
Total operating revenues	129,663,106	79,298,564	35,046,428
OPERATING EXPENSES			
Personnel services	14,442,680	13,934,477	13,916,700
Contractual services	17,494,207	9,891,963	6,096,543
Materials and supplies	7,390,364	6,282,543	4,923,817
Other operating expenses	5,661,085	3,302,660	990,929
Administrative charges	567,983	342,755	392,097
Payments in lieu of franchise taxes	6,237,880	3,752,359	-
Depreciation/amortization	27,063,572	13,002,064	12,062,546
Employee/insurance claims	-	-	-
Total operating expenses	78,857,771	50,508,821	38,382,632
Operating income (loss)	50,805,335	28,789,743	(3,336,204)
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment earnings	331,936	248,878	81,788
Intergovernmental grants	-	-	786,511
Other revenues (expenses)	(1,319,285)	(231,183)	(609,777)
Interest expense	(15,704,021)	(6,482,490)	(5,105,996)
Gain on sale of assets	70,605	32,085	48,300
Bond premium amortization	1,663,515	970,759	216,367
Total non-operating revenues (expenses)	(14,957,250)	(5,461,951)	(4,582,807)
Income (loss) before capital contributions and transfers	35,848,085	23,327,792	(7,919,011)
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital contributions	12,233,270	4,904,795	19,470,496
Transfers from other funds	-	-	-
Transfers to other funds	(74,885)	(154,792)	-
Total capital contributions and transfers	12,158,385	4,750,003	19,470,496
Change in net position	48,006,470	28,077,795	11,551,485
Net position - beginning, as previously stated	589,873,419	427,510,457	222,973,460
Prior period adjustment[1]	-	-	30,267
Net position - beginning, as adjusted	589,873,419	427,510,457	223,003,727
Net position - ending	$ 637,879,889	$ 455,588,252	$ 234,555,212

[1] See Note 23 (Change in Accounting Principles) in the Notes to the Financial Statements for further information.

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
$ 13,100,660	$ 8,268,124	$ 246,954,790	$ 21,730,063
192,101	-	2,272,725	-
-	1,830,193	17,501,064	9,601,857
-	-	-	47,171,812
-	-	-	11,491,719
54,913	1,469,624	2,195,134	2,827,171
13,347,674	11,567,941	268,923,713	92,822,622
2,996,207	12,921,737	58,211,801	12,416,462
2,687,661	5,179,216	41,349,590	15,804,800
421,015	3,433,282	22,451,021	8,629,986
1,153,610	271,650	11,379,934	482,851
313,766	504,205	2,120,806	1,066,663
-	-	9,990,239	-
3,476,429	3,676,808	59,281,419	5,555,570
-	-	-	45,391,730
11,048,688	25,986,898	204,784,810	89,348,062
2,298,986	(14,418,957)	64,138,903	3,474,560
-	-	662,602	-
-	10,673,994	11,460,505	-
(963,617)	39,804	(3,084,058)	364,075
(201,820)	(45,162)	(27,539,489)	(60,936)
6,900	37,675	195,565	243,146
217,762	-	3,068,403	-
(940,775)	10,706,311	(15,236,472)	546,285
1,358,211	(3,712,646)	48,902,431	4,020,845
8,662,724	1,570,792	46,842,077	8,015,379
36,954	3,586,326	3,623,280	2,000,000
(27,002)	(1,300,000)	(1,556,679)	(1,899,959)
8,672,676	3,857,118	48,908,678	8,115,420
10,030,887	144,472	97,811,109	12,136,265
210,284,840	35,700,957	1,486,343,133	41,703,921
-	148,801	179,068	840,181
210,284,840	35,849,758	1,486,522,201	42,544,102
$ 220,315,727	$ 35,994,230	$ 1,584,333,310	$ 54,680,367

Increase in net position per fund statements	$ 97,811,109
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.	3,485,502
Change in net position of business-type activities	$ 101,296,611

STATEMENT OF CASH FLOWS

For the year ended December 31, 2023

	Business-type Activities Enterprise Funds		
	Water Utility	Sewer Utility	Airport Authority
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 130,729,818	$ 78,466,976	$ 35,214,539
Cash payments to suppliers for goods and services	(30,090,823)	(19,383,192)	(12,791,354)
Cash payments to employees for services	(12,240,508)	(12,492,622)	(12,111,081)
Payments in lieu of franchise taxes	(6,237,880)	(3,752,359)	-
Other operating revenues	-	372,193	298,404
Other operating expenses	(1,331,414)	(174,899)	(609,777)
Net cash provided by (used in) operating activities	80,829,193	43,036,097	10,000,731
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating grants received	-	-	786,511
Interfund loans	(60,349)	3,973	4,329
Transfers from other funds	-	-	-
Transfers to other funds	(74,885)	(154,792)	-
Net cash provided by (used in) noncapital financing activities	(135,234)	(150,819)	790,840
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Issuance of capital debt	209,487,352	34,549,026	-
Premiums on issuance of capital debt	1,914,821	817,908	-
Interest received on issuance of capital debt	17,772	7,587	-
Debt issuance costs paid	(131,842)	(56,284)	-
Principal payments on long-term debt	(24,634,350)	(16,235,650)	(3,675,000)
Interest payments on long-term debt	(15,552,385)	(6,549,198)	(5,118,320)
Principal payments on leases	-	-	-
Interest payments on leases	-	-	-
Principal payments on SBITAs	-	-	(92,966)
Interest payments on SBITAs	-	-	(5,547)
Capital asset additions	(227,899,267)	(25,389,865)	(16,448,013)
Sale of capital assets	70,605	32,085	48,300
Capital contributions	235,142	366,047	19,019,060
Net cash used in capital and related financing activities	(56,492,152)	(12,458,344)	(6,272,486)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	173,821	133,591	81,788
Net cash provided by investing activities	173,821	133,591	81,788
Net increase (decrease) in cash and temporary investments	24,375,628	30,560,525	4,600,873
Cash and temporary investments - beginning	219,265,584	113,021,080	52,183,412
Cash and temporary investments - ending	$ 243,641,212	$ 143,581,605	$ 56,784,285

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
$ 13,489,362	$ 10,146,901	$ 268,047,596	$ 89,987,869
(4,636,754)	(9,050,956)	(75,953,079)	(79,283,354)
(2,737,735)	(12,177,642)	(51,759,588)	(10,895,748)
-	-	(9,990,239)	-
54,913	1,510,103	2,235,613	3,191,246
(963,617)	(675)	(3,080,382)	-
5,206,169	(9,572,269)	129,499,921	3,000,013
-	9,312,035	10,098,546	-
(5,091)	2,614	(54,524)	(3,519,626)
36,954	3,586,326	3,623,280	2,000,000
(27,002)	(1,300,000)	(1,556,679)	(1,899,959)
4,861	11,600,975	12,110,623	(3,419,585)
-	-	244,036,378	-
-	-	2,732,729	-
-	-	25,359	-
-	-	(188,126)	-
(1,807,830)	-	(46,352,830)	-
(207,827)	-	(27,427,730)	-
-	(172,313)	(172,313)	(176,281)
-	(40,439)	(40,439)	(4,845)
-	(196,828)	(289,794)	(1,698,705)
-	(4,723)	(10,270)	(56,091)
(896,780)	(2,309,501)	(272,943,426)	(3,945,146)
6,900	38,175	196,065	297,393
132,900	1,213,543	20,966,692	-
(2,772,637)	(1,472,086)	(79,467,705)	(5,583,675)
-	-	389,200	-
-	-	389,200	-
2,438,393	556,620	62,532,039	(6,003,247)
22,472,680	13,677,850	420,620,606	75,571,834
$ 24,911,073	$ 14,234,470	$ 483,152,645	$ 69,568,587

(Continued)

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2023

	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)	$ 50,805,335	$ 28,789,743	$ (3,336,204)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation/amortization	27,063,572	13,002,064	12,062,546
Other revenues (expenses)	(1,331,414)	(174,899)	(609,777)
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:			
(Increase) decrease in receivables	787,653	(459,395)	518,150
Decrease in lease receivables	-	-	1,846,255
(Increase) in inventory	(1,102,721)	(5,432)	-
(Increase) decrease in prepaid items	-	29,962	(3,427)
Decrease in net pension asset	1,860,481	1,492,069	1,921,323
(Increase) in deferred outflows related to pensions	(5,961,686)	(4,007,986)	(5,760,349)
(Increase) decrease in deferred outflows related to OPEB	(62,551)	(143,925)	1,521
Increase (decrease) in accounts payable	2,166,106	461,512	(314,853)
(Decrease) in accrued interest payable	(19,495)	-	-
(Decrease) in due to other agencies	(5,787)	(29,887)	-
Increase (decrease) in deposits	298,554	-	-
(Decrease) in claims payable	-	-	-
Increase (decrease) in unearned revenues	-	-	(102,238)
Increase in net pension liability	13,001,747	9,341,061	11,753,332
Increase (decrease) in total OPEB liability	194,593	259,522	85,495
Increase in compensated absences	102,798	32,135	43,911
(Decrease) in deferred inflows related to leases	-	-	(1,795,652)
(Decrease) in deferred inflows related to pensions	(6,874,683)	(5,465,349)	(6,240,600)
Increase (decrease) in deferred inflows related to OPEB	(93,309)	(85,098)	(68,702)
Total adjustments	30,023,858	14,246,354	13,336,935
Net cash provided by (used in) operating activities	$ 80,829,193	$ 43,036,097	$ 10,000,731
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Contribution of capital assets	$ 11,998,128	$ 4,538,748	$ -
Operating grant receivables	-	-	-
Capital contribution receivables	7,920,000	-	1,391,044
Capital assets in accounts payable	31,193,321	2,141,958	3,203,021
Capital asset additions via SBITA liability	-	-	-
Capital asset additions via lease liability	-	-	-

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
$ 2,298,986	$ (14,418,957)	$ 64,138,903	$ 3,474,560
3,476,429	3,676,808	59,281,419	5,555,570
(963,617)	39,804	(3,039,903)	364,075
196,601	46,200	1,089,209	(28,145)
-	23,490	1,869,745	-
-	(12,715)	(1,120,868)	(77,851)
-	-	26,535	(571,596)
405,253	644,719	6,323,845	1,418,386
(1,083,669)	(2,214,733)	(19,028,423)	(4,668,300)
8,796	(20,952)	(217,111)	18,213
(60,233)	357,922	2,610,454	160,784
-	-	(19,495)	-
-	-	(35,674)	-
-	(1,985)	296,569	20,563
-	-	-	(7,383,179)
-	4,485	(97,753)	-
2,524,611	4,670,533	41,291,284	9,972,214
(4,527)	101,017	636,100	(16,683)
5,225	41,946	226,015	19,380
-	(1,294,659)	(3,090,311)	-
(1,570,551)	(1,197,148)	(21,348,331)	(5,264,009)
(27,135)	(18,044)	(292,288)	6,031
2,907,183	4,846,688	65,361,018	(474,547)
$ 5,206,169	$ (9,572,269)	$ 129,499,921	$ 3,000,013
$ 8,662,724	$ -	$ 25,199,600	$ -
-	1,935,855	1,935,855	-
-	357,249	9,668,293	-
72,500	702,338	37,313,138	11,765
-	1,122,833	1,122,833	219,662
-	1,772,835	1,772,835	-

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2023

	Pension Trust Funds	Property & Evidence Custodial Fund
ASSETS		
Cash and temporary investments	$ 45,474	$ 1,098,163
Receivables:		
Investment sales pending	8,842,529	-
Interest and dividends	4,138,327	-
Other receivables	1,106,529	-
Total receivables	14,087,385	-
Investments, at fair value:		
Government short-term investment fund	36,442,177	-
Equity:		
Domestic equity	599,375,293	-
International equity	408,358,875	-
Fixed income	262,874,740	-
Real estate	82,555,435	-
Target date and money market funds	6,641,958	-
Timber	96,412,199	-
Derivative investments	555,506	-
Securities lending short-term collateral investment pool	4,647,799	-
Total investments	1,497,863,982	-
Capital assets:		
Pension software	1,282,828	-
Less accumulated depreciation	(1,282,828)	-
Total capital assets, net	-	-
Total assets	1,511,996,841	1,098,163
LIABILITIES		
Accounts payable and other liabilities	2,586,068	5,814
Investment purchases pending	12,049,497	-
Securities lending obligations	4,647,799	-
Total liabilities	19,283,364	5,814
NET POSITION		
Restricted for:		
Pensions	1,492,713,477	-
Property and evidence	-	1,092,349
Total net position	$ 1,492,713,477	$ 1,092,349

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the year ended December 31, 2023

	Pension Trust Funds	Property & Evidence Custodial Fund
ADDITIONS		
Contributions:		
Employer	$ 30,994,358	$ -
Employee	11,202,553	-
Property and evidence collections	-	1,121,840
Total contributions	42,196,911	1,121,840
Investment income:		
From investing activities:		
Net appreciation in the fair value of investments	195,261,961	-
Interest	11,639,873	-
Dividends	9,154,070	-
Commission recapture	27,249	-
Total investing activity income	216,083,153	-
Less investment expense	6,608,717	-
Net income from investing activities	209,474,436	-
From securities lending activities:		
Securities lending income	640,193	-
Less securities lending expense, net:		
Borrower rebates	452,993	-
Management fees	51,483	-
Total securities lending expenses	504,476	-
Net income from securities lending activities	135,717	-
Total net investment income	209,610,153	-
Reclassifications due to participant conversion	2,880	-
Total additions	251,809,944	1,121,840
DEDUCTIONS		
Pension benefits	104,565,093	-
Administration charges	1,247,571	-
Employee contribution refunded	2,682,784	-
Reclassifications due to participant conversion	2,880	-
Property and evidence released	-	150,204
Total deductions	108,498,328	150,204
Change in net position	143,311,616	971,636
Net position - beginning	1,349,401,861	120,713
Net position - ending	$ 1,492,713,477	$ 1,092,349

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

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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: 4% Low Income Housing Tax Credits (LIHTC); CDBG, HOME and Capital Funds; and 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 and entered into several loans with Wichita RAD Senior LP. For further details about Wichita RAD Senior LP, please see Note 24.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position on pages A-24 and A-25 and the Statement of Activities on pages A-26 and A-27) 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 the 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 Subfund 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 Fund: Tax Increment Financing (TIF) Subfund is comprised of several TIF districts, 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 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 ***nonmajor fund types***:

Special revenue funds account for the proceeds from specific revenue sources that are restricted, committed or assigned 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 typically comes 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.

A ***custodial fund*** accounts for the activities of the Property and Evidence Custodial Fund to account for the cash collected and held as a result of law enforcement activities.

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 the 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 1st 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 1st 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 with a corresponding amount recorded as deferred inflows of resources (deferred revenues) on the balance sheet of the appropriate funds. Both the taxes receivable and deferred revenues are recorded net of an allowance for uncollectible taxes. Also included in taxes receivable is an estimated amount for uncollected property taxes from prior year levies, which are expected to be collected in future years, with the amount not collected within 60 days of year-end deferred.

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 and collected within days of year-end is considered to be susceptible to accrual as revenue of the current period, with the amount not collected within 60 days of year-end deferred as unavailable. Special assessments receivables 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 year-end.

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 year-end. 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. RECEIVABLES

Accounts receivable: The City's accounts receivables are primarily for services provided by the City to other entities and are recorded net of any allowance for doubtful accounts.

Due from other agencies are typically receipts due from other governmental agencies for services provided or operating and capital grants.

Pledge receivable: The City has a pledge receivable recorded per an agreement with the Wichita Public Library Foundation in the amount of $2,000,000 for capital improvements primarily at the Westlink Branch, Alford Branch, Maya Angelou Branch and the Rockwell Branch of the Wichita Public Library.

Notes receivable: The City has notes receivables recorded for various purposes, including the City's Propel and housing loan programs. The long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending focus. Recognition of governmental fund type revenues represented by long-term receivables have unavailable revenues recorded unless received within 60 days of year end.

Lease receivables are recorded by the City at the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based off a three-year average earning percentage from the City's pooled cash and investments.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

I. INVENTORIES AND PREPAID ITEMS

Inventories and prepaid items 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.

J. CAPITAL ASSETS

Lease Assets: The City has right-to-use assets, including buildings, vehicles and equipment recorded for lease assets. Lease (right-to-use) assets are recognized at the lease commencement date and represent the City's right-to-use an underlying asset for the lease term. These lease assets are recorded at the initial value of the

lease liability, plus any lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement date of the lease, and plus any initial indirect costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The City recognizes lease liabilities and intangible right-to-use lease assets for any lease with an initial value of $5,000 or greater.

Subscription Assets: The City is a subscriber of noncancelable subscription-based information technology arrangements (SBITAs). The City recognizes subscription liabilities and intangible right-to-use subscription assets for any subscription with an initial value of $100,000 or greater.

The subscription assets are recognized at the subscription commencement date and represent the City's right to use the underlying IT asset for the subscription term. Subscription assets are measured at the initial value of the subscription liability plus any payments made to the vendor at or before the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Subscription assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method.

Other 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, as well as, in the proprietary fund 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 historical acquisition value, or estimated historical acquisition value (if actual historical acquisition value is not available). Donated capital assets are valued at their estimated acquisition value on the date donated. The donated acquisition value is the price that would have been paid to acquire an asset with equivalent service potential on the date of donation. Federally funded assets have a capitalization threshold of $5,000 or more. 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.

Capital Assets	
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. Land and construction in progress are not depreciated.

M. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Deferred Outflows 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 assets that applies to future periods and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

The City recognizes the following types of deferred outflows of resources:

- ***Unamortized refunding costs***, which are only recorded in the government-wide and proprietary fund statements of net position, represent deferred charges on refundings which resulted 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.
- ***Deferred outflows related to pensions and OPEB*** are collective deferred outflows of resources related to pensions and OPEB, which are described in more detail in Note 7 - Retirement Funds and in Note 8 – Other Post-Employment Healthcare Benefits, respectively.

Deferred Inflows of Resources: 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 assets that applies to future periods which will not be recognized as an inflow of resources

(revenue or decrease in related expenditure) until that time.

The City recognizes the following types of deferred inflows of resources:

- ***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 revenue*** is 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.
- ***Unamortized refunding costs***, which are only recorded in the government-wide and proprietary fund statements of net position, represent deferred charges on refundings which resulted 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.
- ***Deferred inflows related to pensions and OPEB*** are collective deferred inflows of resources related to pensions and OPEB, which are described in more detail in Note 7 - Retirement Funds and in Note 8 – Other Post-Employment Healthcare Benefits, respectively.
- ***Deferred inflows related to leases*** are recorded for the initial measurement of the lease receivables plus any lease payments received at or before the commencement dates of the lease terms that relate to future periods. These inflows are then amortized over the terms of the leases. For further information, please see Note 12 – Leases.

N. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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

Lease Liabilities represent the City's obligation to make lease payments arising from the lease and are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on a two-year average of the City's bonded debt.

SBITA (Subscription) Liabilities represent the City's obligation to make subscription payments arising from the subscription contract. SBITA liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of the subscription payments is discounted based on a two-year average of the City's bonded debt.

The City's ***compensated absences*** 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.

O. 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/amortization, reduced by the outstanding balances of any bonds, mortgages, notes, lease liabilities, SBITA liabilities 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 and inflows of resources, and liabilities 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 encumbered balances is provided in Note 22.D - 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 15% of the subsequent year's expenditures. Further, City Council Policy 40 sets the reserve level for the Stabilization Reserve, a subfund of the General Fund, at 5% of General Fund expenditures, and the Pension Reserve, a subfund of the Self Insurance Fund, at 3% off General Fund personnel expenditures.

P. 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).

Q. 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.

R. IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES

In 2023, the City implemented the following accounting principles.

GASB Statement No. 94, Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs), requires governments to recognize PPPs that meet the definition of a lease in accordance with Statement No. 87, Leases (as amended), if existing assets of the transferor that are not required to be improved by the operator as part of the PPP arrangement are the only underlying PPP assets and the PPP does not meet the definition of a service concession arrangement (SCA). The Statement also (1) defines PPPs and APAs; (2) provides accounting and financial reporting requirements for all other PPP arrangements, either those that meet the definition of an SCA or are not within the scope of Statement No. 87, Leases; and (3) provides accounting and financial reporting for APAs.

The implementation of this standard required a restatement of the City's Governmental Activities' beginning net position for its fiscal year 2023 for two PPP arrangements that met the definition of a lease in Statement No. 87. See Note 23 – Change in Accounting Principles for further information on this restatement. The additional disclosures required by this standard are included in Note 14 – Public-Private Partnership (PPPs).

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs), provides guidance on the accounting and financial reporting for SBITAs. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription (SBITA) liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) defines required note disclosures. The Standard requires recognition of certain SBITA assets for SBITAs that were previously recognized as outflows of resources based on the payment provisions of the contract.

The implementation of this standard required restatements of the City's beginning net position, which has been disclosed in Note 23 – Change in Accounting Principles. The additional disclosures required by this standard are included in Note 13 – Subscription-Based Information Technology Arrangements (SBITAs).

GASB Statement No. 99, Omnibus 2022, enhanced comparability in accounting and financial reporting and improved the consistency of authoritative literature by addressing (1) practice issues that had been identified during implementation and application of certain GASB Statements and (2) accounting and reporting for financial guarantees. The implementation of this standard did not have a material impact on the City's financial statements.

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 79-2925 et. seq, K.S.A 79-2988, and K.S.A 79-2989 outline the sequence and timetable for adoption of the budgets. A "Revenue Neutral Rate" (RNR) calculated by the County Clerk dictates the appropriate timeline. The RNR is the mill levy rate that would be required, based on the estimated assessed valuation, to maintain the exact same level of total taxes levied as included in the previous year's Adopted Budget. The relevant timeline is dependent on whether there is an intent to exceed the RNR.

If the RNR is not exceeded in the Adopted Budget, the publication of notice for the Budget Hearing must occur by August 4. The publication of notice of the Budget hearing date must be published at least 10 days prior to the Budget hearing date, and the Budget hearing must be held by August 15. The Adopted Budget must be submitted to the County Clerk by August 25.

The timeline is different if exceeding the RNR is being considered. The County Clerk must be notified by July 20 if there is an intent to exceed the RNR. The Budget hearing must be held no sooner than August 20 and not later than September 20. Publication of notice of the Budget hearing must occur at least 10 days prior to the scheduled Budget hearing date. The Adopted Budget must be submitted to the County Clerk no later than October 1.

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.

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). For budgeting, there are three deviations from GASB pronouncements between the City's budgetary basis and GAAP, as follows:

1. The investment income (loss) recognized on the pooled investments of the City for its budgetary basis is based on amortized cost and not fair value as the City's investment policy and practice is to buy and hold; thus, the unrealized fair market value gain (loss) will not be realized.
2. The adjustment to revenues, in accordance with GASB 87, which are booked on the GAAP basis are not booked for the City's budgetary basis. The adjustment to revenues is due to reclassification of interest income from rental income and an adjustment to rental income for the divergence of the lease payments received versus the lease revenue amortized from the related deferred inflow of resources.
3. In accordance with GASB 87 and 96, an other financing source is recognized on the GAAP basis and is not booked for budgetary purposes, as it is a non-cash transaction and doesn't provide current financial resources.

Expenditures: For expenditures on a budgetary basis there are three differences between the City's budgetary accounting basis and GAAP, as follow:

1. The major difference is related to when expenses or expenditures, respectively, are recognized. On a budgetary basis, expenditures are recognized when encumbered (i.e. purchase orders and contracts) or incurred, if never encumbered. Expenditures related to principal payments of long-term obligations are considered incurred when paid.
2. In accordance with GASB 87 and 96, expenditures for lease and subscription-based information technology arrangements (SBITAs) payments are recorded as principal and interest payments on long-term obligations. On a budgetary basis these expenditures are recorded by expenditure category and function, if applicable.
3. In accordance with GASB 87 and 96, the recognition of a capital outlay expenditure, which is booked on the GAAP basis, is not booked for budgetary purposes, as it is a non-cash transaction and doesn't consume current financial resources.

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 a fund's 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, 2023 are provided in the table below.

General Fund
GAAP Basis to Budgetary Basis Reconciliations

	Net Change in Fund Balance	Fund Balances at End of Year
General Fund - GAAP basis	**$ 31,562,013**	**$ 80,866,002**
Increase (decrease) affecting basis:		
Expenditures due to prior year encumbrances	2,675,127	-
Expenditures accrued that are already encumbered	(256,567)	52,428
Cancellation of prior year encumbrances	275,283	-
Expenditures due to current year encumbrances	(1,700,122)	(2,938,558)
Investment fair market value adjustment	(10,950,157)	3,576,417
Adjustments for GASB 87 – Leases	429	(440)
Less subfund balances included for GAAP:		
Permanent Reserve Subfund*	(20,492,542)	(32,314,390)
Economic Development Subfund**	(347,100)	(1,290,611)
General Fund - budgetary basis	**$ 766,364**	**$ 47,950,848**

* *Budget expenditure authority was not established for the Permanent Reserve Subfund for 2023. Therefore, a budgetary comparison schedule is not presented.*

** *The Economic Development Subfund is considered a separate fund for budgetary purposes and is certified as its own fund, separate from the main General Fund, with the State of Kansas.*

4. FUND BALANCE AND NET POSITION DEFICITS

At December 31, 2023, the City's fund balance and net position deficits are shown in the table on the following page.

The deficits for the governmental funds, which are nonmajor capital project funds, will be primarily financed through the sale of bonds authorized by the City Council which have not been issued as of December 31, 2023. The City's standard practice is to issue temporary notes throughout the life of the project, with permanent financing made when the project nears completion or is completed. See Note 25 – Subsequent Events for information on any General Obligation Bonds issued after December 31, 2023, but before the date of this report.

The Golf Division has been significantly transformed since June of 2022. A new Golf Director was hired, who improved and streamlined operations. Revenues have continued to improve, largely due to the pass membership program that was implemented in 2019 and which continues to produce consistent and recurring revenues. In addition, rate increases were approved and effective on July 1, 2023. Additional investments in capital expenses have been focused on customer facing and revenue producing assets for the Golf System. These strategies have resulted in significant improvement in the Golf Fund's Net Position.

Fund Balance/ Net Position Deficits As of December 31, 2023		
Primary Government		**Deficits**
Governmental funds:		
Street Improvement Fund	$	42,922,183
Park Bond Construction Fund		26,380,971
Neighborhood Improvements Fund		68,030,429
Public Improvement Construction Fund		35,228,511
Business-type funds:		
Golf Course System Fund		125,240
Total reporting entity	**$**	**172,687,334**

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, 2023, the City had deposits in five banks totaling $77,794,020 with assets pledged by the banks as collateral with a fair value of $122,523,487.

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.

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On December 31, 2023, the City's pooled funds were invested as follows:

Pooled Funds As of December 31, 2023				
Investment Type		Fair Value	Modified Duration (Years)	Percent of Total Pooled Funds
U.S. agency coupon securities	$	252,171,379	1.271	32.6%
U.S. agency callable securities		189,509,934	1.397	24.5%
U.S. agency discount securities		34,417,239	0.313	4.5%
U.S. agency step rate securities		66,702,094	0.685	8.6%
U.S. Treasury		85,024,141	1.288	11.0%
U.S. Treasury discount		39,575,892	0.201	5.1%
Kansas Municipal Investment Pool		41,132,692	-	5.3%
Collateralized certificates of deposit		39,750,000	0.209	5.2%
Collateralized deposits		24,512,453	-	3.2%
Total value	**$**	**772,795,824**		**100.0%**
Modified duration of portfolio			**0.991**	

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, 2023, 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).

Concentration of Credit Risk	
Instrument	Maximum
Demand deposits/repurchase	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, 2023 are listed in the table below.

Pooled Funds
Fair Value Measurements
As of December 31, 2023

Investment Type	Fair Value	Level 1 Inputs	Level 2 Inputs	Percent of Total Value
U.S. Treasury	$124,600,033	$124,600,033	$ -	18.7%
Federal Farm Credit Bank (FFCB)	137,838,600	-	137,838,600	20.7%
Federal Home Loan Bank (FHLB)	269,734,258	-	269,734,258	40.4%
Federal Home Loan Mortgage Corp. (FHLMC)	123,623,684	-	123,623,684	18.5%
Federal National Mortgage Assoc. (FNMA)	11,604,104	-	11,604,104	1.7%
Total value	**$667,400,679**	**$124,600,033**	**$542,800,646**	**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.

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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, 2023, 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, 2023

Investment Type	Fair Value	Modified Duration (Years)	Percent of Bond Proceeds Investments
Federal Home Loan Bank (FHLB)	$ 12,320,000	0.079	100.0%
Total value	**$ 12,320,000**		**100.0%**
Total weighted average maturity		**0.079**	

The fair value measurements for the Water and Sewer Utilities revenue bond reserve investments as of December 31, 2023 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, 2023, $220 is being held in an individual account in the Kansas Municipal Investment Pool and 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, 2023, the proceeds from STAR bonds were invested in money market accounts and the total reported by the City amounted to $1,138,524.

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 year-end.

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, 2023, 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. As of December 31, 2023, the City had $3,840,121 invested with the Kansas Municipal Investment Pool and the weighted average maturity of the Kansas Municipal Investment Pool was 77 days.

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, 2023, these funds were invested as follows:

Other Non-Pooled Investments As of December 31, 2023			
Investment Type	Fair Value	Modified Duration (Years)	Percent of Total
Equity securities (Cemetery)	$ 1,067,328	-	7.4%
Collateralized deposits (RAD)	1,000,000	-	6.9%
Collateralized deposits (WHA)	11,898,687	-	82.2%
Collateralized deposits (CDBG)	502,744	-	3.5%
Total value	**$ 14,468,759**		**100.0%**
Portfolio weighted average maturity		-	

Equity securities held in the Cemetery Fund, with a fair value of $1,067,328 as of December 31, 2023, 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. Unless otherwise approved in writing by the Boards, no investment shall be made in:

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 $45,474 held in the City's pooled funds, as of December 31, 2023, 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 of Trustees 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 financial consultant, Callan LLC, 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 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, 2023, are listed in the accompanying table on the following page.

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 in turn affects 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.

Wichita Retirement Systems Investments[1]		
Type of Investment		**Fair Value**
Government short-term investment	$	36,442,177
Domestic equity		599,375,293
International equity		408,358,875
Fixed income		262,874,740
Real estate		82,555,435
Target date and money market funds		6,641,958
Timber		96,412,199
Derivative investments		555,506
Total Investments	**$**	**1,493,216,183**

[1] Excludes securities lending short-term collateral investment pool (see pages A-71 and A-72 for further information).

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, 2023, are listed in the accompanying table.

Wichita Retirement Systems Fair Value Measurements[1] As of December 31, 2023	Fair Value	Level 1 Inputs	Level 2 Inputs
Investments by fair value level[2]:			
Cash and cash equivalents (GSTIF)[3]	$ 3,314,370	$ 2,165,256	$ 1,149,114
Equity:			
Domestic equity	414,110,270	414,110,270	-
International equity	153,502,642	153,502,642	-
Fixed income	254,767,207	34,286,551	220,480,656
Money market funds	286,619	286,619	-
Derivative investments	555,506	186,742	368,764
Total investments by fair value level	**$ 826,536,614**	**$ 604,538,080**	**$ 221,998,534**
Investments measured at the net asset value (NAV):			
Cash and cash equivalents (GSTIF)[3]	$ 33,127,807		
Equity:			
Domestic equity	185,265,023		
International equity	254,856,233		
Fixed income	8,107,533		
Real estate	82,555,435		
Target date funds	6,355,339		
Timber	96,412,199		
Total investments measured at NAV	**666,679,569**		
Total investments	**$ 1,493,216,183**		

[1] Excludes securities lending short-term collateral investment pool (see pages A-71 to A-72 for disclosures related to the Wichita Retirement System's security lending transactions).

[2] There were no investments valued using Level 3 inputs at December 31, 2023.

[3] Government short-term investment fund (GSTIF)

Short-term investments, equity, fixed income and money market funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Equity securities, if any, 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.

Additional information relating to the investments measured at the NAV for WRS on December 31, 2023, are listed in the table below.

Wichita Retirement Systems
Investments Measured at Net Asset Value (NAV)
As of December 31, 2022

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period (Days)
Cash and cash equivalents (GSTIF)[1]	$ 33,127,807	$ -	Daily	5
Domestic equity	185,265,023	-	Daily	1
International equity	254,856,233	-	Bi-monthly, monthly	15-30
Fixed income	8,107,533	-	Daily	1
Real estate	82,555,435	-	Quarterly	45-60
Target date funds	6,355,339	-	Daily	1
Timber	96,412,199	-	N/A	N/A
Total investments measured at NAV	**$ 666,679,569**	**$ -**		

[1] *Government short-term investment fund (GSTIF)*

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 two funds; Opportunistic US$ High Yield Securities and Floating Rate High Income. 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.

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, 2023, the WRS' cash deposits in the amount of $45,474 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, 2023.

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, 2023, the duration of the Index was 6.24 years, which equated to a minimum and maximum range for each fixed income portfolio of 4.99 years and 7.49 years, respectively. The Active Core portfolio duration was 6.20 years and the Active Core Plus portfolio was 6.89 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 6.70 years ending December 31, 2023. The global fixed income portfolio duration was 6.10 years, which was between the stated parameters of 4.02 years to 9.38 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, 2023

Investment Type		Fair Value	Percent of all Fixed Income Assets	Weighted Average Modified Duration (% value change)[1]
Corporate debt instruments, long-term	$	83,185,442	27.7%	6.0%
Government securities, long-term		30,679,749	10.2%	11.8%
Mortgage and asset-backed securities		90,333,713	30.1%	5.5%
Global fixed income		56,879,544	19.0%	6.6%
Actively managed investments		**261,078,448**	**87.0%**	**6.6%**
Government short-term investment fund[2]		30,899,517	10.3%	-
Pooled high-yield fixed income securities		8,107,533	2.7%	4.4%
Total investment in debt securities	**$**	**300,085,498**	**100.0%**	

[1] The modified duration equals the percentage change in price of the bond for a 100-basis point (1%) movement in interest rates. The calculation provides an additional measurement to evaluate interest rate risk with the relationship between changes in interest rates and changes in the price of the bond.

[2] Government short-term investment fund excludes bond managers.

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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 are 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 2023, 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, 2023 and their respective ratings by Standard and Poor's or an equivalent nationally recognized statistical rating organization.

Credit Risk of Debt Securities

Quality Rating		Total Debt Securities
AAA	$	17,929,760
AA+		117,227,945
AA		1,070,942
AA-		5,045,434
A+		2,982,165
A		9,847,881
A-		27,005,711
BBB+		23,309,811
BBB		21,071,496
BBB-		12,526,729
BB+		4,689,803
BB		1,069,881
BB-		2,014,713
B+		858,881
B		273,333
B-		19,417
CCC		204,024
CCC-		111,561
CC		231,010
Not rated (NR)		14,640,716
Withdrawn Rating (WR)		1,512,108
Total credit risk debt securities		**263,643,321**
Government short-term investment*		**36,442,177**
Total investment in debt securities	**$**	**300,085,498**

** 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 9.36% for the year ended December 31, 2023. 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, 2023. 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, 2023 are shown below, continuing 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, 2023 are presented in the accompanying tables.

Derivative Investments Summary
As of December 31, 2023

Classification and Type	Change in Fair Value	Notional Value	Exposure/ Fair Value
Foreign currency forward (FFX) contracts	$ (141,469)	$ 32,422,139	$ (515,959)
Futures contracts	287,996	19,228,562	709,487
Options	(19,401)	-	(9,827)
Swaps	(1,158,955)	133,422,097	371,805
Total derivative investments	**$ (1,031,829)**	**$ 185,072,798**	**$ 555,506**

FFX Contracts Rating by Counterparty[1]
As of December 31, 2023

Counterparty (Counterparty Rating)	Exposure/ Fair Value
Bank of America Corp (A-)	$ 20,991
Barclays PLC (BBB)	(57,797)
BNP Paribas BA (A+)	(18,774)
Citigroup Inc (BBB+)	10,997
The Goldman Sachs Group Inc (BBB+)	(146,778)
HSBC Holdings PLC (A-)	(60,138)
JP Morgan Chase & Co (A-)	(129,792)
Morgan Stanley (A-)	(37,331)
Royal Bank of Canada (AA-)	(97,337)
Total FFX counterparties	**$ (515,959)**

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

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Derivative Investments Detail (As of December 31, 2023)				
Classification and Type	Change in Fair Value	Notional Value	Exposure/ Fair Value	Counterparty (Counterparty Rating)
FXX contracts:				
Australian dollar	$ -	$ 298,000	$ (960,917)	N/A[1]
Canadian dollar	-	808,039	(121,429)	N/A[1]
Chinese r yuan hk	-	-	(903,042)	N/A[1]
Euro currency unit	-	1,220,425	(11,467,175)	N/A[1]
Hungarian forint	-	-	(157,324)	N/A[1]
Indian rupee	-	136,801	137,215	N/A[1]
Indonesian rupiah	-	138,524	(347,120)	N/A[1]
Japanese yen	-	2,956,086	1,531,119	N/A[1]
Mexican peso	-	228,928	(2,178,336)	N/A[1]
New Taiwan dollar	-	-	(141,138)	N/A[1]
New Zealand dollar	-	-	(1,954,655)	N/A[1]
Norwegian krone	-	423,910	455,474	N/A[1]
Peruvian sol	-	-	(422,471)	N/A[1]
Pound sterling	-	208,001	(2,471,461)	N/A[1]
Singapore dollar	-	-	(185,110)	N/A[1]
South African rand	-	-	(909,575)	N/A[1]
Swedish krona	-	27,531	(372,240)	N/A[1]
Swiss franc	-	-	(358,213)	N/A[1]
U.S. dollar	-	25,975,894	20,310,439	N/A[1]
Aggregated	(141,469)	-	-	N/A[1]
Total FFX contracts	**(141,469)**	**32,422,139**	**(515,959)**	
Future contracts:				
3-month cash futures	89,631	21,717,589	194,842	Goldman Sachs & Co, NY (BBB+)
Futures contracts	(316,280)	-	-	N/A
International bond futures	11,941	414,758	11,941	Goldman Sachs & Co, NY (BBB+)
Intl. govt. bond futures	(174,885)	(8,189,952)	(174,885)	Goldman Sachs & Co, NY (BBB+)
Intl. govt. bond futures	(54,388)	462,626	(54,388)	JP Morgan Chase & Co (A-)
Intl. govt. bond futures-UK	36,778	607,365	36,778	Goldman Sachs & Co, NY (BBB+)
Treasury bonds	533,564	6,273,655	533,564	Goldman Sachs & Co, NY (BBB+)
Treasury notes	161,635	(2,057,479)	161,635	Goldman Sachs & Co, NY (BBB+)
Total futures contracts	**287,996**	**19,228,562**	**709,487**	
Options:				
3-month cash futures	(1,001)	N/A	11,400	Goldman Sachs & Co, NY (BBB+)
Fixed income securities	(7,442)	N/A	-	N/A
Foreign currency options	328	N/A	3,447	Goldman Sachs & Co, NY (BBB+)
Foreign currency options	(16,669)	N/A	(6,488)	N/A
Futures contracts	15,598	N/A	-	N/A
Interest rate futures	(10,826)	N/A	(13,350)	Goldman Sachs & Co, NY (BBB+)
Treasury bonds	(597)	N/A	(2,656)	Goldman Sachs & Co, NY (BBB+)
Treasury notes	1,208	N/A	(2,180)	Goldman Sachs & Co, NY (BBB+)
Total options	**(19,401)**		**(9,827)**	
Swaps:				
Cleared credit default swaps	(172,079)	3,362,931	(196,150)	BNP Paribas SA (A+)
Cleared credit default swaps	(34,493)	21,885,000	(82,469)	Intercontinental Exchange Inc (A-)
Cleared credit default swaps	8,796	1,412,600	27,451	JP Morgan Chase & Co (A-)
Cleared inflation swaps	(19,402)	4,162,000	79,720	London Stock Exch. Group PLC (A)
Cleared interest rate swaps	15,464	28,580,000	(79,011)	CME Group Inc (AA-)
Cleared interest rate swaps	153,240	28,101,566	160,417	London Stock Exch. Group PLC (A)
Cleared zero coupon swaps	345,052	34,656,000	413,595	CME Group Inc (A-)
Cleared zero coupon swaps	(4,033)	3,142,000	(226)	London Stock Exch. Group PLC (A)
Credit default swaps	(12,155)	90,000	(10,743)	JP Morgan Chase & Co (A-)
Fixed income securities	(1,498,566)	-	-	N/A
OIS interest rate swaps	59,221	8,030,000	59,221	JP Morgan Chase & Co (A-)
Total swaps	**(1,158,955)**	**133,422,097**	**371,805**	
Total derivative investments	**$ (1,031,829)**	**$ 185,072,798**	**$ 555,506**	

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

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, 2023 is presented in the accompanying table.

Foreign Currency Risk
As of December 31, 2023

Currency	Cash and Cash Equivalents	Equities	Fixed Income	Derivatives
Argentina peso	$ 60	$ -	$ -	$ -
Australian dollar	151,919	6,699,080	1,018,070	(850,182)
Brazil real	-	-	-	59,221
Canadian dollar	22,842	-	1,033,571	(344,093)
Chinese r yuan hk	-	-	-	(903,042)
Czech koruna	33	-	-	-
Danish krone	-	2,470,877	-	-
Euro currency unit	816,959	62,541,797	11,126,402	(11,418,948)
Hong Kong dollar	-	4,221,916	-	-
Hungarian forint	(45,808)	-	169,264	(157,324)
Indian rupee	-	-	441,641	137,215
Indonesian rupiah	-	-	493,474	(347,120)
Jamaican dollar	-	-	65,339	-
Japanese yen	56,908	38,383,512	1,499,182	1,512,936
Mexican peso	416,555	-	4,692,651	(2,257,347)
New Taiwan dollar	-	-	-	(141,138)
New Zealand dollar	(1,620)	-	1,981,576	(1,954,655)
Norwegian krone	(1,517)	1,099,587	-	455,474
Peruvian sol	-	-	412,518	(422,471)
Polish zloty	187	-	-	-
Pound sterling	8,859	15,959,712	1,942,857	(2,448,876)
Singapore dollar	518	2,452,899	189,182	(185,110)
South African rand	12	-	880,434	(909,575)
Swedish krona	(96,236)	3,790,070	358,211	(211,824)
Swiss franc	235	11,860,499	291,823	(358,213)
Uruguay an peso	-	-	46,553	-
Total subject to foreign currency risk	**$ 1,329,906**	**$ 149,479,949**	**$ 26,642,748**	**$ (20,745,072)**

All forward foreign currency contracts are carried at fair value by the WRS. As of December 31, 2023, the Systems held forward currency contracts with an unrealized loss of $515,959. 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, $81,266,198 was held by the counterparty acting as the WRS' agent in securities lending transactions on December 31, 2023.

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 2023 is presented in the table below, which is continued on the following page. The *Beginning Balance* figures, in the table below, have been restated for the implementation of GASB No. 96 – SBITAs. See Notes 13 and 23 for further information.

Capital Assets
For the Year Ended December 31, 2023
(dollars in thousands)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 271,948	$ 1,857	$ (1,110)	$ -	$ 272,695
Construction in progress	102,942	77,042	(46,462)	-	133,522
Total capital assets, not being depreciated	**374,890**	**78,899**	**(47,572)**	**-**	**406,217**
Capital and right-to-use assets, being depreciated/amortized:					
Capital assets, being depreciated:					
Buildings	392,927	2,015	(753)	(23)	394,166
Improvements other than buildings	174,936	18,364	(1,687)	(16,012)	175,601
Machinery, equipment and other assets	150,113	14,350	(3,640)	80	160,903
Infrastructure	1,073,909	15,090	-	-	1,088,999
Lease assets, being amortized:					
Buildings	1,056	258	-	-	1,314
Machinery, equipment and other assets	410	109	(15)	-	504
Subscription assets, being amortized:					
Machinery, equipment and other assets	4,899	465	-	-	5,364
Total capital and right-to-use assets being depreciated/amortized	**1,798,250**	**50,651**	**(6,095)**	**(15,955)**	**1,826,851**
Less accumulated depreciation/amortization for:					
Capital assets:					
Buildings	(149,727)	(7,086)	680	-	(156,133)
Improvements other than buildings	(67,504)	(5,482)	1,679	-	(71,307)
Machinery, equipment and other assets	(106,004)	(9,178)	3,585	(74)	(111,671)
Infrastructure	(441,141)	(25,745)	-	-	(466,886)
Lease assets:					
Buildings	(117)	(295)	-	-	(412)
Machinery, equipment and other assets	(179)	(198)	6	-	(371)
Subscription assets:					
Machinery, equipment and other assets	-	(1,973)	-	-	(1,973)
Total accumulated depreciation/amortization for capital and right-to-use assets	**(764,672)**	**(49,957)**	**5,950**	**(74)**	**(808,753)**
Total capital and right-to-use assets, being depreciated/amortized, net	**1,033,578**	**694**	**(145)**	**(16,029)**	**1,018,098**
Governmental activities: capital and right-to-use assets, net	**$ 1,408,468**	**$ 79,593**	**$ (47,717)**	**$ (16,029)**	**$ 1,424,315**

Capital Assets (continued)
For the Year Ended December 31, 2023
(dollars in thousands

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 51,639	$ 12	$ -	$ -	$ 51,651
Construction in progress	306,647	274,417	(42,102)	-	538,962
Total capital assets, not being depreciated	**358,286**	**274,429**	**(42,102)**	**-**	**590,613**
Capital and right-to-use assets, being depreciated/amortized:					
Capital assets, being depreciated:					
Airfields	207,995	19,452	-	-	227,447
Buildings	514,429	1,953	-	23	516,405
Improvements other than buildings	1,646,162	19,964	-	16,012	1,682,138
Machinery, equipment and other assets	288,623	6,317	(628)	(80)	294,232
Lease assets, being amortized:					
Machinery, equipment and other assets	-	2,560	-	-	2,560
Subscription assets, being amortized:					
Machinery, equipment and other assets	560	353	-	-	913
Total capital and right-to-use assets being depreciated/amortized	**2,657,769**	**50,599**	**(628)**	**15,955**	**2,723,695**
Less accumulated depreciation/amortization for:					
Capital assets:					
Airfields	(155,172)	(5,391)	-	-	(160,563)
Buildings	(160,113)	(9,593)	-	-	(169,706)
Improvements other than buildings	(496,153)	(29,202)	-	-	(525,355)
Machinery, equipment and other assets	(217,879)	(14,638)	627	74	(231,816)
Lease assets:					
Machinery, equipment and other assets	-	(187)	-	-	(187)
Subscription assets:					
Machinery, equipment and other assets	-	(270)	-	-	(270)
Total accumulated depreciation/amortization for capital and right-to-use assets	**(1,029,317)**	**(59,281)**	**627**	**74**	**(1,087,897)**
Total capital and right-to-use assets, being depreciated/amortized, net	**1,628,452**	**(8,682)**	**(1)**	**16,029**	**1,635,798**
Business-type activities: capital and right-to-use assets, net	**$ 1,986,738**	**$ 265,747**	**$ (42,103)**	**$ 16,029**	**$ 2,226,411**
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/amortization expense was charged to function/programs of the primary government as follows for the year ended December 31, 2023 (in thousands of dollars):

	Depreciation/ Amortization
Governmental Activities:	
General government	$ 6,456
Public safety	4,269
Highways and streets[1]	27,588
Sanitation	33
Health and welfare	582
Culture and recreation	5,473
Internal service funds[2]	5,556
Total depreciation/amortization expense - governmental activities	**49,957**
Business-type Activities:	
Water Utility Fund	$ 27,064
Sewer Utility Fund	13,002
Airport Authority Fund	12,063
Stormwater Utility Fund	3,476
Nonmajor enterprise funds	3,676
Total depreciation/amortization expense - business-type activities	**$ 59,281**

[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.

Capital Outlay Reconciliation: The **capital outlay** amount in the fund financial statements of nearly $103.9 million differs from the $78.9 million listed as **net capital asset acquisitions** in the *Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities*. This difference relates to projects accounted for in the capital project funds, of which all or a portion of those projects are not capitalizable under accounting standards. One example is the construction of freeways, for which the State of Kansas records capital assets as it is responsible for the future maintenance. Another example is the maintenance of arterial streets and other public improvements which do not increase the lives or the efficiency of the assets but preserve it and provide benefit for several years.

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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 WERS 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 https://www.wichita.gov/258/Finance.

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 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.

***Changes in Proportion Since the Prior Measurement Date*:** The City allocates the net pension liability (asset), deferred inflows and outflows, and net pension expense for the City's two defined pension plans. This allocation is calculated each year based upon each fund's (or function's for governmental funds in governmental activities) percentage of employer contributions as a percentage of the total employer contributions for each defined pension plan. This percentage by fund (or function) can fluctuate each year and the current year's change in percentage is applied to the beginning net pension liability (asset) and the related deferred inflows and outflows to recalculate what the beginning balances would have been under the current year percentage. The difference between the current year's allocated beginning balances less the prior year's ending net pension liability (asset) and deferred inflows and outflows is the current year's change in proportionate share. This deferred inflow or outflow is amortized over the average remaining service life of the defined benefit plan members.

Net Pension Liability, Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions: For the year ended December 31, 2023, the City had a total net pension liability of $286,980,469 which was comprised of WERS and PFRS having net pension liabilities of $126,230,550 and $160,749,919, respectively. The City recognized a combined net pension expense of $71,655,364 for the defined benefit plans it administers with $28,757,561 for the Wichita Employees' Retirement System and $42,897,803 for the Police and Fire Retirement System. As of December 31, 2023, the City reported total deferred outflows of resources and deferred inflows of resources related to pensions of $233,985,177 and $16,550,193, 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, 2023, the WERS plan membership consisted of the following:

Wichita Employees' Retirement System Membership
As of December 31, 2023

Member Category	Plan 1	Plan 2	Plan 3	Total
Inactive employees or beneficiaries currently receiving benefits	495	1,026	-	1,521
Inactive employees entitled to, but not yet receiving benefits	-	156	-	156
Active employees	-	758	689	1,447
Total membership	**495**	**1,940**	**689**	**3,124**

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, 2023 is $3,664,756.

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 2 and 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 2023 was 13% of annual covered payroll for Plans 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, 2023, WERS received $10,962,943 in contributions from the employer for Plans 2 and 3.

Actuarial Assumptions: The total pension liability in the December 31, 2022 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, 2022 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. An economic experience study was adopted by the Boards, based upon actuarial assumptions presented March 9, 2022, effective with the December 31, 2021 valuation.

Wichita Employees' Retirement System	
Actuarial Assumptions for the December 31, 2022 Actuarial Valuation	
Price inflation	2.75%
Wage inflation	3.25%
Salary increases, including wage inflation	3.50% - 6.50%, varying by years of service
Long-term rate of return, net of investment expense, including price inflation	7.38%
Municipal bond index rate	3.72%
Year Fiduciary Net Position (FNP) is projected to be depleted	N/A
Single Equivalent Interest Rate (SEIR), net of investment expense, including price inflation	7.34%
Pre-retirement mortality rates	Based on the RP-2000 Non-Annuitant Healthy Mortality Table, set forward two years for males, projected on a generational basis using Scale AA.
Post-retirement mortality rates	Based on the RP-2000 Annuitant Healthy Mortality Table, set forward two years for males, projected on a generational basis using Scale AA.
Disabled mortality rates	Based on the RP-2000 Disabled Mortality, projected on a generational basis using Scale AA.

Changes in Actuarial Assumptions: There was one change in actuarial assumptions in the 2022 actuarial valuation to increase the SEIR from 7.34% to 7.38%.

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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, the target 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, 2022 valuation is 7.38%. 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, 2022 valuation and the SEIR is 7.38%.

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 2127. 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 or 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 (Asset): Detailed information about the pension plan's fiduciary net position used in calculating the net pension liability (asset) is available in the separately issued WRS financial report. The City's net pension liability (asset) was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The table on the following page presents changes in the total pension liability, fiduciary net position and the net pension liability (asset).

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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 (Asset) (a) - (b)
Balance as of December 31, 2021	**$ 710,297,306**	**$ 728,717,909**	**$ (18,420,603)**
Changes for the year:			
Service cost	9,796,265	-	9,796,265
Interest on total pension liability	50,309,417	-	50,309,417
Differences between expected and actual experience	2,296,782	-	2,296,782
Assumption changes	(2,847,201)	-	(2,847,201)
Employer contributions	-	10,407,635	(10,407,635)
Employee contributions	-	3,823,411	(3,823,411)
Reclassifications due to participant conversion	(295,038)	(295,038)	-
Net investment income	-	(98,593,403)	98,593,403
Benefit payments, including member refunds	(50,367,805)	(50,367,805)	-
Administrative expenses	-	(733,533)	733,533
Net Changes	**8,892,420**	**(135,758,733**	**144,651,153**
Balance as of December 31, 2022	**$ 719,189,726**	**$ 592,959,176**	**$ 126,230,550**

Sensitivity Analysis: The accompanying table presents the net pension liability of the City using the discount rate of 7.38%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.38%) or 1% higher (8.38%) than the current rate.

Wichita Employees' Retirement System Sensitivity Analysis		
	Rate	City's Net Pension Liability
1% decrease	6.38%	$ 203,457,587
Current rate	7.38%	126,230,550
1% increase	8.38%	60,758,814

Deferred Outflows and Inflows: As of December 31, 2023, 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, 2023		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,589,873	$ 488,229
Changes of assumptions	9,757,330	5,150,246
Net difference between projected and actual earnings on pension plan investments	66,482,446	-
City contributions subsequent to the measurement date	10,962,943	-
Changes in proportion of the total net pension liability (asset) since the prior measurement date:		
Change in proportion - governmental activities	185,512	484,943
Change in proportion - business-type activities	771,250	471,819
Total	**$ 90,749,354**	**$ 6,595,237**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts reported in governmental activities	$ 63,579,079	$ 4,465,706
Deferred amounts reported in business-type activities	27,170,275	2,129,531
Total	**$ 90,749,354**	**$ 6,595,237**

The $10,962,943 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 City's fiscal year ended December 31, 2024 (actuarial valuation as of December 31, 2023). 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
2024	$ 7,114,802	$ 4,359,990
2025	18,899,952	1,179,823
2026	23,363,935	739,227
2027	30,407,722	316,197
Totals	**$ 79,786,411**	**$ 6,595,237**

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, 2023, the PFRS defined benefit plan membership consisted of the following:

Police and Fire Retirement System Membership As of December 31, 2023				
Member Category	Plan A	Plan B	Plan C-79	Total
Inactive employees or beneficiaries currently receiving benefits	403	121	623	1,147
Inactive employees entitled to, but not yet receiving benefits	-	-	51	51
Active employees	-	-	1,114	1,114
Total membership	**403**	**121**	**1,788**	**2,312**

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 A and 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 2023 was 21.9% 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, 2023, PFRS received $19,816,462 in contributions from the employer.

Actuarial Assumptions: The total pension liability in the December 31, 2022 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, 2022 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. An economic experience study was adopted by the Boards, based upon actuarial assumptions presented March 9, 2022, effective with the December 31, 2021 valuation.

Police and Fire Retirement System	
Actuarial Assumptions for the December 31, 2022 Actuarial Valuation	
Price inflation	2.75%
Wage inflation	3.25%
Salary increases, including wage inflation	4.00% - 5.75%, varying by years of service
Long-term rate of return, net of investment expense, including price inflation	7.34%
Municipal bond index rate	3.72%
Year Fiduciary Net Position (FNP) is projected to be depleted	N/A
Single Equivalent Interest Rate (SEIR), net of investment expense, including price inflation	7.34%
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 2022 actuarial valuation to increase the SEIR from 7.31% to 7.34%.

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, 2022 valuation is 7.34%. 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, 2022 valuation and the SEIR is 7.34%.

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 2127. 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.

Net Pension Liability (Asset): Detailed information about the pension plan's fiduciary net position used in calculating the net pension liability (asset) is available in the separately issued WRS financial report. The City's net pension liability (asset) was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The table on the following page presents changes in the total pension liability, fiduciary net position and the net pension liability (asset).

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 (Asset) (a) - (b)
Balance as of December 31, 2021	**$ 867,788,547**	**$ 898,696,279**	**$ (30,907,732)**
Changes for the year:			
Service cost	19,320,826	-	19,320,826
Interest on total pension liability	61,525,792	-	61,525,792
Differences between expected and actual experience	15,091,525	-	15,091,525
Assumption changes	(3,002,231)	-	(3,002,231)
Employer contributions	-	17,183,919	(17,183,919)
Employee contributions	-	6,505,692	(6,505,692)
Net investment income	-	(121,753,365)	121,753,365
Benefit payments, including member refunds	(53,182,842)	(53,182,842)	-
Administrative expenses	-	(657,985)	657,985
Net Changes	**39,753,070**	**(151,904,581)**	**191,657,651**
Balance as of December 31, 2022	**$ 907,541,617**	**$ 746,791,698**	**$ 160,749,919**

Sensitivity Analysis: The accompanying table presents the net pension liability (asset) of the City using the discount rate of 7.34%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower (6.34%) or 1% higher (8.34%) than the current rate.

Police and Fire Retirement System
Sensitivity Analysis

	Rate	City's Net Pension Liability
1% decrease	6.34%	$ 270,336,566
Current rate	7.34%	160,749,919
1% increase	8.34%	69,327,660

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Deferred Outflows and Inflows: As of December 31, 2023, 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, 2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 18,560,242	$ 3,263,296
Changes of assumptions	21,332,237	6,647,669
Net difference between projected and actual earnings on pension plan investments	83,482,891	-
City contributions subsequent to the measurement date	19,816,462	-
Changes in proportion of the total net pension liability (asset) since the prior measurement date:		
Change in proportion - governmental activities	30,388	13,603
Change in proportion - business-type activities	13,603	30,388
Total	**$ 143,235,823**	**$ 9,954,956**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts reported in governmental activities	$ 139,499,232	$ 9,666,883
Deferred amounts reported in business-type activities	3,736,591	288,073
Total	**$ 143,235,823**	**$ 9,954,956**

The $19,816,462 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 (asset) for the City's fiscal year ended December 31, 2024 (actuarial valuation as of December 31, 2023). 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	Deferred Inflows of
2024	$ 16,159,066	$ 3,757,770
2025	25,043,916	3,754,751
2026	33,686,655	1,314,988
2027	44,646,432	549,439
2028	3,419,928	485,722
Thereafter	463,364	92,286
Totals	**$ 123,419,361**	**$ 9,954,956**

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, 2023, employee and employer contributions to Plan 3b totaled $214,953 and $214,953, respectively. As of December 31, 2023, there were 73 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.

As of December 31, 2023, the City's OPEB plan membership consisted of the following (rollforward procedures were applied to the December 31, 2022 actuarial valuation):

OPEB Membership
As of December 31, 2022

	Premium Plan		Select Plan		No	Total
Member Category	Single	Family	Single	Family	Plan	Members
Retirees	137	21	42	10	-	210
Active employees	433	1,056	339	602	275	2,705
Total members	**570**	**1,077**	**381**	**612**	**275**	**2,915**

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 2023, retired plan members receiving benefits contributed $2,319,478 to the plan compared to City's contribution of $2,500,914. The actuarial valuation as of December 31, 2023 was rolled forward from the December 31, 2022 valuation.

Changes in Proportion Since the Prior Measurement Date: The City allocates the total OPEB liability, deferred inflows and outflows, and OPEB expense for the City's OPEB plan. This allocation is calculated each year based upon each fund's (or function's for governmental funds in governmental activities) percentage of that fund's employees as a percentage of the total employees eligible to participate in the OPEB plan. This percentage by fund (or function) can fluctuate each year and the current year's change in percentage is applied to the beginning total OPEB liability and the related deferred inflows and outflows to recalculate what the beginning balances would have been under the current year's percentage. The difference between the current year's allocated beginning balances less the prior year's ending total OPEB liability and deferred inflows and outflows is the current year's change in proportionate share. This deferred inflow or outflow is amortized over the average remaining service life of the OPEB plan members.

Actuarial Methods and Assumptions: The total OPEB liability in the December 31, 2023 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, 2021 valuation disclosed in Note 7A - Wichita Employees' Retirement System.

Other Post-Employment Benefit (OPEB) Liability	
Actuarial Methods and Assumptions	
Price inflation	2.75%
Municipal Bond Index Rate[1]	3.26%
Salary increases	A general rate increase of 3.25%, plus merit increases
Healthcare cost trend rate	7.00% for 2023, decreasing each year for an ultimate rate of 4.0% for 2075 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 / $713.82 / $2,131.46 Select / 603.66 / 1,800.92
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 20-Bond GO 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, 2021 as rollforward procedures were performed for the 2023 OPEB actuarial valuation from the December 31, 2022 valuation.

Changes in Actuarial Assumptions: The following assumptions have been updated for the actuarial valuation dated December 31, 2023:

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 AA/Aa or higher (or equivalent on another rating scale). The current full valuation uses a discount rate of 3.72% as of December 31, 2022, and 3.26% as of December 31, 2023.

Total OPEB Liability: The City's total OPEB liability as of December 31, 2023 was $38,672,816 and the accompanying table below presents the changes in the total OPEB liability.

Changes in Total OPEB Liability	
	Amounts
Balance as of December 31, 2022	**$ 35,568,635**
Changes for the year:	
Service cost	2,321,645
Interest on total OPEB liability	1,373,841
Changes in assumptions	1,326,851
Differences between expected and actual	-
Benefit payments	(1,918,156)
Net Changes	**3,104,181**
Balance as of December 31, 2023	**$ 38,672,816**

Pension Expense and Deferred Outflows and Inflows of Resources Related to OPEB: The City recognized OPEB expense of $2,923,811 for the year ended December 31, 2023. As of December 31, 2023, 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 21, 2023		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 580,429	$ 7,373,713
Changes of assumptions	5,259,724	4,671,054
Changes in proportion of the total OPEB liability since the prior measurement date		
Change in proportion – governmental activities	770,921	175,466
Change in proportion – business-type activities	551,641	1,147,096
Total	**$ 7,162,715**	**$ 13,367,329**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts reported in governmental activities	$ 5,548,163	$ 10,028,086
Deferred amounts reported in business-type activities	1,614,552	3,339,243
Total	**$ 7,162,715**	**$ 13,367,329**

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	Deferred Inflows of
2024	$ 1,423,651	$ 2,195,326
2025	1,423,651	2,195,326
2026	1,423,654	2,195,326
2027	1,247,990	1,914,345
2028	786,261	1,329,668
Thereafter	857,508	3,537,338
Totals	**$ 7,162,715**	**$ 13,367,329**

Sensitivity Analysis: The accompanying tables present the total OPEB liability as of December 31, 2023, 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	2.26%	$ 41,680,207
Current rate	3.26%	38,672,816
1% increase	4.26%	35,837,104

OPEB Healthcare Trend Rates: Sensitivity Analysis		
	Healthcare Trend Rates[1]	City's Total OPEB Liability
1% decrease	6.00% - 3.00%	$ 34,265,740
Current trend rates	7.00% - 4.00%	38,672,816
1% increase	8.00% - 5.00%	43,906,382

[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, auto 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 auto and property loss liabilities, self-insurance programs. The claims liability is the actuarially estimated amount of claims based on an estimate of 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 2023 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, 2023, the City recorded a liability of $3,589,838 for estimated claims pending and net position totaled $24,061,080.

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 $800,000 per occurrence, $1,000,000 for law enforcement, 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, 2023, the City recorded a liability of $13,995,049 for estimated probable claims pending and net position totaled $5,718,949.

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, 2023, net position totaled $691,256.

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 3% 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 $10 million per occurrence limit and a $2 million self-insured retention.

At December 31, 2023, the City recorded a liability of $14,193,667 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, 2023, the general liability subfund had a deficit net position of $6,229,667.

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					
2022	$ 11,060,872	$ (2,892,730)	$ 2,694,824	$ 10,862,966	$ 2,180,963
2023	10,862,966	(2,209,308)	5,341,391	13,995,049	2,280,781
General Liability					
2022	$ 22,163,644	$ (2,291,685)	$ 5,212,222	$ 25,084,181	$ 7,372,730
2023	25,084,181	(1,749,131)	(9,141,383)	14,193,667	4,431,971
Health Insurance					
2022	$ 3,782,400	$ (43,843,624)	$ 43,275,810	$ 3,214,586	$ 3,214,586
2023	3,214,586	(49,245,616)	49,620,868	3,589,838	3,589,838

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10. LONG-TERM OBLIGATIONS

A. LONG-TERM LIABILITIES ACTIVITY FOR 2023

For the Year Ended December 31, 2023 (dollars in thousands)	Beginning Balance**	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 51,959	$ 15,930	$ (8,260)	$ 59,629	$ 8,734
With government commitment:					
Special assessment	156,490	24,580	(15,556)	165,514	15,889
Tax increment financing	27,115	4,220	(2,291)	29,044	2,518
Transient guest tax	2,405	-	(30)	2,375	35
Local sales tax	62,320	-	(7,775)	54,545	8,000
Unamortized premium	25,972	2,036	(3,455)	24,553	-
Revenue bonds:					
Sales tax special obligation (STAR)	3,170	-	(621)	2,549	22
Total bonds payable	**329,431**	**46,766**	**(37,988)**	**338,209**	**35,198**
Lease liability	1,179	312	(437)	1,054	229
SBITA liability**	3,907	466	(1,899)	2,474	1,759
Compensated absences	12,478	12,381	(10,739)	14,120	11,586
Claims payable	39,162	38,438	(45,821)	31,779	10,304
Net pension liability	-	283,744	(38,055)	245,689	-
Total OPEB liability	29,166	4,108	(1,640)	31,634	-
Environmental remediation obligations	32,268	1,212	(1,279)	32,201	1,241
Landfill closure/ post-closure care	10,095	322	-	10,417	600
Total long-term liabilities - governmental activities	**$ 457,686**	**$ 387,749**	**$ (137,858)**	**$ 707,577**	**$ 60,917**
Business-type activities:					
Bonds payable:					
General obligation bonds	$ 223,451	$ -	$ (11,733)	$ 211,718	$ 12,239
Unamortized premium	12,776	-	(1,041)	11,735	-
Revenue bonds	394,725	28,060	(34,620)	388,165	31,435
Unamortized premium	30,967	2,733	(2,687)	31,013	-
Direct borrowings/placements:					
Revenue bonds*	142,501	130,787	-	273,288	-
Total bonds payable	**804,420**	**161,580**	**(50,081)**	**915,919**	**43,674**
Direct borrowings/placements:					
Loans payable	93,713	85,189	-	178,902	-
Lease liability	-	2,560	(172)	2,388	368
SBITA liability**	398	336	(290)	444	154
Compensated absences	1,986	2,261	(2,035)	2,212	1,802
Net pension liability	-	46,901	(5,610)	41,291	-
Total OPEB liability	6,402	986	(349)	7,039	-
Total long-term liabilities - business-type activities	**$ 906,919**	**$ 299,813**	**$ (58,537)**	**$ 1,148,195**	**$ 45,998**

* *Water Infrastructure Finance and Innovation Act (WIFIA) bonds.*

** *See Note 13 - Subscription-Based Information Technology Agreements (SBITAs) for restatement discussions relating to GASB 96.*

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, 2023
(dollars in thousands)

Payable From	Interest Rates	Amount
Governmental activities:		
Ad valorem property taxes	2.00% - 5.00%	$ 59,629
Transient guest tax	3.00% - 5.00%	2,375
Tax increment financing (TIF)	1.00% - 5.00%	29,044
Local sales tax	1.50% - 5.00%	54,545
Total governmental activities		**145,593**
Business-type activities:		
Airport Authority Fund	2.00% - 5.00%	118,780
Stormwater Utility Fund	1.50% - 5.00%	5,498
Water Utility Fund	3.00% - 5.00%	87,440
Total business-type activities		**211,718**
Total general obligation bonds		**$ 357,311**

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

Year ending December 31,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	$ 19,287	$ 5,439	$ 12,239	$ 8,042
2025	18,085	4,544	12,069	7,494
2026	18,427	3,934	12,290	7,014
2027	17,848	3,262	12,675	6,601
2028	16,721	2,591	12,280	6,189
2029 – 2033	47,015	5,509	66,985	24,107
2034 – 2038	8,210	612	38,115	13,258
2039 – 2043	-	-	34,845	6,341
2044 – 2047	-	-	10,220	636
Totals	**$ 145,593**	**$ 25,891**	**$ 211,718**	**$ 79,682**

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
2024	$ 15,889	$ 6,148
2025	14,606	5,317
2026	13,553	4,706
2027	13,597	4,125
2028	13,004	3,556
2029 – 2033	51,650	11,032
2034 – 2038	30,525	4,459
2039 – 2043	12,690	1,010
Totals	**$ 165,514**	**$ 40,353**

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, 2023
(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:						
$ 3,550	2/1/2014	Series 809	2.00% - 3.00%	2024	$ 400	6/1/2022
735	2/1/2014	Series 809A	2.60% - 4.375%	2029	317	6/1/2023
5,605	10/1/2014	Series 811*	3.00% - 5.00%	2024	680	6/1/2023
1,020	10/1/2014	Series 813	2.50% - 3.05%	2024	120	6/1/2023
25,201	4/1/2015	Series 2015A*	2.00% - 5.00%	2025	732	12/1/2023
520	10/1/2015	Series 815	2.25% - 3.70%	2030	43	12/1/2024
1,680	10/1/2016	Series 817*	2.00% - 3.00%	2026	555	12/1/2024
2,861	10/1/2016	Series 819	2.00% - 3.00%	2026	952	12/1/2024
9,395	10/1/2018	Series 821	3.00% - 5.00%	2034	5,580	12/1/2026
34,150	10/1/2019	Series 823	4.00%	2029	22,215	12/1/2027
4,020	10/1/2020	Series 825*	2.00% - 3.00%	2033	3,025	12/1/2028
9,815	10/1/2022	Series 827	3.00% - 5.00%	2032	9,080	12/1/2029
15,930	10/1/2023	Series 831	4.00% - 5.00%	2033	15,930	12/1/2030
		Total general obligation bonds			**59,629**	
Transient Guest Tax (G.O.) Bonds:						
$ 2,485	10/1/2014	Series 811*	3.00% -5.00%	2034	$ 2,375	6/1/2023
		Total transient guest tax bonds			**2,375**	
Tax Increment Financing (G.O.) Bonds:						
$ 6,605	10/1/2014	Series 813	2.50% - 3.85%	2030	$ 3,130	6/1/2023
6,890	10/1/2014	Series 962	2.00% - 3.00%	2024	770	6/1/2022
537	10/1/2016	Series 819	2.00% - 3.00%	2026	179	12/1/2024
12,145	10/1/2019	Series 963	3.00% - 4.00%	2033	11,215	12/1/2027
2,625	10/1/2020	Series 964	1.00% - 2.00%	2033	2,075	12/1/2028
7,690	10/1/2022	Series 829	2.50% - 3.85%	2037	7,455	12/1/2030
4,220	10/1/2023	Series 965	4.00% - 5.00%	2038	4,220	12/1/2030
		Total tax increment financing bonds			**29,044**	
Local Sales Tax (G.O.) Bonds:						
$ 17,700	11/1/2012	Series 2012D	2.125% - 3.00%	2027	$ 5,515	10/1/2021
64,785	9/1/2014	Series 2014	3.00% - 5.00%	2029	29,130	10/1/2023
23,400	9/1/2019	Series 2019A	1.50% - 4.00%	2034	17,830	10/1/2027
3,970	10/1/2020	Series 2020A*	2.00%	2026	2,070	N/A
		Total local sales tax bonds			**54,545**	
Special Assessment (S.A.) Bonds:						
$ 565	8/1/2004	Series 778A	4.00% - 4.75%	2024	$ 35	91/2014
1,610	8/1/2005	Series 782A	4.00% - 4.25%	2025	235	9/1/2015
920	8/1/2006	Series 786A	4.30% - 5.75%	2026	195	9/1/2016
4,985	2/1/2007	Series 788A	4.00% - 4.625%	2027	1,390	9/1/2017
2,575	8/1/2007	Series 790A	4.00% - 4.75%	2027	685	9/1/2017
1,630	3/1/2010	Series 800B (Taxable)	1.25% - 5.75%	2030	600	6/1/2020

General Obligation and Special Assessment Bonds (continued)
Outstanding on December 31, 2023
(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 (continued):						
$ 6,085	8/1/2010	Series 802	2.00% - 3.50%	2025	$ 975	12/1/2017
5,870	8/1/2010	Series 802A	3.00% - 4.00%	2030	2,455	12/1/2020
1,260	8/1/2010	Series 802B (Taxable)	4.50% - 5.70%	2030	265	12/1/2020
1,965	2/1/2011	Series 804	3.20% - 4.25%	2026	490	6/1/2020
3,435	8/1/2011	Series 806	3.00% - 4.125%	2031	975	12/1/2020
5,615	2/1/2012	Series 808	2.00% - 3.25%	2032	1,790	6/1/2022
2,275	8/1/2012	Series 810	3.00% - 3.125%	2032	805	12/1/2020
3,375	2/1/2013	Series 812	3.00% - 4.00%	2033	1,410	6/1/2022
3,985	2/1/2014	Series 809A	2.60% - 4.375%	2029	1,718	6/1/2023
465	10/1/2014	Series 813	2.00% - 3.05%	2029	215	6/1/2023
10,610	10/1/2014	Series 814	2.25% - 5.00%	2034	5,620	6/1/2023
11,550	4/1/2015	Series 2015A*	2.00% - 5.00%	2024	825	12/1/2023
2,315	10/1/2015	Series 815	2.50% - 3.70%	2030	1,242	12/1/2024
10,145	10/1/2015	Series 816	2.00% - 5.00%	2035	5,650	12/1/2024
6,465	10/1/2016	Series 818	2.25% - 5.00%	2036	4,375	6/1/2026
162	10/1/2016	Series 819	2.00% - 3.00%	2026	54	12/1/2024
10,290	10/1/2016	Series 2016A*	1.50% - 5.00%	2025	2,240	N/A
11,330	10/1/2017	Series 820	3.00% - 5.00%	2037	7,845	6/1/2027
19,995	12/1/2017	Series 2017A	5.00%	2030	13,580	6/1/2028
16,040	10/1/2018	Series 822	3.00% - 5.00%	2038	12,095	6/1/2027
11,335	10/1/2019	Series 824	2.00% - 4.50%	2039	9,235	6/1/2028
16,200	10/1/2020	Series 826	2.00% - 3.00%	2040	13,930	6/1/2028
1,250	10/1/2020	Series 964	1.00% - 2.00%	2035	1,030	12/1/2028
29,215	10/1/2021	Series 828	2.00% - 4.00%	2041	27,045	6/1/2029
4,540	10/1/2022	Series 829	4.00% - 5.00%	2037	4,355	12/1/2030
18,000	10/1/2022	Series 830	3.00% - 5.00%	2042	17,575	6/1/2030
22,445	10/1/2023	Series 832	4.00% - 5.00%	2043	22,445	6/1/2030
2,135	10/1/2023	Series 833	4.85% - 7.00%	2038	2,135	6/1/2030
		Total special assessment bonds			**165,514**	
		Total governmental activities G.O. and S.A. bonds			**311,107**	
Business-type activities:						
Airport Authority G.O. Bonds:						
$ 8,010	2/1/2014	Series 2014A	3.00% - 4.30%	2044	$ 6,220	6/1/2023
18,235	6/1/2015	Series 2015A	3.00% - 5.00%	2044	14,850	12/1/2025
8,685	6/1/2015	Series 2015B	3.375% - 4.20%	2044	7,045	12/1/2025
67,615	6/1/2015	Series 2015C	4.25% - 5.00%	2044	57,165	12/1/2025
10,555	4/1/2017	Series 2017A	3.00% - 5.00%	2047	9,265	12/1/2027
7,180	4/1/2017	Series 2017B	3.125% - 5.00%	2047	6,320	12/1/2027
12,365	12/1/2019	Series 2019A (Taxable)	4.00% - 5.60%	2041	10,975	3/1/2028
7,845	10/1/2020	Series 825*	2.00% - 3.00%	2040	6,940	12/1/2028
		Total Airport Authority G.O. bonds			**118,780**	

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General Obligation and Special Assessment Bonds (continued)
Outstanding on December 31, 2023
(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*	3.00%	2027	$ 220	10/1/2020
9,214	4/1/2015	Series 2015A*	2.00% - 5.00%	2025	1,153	12/1/2023
1,990	10/1/2016	Series 817*	2.00% - 3.00%	2031	1,160	12/1/2024
1,050	10/1/2016	Series 2016A*	1.50% - 5.00%	2025	140	N/A
4,835	10/1/2020	Series 2020A*	3.00%	2027	2,825	N/A
		Total Stormwater G.O. bonds			**5,498**	
Water Utility G.O. Bonds:						
$ 135,905	10/1/2014	Series 811*	3.00% -5.00%	2034	$ 87,440	6/1/2023
		Total Water Utility G.O. bonds			**87,440**	
		Total business-type activities			**211,718**	
		Total G.O. and S.A. bonds			$ **522,825**	

* 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, 2023
(dollars in thousands)

Payable From	Interest Rates	Amount
Governmental activities:		
Local sales tax	3.00% - 5.00%	$ 2,549
Total governmental activities		**2,549**
Business-type activities:		
Water Utility	2.00% - 5.00%	218,483
Sewer Utility	2.00% - 5.00%	169,682
From direct placements and borrowings:		
Water Utility – WIFIA	1.17%	260,376
Sewer Utility – WIFIA	3.77%	12,912
Total business-type activities		**661,453**
Total revenue bonds		$ **664,002**

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)

Year ending December 31,	Governmental Activities		Business-type Activities			
	Revenue Bonds		Revenue Bonds		Direct Borrowings and Placements	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 22	$ 113	$ 31,435	$ 13,624	$ -	$ -
2025	319	109	32,965	12,249	-	-
2026	493	91	32,315	10,892	-	-
2027	248	70	32,165	9,635	-	-
2028	107	62	33,200	8,413	-	-
2029 – 2033	610	232	127,750	27,344	38,599	16,503
2034 – 2038	750	92	78,845	10,036	42,072	15,932
2039 – 2043			19,490	1,183	44,857	13,147
2044 – 2048			-	-	47,863	10,142
2049 – 2053			-	-	51,113	6,891
2054 – 2058			-	-	54,636	3,368
2059 – 2061			-	-	13,207	329
Totals	**$ 2,549**	**$ 769**	**$ 388,165**	**$ 93,376**	**$ 292,347**	**$ 66,312**
				Less: interest rolled into principal*	**(19,059)**	
				Totals	**$ 273,288**	

*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, 2023
(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	3.00% - 4.625%	2033	$ 771	9/1/2022
42,140	11/1/2018	2018 Stadium STAR Bond	3.50% - 5.00%	2038	1,778	9/1/2027
		Total STAR bonds			**2,549**	
		Total governmental activities			**2,549**	
Business-type activities:						
Water and Sewer Utility Revenue Bonds:						
$ 41,405	8/1/2014	2014A Water & Sewer Refunding	3.00% - 5.00%	2030	$ 13,050	10/1/2024
12,785	12/1/2014	2014B Water & Sewer	2.50% - 5.00%	2034	8,165	10/1/2024
38,380	4/1/2015	2015B Water & Sewer Refunding	2.38% - 5.00%	2031	18,205	10/1/2024
25,150	11/1/2015	2015C Water & Sewer	2.50% - 5.00%	2035	15,595	10/1/2025
23,395	11/1/2015	2015D Water & Sewer Refunding	2.50% - 5.00%	2032	14,195	10/1/2025
23,810	8/1/2016	2016A Water & Sewer	3.00% - 5.00%	2036	17,280	10/1/2026
101,445	8/1/2016	2016B Water & Sewer Refunding	3.00% - 5.00%	2039	72,420	10/1/2026
65,500	6/1/2017	2017A Water & Sewer	3.00% - 5.00%	2037	50,985	10/1/2027
22,140	12/1/2017	2017B Water & Sewer Refunding	3.00% - 5.00%	2030	13,500	4/1/2028
44,465	3/1/2019	2019A Water & Sewer	3.00% - 5.00%	2039	38,040	10/1/2027
49,910	12/1/2019	2019B Water & Sewer Refunding	3.00%	2030	28,975	10/1/2028
32,400	5/1/2020	2020A Water & Sewer	3.00%	2039	28,045	10/1/2028
10,395	10/1/2020	2020C Water & Sewer Refunding	2.00% - 3.50%	2032	8,125	10/1/2028
36,715	6/1/2021	2021A Water & Sewer	2.00% - 4.00%	2040	33,525	10/1/2029
28,060	3/1/2023	2023A Water & Sewer	4.00% - 5.00%	2042	28,060	10/1/2031
		Total Water and Sewer Utilities revenue bonds			**388,165**	

Revenue Bonds (continued)
Outstanding on December 31, 2023
(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	$ 260,376	N/A
Sewer Utility Revenue Bonds:*						
$ 250,000	5/3/2023	2023B (WIFIA) Taxable Water & Sewer	3.77%	2061	12,912	N/A
		Total Water & Sewer Utilities WIFIA revenue bonds			**273,288**	
		Total direct borrowings and placements			**273,288**	
		Total business-type activities			**661,453**	
		Total revenue bonds			**$ 664,002**	

* Original amount represents the total amount that can we funded by WIFIA bonds. See Note 10.F 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, 2023, 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, 2023, the 2017- and 2018-STAR bonds had outstanding principal balances of $18,055,000 and $41,640,000, respectively. The City has recorded its proportional share of the STAR bonds outstanding in the amount of $770,949 and $1,778,444 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.

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

Amount of Pledge	Type of Pledged Revenues	Term of Commitment	Percent of Revenues Pledged	2023 Principal and Interest	2023 Pledged Revenues Recognized
Water & Sewer Utility Revenue Bonds:*					
$ 821,141	Utility revenues	Through 2059	100%	$ 49,103	$ 208,962
2017 Sales Tax Special Obligation Revenue (STAR) Bonds:					
$ 862	Sales tax revenues	Through 2027	100%	657	714
2018 STAR Bonds:					
$ 2,457	Sales tax revenues	Through 2038	100%	99	101

** 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, 2023, 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 and Sewer Utilities have entered into long-term loans, 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, 2023.

Long-term Loans Outstanding on December 31, 2023 (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 & Sewer Utility:*						
$ 55,000	06/22/2020	2020 KPWSLF Loan-2979.1	1.48%	2045	$ 55,000	N/A
60,000	03/01/2022	2021 KPWSLF Loan-2979.2	1.34%	2045	60,000	N/A
75,000	02/17/2023	2023 KPWSLF Loan-2979.3	2.20%	2045	50,660	N/A
		Total Water Utility long-term loans			**165,660**	
$ 64,000	04/10/2023	2023 KPWSLF Loan-3049.1	2.13%	2044	$ 13,242	N/A
		Total Sewer Utility long-term loans			**13,242**	
		Total Water & Sewer Utility long-term loans			$ **178,902**	

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

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Debt service requirements to maturity for the long-term loans 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
2024	$ -	$ -
2025	4,084	1,663
2026	7,722	2,944
2027	7,852	2,814
2028	7,985	2,680
2029 – 2033	41,988	11,338
2034 – 2038	45,667	7,663
2039 – 2043	49,683	3,645
2044 – 2045	15,329	256
Totals	**$ 180,310**	**$ 33,003**
Less: interest rolled into principal	(1,408)	
	$ 178,902	

* *Estimated interest rolled into principal during construction phase. See Note 10.F* (KPWSLF section) on the following pages for 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 Long-term Loans Debt Service Requirements (dollars in thousands)					
Amount of Pledge	Type of Pledged Revenue	Term of Commitment	Percent of Revenue Pledged	2023 Principal and Interest	2023 Pledged Revenue Recognized
Water & Sewer Utility Long-term Loans:*					
$ 211,905	Utility revenues	Through 2045	100%	$ -	$ 208,962

* *Loans are direct borrowing and placement loans and have a pledged revenue source.*

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

Water Infrastructure Finance and Innovation Act (WIFIA) Bonds:

Northwest Water Treatment Facility Project (NWWTF Project): 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 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 draws down 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, 2023, the City has a balance outstanding of $260,375,855, which includes $3,504,640 of interest rolled into that balance. The City has projected an additional $14,765,171 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

Wastewater Reclamation Facilities Biological Nutrient Removal Improvements Program (BNR Project): On April 13, 2023, the City entered into a Water Infrastructure Finance and Innovation Act (WIFIA) credit

agreement, effective May 2, 2023, at 3.77% for up to $191,481,121 with the United States Environmental Protection Agency (EPA), a direct borrowing/placement, to fund part of the City's Wastewater Reclamation Facilities Biological Nutrient Removal Improvements Program (BNR), which is expected to cost approximately $390 million. The WIFIA Bond will be due in semi-annual installments of interest and annual payments of principal, with a final maturity date the earliest of (a) October 1, 2061, (2) the principal payment date immediately preceding the date that is 35 years following the substantial completion date of the Project or (c) the principal payment date immediately preceding the date that is 40 years following the effective date of the agreement. Interest only accrues as the City draws down 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 $250,000,000. As of December 31, 2023, the City has a balance outstanding of $12,911,719, which includes $90,227 of interest rolled into that balance. The City has projected an additional $4,293,574 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of year-end, before any debt service payments begin.

***WIFIA Bonds*:** The Water and Sewer Utility has pledged the net revenues of the Water and Sewer Utility as security for the WIFIA Bonds 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):

***NWWTF* Project:** As of December 31, 2022, the City has three KPWSLF loans outstanding that are to fund a part of the City's new NWWTF Project, which is expected to cost approximately $550 million. On June 22, 2020, the City entered into its first (2020-2079.1) direct borrowing KPWSLF loan agreement with the Kansas Department of Health and Environment (KDHE) in an amount not to exceed $55,000,000 with an interest rate of 1.48%. On March 1, 2022, the City entered into its second (2021-2079.2) direct borrowing KPWSLF loan with KDHE in an amount not to exceed $60,000,000 at an interest rate of 1.34%. On February 17, 2023, the City entered into its third (2023-2979.3) direct borrowing KPWSLF loan with the KDHE in an amount not to exceed $76,000,000 at an interest rate of 2.20% with up to $1,000,000 in principal forgiveness, for a net principal of $75,000,000. The project will be awarded principal forgiveness because the municipality is designated as a Disadvantaged Community by KDHE. The principal forgiveness of $1,000,000 will be awarded on the date of the last disbursement of this loan. The Municipality will be responsible for paying interest and service fee costs semiannually for any accrual that is calculated before the forgiveness is awarded. The City and KDHE anticipate one additional loan will be executed for the Project up to an aggregate total loan amount of $267,342,000.

The loans are 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 loans 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 loans, except as may be consented in writing by KDHE in advance of such prepayment. As of December 31, 2023, the City has fully drawn down the 2020 and 2021 KPWSLF loans with an outstanding principal balance of $115,000,000. The 2023 KPWSLF Loan (2979.3), as of December 31, 2023, has a principal balance of $50,660,182, which includes $1,947,660 of interest rolled into that balance. The City has projected an additional $1,218,750 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of year-end, before any debt service payments begin.

***BNR Project*:** As of December 31, 2023, the City has one KPWSLF loan outstanding that is to fund a part of the City's BNR Project, which is expected to cost approximately $390 million. On April 10, 2023, the City entered into its first (2023-3049.1) direct borrowing KPWSLF loan agreement with the Kansas Department of Health and Environment (KDHE) in an amount not to exceed $65,000,000 with an interest rate of 2.13% with up to $1,000,000 in principal forgiveness, for a net principal of $64,000,000. The project will be awarded principal forgiveness because the municipality is designated as a Disadvantaged Community by KDHE. The principal forgiveness of $1,000,000 will be awarded on the date of the last disbursement of this loan. The Municipality will be responsible for paying interest and service fee costs semiannually for any accrual that is calculated before the forgiveness is awarded. The City and KDHE anticipate two additional loans will be executed for the Project up to an aggregate total loan amount of $185,000,000.

The loans are 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 loans and no principal payments are due until the earlier of September 1, 2025 or one year after Project completion. The City may not prepay the outstanding principal of the loans, except as may be consented in writing by KDHE in advance of such prepayment and the final principal payment under the Loan shall be fully repaid no later than 21 years after the Project completion. As of December 31, 2023, the 2023 KPWSLF Loan (3049.1) has a principal balance of $13,242,307, which includes $49,336 of interest rolled into that balance. The City has projected an additional $189,333 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

***KPWSLF Loans*:** The Water and Sewer Utility has pledged the net revenues of the Water and Sewer Utility as security for the KPWSLF loans for the duration of the loans 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, of which the cost can be included in the principal amount of the loans, as further security for repayment of the loans.

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) an 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 agreements) 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 these loans 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 loans (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 agreements, in

its contractual obligations), KDHE may declare the outstanding balance of the loans 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 agreements.

G. LEASES

Note 12 – Leases provides information about the City's leasing activity, both as a lessee and lessor, for leases that fall under GASB 87, leases that would fall under GASB 87 if not regulated, and its prepaid leases.

H. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

Note 13 – Subscription-Based Information Technology Arrangements (SBITA) provides information about the City's subscription activity for subscription contracts that fall under GASB 96.

I. 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 $7,382,203 or $369,110 annually. Accordingly, a liability of $7,382,203 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, 2023.

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 $1,153,725. Accordingly, a liability of $1,153,725 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, 2023.

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, 2023.

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 $1,628,896 on December 31, 2023, based on the use of 91.4% of the estimated capacity. The City will recognize the remaining closure costs of $153,266 as the remaining capacity is filled. Based on activity to date, the City expects the landfill to close in approximately 2026, 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 $252,302 on December 31, 2023, based on the use of 37.9% of the estimated capacity. The City will recognize the remaining closure and post-closure costs of $413,404 as the remaining capacity is filled. Based on activity to date, the industrial monofill landfill is expected to close in approximately 2066, 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, 2023, the capacity used was too small to estimate, thus the total estimated closure and post-closure care of $40,847 will be recognized as capacity is filled.

As of December 31, 2023, 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 19 – Landfill Closure and Post-Closure Care provides further disclosure.

J. 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 $14,511,720 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. The City will try resolve the Coleman funding situation in 2024.

The original liability and recovery amounts were 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. In 2022, the City completed a revised cost estimate based on updated cost evaluations, after the City had commissioned a contractor to update the groundwater model for the site in 2019. The potential for change to the liability is relatively low based upon the groundwater modeling and the operating and maintenance cost trends available.

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 in June 2020. Monitoring in 2022 and 2023 at the Harcos site indicated that the Harcros system should still stay in an assessment phase. Monitoring in 2024 may determine whether the Harcos system remains in place for possible operation or enters a monitoring only phase.

The AS/SVE remediation system at the Harcros facility is anticipated to be decommissioned in 2024. Monitoring for both sites is projected to end in 2037 based upon the current levels of remaining contamination. As of December 31, 2023, a liability of $81,700 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 appear to be low enough to proceed with monitoring only efforts at both sites.

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, 2023, a liability of $4,739 has been recorded in the government-wide financial statements. The potential for changes to the liability is moderate until the investigations are complete.

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 2024 and will coordinate efforts with KDHE. The City anticipates a revised remediation approach will be approved by KDHE in 2024 and implemented 2024-2025.

The City recorded a net liability for remediation and monitoring activities of $568,064 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 aquifer. The City is not planning to use the original contractor for the remainder of the remediation effort and will work with KDHE to change the CAD for the site. Adjustments will be made when the CAD is revised and an updated cost estimate is generated based upon the revised remediation program.

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 was submitted in 2022. Data indicates that remediation efforts will likely be required. KDHE has issued comments on the CAS in January 2024 and the CAS report should be finalized in 2024. Despite the site being an orphan site, and technically, not the City's responsibility under the KDHE Settlement Agreement, the City may elect to conduct remediation efforts to minimize the operational time frame of the downgradient groundwater extraction well(s) associated with the GM site-wide groundwater remediation system.

The City has not yet been named partially or fully responsible for the site and a remediation option has not yet

been selected. While no remediation alternative has been selected, City staff have assumed that the soil excavation remedial option, along with the monitoring costs provided in the CAS and estimated KDHE oversight costs and an overall inflation rate of three percent to derive an estimated liability for this site. Accordingly, an estimated liability has been recorded in the government-wide financial statements in the amount of $301,012. This estimate was developed using the AS/SVE remediation costs, along with the monitoring costs provided in the CAS and estimated KDHE oversight costs, with an overall inflation rate of three percent. City staff have assumed that monitoring will be necessary through 2033. The potential for change to the liability is relatively moderate due to: (1) the KDHE determined action may differ from the City's assumption and (2) the City is currently disputing KDHE's assessment that the City is responsible for remediating the orphan sites, of which RSI seems to qualify, within GM.

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.

The City has not yet been named partially or fully responsible for the site and a remediation option has not yet been selected. While no remediation alternative has been selected, City staff have assumed that the AS/SVE remedial option presented in the CAS report will be selected for the site. City staff have utilized the AS/SVE remediation costs, along with the monitoring costs provided in the CAS report, estimated KDHE oversight costs and an overall inflation rate of three percent to derive an estimated liability for the site. The City anticipates that the LORAC Site will achieve a "No Further Action" or "Resolved" status by 2033 if remedial actions are implemented. Accordingly, an estimated liability of $408,763 has been recorded in the government-wide financial statements. The potential for change to the liability is relatively high due to the City's current contention that this is not an orphan site and the City is not responsible for the remediation effort. If LORAC is unable to pay the remediation costs, KDHE may hold the City liable for the remediation efforts. 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 KDHE CAD has been finalized. The estimated liability for the NIC site-wide groundwater cleanup has been derived from the updated cost evaluations. The City commissioned a contractor to update the groundwater model for the NIC site in 2021, which was completed in early 2022. The results of the updated model were used to assess the remaining pumping durations of the groundwater extraction wells and to project when the groundwater concentrations would be less than drinking water standards in the aquifer. The modeling effort projected that all four NIC wells could be shut down by end of 2031 with an additional five years of operations (2036) added as a conservative measure. Monitoring activities are projected to continue through 2048. Operational cost trends and KDHE oversight charges in 2022 were evaluated and projected for the duration of the program, with an average inflation rate of three percent.

A liability of $16,397,828 has been recorded in the government-wide financial statements. This includes a combined liability of $809,336 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 low based upon the groundwater modeling and the operation and maintenance costs trends available. The City anticipates the site will be issued a 'Resolved' or 'No further action' determination by late 2048.

As of December 31, 2023, 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. Therefore, no receivable has been recorded as of December 31, 2023.

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 related to groundwater, surface water and lake sediment. 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. Maintenance of the cap and fencing is on an as needed basis and those costs are covered in the same year they are incurred. The potential for change to the liability is relatively low.

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.

K. 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 table at the beginning of this note (Note 10A – Long-Term Liabilities Activity).

The governmental activities of the City had the following other long-term liabilities.

- ***Compensated absences*** related to internal service funds are included in the governmental activities amounts and will be liquidated by the internal service fund that holds the liability. Compensated absences for governmental funds are primarily liquidated by the General Fund.
- The ***Lease liabilities*** for copiers recorded in the Information Technology Fund is included in governmental activities and will be liquidated from the Information Technology Fund.
- The ***SBITA liabilities*** for IT subscriptions recorded in the Information Technology Fund and Fleet Fund are included in governmental activities and will be liquidated from the Information Technology Fund and Fleet Fund, respectively.
- ***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.
- ***Landfill closure/post-closure care liabilities*** is recorded at the government-wide level and is generally liquidated from the Landfill Post-Closure Fund.

L. 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 2023, the City issued $146,895,000 and retired $163,975,000 in temporary notes for various capital improvements. Temporary notes outstanding at December 31, 2023 are payable as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities	$ 130,955,000	$ 146,895,000	$ (163,975,000)	$ 113,875,000
Total temporary notes	**$ 130,955,000**	**$ 146,895,000**	**$ (163,975,000)**	**$ 113,875,000**

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

	Series	Interest Rate	Amount Outstanding	Maturity Date
Governmental activities:				
Nonmajor capital project funds:				
Street Improvement Fund	314	5.00%	$ 14,623,210	10/15/24
Park Bond Construction Fund	314	5.00%	23,482,640	10/15/24
Neighborhood Improvements Fund	314	5.00%	44,605,750	10/15/24
Public Improvement Construction Fund	314	5.00%	31,163,400	10/15/24
Total governmental activities			**113,875,000**	
Total temporary notes payable			**$ 113,875,000**	

12. LEASES

A. CITY AS A LESSEE

Governmental Activities: The City is a lessee for leases of vehicles, buildings, office space and equipment for periods through 2035. The 2023 incremental borrowing rate of 3.372% is based on the two-year year average of the City's bonded debt. This incremental borrowing rate was used to determine the net present value of the new lease liabilities entered into in 2023. As of December 31, 2023, the City had lease assets, net of accumulated amortization, of $1,034,803 and corresponding lease liabilities of $1,053,636.

The City's lease assets by category are as follows:

Governmental Activities
Lease (Right-to-Use) Assets
For the Year Ended December 31, 2023

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Lease assets, being amortized:					
Buildings	$ 1,056,388	$ 257,147	$ -	$ -	$ 1,313,535
Machinery, equipment and other assets	409,872	109,040	(14,809)	-	504,103
Total lease assets, being amortized	**1,466,260**	**366,187**	**(14,809)**	**-**	**1,817,638**
Less accumulated amortization for:					
Buildings	(116,995)	(295,406)	-	-	(412,401)
Machinery, equipment and other assets	(179,358)	(197,637)	6,561	-	(370,434)
Total lease assets, accumulated amortization	**(296,353)**	**(493,043)**	**6,561**	**-**	**(782,835)**
Governmental activities lease assets, net	**$ 1,169,907**	**$ (126,856)**	**$ (8,248)**	**$ -**	**$ 1,034,803**

Amortization expense was charged to function/programs to governmental activities of the primary government as follows for the City's lease assets:

	Current Year Amortization
Governmental Activities:	
Public safety	$ 231,831
Culture and recreation	90,222
Internal service funds[1]	170,990
Total amortization expense - governmental activities	**$ 493,043**

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

The future minimum lease payments are as follows:

Future Minimum Lease Payments		
Year ending December 31,	Governmental Activities Principal	Interest
2024	$ 229,028	$ 35,997
2025	137,990	29,970
2026	118,826	24,914
2027	80,816	21,384
2028	83,938	18,262
2029 – 2033	293,217	46,628
2034 – 2035	109,821	4,555
Totals	**$ 1,053,636**	**$ 181,710**

Business-type Activities: The business-type lessee activities are in the following enterprise funds: Transit Fund and Golf Course System Fund, each of which are discussed separately below.

The ***Transit Fund*** has one lease for four electric bus batteries. The 2023 incremental borrowing rate of 3.372% is based on the two-year year average of the City's bonded debt. This incremental borrowing rate was used to determine the net present value of the new lease liabilities entered into in 2023. As of December 31, 2023, the Transit Fund had lease assets, net of accumulated amortization, of $1,002,549 and corresponding lease liabilities of $1,015,847.

The Transit Fund's lease assets by category are as follows:

Transit Fund Lease (Right-to-Use) Assets For the Year Ended December 31, 2023					
	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Lease assets, being amortized:					
Machinery, equipment and other assets	$ -	$ 1,122,833	$ -	$ -	$ 1,122,833
Total lease assets, being amortized	**-**	**1,122,833**	**-**	**-**	**1,122,833**
Less accumulated amortization for:					
Machinery, equipment and other assets	-	(120,304)	-	-	(120,304)
Total lease assets, accumulated amortization	**-**	**(120,304)**	**-**	**-**	**(120,304)**
Transit Fund lease assets, net	**$ -**	**$ 1,002,529**	**$ -**	**$ -**	**$ 1,002,529**

The future minimum lease payments are as follows:

Transit Fund Future Minimum Lease Payments		
Year ending December 31,	Business-type Activities Principal	Interest
2024	$ 107,395	$ 32,605
2025	111,073	28,927
2026	114,877	25,123
2027	118,811	21,189
2028	122,880	17,120
2029 – 2032	440,811	25,856
Totals	**$ 1,015,847**	**$ 150,820**

The ***Golf Course System Fund*** has four golf cart leases, one for each City owned golf course. The 2023 incremental borrowing rate of 3.372% is based on the two-year year average of the City's bonded debt. This incremental borrowing rate was used to determine the net present value of the new lease liabilities entered into in 2023. As of December 31, 2023, the Golf Course System Fund had lease assets, net of accumulated amortization, of $1,370,011 and corresponding lease liabilities of $1,371,546.

The Transit Fund's lease assets by category are as follows:

Golf Course System Fund Lease (Right-to-Use) Assets For the Year Ended December 31, 2023					
	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Lease assets, being amortized:					
Machinery, equipment and other assets	$ -	$ 1,436,873	$ -	$ -	$ 1,436,873
Total lease assets, being amortized	**-**	**1,436,873**	**-**	**-**	**1,436,873**
Less accumulated amortization for:					
Machinery, equipment and other assets	-	(66,862)	-	-	(66,862)
Total lease assets, accumulated amortization	**-**	**(66,862)**	**-**	**-**	**(66,862)**
Golf Course System Fund lease assets, net	**$ -**	**$ 1,370,011**	**$ -**	**$ -**	**$ 1,370,011**

The future minimum lease payments are as follows:

Golf Course System Fund Future Minimum Lease Payments		
Year ending December 31,	Business-type Activities Principal	Interest
2024	$ 260,871	$ 42,241
2025	269,805	33,307
2026	279,045	24,068
2027	288,601	14,512
2028	273,224	4,628
Totals	**$ 1,371,546**	**$ 118,756**

B. CITY AS A LESSOR

Governmental Activities: The City leases retail space, land, parking spaces, buildings and offices for several leases as the lessor. Lease receivables are recorded by the City at the present value of the future lease payments expected to be received from the lessee during the lease terms. Lease receivables are then reduced over the life of the lease as payments are received and applied in the appropriate period. The interest rate used for lease receivables is 1.5918% and is based off the three-year average earning percentage from the City's pooled cash and investments. For these leases, City has lease receivables of $7,001,331 and deferred

inflow of resources of $7,081,496 as of December 31, 2023 reported for its governmental activities in the Statement of Net Position.

Two of the new leases in 2023 were recorded with the implementation of GASB 94, as they are public-private partnership (PPPs) agreements that are to be recognized under GASB 87. For further information about these two PPPs, see Note 14 – Public Private Partnerships (PPPs).

Some leases are comprised of both fixed and variable payments. The variable payments are based off of the performance of the business with a minimum payment guarantee. These leases were recognized at the minimum payment amount for the length of the lease. For 2023, these variable lease payment amounts were immaterial.

In 2023, the City recognized approximately $750,000 and $80,000 in lease revenues and interest income, respectively. These revenues are included in *charges for services* and *other operating revenues* in the *Statement of Revenues, Expenses and Changes in Fund Balance* and *charges for services* and *miscellaneous general revenues* in the *Statement of Activities*.

The future minimum lease payments to be received by the City are as follows:

Future Minimum Lease Payments		
Year ending December 31,	Governmental Activities	
	Principal	Interest
2024	$ 631,405	$ 178,501
2025	621,334	164,601
2026	377,703	150,774
2027	388,313	142,187
2028	398,197	133,334
2029 – 2033	1,828,277	528,637
2034 – 2038	1,673,241	287,605
2039 – 2043	833,379	47,721
2044 – 2048	131,926	7,952
2049 – 2053	85,927	2,722
2054 – 2058	21,915	881
2059 – 2063	1,108	392
2064 – 2068	1,155	345
2069 – 2073	1,205	295
2074 – 2078	1,257	243
2079 – 2083	1,311	189
2084 – 2088	1,367	133
2089 – 2093	1,426	74
2094 – 2096	885	15
Totals	**$ 7,001,331**	**$ 1,646,601**

Business-type Activities: The business-type lessor activities are in the following enterprise funds: Transit Fund and Airport Authority Fund, each of which are discussed separately below.

The ***Transit Fund*** has one lease for building space. As a lessor, the Transit Fund recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term. The lease receivable is recorded at the present value of the overall lease payments. The interest rate used for the lease receivable is 0.846% and is based off the 3-year average earning percentage from the City's pooled cash and investments. The lease receivables receivable is then reduced over the life of the lease as payments are received and applied in the appropriate period. For these leases, the Transit Fund is reporting lease receivables of $47,579 and deferred inflow of resources of $47,214 as of December 31, 2023.

In 2023, the Transit Fund recognized approximately $23,500 and $500 in lease revenues and interest income, respectively, which are considered *rental income* and *other operating revenues* in the *Statement of Revenues, Expenses and Changes in Net Position* and *charges for services* and *miscellaneous general revenues* in the *Statement of Activities*.

The future minimum lease payments to be received by the Transit Fund for its lease are as follows:

Transit Fund Nonregulated Leases Future Minimum Lease Payments		
Year ending December 31,	Business-type Activities	
	Principal	Interest
2024	$ 23,689	$ 311
2025	23,890	110
Totals	**$ 47,579**	**$ 421**

The ***Airport Authority*** has two airports where they lease terminal space, hangars, land, cargo facilities, and other facilities to various tenants under various operating leases. The Airport Authority as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term with exceptions for certain regulated leases and short-term leases. The Airport Authority leases are categorized as nonregulated and regulated for financial reporting purposes and these lease agreements typically do not contain any termination clauses, except for default.

A majority of the Authority's lease agreements contain provisions allowing the lessee to extend the term of the agreement for specific renewal periods. Based on historical experience and current facts and circumstances, the Airport Authority management has evaluated these renewal periods and included them within the lease term, for purposes of determination of the lease receivable, where appropriate.

- ***Nonregulated leases*:** The Airport Authority leases space for car rental business, advertising, land, farming use and facilities. Upon commencement these leases are recorded at the present value of the overall fixed lease payments, including option periods that are expected to be exercised. The interest rate used for new 2023 lease receivables is 1.5918% and is based off the 3-year average earning percentage from the City's pooled cash and investments. The lease receivable is then reduced as payments are received. For these leases, the Airport Authority is reporting lease receivables of $38,448,165 and deferred inflow of resources of $38,517,513 as of December 31, 2023.

  Some of these leases are comprised of fixed and variable payments. Concession lease agreement revenues are based on the greater of an aggregated percentage of gross receipts or a Minimum Annual Guarantee (MAG). Concession agreements are recorded as receivables using the MAG amount, with any additional amounts over the MAG recorded as rental revenue in the year received. Certain agreements have annual updates to the MAG, where a new floor is created, and as such, if the MAG is adjusted upwards, the lease receivables and deferred revenues are adjusted as appropriate. Finally, certain concession agreements contain abatement of the MAG language. In these instances, the concession revenue MAGs that can be abated are not recorded as a lease receivable or deferred inflow, as they are not certain.

  In 2023, the Airport Authority recognized approximately $3.6 million in lease revenues and $340,000 in interest income for the fixed payments and $4,839,950 in lease revenues from the variable components above the MAG amounts. These amounts are included in *rental income* and *other operating revenues* in the *Statement of Revenues, Expenses and Changes in Net Position* and *charges for services* and *miscellaneous general revenues* in the *Statement of Activities*.

  The future minimum lease payments to be received by the Airport Authority for nonregulated leases are shown on the following page:

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Airport Authority – Nonregulated Leases Future Minimum Lease Payments		
Year ending December 31,	Business-type Activities	
	Principal	Interest
2024	$ 3,648,899	$ 338,640
2025	3,040,437	306,411
2026	2,654,459	282,531
2027	2,660,333	259,575
2028	2,286,086	237,672
2029 – 2033	6,876,182	983,460
2034 – 2038	6,003,413	698,066
2039 – 2043	4,835,619	440,403
2044 – 2048	2,059,072	286,121
2049 – 2053	1,815,761	200,494
2054 – 2058	1,341,899	117,293
2059 – 2063	580,634	68,821
2064 – 2068	360,067	36,385
2069 – 2072	285,304	9,368
Totals	**$ 38,448,165**	**$ 4,265,240**

- ***Regulated leases*:** The Airport Authority leases hangars, buildings, office space, terminal space and land that are considered regulated leases that are subject to external laws, regulation or legal rulings, the U.S. Department of Transportation and Federal Aviation Administration (FAA), between airports, air carriers and other aeronautical users. In accordance with GASB No. 87, the Airport Authority does not recognize a lease receivable and deferred inflow of resources for regulated leases.

  Under the agreements with Delta Airlines, Southwest Airlines, United Airlines, and American Airlines, the airlines have exclusive and preferential use of certain space and facilities of the terminal and preferential use of certain apron areas. These agreements are long-term; however, the annual rental rates are determined annually and thus, receivables and deferred outflows are only recorded for the year immediately following the City's fiscal year-end.

  In 2023, the Airport Authority recognized approximately $7.4 million in lease revenues for the fixed payments for regulated leases. These amounts are included in *rental income* and *other operating revenues* in the *Statement of Revenues, Expenses and Changes in Net Position* and *charges for services* in the *Statement of Activities*.

  The future minimum lease payments to be received by the Airport Authority for regulated leases are as follows:

Airport Authority – Regulated Leases Future Minimum Lease Payments	
Year ending December 31,	Business-type Activities
2024	$ 7,534,796
2025	4,428,599
2026	4,400,623
2027	4,205,887
2028	4,065,711
2029 – 2033	16,228,058
2034 – 2038	15,182,946
2039 – 2043	15,769,414
2044 – 2048	14,954,218
2049 – 2053	11,198,773
2054 – 2058	10,014,295
2059 – 2063	3,887,691
2064 – 2068	230,014
Totals	**$ 112,101,025**

C. PREPAID LONG-TERM LEASES

Governmental Activities: 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 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. The balance of the prepaid lease as of December 31, 2023 was $6,132,375, which will be amortized and recognized as expense through October 31, 2033.

Cargill Parking Garage Prepaid Lease	
Year ending December 31,	Governmental Activities
2024	$ 623,640
2025	623,640
2026	623,640
2027	623,640
2028	623,640
2028 – 2033	3,014,175
Totals	**$ 6,132,375**

Business-type Activities: The Airport Authority has two prepaid long-term leases, one with the Sewer Utility Fund of the City and another with a non-City tenant. Lease and interest revenue will be recognized by the Airport Authority as noted in the table below. The Sewer Utility will correspondingly recognize lease and interest expense for their lease with the Airport Authority according to the same schedule.

The Sewer Utility's prepaid lease expense is recognized as *prepaid items* in the *Statement of Net Position* and the Airport Authority's prepaid lease revenue is recognized as *unearned revenue* in the *Statement of Net Position*.

Business-type Activities Airport Authority Prepaid Leases			
Year ending December 31,	Sewer Utility	External Tenant	Total
2024	$ 28,810	$ 71,216	$ 100,026
2025	27,702	70,172	97,874
2026	26,636	69,143	95,779
2027	25,612	68,128	93,740
2028	25,861	67,162	93,023
2029 – 2033	116,189	321,611	437,800
2034 – 2038	100,256	299,055	399,311
2039 – 2043	86,514	278,044	364,558
2044 – 2048	74,666	258,606	333,272
2049 – 2053	64,430	240,553	304,983
2054 – 2058	44,922	136,207	181,129
Totals	**$ 621,598**	**$ 1,879,897**	**$ 2,501,495**

13. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS)

On January 1, 2023, the City implemented GASB 96 (SBITAs). The implementation of GASB 96 required restatement of the City's governmental and business-type activities as of January 1, 2023. Please see Note 23 – Change in Accounting Principles for further information on the initial recognition of SBITA assets and liabilities.

The Information Technology Fund and Fleet Fund, both internal service funds, predominantly serve governmental funds. Accordingly, the long-term assets and long-term liabilities of these funds are included as a part of the totals for governmental activities.

Governmental Activities: The City is obligated for certain SBITA agreements, for the use of software as a service, that expire at various dates through 2027. The incremental borrowing rate of 3.372% is based on the two-year year average of the City's bonded debt. This incremental borrowing rate was used to determine the net present value of the City's SBITA liabilities, as the implicit interest rate in the City's agreements are not readily determinable. As of December 31, 2023, the City had SBITA assets, net of accumulated amortization, of $3,391,255 and corresponding SBITA liabilities of $2,474,303. There were no material variable payments under these SBITA agreements in 2023.

The City's SBITA assets by category are as follows:

Governmental Activities
SBITA (Right-to-Use) Assets
For the Year Ended December 31, 2023

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
SBITA assets, being amortized:					
Machinery, equipment and other assets	$ 4,898,833	$ 465,583	$ -	$ -	$ 5,364,416
Total SBITA assets, being amortized	**4,898,833**	**465,583**	**-**	**-**	**5,364,416**
Less accumulated amortization for:					
Machinery, equipment and other assets	-	(1,973,161)	-	-	(1,973,161)
Total SBITA assets, accumulated amortization	**-**	**(1,973,161)**	**-**	**-**	**(1,973,161)**
Governmental activities SBITA assets, net	**$ 4,898,833**	**$ (1,507,578)**	**$ -**	**$ -**	**$ 3,391,255**

Amortization expense was charged to function/programs to governmental activities of the primary government as follows for the City's SBITA assets:

	Current Year Amortization
Governmental Activities:	
Public safety	$ 206,217
Health and welfare	53,750
Culture and recreation	22,949
Internal service funds[1]	1,690,245
Total amortization expense - governmental activities	**$ 1,973,161**

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

The future minimum SBITA payments are as follows:

Future Minimum SBITA Payments

Year ending December 31,	Governmental Activities Principal	Interest
2024	$ 1,759,239	$ 82,096
2025	412,609	22,642
2026	162,437	8,618
2027	140,018	3,169
Totals	**$ 2,474,303**	**$ 116,525**

Business-type Activities: The City is obligated for certain subscription agreements, for the use of software as a service, that expire at various dates through 2027 for the Airport Authority Fund and the Transit Fund. The incremental borrowing rate of 3.372% is based on the two-year year average of the City's bonded debt. This incremental borrowing rate was used to determine the net present value of the City's SBITA liabilities, as the implicit interest rate in the City's agreements are not readily determinable. As of December 31, 2023, the City had

SBITA assets, net of accumulated amortization, of $642,645 and corresponding SBITA liabilities of $444,116. There were no material variable payments under these SBITA agreements in 2023.

The City's SBITA assets by category are as follows:

Business-Type Activities
SBITA (Right-to-Use) Assets
For the Year Ended December 31, 2023

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
SBITA assets, being amortized:					
Machinery, equipment and other assets	$ 560,493	$ 352,486	$ -	$ -	$ 912,979
Total SBITA assets, being amortized	**560,493**	**352,486**	**-**	**-**	**912,979**
Less accumulated amortization for:					
Machinery, equipment and other assets	-	(270,332)	-	-	(270,332)
Total SBITA assets, accumulated amortization	**-**	**(270,332)**	**-**	**-**	**(270,332)**
Business-Type activities SBITA assets, net	**$ 560,493**	**$ 82,154**	**$ -**	**$ -**	**$ 642,647**

The future minimum SBITA payments are as follows:

Future Minimum SBITA Payments

Year ending December 31,	Business-type Activities Principal	Interest
2024	$ 153,706	$ 10,865
2025	143,804	9,793
2026	95,057	4,944
2027	51,549	1,738
Totals	**$ 444,116**	**$ 27,430**

14. PUBLIC-PRIVATE PARTNERSHIPS (PPPS)

Governmental Activities: The City has two PPP arrangements as of December 31, 2023, for the City's Riverfront Stadium and the Stryker Sports Complex in which the operators will operate and maintain the City's assets while providing a public use. At the end of the agreements, operations will be transferred back to the City.

The Riverfront Stadium lease has an initial term of 20-years through 2040, with the option to renew for two additional five-year extensions. The City has recorded the initial 20-year term as the renewals are not certain. The Stryker Sports Complex lease has an initial term of ten years with three optional five-year renewals; however, the agreement can be cancelled by either party without cause with 24 months prior written notice after the 60th month of the term. Thus, at December 31, 2023, the City has a lease for two-years recorded (equal to the noncancelable term).

These two agreements meet the definition of a lease under GASB 87 and the operators (lessees) are not required to improve the City's assets as part of the PPP arrangement; thus, in accordance with GASB 94 (PPPs), the City has recorded these two agreements as leases. The implementation of GASB 94 required restatement of the City's Governmental Activities as of January 1, 2023. Please see Note 23 – Change in Accounting Principles for further information.

The PPP lease receivables are recorded by the City at the present value of the future lease payments expected to be received from the lessee during the lease terms. Lease receivables are then reduced over the life of the lease as payments are received and applied in the appropriate period. The interest rate used for lease receivables is 1.5918% and is based off the three-year average earning percentage from the City's pooled cash and investments. For these PPP leases, City has lease receivables of $4,737,133 and deferred inflow of resources of $4,896,316 as of December 31, 2023 reported for its governmental activities in the Statement of Net Position. These amounts are included in the total Governmental Activities lease receivables of $7,001,331 and deferred inflow of resources of $7,081,496 as of December 31, 2023 in Note 12 - Leases.

In 2023, the City recognized approximately $410,000 and $60,000 in lease revenues and interest income, respectively, for its two PPP arrangements. These revenues are included in *charges for services* and *other operating revenues* in the *Statement of Revenues, Expenses and Changes in Fund Balance* and *charges for services* and *miscellaneous general revenues* in the *Statement of Activities*.

The future minimum lease payments to be received by the City are as follows:

Public-Private Partnerships Future Minimum Lease Payments		
Year ending December 31,	Governmental Activities	
	Principal	Interest
2024	$ 343,752	$ 160,748
2025	355,343	149,157
2026	212,826	137,174
2027	220,002	129,998
2028	227,421	122,579
2029 – 2033	1,257,437	492,563
2034 – 2038	1,484,229	265,771
2039 – 2040	666,122	33,879
Totals	**$ 4,767,132**	**$ 1,491,869**

15. CONDUIT DEBT OBLIGATIONS

Industrial Revenue Bonds: From time to time the City issues 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, 2023, there were 101 series of industrial revenue bonds were outstanding, with an aggregate principal amount payable of $2,034,072,711.

Special facility revenue bonds (SFRBs) 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, 2023, there were three series of special facility revenue bonds totaling $6,934,172.

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16. 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, 2023, transfer revenue and transfer expenditures/expenses each totaled $134,421,707.

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, 2023, is shown below.

Summary of Interfund Transfers
For Year Ended December 31, 2023

Fund Type/ Fund	Transfers Out	Transfers In
Governmental funds:		
Major funds:		
General Fund	$ 9,350,910	$ 10,611,454
Debt Service Fund	24,475,236	14,494,994
Grants and Other Assistance Fund	8,862,860	788,681
Nonmajor special revenue funds	7,814,909	4,375,886
Nonmajor capital project funds	80,461,154	98,527,412
Total governmental funds	**130,965,069**	**128,798,427**
Enterprise funds:		
Major funds:		
Water Utility Fund	74,885	-
Sewer Utility Fund	154,792	-
Stormwater Utility Fund	27,002	36,954
Nonmajor enterprise funds	1,300,000	3,586,326
Total enterprise funds	**1,556,679**	**3,623,280**
Internal service funds	1,899,959	2,000,000
Total transfers	**$ 134,421,707**	**$ 134,421,707**

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17. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables result from the provision of products or services or loans between funds. As of December 31, 2023, interfund receivables and payables totaled $53,282,142, 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 or the distribution of the City's participation in an energy rebate program which is allocated proportionately amongst the funds but received directly by one department. Individual fund receivable and payable balances at December 31, 2023 are presented in the tables below.

Interfund Receivables As of December 31, 2023

Fund Type/ Fund	Receivables
Governmental funds:	
Major:	
General Fund	$ 113,735
Debt Service Fund	5,668,420
Nonmajor:	
Tourism and Convention Fund	112,071
Landfill Post-Closure Fund	818
Downtown Parking Fund	27,218
Environmental TIF Districts Fund	3,813
City-County Joint Operations Fund	1,409
Public Improvement Fund	1,258,254
Local Sales Tax CIP Fund	30,281,099
Sales Tax Construction Pledge Fund	12,122,174
Cemetery Fund	10
Total governmental fund receivables	**49,589,021**
Enterprise funds:	
Major:	
Sewer Utility Fund	81,873
Airport Fund	84,099
Stormwater Utility Fund	631
Nonmajor:	
Golf Course System Fund	3,135
Transit Fund	3,676
Landfill Fund	81
Total enterprise fund payables	**173,495**
Internal service funds:	
Self Insurance Fund	3,519,626
Total internal service fund payables	**3,519,626**
Total interfund receivables	**$ 53,282,142**

Interfund Payables As of December 31, 2023

Fund Type/ Fund	Payables
Governmental funds:	
Nonmajor:	
Homelessness Assistance Fund	$ 19,786
Century II Fund	112,071
Community Improvement District Fund	3,995
Street Improvement Fund	24,356,115
Park Bond Construction Fund	2,513,443
Neighborhood Improvement Fund	20,311,596
Total governmental fund payables	**47,317,006**
Enterprise funds:	
Major:	
Water Utility Fund	274,901
Stormwater Utility Fund	21,815
Nonmajor:	
Golf Course System Fund	5,668,420
Total enterprise fund payables	**5,965,136**
Total interfund payables	**$ 53,282,142**

18. 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, 2023, 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.

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, 2023	PFC Collected	PFC Expended	Unliquidated PFC Balance Dec. 31, 2023
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	(755,313)	-	-	(755,313)
10-07-C-00-ICT	(2,375,463)	3,448,989	9,086,422	(8,012,896)
Total	$ 8,950,858	$ 3,448,989	$ 9,086,422	$ 3,313,425

19. LANDFILL CLOSURE AND POST-CLOSURE CARE

Information about the landfills operated by the City and the related liabilities is provided in Note 10.I – 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.

20. 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, 2023
(dollars in thousands)

	Major Governmental Funds				
	General Fund	Debt Service Fund	Grants and Other Assistance Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Inventories & prepaids	$ 64	$ -	$ 305	$ 84	$ 453
Permanent fund principal	-	-	-	235	235
Total Nonspendable	**64**	**-**	**305**	**319**	**688**
Restricted for:					
City Manager	-	-	231	-	231
Municipal Court	-	-	-	3,824	3,824
Planning	-	-	5	11	16
Cemetery	-	-	-	1,328	1,328
Police & Fire	-	-	163	-	163
Flood control	-	-	-	1	1
Street maintenance	-	-	-	40,034	40,034
Community development	-	-	2	315	317
Community health	-	-	83	37,778	37,861
Housing services	-	-	8,606	-	8,606
Alcohol and drug programs	-	-	-	4,161	4,161
Tourism and convention	-	-	-	9,677	9,677
Libraries	-	-	47	-	47
Parks and recreation	-	-	510	897	1,407
Debt service	-	32,648	-	2,369	35,017
Total Restricted	**-**	**32,648**	**9,647**	**100,395**	**142,690**
Committed to:					
Parking	-	-	-	1,057	1,057
Central inspection	-	-	-	1,250	1,250
Landfill	-	-	-	8,855	8,855
Total Committed	**-**	**-**	**-**	**11,162**	**11,162**
Assigned to:					
Economic development	1,291	-	-	-	1,291
Municipal court	88	-	-	-	88
General government	374	-	-	-	374
Police & Fire	455	-	-	-	455
Street maintenance	1,098	-	-	-	1,098
Landfill	-	-	-	724	724
Community health	6	-	-	-	6
Libraries	17	-	-	-	17
Cultural arts facilities	35	-	-	-	35
Parks and recreation	865	-	-	-	865
Total Assigned	**4,229**	**-**	**-**	**724**	**4,953**
Unassigned:	76,573	-	-	(172,571)	(95,998)
Total Fund Balance (Deficit)	**$ 80,866**	**$ 32,648**	**$ 9,952**	**$ (59,971)**	**$ 63,495**

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21. 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, 2023, in Note 15 - 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, 2023, the City's property and sales tax revenues were impacted by approximately $6 million and $0.5 million, respectively, under agreements entered into pursuant to the City's IRB Program.

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, 2023, the City's property tax revenues were impacted by approximately $0.5 million 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, 2023, additional sales tax revenues of the City of approximately $1.5 million were paid to developers through the CID Program. In the Additional Information Section, the City has provided a schedule showing the CID Fund by subfund (or by district).

22. 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, 2023.

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 $44.1 million in the governmental funds, $143.3 million in the enterprise funds and none in the internal service funds. See the table below for further details.

D. ENCUMBRANCES

The City had the following encumbrances outstanding as of December 31, 2023:

Encumbrances As of December 31, 2023 (in thousands)			
Fund Type/ Fund	Operating Encumbrances	Capital Encumbrances	Total Encumbrances
Governmental Funds:			
Major:			
General Fund	$ 2,914	$ -	$ 2,914
Grants and Other Assistance Fund	13,085	-	13,085
Nonmajor governmental funds	1,308	44,085	45,393
Total governmental funds	**17,307**	**44,085**	**61,392**
Enterprise funds:			
Major:			
Water Utility Fund	3,001	66,396	69,397
Sewer Utility Fund	3,305	62,293	65,598
Airport Authority Fund	408	7,805	8,213
Stormwater Utility Fund	772	1,830	2,602
Nonmajor enterprise funds	404	4,987	5,391
Total enterprise funds	**7,890**	**143,311**	**151,201**
Internal service funds	1,246	-	1,246
Total encumbrances	**$ 26,443**	**$ 187,396**	**$ 213,839**

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 $29 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. For further information, please see Note 10.B – General Obligation and Special Assessment Bonds.

23. CHANGE IN ACCOUNTING PRINCIPLES

A. GASB 94 – PPPS AND APAS

For fiscal year ended December 31, 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 94, *Public-Private and Public-Public Partnership (PPPs) and Availability Payment Arrangements (APAs)*, which updated the recognition and measurement guidance for PPPs and APAs to improve financial reporting. A PPP is an arrangement in which a government (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (underlying PPP asset), for a period of time in an exchange or exchange like transaction. An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The City has evaluated its agreements and has reported a restatement to beginning net position in Governmental Activities to record the beginning balance of two PPP agreements that are recognized as a lease receivable and deferred inflow of resources accordance with GASB 87 (Leases) per guidance in GASB 94. The City recorded initial amounts of $5,207,039 lease receivables and $5,306,705 deferred inflows of resources related to leases. The net impact of the change in accounting principle for Governmental Activities and governmental funds is summarized in the table below.

GASB 94 – PPP Implementation Restatement			
Reporting Unit:	January 1, 2023 As Previously Reported	Changes in Accounting Principle	January 1, 2023 As Restated
Government-Wide:			
Governmental Activities	$ 1,197,031,048	$ (99,666)	$ 1,196,931,382
Total Government-Wide	**$ 1,197,031,048**	**$ (99,666)**	**$ 1,196,931,382**
Governmental funds:			
General Fund	$ 49,403,655	$ (99,666)	$ 49,303,989
Total governmental funds	**$ 49,403,655**	**$ (99,666)**	**$ 49,303,989**

B. GASB 96 - SBITAs

For the fiscal year ended December 31, 2023, the City implemented GASB Statement No. 96, *Subscription Based Information Technology Arrangements*, which updated the recognition and measurement guidance for subscription-based IT arrangements to align recognition and measurement under a single unified model to better meet the needs of the financial statement users. The City reported a restatement to beginning net position in the Airport Fund, Nonmajor Proprietary Funds, Internal Service Funds, and Governmental Activities to record the beginning balance of the subscription liabilities offset by the beginning balance of the right-to-use subscription assets.

The initial amounts recorded as SBITA (subscription) assets and liabilities for each reporting unit are as follows:

GASB 96 – SBITA Assets and Liabilities		
Reporting Unit:	SBITA Assets January 1, 2023	SBITA Liabilities January 1, 2023
Government-Wide:		
Governmental Activities	$ 4,898,833	$ 3,907,335
Business-type Activities	560,493	397,948
Total government-wide	**$ 5,459,326**	**$ 4,305,283**
Proprietary funds:		
Enterprise funds:		
Major:		
Airport Authority Fund	$ 284,038	$ 144,177
Nonmajor Funds	276,455	253,771
Total enterprise funds	**560,493**	**397,948**
Internal service funds	4,144,640	3,304,459
Total Proprietary Funds	**$ 4,705,133**	**$ 3,702,407**

The net impact of the change in accounting principle for each reporting unit is summarized in the table on the following page. This includes the restatement of net position by $16,500 for governmental activities and internal service funds for SBITA assets initially recognized as expenses in 2022.

GASB 96 – SBITA Implementation Restatement			
Reporting Unit:	January 1, 2023 As Previously Reported	Changes in Accounting Principle	January 1, 2023 As Restated
Government-Wide:			
Governmental Activities	$ 1,197,031,048	$ 991,498	$ 1,198,006,044
Business-type Activities	1,487,467,501	179,068	1,487,646,569
Total government-wide	**$ 2,684,498,549**	**$ 1,170,566**	**$ 2,685,652,613**
Proprietary funds:			
Enterprise funds:			
Major:			
Water Utility Fund	$ 589,873,419	$ -	$ 589,873,419
Sewer Utility Fund	427,510,457	-	427,510,457
Airport Authority Fund	222,973,460	30,267	223,003,727
Stormwater Utility Fund	210,284,840	-	210,284,840
Nonmajor Funds	35,700,957	148,801	35,849,758
Total enterprise funds	**1,486,343,133**	**179,068**	**1,486,522,201**
Internal service funds	41,703,921	840,181	42,544,102
Total Proprietary Funds	**$ 1,528,047,054**	**$ 1,019,249**	**$ 1,529,066,303**

C. COMBINED RESTATEMENT FOR GASB 94 AND 96

The net impact of the change in accounting principles related to the implementation of GASB 94 and 96 for each reporting unit is summarized in the table below:

GASB 94 & 96 - Implementation Restatement			
Reporting Unit:	January 1, 2023 As Previously Reported	Changes in Accounting Principle	January 1, 2023 As Restated
Government-Wide:			
Governmental Activities	$ 1,197,031,048	$ 891,832	$ 1,197,922,880
Business-type Activities	1,487,467,501	179,068	1,487,646,569
Total government-wide	**$ 2,684,498,549**	**$ 1,070,900**	**$ 2,685,569,449**
Governmental funds:			
General Fund	$ 49,403,655	$ (99,666)	$ 49,303,989
Total governmental funds	**$ 49,403,655**	**$ (99,666)**	**$ 49,303,989**
Proprietary funds:			
Enterprise funds:			
Major:			
Water Utility Fund	$ 589,873,419	$ -	$ 589,873,419
Sewer Utility Fund	427,510,457	-	427,510,457
Airport Authority Fund	222,973,460	30,267	223,003,727
Stormwater Utility Fund	210,284,840	-	210,284,840
Nonmajor Funds	35,700,957	148,801	35,849,758
Total enterprise funds	**1,486,343,133**	**179,068**	**1,486,522,201**
Internal service funds	41,703,921	840,181	42,544,102
Total Proprietary Funds	**$ 1,528,047,054**	**$ 1,019,249**	**$ 1,529,066,303**

24. DISCRETELY PRESENTED COMPONENT UNIT: WICHITA RAD SENIOR LP

The Wichita RAD Senior, L.P. 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 named Wichita RAD Senior L.P.

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, 2023. 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 has contracted with Mennonite Housing Rehabilitation Services, Inc. for management of the Projects. 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).

Leases: The Partnership has a land and building lease with an inception date of October 1, 2021, which is accounted for as an operating lease. Management used the practical expedient in the year of adoption of ASU 2016-02, *Leases (Topic 842)* to use the previous classification of the lease in the current application of the standard.

The Partnership has agreements with inception dates in March 2000 and June 2005 to lease commercial space within the Project. The leases were assumed by the Partnership upon the acquisition of the Projects in

October 2021. Management used the practical expedient in the year of adoption of ASU 2016-02, *Leases (Topic 842)* to use the previous classification of the lease in the current application of the standard.

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. There were no cash equivalents as of December 31, 2023 and 2022

Cash, and restricted cash as of December 31, 2023 and 2022 consisted of the following:

Cash, Cash Equivalents and Restricted Cash As of December 31,		
	2023	2022
Cash	$ 708,437	$ 703,925
Restricted deposits and funded reserves	412,716	367,605
Total cash and restricted cash shown on the Statements of Cash Flows	**$ 1,121,153**	**$ 1,071,530**

Supplemental Schedules of Non-Cash Investing and Financing Activity: In connection with the rehabilitation of the Project, the Partnership capitalized $249,173 and $33,426 of interest for the year ended December 31, 2023 and 2022, respectively. This amount has been included in Acquisition and Rehabilitation of Rental Property – Net on the Statements of Cash Flows of the financial statements of the Wichita RAD Senior LP.

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 $1,147 and $2,952 for the years ended December 31, 2023 and 2022, respectively.

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 years	Straight-line
Land improvements	15 years	Straight-line
Furnishings	5 years	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 years ended December 31, 2023 or 2022.

Capitalized Costs: Costs related to obtaining low-income housing tax credits are amortized over the mandatory 15-year compliance period. During 2023 and 2022, the Partnership paid for and capitalized $84,526 and $38,273 of tax credit fees, respectively. Amortization expense for the years ended December 31, 2023 and 2022 was $4,743 and $1,276, respectively. As of December 31, 2023, and 2022, accumulated amortization totaled $6,019 and $1,276, respectively. The estimated amount of amortization expense for each of the next five years is $8,187.

Debt Issuance Costs: In accordance with GAAP, the debt issuance costs are presented as an offset of the related debt instruments within the liabilities section of the Balance Sheets. Debt issuance costs are being amortized using the straight-line method over the term of the mortgage and amortization expense will be included in Interest Expense - Bonds on the accompanying Statements of Operations.

GAAP requires that the effective interest method be used to amortize debt issuance costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective interest method. During 2022, The Partnership capitalized $332,501 of debt issuance costs related to the bonds. Debt issuance costs are amortized over the term of the bonds using the straight-line method. Amortization expense for the years ended December 31, 2023 and 2022 totaled $83,125 and $97,441, respectively. As of December 31, 2023, and 2022, accumulated amortization totaled $180,567 and $97,441, respectively. The estimated amount of amortization expense for the next year is $83,125 and $68,809 in year two.

Bond Reserves – Debt Securities: To satisfy the terms of the Bond Indenture, accounts have been established which hold investments in United States Treasury Securities (USTs) which mature in October 2024. The USTs serve as collateral for the bonds, and since they have maturities that coincide with the maturity date on the bonds, further described in Note 24.E, these USTs are classified as held-to-maturity and are carried at amortized cost in accordance with generally accepted accounting principles.

ASU 2016-13, Financial Instruments – Credit Losses (Topic 326), requires an assessment of management's expectation of credit losses to be realized for certain financial assets carried at amortized cost; however, management has determined that since USTs are backed by the U.S. government, the expectation of credit losses is negligible.

As of December 31, 2023, and 2022, the aggregate fair value of these securities was $16,675,280 and $16,110,232, respectively. Interest income of $107,757 and $107,756 related to the USTs was recognized during the years ended December 31, 2023 and 2022, respectively. In addition, accretion of the discount on the bonds totaled $22,224 during the years ended December 31, 2023 and 2022, and is included in Interest Expense – Bonds on the accompanying Statements of Operations.

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 operating leases and 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 2020 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.

Reclassifications: Reclassifications have been made to the 2022 financial statements to conform to the 2023 financial statement presentation. Such reclassifications had no effect on net income as previously reported.

C. RESTRICTED DEPOSITS AND FUNDED RESERVES

Restricted deposits and funded reserves consist of tenant security deposits, a PILOT tax and insurance escrow, working capital reserve, and bond escrow. These accounts have been established in amounts considered by the partners to be adequate and in accordance with the Partnership Agreement and loan documents. A replacement reserve and operating reserve are also required by the Partnership Agreement from future capital contributions. Use of the accounts are restricted as defined in the Partnership Agreement and by the lender, and therefore, have been excluded from cash in the accompanying Balance Sheets.

Restricted cash is comprised of the following as of December 31, 2023 and 2022:

Restricted Cash As of December 31,	2023	2022
Tenant security deposits	$ 28,504	$ 8,787
Real estate tax and insurance escrow	4,779	-
Working capital reserve	219,342	218,253
Bond escrows - cash	160,091	140,565
Total	**$ 412,716**	**$ 367,605**

Summary Analysis of Working Capital Reserve As of December 31,	2023	2022
Beginning balance	$ 218,253	$ 218,000
Deposits	-	-
Interest	1,089	253
Ending balance	**$ 219,342**	**$ 218,253**

Summary Analysis of Bond Escrows – Cash As of December 31,	2023	2022
Beginning balance	$ 140,565	$ 121,529
Deposits	-	-
Withdrawals	(88,230)	(88,720)
Interest	107,756	107,756
Ending balance	**$ 160,091**	**$ 140,565**

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D. BONDS PAYABLE

The MultiFamily 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, 2023 and 2022 totaled $14,215.

E. REHABILITATION LOAN

The Partnership has entered into a building loan agreement with Lument Capital for a construction loan in an amount not to exceed $10,900,000. The loan bears interest at 2.72% per annum and requires monthly payments of interest only during the rehabilitation phase commencing November 1, 2021 through December 1, 2023. Beginning on January 1, 2024 (Amortization Commencement Date), the loan will convert to a permanent HUD-insured 221(d)(4) mortgage. The mortgage will be amortized over a 40-year period, bear interest at 2.72% and will require monthly payments of principal and interest of $37,282 through its maturity in December 2063. This note is collateralized by the real estate and assignment of rents and security. As of December 31, 2023, and 2022, the amount outstanding on the loan totaled $10,899,999 and $7,739,262, respectively. Accrued and unpaid interest as of December 31, 2023 and 2022 totaled $24,707 and $16,892, respectively.

Estimated maturities of the rehabilitation loan over the next 5 years and thereafter are as follows:

Estimated Maturities of the Rehabilitation Loan Over the Next 5 Years and Thereafter		
		2023
2024	$	152,801
2025		157,009
2026		161,333
2027		165,777
2028		170,342
Thereafter		10,092,737
Total	**$**	**10,899,999**

F. NOTES PAYABLE

Seller Note: 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, 2023, and 2022, the applicable federal rate was 3.38% and 2.60% respectively. Payments will be determined annually from Net Cash Flow, as defined in the Partnership Agreement. As of December 31, 2023, and 2022, accrued and unpaid interest totaled $459,859 and $206,151 respectively. The note is collateralized by the real estate and an assignment of rents and security. As of December 31, 2023, and 2022, the outstanding principal balance of the note totaled $7,300,000.

Housing Trust Funds: The Partnership entered into a non-interest bearing note payable originally totaling $500,000 with the Kansas Housing Resources Corporation. The funds provided to the Partnership represent Housing Trust Funds (HTF). Annual payments of principal shall be deferred for a period of 55 years, with all outstanding principal due and payable in October 2076. As of December 31, 2023, and 2022, $495,000 and $400,000, respectively, has been drawn on the note. The note is collateralized by the real estate and an assignment of rents and security.

City of Wichita - CDBG: The Partnership entered into a non-interest bearing note payable originally totaling $1,154,462 with the City of Wichita. The funds provided to the Partnership were under the Community Development Block Grant (CDBG). Annual payments of principal shall be paid from Net Cash Flow, as defined

in the Partnership Agreement, with all outstanding principal due and payable in October 2076. The note is collateralized by the real estate and an assignment of rents and security.

City of Wichita - HOME: The Partnership entered into a non-interest bearing note payable originally totaling $1,113,950 with the City of Wichita Housing and Community Services Department. The funds provided to the Partnership were under the Home Investment Partnerships (HOME) Program. Annual payments of principal shall be paid from Net Cash Flow, as defined in the Partnership Agreement, with all outstanding principal due and payable in October 2076. As of December 31, 2023, and 2022, $1,113,950 and $601,533, respectively, has been drawn on the note. The note is collateralized by the real estate and an assignment of rents and security.

City of Wichita – Capital Funds: The Partnership entered into a non-interest bearing note payable originally totaling $1,409,696 with the City of Wichita. Annual payments of principal shall be paid from Net Cash Flow, as defined in the Partnership Agreement, with all outstanding principal due and payable in October 2076. As of December 31, 2023, and 2022, $1,409,696 and $925,284, respectively, has been drawn on the note. The note is collateralized by the real estate and an assignment of rents and security.

The following principal amounts were due as of December 31, 2023 and 2022:

Principal Amounts Due as of December 31,	2023	2022
Seller note	$ 7,300,000	$ 7,300,000
Housing trust funds	495,000	400,000
City of Wichita – CDBG	1,154,462	1,154,462
City of Wichita – HOME	1,113,950	601,533
City of Wichita – Capital Funds	1,409,696	925,284
Total	**$ 11,473,108**	**$ 10,381,279**

Payments of principal and interest on notes 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.

G. MANAGEMENT AGENT

The Partnership has 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 $42,721 and $41,085 for the years ended December 31, 2023 and 2022, respectively. Amounts due to the Management Agent as of December 31, 2023 and 2022 related to management fees totaled $36 and $2,720, respectively, and are included in Accounts Payable – Trade on the Balance Sheet.

H. 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. Asset management fees earned and paid during 2023 and 2022 totaled $7,725 and $8,750, respectively. There were no unpaid asset management fees as of December 31, 2023 and 2022.

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 2023 or 2022.

Developer Fee 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, 2023, and 2022, $2,663,922 and $1,891,162, respectively, of the developer fee was earned and $2,163,922 and $1,391,162, respectively, remained payable. 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 $7,826,831 and $9,310,512 as of December 31, 2023 and 2022, respectively, 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.

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 is related to the land while the remaining $6,440,000 is related to building acquisition. These payments will be amortized over the 99-year term of the lease. Land lease expense for the years ended December 31, 2023 and 2022 totaled $8,687. The accumulated land lease expense totaled $18,870 and $10,183 as of December 31, 2023 and 2022, respectively. The estimated amount of land lease expense for each of the next five years is $8,687. Building lease expense for the years ended December 31, 2023 and 2022 totaled $64,997 and $39,251, respectively. The accumulated building lease expense totaled $141,188 and $76,191 as of December 31, 2023 and 2022, respectively. The estimated amount of building lease expense for each of the next five years is $64,997. Due to the immaterial nature of the present value of $1 annual minimum lease payments, management has determined that the financial statements are not materially misstated by not presenting a lease liability for this operating lease.

Rehab Assistance Funding: The Department of Housing and Urban Development (HUD) is providing rehabilitation assistance funding while the Projects are undergoing rehabilitation. Rehabilitation assistance funding provided during 2023 and 2022 totaled $817,768 and $715,830, respectively.

I. LEASE AGREEMENTS:

The Partnership entered into lease agreements with third parties to lease rooftop space for cell towers and broadcasting equipment with commencement dates in March 2000 and June 2005. The initial term of both agreements was for a five-year period with monthly rental payments of $833 and $2,000, increasing periodically, as defined in the respective lease agreements. The lease agreements shall automatically renew for five additional terms of five years each with expiration dates in April 2030 and February 2031, respectively, unless the Partnership receives notification from the operators of the towers. For the years ended December 31, 2023 and 2022, commercial income earned by the Partnership totaled $75,682 and $63,314, respectively. Deferred revenue related to the leases totaled $9,206 and $8,938 as of December 31, 2023 and 2022, respectively.

The estimated lease income in each of the next five years is as follows:

Estimated Lease Income		
Year		Amount
2024	$	74,153
2025		75,283
2026		81,465
2027		83,120
2028		84,354
	$	**398,375**

J. COMMITMENTS AND CONTINGENCIES

Rental Assistance Demonstration (RAD) Housing Assistance Payments, Project Based Rental Assistance (PBRA) Contract: The Partnership executed a PBRA Housing Assistance Payments Contract with HUD, through the Rental Assistance Demonstration (RAD) program. The contract provides for rental assistance payments for all units rented to qualified tenants. The contract expires in November 2041.

Housing Tax Credits (Unaudited): 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 the 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).

K. PRIOR PERIOD ADJUSTMENT

The financial statements as of December 31, 2022 have been restated for a correction in the accounting of bond escrow funds invested in held-to-maturity debt securities to comply with GAAP. Under the previously issued financial statements as of December 31, 2022, the bond escrows invested in debt securities were recorded at fair market value; however, GAAP requires that held-to-maturity securities be recognized at amortized costs. The restatement resulted in a change in beginning Partners' Equity (Deficit) as of January 1, 2022 of $74,764, and a change in beginning Accumulated Other Comprehensive Loss of as of January 1, 2022 of $(1,683).

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The Balance Sheet as of December 31, 2022 has been restated to reflect the correction as follows:

Restatement of Balance Sheet As of December 31, 2022	As Previously Stated	As Restated	Restatement
Current assets	$ 765,572	$ 765,572	$ -
Restricted deposits and funded reserves	16,477,836	367,605	(16,110,231)
Rental property	4,725,110	3,670,369	(1,054,741
Other assets	18,556,427	36,544,863	17,988,436
Total Assets	**$ 40,524,945**	**$ 41,348,409**	**$ 823,464**
Current liabilities	$ 1,632,442	$ 1,632,442	$ -
Deposit liabilities	8,657	8,657	-
Long-term liabilities	36,782,794	36,782,794	-
Partners' equity (deficit)	2,101,052	3,191,076	1,090,024
Accumulated other comprehensive loss	-	(266,560)	(266,560)
Total Liabilities and Partners' Equity	**$ 40,524,945**	**$ 41,348,409**	**$ 823,464**

The Statement of Operations for the year ended December 31, 2022 has been restated to reflect the correction as follows:

Restatement of Statement of Operations As of December 31, 2022	As Previously Stated	As Restated	Restatement
Revenue	$ 1,456,813	$ 740,983	$ (715,830)
Operating expenses	(492,900)	(492,900)	-
Non-Operating expenses – net	(1,235,545)	495,545	1,731,090
Net (Loss) Income	**(271,632)**	**743,628**	**1,015,260**
Other comprehensive loss	-	(264,877)	(264,877)
Total Comprehensive (Loss) Income	**$ (271,632)**	**$ 478,751**	**$ 750,383**

L. CONCENTRATION OF CREDIT RISK

The Partnership maintains its fixed 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, 2023 or 2022. As of December 31, 2023, and 2022, the fixed income securities balances of the Partnership exceeded the SIPC insured limit by $16,227,556 and $16,433,695, respectively.

The Partnership maintains its cash and investment balances in several accounts. The bank balances are insured by the Federal Deposit Insurance Corporation up to $250,000 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 cash and investment balances at December 31, 2023 or 2022. As of December 31, 2023, and 2022, the cash and investment balances of the Partnership exceeded the federal insurance limit by $572,320 and $474,071, respectively.

M. 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 in the Partnership Agreement) to satisfy any operating deficits over a defined period commencing on the achievement of Stabilization (as defined in the Partnership Agreement) to permit the Partnership to meet all reasonable costs of operations. Such funding shall be treated as a non-interest-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.

N. 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 HUD in the form of PBRA. The details of this contract are provided in Note 24.J – Commitments and Contingencies.

O. 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.

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 May 7, 2024, 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.

25. SUBSEQUENT EVENTS

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

On April 23, 2024, the City issued $25,675,000 General Obligation Temporary Notes, Series 316 with a stated maturity of October 15, 20234 at 4.00% interest.

The City made and received three additional draws totaling $1,281,941 subsequent to December 31, 2023 on its Water Infrastructure Finance Innovation Act (WIFIA) Bond for the NWWTF Project and has started accruing interest upon those draws at 1.17%. Additional information on the bond can be found in Note 10.F – Direct Borrowings and Placements: Bonds and Long-Term Loans.

The City made and received four additional draws totaling $25,245,326 subsequent to December 31, 2023 on its third KPWSLF loan with KDHE (2979.3) for the City's NWWTF Project and has started accruing interest upon those draws at 2.20%. Additional information on the loan can be found in Note 10.F – Direct Borrowings and Placements: Bonds and Long-Term Loans.

The City made and received six additional draws totaling $1,621,581 subsequent to December 31, 2023 on its Water Infrastructure Finance Innovation Act (WIFIA) Bond for the BNR Project and has started accruing interest upon those draws at 3.77%. Additional information on the bond can be found in Note 10.F – Direct Borrowings and Placements: Bonds and Long-Term Loans.

The City made and received three additional draws totaling $2,117,568 subsequent to December 31, 2023 on its first KPWSLF loan with KDHE (3049.1) for the City's BNR Project and has started accruing interest upon those draws at 2.13%. Additional information on the loan can be found in Note 10.F – Direct Borrowings and Placements: Bonds and Long-Term Loans.

On March 7, 2024, the City entered into its fourth KPWSLF loan with KDHE in an amount not to exceed $76,342,000 at 2.05% interest. This direct borrowing and placement loan will help fund the construction of the City's Northwest Water Treatment Facility. The City has not made any draws on this loan as of the date of this report. Debt service payments are expected to start in 2025 with payments through 2045.

The City has entered into agreements with Axon Enterprise Inc. in December 2023, which took effect in 2024, for body-worn cameras, tasers, drones, interview room cameras, in-car cameras and other hardware and software. The agreement terms are for five and ten-years with commitments totaling approximately $28.3 million. These agreements will be recorded, starting in 2024, in accordance with accounting standards, as a combination of direct financed equipment, subscription software arrangements (SBITA), and annual operating expenses.

On May 5, 2024, the City disclosed that it made the decision to take some computer networks and systems offline to stop the potential spread of malware – a type of computer virus that locks access to computer files. The matter was related to a recently disclosed security vulnerability that affects organizations throughout the world. The City maintains cyber security insurance, please see page F-14 in the Additional Information Section for further information - and is working the carrier and other appropriate authorities regarding the matter. As of June 17, 2024, all resident-facing systems were back online and in-service and the City continues to respond to the event. The City has issued several press releases regarding the event which can be found on the City's website at: https://www.wichita.gov/1199/Alert.



Wichita Skyline

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PENSION REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

For the years ended December 31, 2015 through December 31, 2023[1]

	2023 [2]	2022 [2]	2021 [2]	2020 [2]
TOTAL PENSION LIABILITY				
Service cost	$ 9,796,265	$ 9,220,703	$ 9,639,316	$ 10,132,953
Interest	50,309,417	49,907,671	49,106,352	47,499,432
Differences between expected and actuarial experience	2,296,782	478,629	(1,365,285)	3,656,262
Assumption changes	(2,847,201)	17,287,512	669,701	(19,749,611)
Reclassification due to conversion of members to Plan 3b	(295,038)	(417,138)	(63,361)	(94,720)
Benefit payments, including member refunds	(50,367,805)	(47,000,275)	(45,828,504)	(44,447,896)
Net change in total pension liability	8,892,420	29,477,102	12,158,219	(3,003,580)
Total pension liability - beginning	710,297,306	680,820,204	668,661,985	671,665,565
Total pension liability - ending (a)	$ 719,189,726	$ 710,297,306	$ 680,820,204	$ 668,661,985
PLAN FIDUCIARY NET POSITION				
Employer contributions	$ 10,407,635	$ 10,722,494	$ 11,010,091	$ 9,683,553
Employee contributions	3,823,411	3,632,713	3,809,288	3,770,224
Reclassification due to conversion of members to Plan 3b	(295,038)	(417,138)	(63,361)	(94,720)
Net investment income (loss)	(98,593,403)	95,356,927	80,782,297	102,909,003
Benefit payments, including member refunds	(50,367,805)	(47,000,275)	(45,828,504)	(44,447,896)
Administrative expenses	(733,533)	(605,918)	(573,137)	(619,398)
Net change in Plan fiduciary net position	$ (135,758,733)	$ 61,688,803	$ 49,136,674	$ 71,200,766
Plan fiduciary net position - beginning	728,717,909	667,029,106	617,892,432	546,691,666
Plan fiduciary net position - ending (b)	$ 592,959,176	$ 728,717,909	$ 667,029,106	$ 617,892,432
Net pension liability (asset) - ending (a) - (b)	**$ 126,230,550**	**$ (18,420,603)**	**$ 13,791,098**	**$ 50,769,553**
Fiduciary net position as a percentage of total pension liability	82.45%	102.59%	97.97%	92.41%
Covered-employee payroll	$ 80,679,341	$ 77,140,245	$ 80,365,628	$ 80,029,364
Employer's net pension (asset) liability as a percentage of covered-employee payroll	156.46%	-23.88%	17.16%	63.44%

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 (asset) is presented as of a measurement date one year prior to the fiscal yearend date. For example, the net pension asset reported as of December 31, 2023 is reported based on a measurement date as of December 31, 2022.

2019 [2]	2018 [2]	2017 [2]	2016 [2]	2015 [2]
$ 10,067,053	$ 10,049,029	$ 9,679,684	$ 9,644,456	$ 9,278,998
47,789,825	46,669,189	45,634,881	44,305,832	43,680,283
(2,668,930)	(1,893,808)	(2,791,029)	(656,102)	(3,427,255)
32,865,478	-	-	(8,877,507)	(3,550,489)
(179,012)	(191,292)	(244,793)	(465,171)	(571,242)
(41,670,299)	(39,282,815)	(39,144,783)	(37,089,403)	(37,681,042)
46,204,115	15,350,303	13,133,960	6,862,105	7,729,253
625,461,450	610,111,147	596,977,187	590,115,082	582,385,829
$ 671,665,565	$ 625,461,450	$ 610,111,147	$ 596,977,187	$ 590,115,082
$ 10,099,027	$ 9,642,540	$ 8,946,064	$ 9,031,463	$ 9,423,640
3,755,812	3,682,056	3,642,007	3,574,026	3,394,544
(179,012)	(191,292)	(244,793)	(465,171)	(571,242)
(39,511,690)	91,773,973	35,956,780	13,380	28,659,491
(41,670,299)	(39,282,815)	(39,144,783)	(37,089,403)	(37,681,042)
(580,204)	(633,379)	(615,829)	(624,085)	(621,460)
$ (68,086,366)	$ 64,991,083	$ 8,539,446	$ (25,559,790)	$ 2,603,931
614,778,032	549,786,949	541,247,503	566,807,293	564,203,362
$ 546,691,666	$ 614,778,032	$ 549,786,949	$ 541,247,503	$ 566,807,293
$ 124,973,899	**$ 10,683,418**	**$ 60,324,198**	**$ 55,729,684**	**$ 23,307,789**
81.39%	98.29%	90.11%	90.66%	96.05%
$ 78,898,648	$ 78,394,634	$ 77,121,241	$ 74,028,385	$ 71,391,212
158.40%	13.63%	78.22%	75.28%	32.65%

PENSION REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

For the years ended December 31, 2015 through December 31, 2023[1]

	2023 [2]	2022 [2]	2021 [2]	2020 [2]
TOTAL PENSION LIABILITY				
Service cost	$ 19,320,826	$ 17,772,976	$ 17,070,149	$ 16,230,358
Interest	61,525,792	59,373,364	57,538,167	55,560,527
Differences between expected and actual experience	15,091,525	6,094,423	(3,886,707)	(3,777,136)
Assumption changes	(3,002,231)	24,321,745	1,753,326	(12,112,003)
Benefit payments, including member refunds	(53,182,842)	(47,333,495)	(45,162,140)	(42,111,381)
Net change in total pension liability	39,753,070	60,229,013	27,312,795	13,790,365
Total pension liability - beginning	867,788,547	807,559,534	780,246,739	766,456,374
Total pension liability - ending (a)	$ 907,541,617	$ 867,788,547	$ 807,559,534	$ 780,246,739
PLAN FIDUCIARY NET POSITION				
Employer contributions	$ 17,183,919	$ 17,889,908	$ 16,617,743	$ 13,965,415
Employee contributions	6,505,692	6,682,182	5,927,784	5,428,455
Net investment income (loss)	(121,753,365)	116,265,367	97,865,002	120,349,987
Benefit payments, including member refunds	(53,182,842)	(47,333,495)	(45,162,140)	(42,111,381)
Administrative expenses	(657,985)	(556,934)	(574,182)	(612,049)
Net change in Plan fiduciary net position	$ (151,904,581)	$ 92,947,028	$ 74,674,207	$ 97,020,427
Plan fiduciary net position - beginning	898,696,279	805,749,251	731,075,044	634,054,617
Plan fiduciary net position - ending (b)	$ 746,791,698	$ 898,696,279	$ 805,749,251	$ 731,075,044
Net pension liability (asset) - ending (a) - (b)	**$ 160,749,919**	**$ (30,907,732)**	**$ 1,810,283**	**$ 49,171,695**
Fiduciary net position as a percentage of total pension liability	82.29%	103.56%	99.78%	93.70%
Covered-employee payroll	$ 82,219,708	$ 79,158,885	$ 75,880,105	$ 73,891,085
Employer's net pension (asset) liability as a percentage of covered-employee payroll	195.51%	-39.05%	2.39%	66.55%

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 (asset) is presented as of a measurement date one year prior to the fiscal yearend date. For example, the net pension asset reported as of December 31, 2023 is reported based on a measurement date as of December 31, 2022.

2019 [2]	2018 [2]	2017 [2]	2016 [2]	2015 [2]
$ 15,754,976	$ 15,178,226	$ 14,772,379	$ 14,981,100	$ 15,894,290
53,649,438	51,532,754	49,519,284	47,600,166	46,490,734
11,768,665	(1,784,785)	(2,576,401)	(3,259,180)	(12,040,126)
26,241,485	-	-	(10,871,013)	226,376
(39,381,501)	(36,930,533)	(35,552,267)	(36,090,820)	(36,415,156)
68,033,063	27,995,662	26,162,995	12,360,253	14,156,118
698,423,311	670,427,649	644,264,654	631,904,401	617,748,283
$ 766,456,374	$ 698,423,311	$ 670,427,649	$ 644,264,654	$ 631,904,401
$ 14,331,422	$ 13,369,785	$ 12,585,895	$ 13,964,379	$ 14,464,181
5,599,216	4,915,378	4,776,958	4,603,331	4,529,895
(43,988,371)	103,236,679	39,901,640	(163,702)	30,596,067
(39,381,501)	(36,930,533)	(35,552,267)	(36,090,820)	(36,415,156)
(590,098)	(554,641)	(548,171)	(521,018)	(542,207)
$ (64,029,332)	$ 84,036,668	$ 21,164,055	$ (18,207,830)	$ 12,632,780
698,083,949	614,047,281	592,883,226	611,091,056	598,458,276
$ 634,054,617	$ 698,083,949	$ 614,047,281	$ 592,883,226	$ 611,091,056
$ 132,401,757	**$ 339,362**	**$ 56,380,368**	**$ 51,381,428**	**$ 20,813,345**
82.73%	99.95%	91.59%	92.02%	96.71%
$ 72,017,196	$ 69,634,297	$ 66,946,250	$ 65,560,465	$ 64,572,237
183.85%	0.49%	84.22%	78.37%	32.23%

PENSION REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS

For the years ended December 31, 2014 through December 31, 2023

(dollars expressed in thousands)

	2023	2022	2021	2020	2019
Actuarially determined employer contributions	$ 10,963	$ 10,408	$ 10,722	$ 11,010	$ 9,684
Actual employer contributions	10,963	10,408	10,722	11,010	9,684
Annual contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 84,330	$ 80,679	$ 77,140	$ 80,366	$ 80,029
Contributions as a percentage of covered-employee payroll	13.00%	12.90%	13.90%	13.70%	12.10%

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, 2023.

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Amortization growth rate	3.25%
Remaining amortization period	Rolling 20 years
Asset valuation method	Expected + 25% of (Market - Expected Values), 20% corridor on market value applied, if applicable
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	7.25%
Mortality	*Pre-Retirement Healthy Lives:* Based on the RP-2000 Non-Annuitant Healthy Mortality Table, projected generationally using Scale AA (ages set forward 2 years for males, 0 for females). *Post-Retirement Healthy Lives* : Based on the RP-2000 Annuitant Healthy Mortality Table, projected generationally using Scale AA (ages set forward 2 years for males, 0 for females). *Disabled Lives* : Based on the RP-2000 Disabled Mortality Table for males and females, projected generationally using Scale AA.

2018	2017	2016	2015	2014
$ 10,099	$ 9,643	$ 8,946	$ 9,031	$ 9,424
10,099	9,643	8,946	9,031	9,424
$ -	$ -	$ -	$ -	$ -
$ 78,899	$ 78,395	$ 77,121	$ 74,028	$ 71,391
12.80%	12.30%	11.60%	12.20%	13.20%

PENSION REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS

For the years ended December 31, 2014 through December 31, 2023

(dollars expressed in thousands)

	2023	2022	2021	2020	2019
Actuarially determined employer contributions	$ 19,816	$ 17,184	$ 17,890	$ 16,618	$ 13,965
Actual employer contributions	19,816	17,184	17,890	16,618	13,965
Annual contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 90,486	$ 82,220	$ 79,159	$ 75,880	$ 73,891
Contributions as a percentage of covered-employee payroll	21.90%	20.90%	22.60%	21.90%	18.90%

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, 2023.

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Amortization growth rate	3.25%
Remaining amortization period	Rolling 20 years
Asset valuation method	Expected + 25% of (Market - Expected Values), 20% corridor on market value applied, if applicable
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	7.25%
Mortality	*Pre-Retirement Healthy Lives* : RP-2000 Non-Annuitant Healthy Mortality Table, projected on a generational basis
	Post-Retirement Healthy Lives : RP-2000 Annuitant Healthy Mortality Table, projected on a generational basis
	Disabled Lives : RP-2000 Disabled Mortality Table, projected on a generational basis using Scale AA

2018	2017	2016	2015	2014
$ 14,331	$ 13,370	$ 12,586	$ 13,964	$ 14,464
14,331	13,370	12,586	13,964	14,464
$ -	$ -	$ -	$ -	$ -
$ 72,017	$ 69,634	$ 66,946	$ 65,560	$ 64,572
19.90%	19.20%	18.80%	21.30%	22.40%

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, 2023[1]

	2023	2022	2021	2020	2019
TOTAL OPEB LIABILITY					
Service cost	$ 2,321,645	$ 3,231,889	$ 3,231,584	$ 2,355,707	$ 2,221,238
Interest	1,373,841	1,044,546	946,776	1,214,499	1,486,938
Differences between expected and actual experience	-	(6,403,414)	(192,042)	96,216	(4,833,105)
Assumption changes	1,326,851	(4,459,411)	(403,627)	4,342,639	3,726,542
Benefit payments	(1,918,156)	(2,063,243)	(1,575,905)	(1,381,842)	(1,929,879)
Net change in total OPEB liability	3,104,181	(8,649,633)	2,006,786	6,627,219	671,734
Total OPEB liability - beginning	35,568,635	44,218,268	42,211,482	35,584,263	34,912,529
Total OPEB liability - ending	$ 38,672,816	$ 35,568,635	$ 44,218,268	$ 42,211,482	$ 35,584,263
Covered-employee payroll	$ 185,298,599	$ 165,747,827	$ 161,201,360	$ 155,603,100	$ 153,938,076
Employer's total OPEB liability as a percentage of covered-employee payroll	20.87%	21.46%	27.43%	27.13%	23.12%

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.

	2018
$	2,393,138
	1,242,504
	1,580,925
	(2,528,757)
	(2,977,740)
	(289,930)
	35,202,459
$	34,912,529
$	155,777,106
	22.41%

1. SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY (ASSET) 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 (Asset) and Related Ratios* on pages A-138 and A-139.

Benefit Changes: There have been no changes to the plan provisions in the last nine years.

Changes in Actuarial Assumptions: The changes in actuarial assumptions by valuation year are as follows.

December 31, 2022 Valuation:
- Decrease in the SEIR from 7.34% to 7.38%.

December 31, 2021 Valuation:
- Decrease in the SEIR from 7.59% to 7.34%.

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 employee-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: https://www.wichita.gov/258/Finance.

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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 (Asset) and Related Ratios* on pages A-140 and A-141.

Benefit Changes: There have been no changes to the plan provisions in the last nine years.

Changes in Actuarial Assumptions: The changes in actuarial assumptions by valuation year are as follows.

December 31, 2022 Valuation:
- Decrease in the SEIR from 7.31% to 7.34%.

December 31, 2021 Valuation:
- Decrease in the SEIR from 7.57% to 7.31%.

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: https://www.wichita.gov/258/Finance.

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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-146 and A-147.

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, 2023 Valuation:

- Rollforward procedures were applied to the December 31, 2022 valuation for the December 31, 2023 valuation. A new full evaluation will be completed for December 31, 2024.
- The discount rate has been updated to reflect market conditions as of the Measurement Date. The discount rate decreased from 3.72% to 3.26%.

December 31, 2022 Valuation:

- The discount rate has been updated to reflect market conditions as of the Measurement Date. The discount rate increased from 2.25% to 3.72%.
- The initial Per Capita Claims cost tables for medical and prescription drug coverage have been updated to reflect the latest age distribution, plan election and dependent coverage data available.
- The prescription cost and medical cost increase trends have been updated based on short and long-term expectations.
- The premium rates have been updated to reflect the 2023 premiums.
- The plan participation rate for active employees has been reduced, based on retiree experience between 2017 and 2022.
- The family coverage election assumption has been reduced from 30% to 15%, based on retiree experience between 2017 and 2022.

December 31, 2021 Valuation:

- The discount rate has been updated to reflect market conditions as of the Measurement Date. The discount rate increased 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

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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

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 that are not considered revenues or expenditures.



CITY OF WICHITA

Governmental Funds

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
- Special Parks and Recreation
- Metropolitan Area Building and Construction
- Environmental TIF (Tax Increment Financing) Districts
- City-County Joint Operations
- Century II
- Community Improvement Districts
- Tourism and Convention Promotion
- Addiction Settlement Recovery
- Landfill Post-Closure
- Downtown Parking
- Self-Supported Municipal Improvement District
- Municipal Court Restricted
- Wichita Ice Center
- Tourism Business Improvement District

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:

- Street Improvement
- Neighborhood Improvements
- Local Sales Tax CIP (Construction in Progress)
- Park Bond Construction
- Public Improvement Construction
- 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.

COMBINING BALANCE SHEET

December 31, 2023

	Governmental Fund Types			
	Special Revenue Funds	Capital Projects Funds	Cemetery Permanent Fund	Total
ASSETS				
Cash and cash equivalents	$ 70,699,684	$ -	$ 496,342	$ 71,196,026
Cash with fiscal agent	-	1,033,864	-	1,033,864
Investments	-	-	1,067,328	1,067,328
Receivables, net:				
Due from other agencies	775,434	128,760	-	904,194
Accounts receivable	1,123,974	625,000	-	1,748,974
Notes receivable	-	345,725	-	345,725
Pledge receivable	-	2,000,000	-	2,000,000
Lease receivable	-	4,473,088	-	4,473,088
Due from other funds	145,329	43,661,527	10	43,806,866
Inventories	40,061	-	-	40,061
Prepaid items	43,542	-	-	43,542
Total assets	$ 72,828,024	$ 52,267,964	$ 1,563,680	$ 126,659,668
LIABILITIES				
Accounts payable and other liabilities	$ 2,772,581	$ 12,934,983	$ -	$ 15,707,564
Accrued interest payable	-	954,229	-	954,229
Temporary notes payable	-	113,875,000	-	113,875,000
Deposits	31,080	-	-	31,080
Unearned revenue	298,138	500,000	-	798,138
Due to other agencies	225,827	-	-	225,827
Due to other funds	135,852	47,181,154	-	47,317,006
Total liabilities	3,463,478	175,445,366	-	178,908,844
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Other	741,000	2,470,225	-	3,211,225
Deferred inflows related to leases	-	4,511,194	-	4,511,194
Total deferred inflows of resources	741,000	6,981,419	-	7,722,419
FUND BALANCES (DEFICITS)				
Nonspendable	83,603	-	235,437	319,040
Restricted	56,662,807	42,403,273	1,328,243	100,394,323
Committed	11,162,411	-	-	11,162,411
Assigned	723,696	-	-	723,696
Unassigned	(8,971)	(172,562,094)	-	(172,571,065)
Total fund balances (deficits)	68,623,546	(130,158,821)	1,563,680	(59,971,595)
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 72,828,024	$ 52,267,964	$ 1,563,680	$ 126,659,668

COMBINING BALANCE SHEET

December 31, 2023

	Homelessness Assistance	Tourism and Convention Promotion	Special Alcohol Program	Addiction Settlement Recovery
ASSETS				
Cash and cash equivalents	$ -	$ 9,682,291	$ 3,181,607	$ 1,252,391
Receivables, net:				
Due from other agencies	20,633	-	-	-
Accounts receivable	-	-	-	-
Due from other funds	-	112,071	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 20,633	$ 9,794,362	$ 3,181,607	$ 1,252,391
LIABILITIES				
Accounts payable and other liabilities	$ 847	$ 130,000	$ 271,666	$ 2,000
Deposits	-	-	-	-
Unearned revenue	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	19,786	-	-	-
Total liabilities	20,633	130,000	271,666	2,000
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Other	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	9,664,362	2,909,941	1,250,391
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	9,664,362	2,909,941	1,250,391
Total liabilities, deferred inflows of resources and fund balances	$ 20,633	$ 9,794,362	$ 3,181,607	$ 1,252,391

Special Parks and Recreation	Landfill Post-Closure	Metropolitan Area Building and Construction	Downtown Parking	Environmental TIF Districts	Self-Supported Municipal Improvement District
$ 897,420	$ 9,587,885	$ 577,733	$ 1,022,329	$ 37,841,092	$ 9,767
-	-	754,801	-	-	-
-	-	-	97,200	741,000	-
-	818	-	27,218	3,813	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 897,420	$ 9,588,703	$ 1,332,534	$ 1,146,747	$ 38,585,905	$ 9,767
$ -	$ 10,450	$ 50,974	$ 89,193	$ 67,455	$ 9,767
-	-	31,080	-	-	-
-	-	-	180	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	10,450	82,054	89,373	67,455	9,767
-	-	-	-	741,000	-
-	-	-	-	741,000	-
-	-	-	-	-	-
897,420	-	-	-	37,777,450	-
-	8,854,557	1,250,480	1,057,374	-	-
-	723,696	-	-	-	-
-	-	-	-	-	-
897,420	9,578,253	1,250,480	1,057,374	37,777,450	-
$ 897,420	$ 9,588,703	$ 1,332,534	$ 1,146,747	$ 38,585,905	$ 9,767

(Continued)

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2023

	City - County Joint Operations	Municipal Court Restricted	Century II	Wichita Ice Center
ASSETS				
Cash and cash equivalents	$ 268,473	$ 4,525,954	$ 1,017,609	$ 56,598
Receivables, net:				
Due from other agencies	-	-	-	-
Accounts receivable	-	-	236,601	45,178
Due from other funds	1,409	-	-	-
Inventories	-	-	34,753	5,308
Prepaid items	-	-	27,758	15,784
Total assets	$ 269,882	$ 4,525,954	$ 1,316,721	$ 122,868
LIABILITIES				
Accounts payable and other liabilities	$ 258,296	$ 475,884	$ 899,636	$ 51,517
Deposits	-	-	-	-
Unearned revenue	-	-	238,728	59,230
Due to other agencies	-	225,827	-	-
Due to other funds	-	-	112,071	-
Total liabilities	258,296	701,711	1,250,435	110,747
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Other	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	62,511	21,092
Restricted	11,586	3,824,243	3,775	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(8,971)
Total fund balances	11,586	3,824,243	66,286	12,121
Total liabilities, deferred inflows of resources and fund balances	$ 269,882	$ 4,525,954	$ 1,316,721	$ 122,868

Community Improvement Districts	Tourism Business Improvement District	Total
$ 442,307	$ 336,228	$ 70,699,684
-	-	775,434
3,995	-	1,123,974
-	-	145,329
-	-	40,061
-	-	43,542
$ 446,302	$ 336,228	$ 72,828,024
$ 127,265	$ 327,631	$ 2,772,581
-	-	31,080
-	-	298,138
-	-	225,827
3,995	-	135,852
131,260	327,631	3,463,478
-	-	741,000
-	-	741,000
-	-	83,603
315,042	8,597	56,662,807
-	-	11,162,411
-	-	723,696
-	-	(8,971)
315,042	8,597	68,623,546
$ 446,302	$ 336,228	$ 72,828,024

COMBINING BALANCE SHEET

December 31, 2023

	Street Improvement	Park Bond Construction	Neighborhood Improvements	Public Improvement Construction
ASSETS				
Cash with fiscal agent	$ 13	$ -	$ -	$ 1,033,851
Receivables, net:	-	-		
Due from other agencies	-	-	-	128,760
Accounts receivable	-	-	-	625,000
Notes receivable	-	-	-	345,725
Pledge receivable	-	-	-	2,000,000
Lease receivable	-	-	-	4,473,088
Due from other funds	-	-	-	1,258,254
Total assets	$ 13	$ -	$ -	$ 9,864,678
LIABILITIES				
Accounts payable and other liabilities	$ 3,610,031	$ 238,116	$ 2,835,088	$ 6,251,748
Accrued interest payable	332,840	146,772	277,995	196,622
Temporary notes payable	14,623,210	23,482,640	44,605,750	31,163,400
Unearned revenue	-	-	-	500,000
Due to other funds	24,356,115	2,513,443	20,311,596	
Total liabilities	42,922,196	26,380,971	68,030,429	38,111,770
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Other	-	-	-	2,470,225
Deferred inflows related to leases	-	-	-	4,511,194
Total deferred inflows of resources	-	-	-	6,981,419
FUND BALANCES (DEFICITS)				
Restricted	-	-	-	-
Unassigned	(42,922,183)	(26,380,971)	(68,030,429)	(35,228,511)
Total fund balances (deficits)	(42,922,183)	(26,380,971)	(68,030,429)	(35,228,511)
Total liabilities and fund balances (deficits)	$ 13	$ -	$ -	$ 9,864,678

Local Sales Tax CIP	Sales Tax Construction Pledge	Total
$ -	$ -	$ 1,033,864
-	-	128,760
-	-	625,000
-	-	345,725
-	-	2,000,000
-	-	4,473,088
30,281,099	12,122,174	43,661,527
$ 30,281,099	$ 12,122,174	$ 52,267,964
$ -	$ -	$ 12,934,983
-	-	954,229
-	-	113,875,000
-	-	500,000
-	-	47,181,154
-	-	175,445,366
-	-	2,470,225
-	-	4,511,194
-	-	6,981,419
30,281,099	12,122,174	42,403,273
-	-	(172,562,094)
30,281,099	12,122,174	(130,158,821)
$ 30,281,099	$ 12,122,174	$ 52,267,964

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COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended December 31, 2023

	Governmental Fund Types			
	Special Revenue Funds	Capital Projects Funds	Cemetery Permanent Fund	Total
REVENUES				
Property taxes	$ 1,890,965	$ -	$ -	$ 1,890,965
Motor vehicle taxes	35,279	-	-	35,279
Transient guest taxes	13,421,913	-	-	13,421,913
Special assessments	-	677,064	-	677,064
Local sales tax	1,830,785	40,264,947	-	42,095,732
Intergovernmental	11,010,508	4,377,763	-	15,388,271
Licenses and permits	-	-	2,690	2,690
Fines and penalties	347,176	-	-	347,176
Rentals	1,622,639	265,364	-	1,888,003
Sale of property	-	645,050	-	645,050
Interest and investment earnings	-	5,149	26,528	31,677
Charges for services and sales	3,688,379	464,608	-	4,152,987
Premiums on the issuance of temporary notes	-	1,816,143	-	1,816,143
Other revenue	2,222,958	1,845,368	-	4,068,326
Total revenues	36,070,602	50,361,456	29,218	86,461,276
EXPENDITURES				
Current:				
General government	5,499,144	-	84,914	5,584,058
Public safety	6,539,809	-	-	6,539,809
Sanitation	449,676	-	-	449,676
Health and welfare	4,133,558	-	-	4,133,558
Culture and recreation	11,827,977	-	-	11,827,977
Debt service:				
Interest and fiscal charges - bonds/notes	-	7,247,072	-	7,247,072
Principal retirement - leases	-	78,685	-	78,685
Interest - leases	-	1,631	-	1,631
Capital outlay	-	103,880,341	-	103,880,341
Total expenditures	28,450,164	111,207,729	84,914	139,742,807
Excess (deficiency) of revenues over (under) expenditures	7,620,438	(60,846,273)	(55,696)	(53,281,531)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	44,730,000	-	44,730,000
Premiums on issuance of debt	-	1,635,000	-	1,635,000
Repayments on long-term notes receivables	-	49,532	-	49,532
Issuance of long-term note receivables	-	(25,500)	-	(25,500)
Issuance of long-term lease	-	92,014	-	92,014
Transfers from other funds	4,375,885	98,527,412	-	102,903,297
Transfers to other funds	(7,814,908)	(80,461,154)	-	(88,276,062)
Total other financing sources (uses)	(3,439,023)	64,547,304	-	61,108,281
Net change in fund balance (deficit)	4,181,415	3,701,031	(55,696)	7,826,750
Fund balances (deficits) - beginning	64,442,131	(133,859,852)	1,619,376	(67,798,345)
Fund balances (deficits) - ending	$ 68,623,546	$ (130,158,821)	$ 1,563,680	$ (59,971,595)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended December 31, 2023

	Homelessness Assistance	Tourism and Convention Promotion	Special Alcohol Program	Addiction Settlement Recovery
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Motor vehicle taxes	-	-	-	-
Transient guest taxes	-	9,649,919	-	-
Local sales tax	-	-	-	-
Intergovernmental	110,560	-	2,818,099	-
Fines and penalties	-	-	-	-
Rentals	-	-	-	-
Charges for services and sales	-	-	-	-
Other revenue	450	-	-	1,315,025
Total revenues	111,010	9,649,919	2,818,099	1,315,025
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Sanitation	-	-	-	-
Health and welfare	222,020	-	2,464,493	127,568
Culture and recreation	-	2,803,649	-	-
Total expenditures	222,020	2,803,649	2,464,493	127,568
Excess (deficiency) of revenues over (under) expenditures	(111,010)	6,846,270	353,606	1,187,457
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	111,010	9,088	-	-
Transfers to other funds	-	(3,561,884)	-	-
Total other financing sources (uses)	111,010	(3,552,796)	-	-
Net change in fund balance	-	3,293,474	353,606	1,187,457
Fund balances - beginning	-	6,370,888	2,556,335	62,934
Fund balances - ending	$ -	$ 9,664,362	$ 2,909,941	$ 1,250,391

Special Parks and Recreation	Landfill Post-Closure	Metropolitan Area Building and Construction	Downtown Parking	Environmental TIF Districts	Self-Supported Municipal Improvement District
$ -	$ -	$ -	$ -	$ 1,165,301	$ 725,664
-	-	-	-	-	35,279
-	-	-	-	-	-
-	-	-	-	-	-
2,818,099	-	3,387,165	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,379,048	-	-
-	-	26	102,832	-	-
2,818,099	-	3,387,191	1,481,880	1,165,301	760,943
-	-	-	1,456,879	-	771,263
-	-	3,386,711	-	-	-
-	449,676	-	-	-	-
-	-	-	-	1,319,477	-
-	-	-	-	-	-
-	449,676	3,386,711	1,456,879	1,319,477	771,263
2,818,099	(449,676)	480	25,001	(154,176)	(10,320)
-	1,300,000	-	-	-	-
(2,722,277)	-	-	(70,000)	-	-
(2,722,277)	1,300,000	-	(70,000)	-	-
95,822	850,324	480	(44,999)	(154,176)	(10,320)
801,598	8,727,929	1,250,000	1,102,373	37,931,626	10,320
$ 897,420	$ 9,578,253	$ 1,250,480	$ 1,057,374	$ 37,777,450	$ -

(Continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)

For the year ended December 31, 2023

	City - County Joint Operations	Municipal Court Restricted	Century II	Wichita Ice Center
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Motor vehicle taxes	-	-	-	-
Transient guest taxes	-	-	-	-
Local sales tax	-	-	-	-
Intergovernmental	1,876,585	-	-	-
Fines and penalties	-	347,176	-	-
Rentals	-	-	1,500,302	122,337
Charges for services and sales	367,289	-	1,391,779	550,263
Other revenue	475,777	-	308,490	20,358
Total revenues	2,719,651	347,176	3,200,571	692,958
EXPENDITURES				
Current:				
General government	1,625,609	53,796	-	-
Public safety	3,153,098	-	-	-
Sanitation	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	4,300,136	939,720
Total expenditures	4,778,707	53,796	4,300,136	939,720
Excess (deficiency) of revenues over (under) expenditures	(2,059,056)	293,380	(1,099,565)	(246,762)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	1,890,961	-	868,616	196,210
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	1,890,961	-	868,616	196,210
Net change in fund balance	(168,095)	293,380	(230,949)	(50,552)
Fund balances - beginning	179,681	3,530,863	297,235	62,673
Fund balances - ending	$ 11,586	$ 3,824,243	$ 66,286	$ 12,121

Community Improvement Districts	Tourism Business Improvement District	Total
$ -	$ -	$ 1,890,965
-	-	35,279
-	3,771,994	13,421,913
1,830,785	-	1,830,785
-	-	11,010,508
-	-	347,176
-	-	1,622,639
-	-	3,688,379
-	-	2,222,958
1,830,785	3,771,994	36,070,602
1,591,597	-	5,499,144
-	-	6,539,809
-	-	449,676
-	-	4,133,558
-	3,784,472	11,827,977
1,591,597	3,784,472	28,450,164
239,188	(12,478)	7,620,438
-	-	4,375,885
(1,460,747)	-	(7,814,908)
(1,460,747)	-	(3,439,023)
(1,221,559)	(12,478)	4,181,415
1,536,601	21,075	64,442,131
$ 315,042	$ 8,597	$ 68,623,546

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended December 31, 2023

	Street Improvement	Park Bond Construction	Neighborhood Improvements	Public Improvement Construction
REVENUES				
Special assessments	$ -	$ -	$ 677,064	$ -
Local sales tax	-	-	-	-
Intergovernmental	3,197,752	-	-	1,180,011
Rentals	-	-	-	265,364
Sale of property	-	-	-	195,310
Interest and investment earnings	-	-	-	5,149
Charges for services and sales	99,063	-	-	365,545
Premiums on issuance of temporary notes	1,816,143	-	-	-
Other revenue	1,295,352	250,000	-	300,016
Total revenues	6,408,310	250,000	677,064	2,311,395
EXPENDITURES				
Debt service:				
Interest and fiscal charges - bonds/notes	3,508,550	783,124	1,357,874	1,597,524
Principal retirement - leases	-	-	-	78,685
Interest - leases	-	-	-	1,631
Capital outlay	38,617,824	3,959,554	33,612,989	27,689,974
Total expenditures	42,126,374	4,742,678	34,970,863	29,367,814
Excess (deficiency) of revenues over (under) expenditures	(35,718,064)	(4,492,678)	(34,293,799)	(27,056,419)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	4,668	-	24,575,332	20,150,000
Premiums on issuance of debt	-	-	620,000	1,015,000
Repayments on long-term note receivables	-	-	-	49,532
Issuance of long-term note receivables	-	-	-	(25,500)
Issuance of long-term lease	-	-	-	92,014
Transfers from other funds	31,935,532	7,516,265	-	29,075,615
Transfers to other funds	(882,490)	-	(1,890,613)	(56,065)
Total other financing sources (uses)	31,057,710	7,516,265	23,304,719	50,300,596
Net change in fund balance (deficits)	(4,660,354)	3,023,587	(10,989,080)	23,244,177
Fund balances (deficits) - beginning	(38,261,829)	(29,404,558)	(57,041,349)	(58,472,688)
Fund balances (deficits) - ending	$ (42,922,183)	$ (26,380,971)	$ (68,030,429)	$ (35,228,511)

Local Sales Tax CIP	Sales Tax Construction Pledge	Total
$ -	$ -	$ 677,064
-	40,264,947	40,264,947
-	-	4,377,763
-	-	265,364
449,740	-	645,050
-	-	5,149
-	-	464,608
-	-	1,816,143
-	-	1,845,368
449,740	40,264,947	50,361,456
-	-	$ 7,247,072
-	-	78,685
-	-	1,631
-	-	103,880,341
-	-	111,207,729
449,740	40,264,947	(60,846,273)
-	-	44,730,000
-	-	1,635,000
-	-	49,532
-	-	(25,500)
-	-	92,014
30,000,000	-	98,527,412
(37,825,386)	(39,806,600)	(80,461,154)
(7,825,386)	(39,806,600)	64,547,304
(7,375,646)	458,347	3,701,031
37,656,745	11,663,827	(133,859,852)
$ 30,281,099	$ 12,122,174	$ (130,158,821)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Local government taxes:					
General property taxes:					
Property taxes	$ 102,817,476	$ 102,817,476	$ 104,862,935	$ 2,045,459	$ 98,219,715
Delinquent property taxes	2,164,075	2,164,075	1,638,386	(525,689)	1,848,456
Payments in lieu of taxes	75,000	75,000	33,932	(41,068)	58,924
Franchise taxes	49,894,336	57,386,655	55,865,977	(1,520,678)	55,552,327
Motor vehicle taxes	13,827,523	13,686,897	13,890,343	203,446	13,382,367
Local sales tax	39,847,152	40,239,810	39,600,831	(638,979)	38,246,593
Total local government taxes	208,625,562	216,369,913	215,892,404	(477,509)	207,308,382
Intergovernmental:					
Gas tax	14,772,379	15,373,261	15,424,838	51,577	15,373,261
Other intergovernmental	2,823,704	3,186,362	3,132,938	(53,424)	2,967,309
Licenses and permits	2,700,541	2,700,541	2,350,944	(349,597)	2,394,040
Fines and penalties:					
Municipal court	6,069,620	6,455,584	6,141,879	(313,705)	6,455,584
Other fines and penalties	534,000	609,000	376,270	(232,730)	646,476
Charges for services and sales	18,606,015	19,478,015	18,315,418	(1,162,597)	17,397,940
Rental income	792,649	846,194	752,641	(93,553)	833,171
Interest earnings	5,800,000	24,700,000	26,182,618	1,482,618	6,716,124
Sale of property	100,000	100,000	198,312	98,312	251,857
Administrative charges	4,741,864	4,297,373	3,976,429	(320,944)	4,840,606
Other revenue	3,728,497	4,179,186	3,590,709	(588,477)	3,882,107
Total revenues	269,294,831	298,295,429	296,335,400	(1,960,029)	269,066,857
EXPENDITURES					
City Council:					
Personnel services	874,126	907,568	822,496	85,072	794,494
Contractual services	123,388	139,097	137,305	1,792	128,400
Materials and supplies	19,890	19,890	15,849	4,041	23,679
Total City Council	1,017,404	1,066,555	975,650	90,905	946,573
City Manager's Office (CMO):					
Personnel services	3,051,900	3,231,521	3,161,764	69,757	2,999,099
Contractual services	593,848	617,555	531,847	85,708	731,209
Materials and supplies	35,390	54,390	40,838	13,552	23,108
Total City Manager's Office	3,681,138	3,903,466	3,734,449	169,017	3,753,416
Department of Finance:					
Personnel services	5,538,414	5,824,046	5,137,713	686,333	4,871,862
Contractual services	1,276,557	1,414,171	1,225,231	188,940	1,098,602
Materials and supplies	38,339	54,564	51,630	2,934	33,419
Other expenditures	150,000	100,000	1,493	98,507	511
Total Department of Finance	7,003,310	7,392,781	6,416,067	976,714	6,004,394

(Continued)

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES (CONTINUED) BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
Law Department:					
Personnel services	$ 3,079,620	$ 3,254,191	$ 3,158,614	$ 95,577	$ 2,812,936
Contractual services	217,467	297,916	286,048	11,868	210,762
Materials and supplies	12,720	12,720	5,386	7,334	27,365
Total Law Department	3,309,807	3,564,827	3,450,048	114,779	3,051,063
Municipal Court:					
Personnel services	6,459,041	5,680,347	5,637,980	42,367	5,572,914
Contractual services	2,010,729	1,489,957	1,423,733	66,224	1,672,742
Materials and supplies	65,423	65,423	61,513	3,910	71,864
Capital outlay	-	-	-	-	15,447
Total Municipal Court	8,535,193	7,235,727	7,123,226	112,501	7,332,967
Fire Department:					
Personnel services	49,652,093	57,315,263	57,220,997	94,266	48,338,530
Contractual services	3,857,940	4,582,324	4,384,759	197,565	3,629,349
Materials and supplies	1,161,996	1,685,909	1,563,662	122,247	1,447,747
Planned savings**	(198,069)	(198,069)	-	(198,069)	-
Total Fire Department	54,473,960	63,385,427	63,169,418	216,009	53,415,626
Police Department:					
Personnel services	95,139,986	97,382,471	95,298,393	2,084,078	89,434,228
Contractual services	11,229,320	12,383,373	12,121,522	261,851	10,979,672
Materials and supplies	3,159,455	2,916,436	2,863,294	53,142	3,248,462
Capital outlay	7,500	45,612	43,311	2,301	-
Contingency	700,000	30,000	-	30,000	-
Planned savings**	(2,610,515)	(2,420,655)	-	(2,420,655)	-
Total Police Department	107,625,746	110,337,237	110,326,520	10,717	103,662,362
Housing & Community Services:					
Personnel services	286,282	295,116	295,116	-	282,994
Contractual services	7,685	9,300	9,300	-	7,685
Materials and supplies	700	700	700	-	700
Total Housing & Community Services	294,667	305,116	305,116	-	291,379
Library:					
Personnel services	7,638,564	7,963,232	7,703,711	259,521	7,200,898
Contractual services	1,908,114	2,007,329	1,997,064	10,265	1,847,532
Materials and supplies	1,062,244	1,037,449	1,031,153	6,296	1,025,378
Planned savings**	(1,389,000)	(225,161)	-	(225,161)	-
Total Library	9,219,922	10,782,849	10,731,928	50,921	10,073,808
Public Works & Utilities:					
Personnel services	7,530,666	7,670,703	7,107,560	563,143	7,084,586
Contractual services	9,672,864	10,013,465	9,939,199	74,266	9,679,552
Materials and supplies	905,052	905,052	846,647	58,405	698,657
Other expenditures	100,000	100,000	19,580	80,420	-
Total Public Works & Utilities	18,208,582	18,689,220	17,912,986	776,234	17,462,795

(Continued)

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** Planned savings represents the expenditure savings that the Department is responsible for ensuring is met within the overall department budget.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES (CONTINUED) BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
Cultural Arts, Park & Recreation:					
Personnel services	$ 14,468,638	$ 13,070,293	$ 11,632,618	$ 1,437,675	$ 11,503,097
Contractual services	10,216,466	11,232,577	11,202,179	30,398	10,663,230
Materials and supplies	1,360,686	1,885,184	1,864,531	20,653	1,240,549
Capital outlay	87,000	284,642	271,444	13,198	402,377
Other expenditures	160,850	168,550	158,812	9,738	162,922
Contingency	212,195	-	-	-	-
Planned Savings**	(1,263,687)	(1,101,668)	-	(1,101,668)	-
Total Cultural Arts, Park & Recreation	25,242,148	25,539,578	25,129,584	409,994	23,972,175
Non Departmental:					
Personnel services	5,014,492	2,050,751	-	2,050,751	-
Contractual services	4,535,846	3,960,846	3,772,563	188,283	3,951,257
Materials and supplies	428,530	61,800	13,662	48,138	9,972
Other expenditures	312,899	2,312,899	2,298,528	14,371	1,350,216
Contingency	800,000	-	-	-	-
Planned savings**	(2,021,880)	(2,150,751)	-	(2,150,751)	-
Total Non Departmental	9,069,887	6,235,545	6,084,753	150,792	5,311,445
Metropolitian Area Building & Construction:					
Personnel services	806,110	833,799	738,595	95,204	675,813
Contractual services	468,489	710,254	698,797	11,457	622,461
Materials and supplies	56,562	19,527	13,955	5,572	14,859
Total Metropolitian Area Building & Construction	1,331,161	1,563,580	1,451,347	112,233	1,313,133
Human Resources:					
Personnel services	1,673,673	1,716,140	1,620,832	95,308	1,656,234
Contractual services	209,273	222,734	215,923	6,811	199,371
Materials and supplies	67,997	67,997	42,068	25,929	28,111
Total Human Resources	1,950,943	2,006,871	1,878,823	128,048	1,883,716
Public Works & Utilities - Gas Tax:					
Personnel services	11,679,926	11,761,185	8,669,638	3,091,547	9,330,534
Contractual services	6,195,395	6,033,424	5,740,266	293,158	5,942,079
Materials and supplies	2,439,031	2,587,345	2,580,276	7,069	2,633,143
Capital outlay	135,000	135,000	81,725	53,275	68,757
Planned savings**	(1,620,303)	(2,200,572)	-	(2,200,572)	-
Total Public Works & Utilities - Gas Tax	18,829,049	18,316,382	17,071,905	1,244,477	17,974,513
Total expenditures	269,792,917	280,325,161	275,761,820	4,563,341	256,449,365
Excess (deficiency) of revenues over (under) expenditures	(498,086)	17,970,268	20,573,580	2,603,312	12,617,492

(Continued)

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** Planned savings represents the expenditure savings that the Department is responsible for ensuring is met within the overall department budget.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES (CONTINUED) BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	$ 6,939,491	$ 6,164,573	$ 2,786,068	$ (3,378,505)	$ 5,567,388
Transfers to other funds	(6,441,405)	(23,013,727)	(22,868,567)	145,160	(13,721,295)
Total other financing sources (uses)	498,086	(16,849,154)	(20,082,499)	(3,233,345)	(8,153,907)
Excess before other changes in unencumbered fund balance	-	1,121,114	491,081	(630,033)	4,463,585
OTHER CHANGES IN UNENCUMBERED FUND BALANCE* **					
Cancelled encumbrances	-	-	275,283	275,283	163,673
Total other changes in unencumbered fund balance	-	-	275,283	275,283	163,673
Net change in unencumbered fund balance	-	1,121,114	766,364	(354,750)	4,627,258
Unencumbered fund balance, beginning	42,557,226	47,184,484	47,184,484	-	42,557,226
Unencumbered fund balance, ending	$ 42,557,226	$ 48,305,598	$ 47,950,848	$ (354,750)	$ 47,184,484

The 2023 certified expenditure budget is $304,534,322, including an appropriated reserve of $1,195,434 with the Revised Budget.

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** Planned savings represents the expenditure savings that the Department is responsible for ensuring is met within the overall department budget.

*** These non-operating transactions were excluded from budgetary controls as they related to the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 180,000	$ 180,000	$ 104,932	$ (75,068)	$ 117,950
Rental income	376,000	565,000	549,366	(15,634)	559,288
Sale of property	352,250	352,250	18,226	(334,024)	114,135
Administrative charges	590,000	490,000	449,632	(40,368)	387,262
Other revenue	242,000	142,000	13,006	(128,994)	12,014
Revised budget adjustment	-	(989,000)	-	989,000	-
Total revenues	1,740,250	740,250	1,135,162	394,912	1,190,649
EXPENDITURES					
General government:					
Personnel services	486,340	503,984	503,944	40	511,032
Contractual services	1,159,652	1,205,298	935,850	269,448	813,955
Materials and supplies	16,450	16,450	5,633	10,817	6,595
Capital outlay	-	1,224	1,224	-	-
Other expenditures	241,970	236,276	236,276	-	241,367
Appropriated reserve	590,000	517,180	-	517,180	-
Total expenditures	2,494,412	2,480,412	1,682,927	797,485	1,572,949
Deficiency of revenues under expenditures	(754,162)	(1,740,162)	(547,765)	1,192,397	(382,300)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	1,000,000	1,000,000	-	32,730
Transfers to other funds	(135,500)	(149,500)	(149,500)	-	(199,500)
Total other financing sources (uses)	(135,500)	850,500	850,500	-	(166,770)
Excess (deficiency) before other changes in unencumbered fund balance	(889,662)	(889,662)	302,735	1,192,397	(549,070)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	6,374	6,374	-
Total other changes in unencumbered fund balance	-	-	6,374	6,374	-
Net change in unencumbered fund balance	(889,662)	(889,662)	309,109	1,198,771	(549,070)
Unencumbered fund balance, beginning	996,933	996,933	974,251	(22,682)	1,523,321
Unencumbered fund balance, ending	$ 107,271	$ 107,271	$ 1,283,360	$ 1,176,089	$ 974,251

The 2023 certified expenditure budget is $2,629,912, including an appropriated reserve of $590,000.

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** These non-operating transactions were excluded from budgetary controls as they related to the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Local government taxes:					
General property taxes:					
Property taxes	$ 27,954,674	$ 27,954,674	$ 28,501,853	$ 547,179	$ 26,712,725
Delinquent property taxes	900,000	900,000	453,805	(446,195)	530,170
Special assessments	21,334,326	21,059,176	19,126,552	(1,932,624)	20,529,358
Delinquent special assessments	1,286,483	500,000	752,796	252,796	1,059,067
Motor vehicle taxes	3,752,724	3,752,724	3,776,393	23,669	3,655,902
Local sales tax	500,000	500,000	814,648	314,648	726,902
Total local government taxes	55,728,207	54,666,574	53,426,047	(1,240,527)	53,214,124
Investment earnings	-	-	73,896	73,896	1,458
Other revenue	-	-	6,994	6,994	486,154
Revised budget adjustment	-	1,738,406	-	(1,738,406)	-
Total revenues	55,728,207	56,404,980	53,506,937	(2,898,043)	53,701,736
EXPENDITURES					
Interest on general obligation bonds	4,269,734	2,941,601	5,192,822	(2,251,221)	5,127,214
Interest on special assessment bonds	4,598,145	3,740,796	5,739,764	(1,998,968)	5,423,718
Interest on STAR bonds	-	-	134,740	(134,740)	157,225
Retirement of general obligation bonds	23,486,754	21,864,891	18,356,484	3,508,407	23,056,516
Retirement of special assessment bonds	16,378,237	17,554,652	15,555,686	1,998,966	16,053,504
Retirement of STAR bonds	-	-	620,863	(620,863)	503,433
Other expenditures	27,633	500,000	239,489	260,511	383,840
Appropriated reserve	21,000,000	21,000,000	-	21,000,000	-
Revised budget adjustment	-	1,158,563	-	1,158,563	-
Total expenditures	69,760,503	68,760,503	45,839,848	22,920,655	50,705,450
Excess (deficiency) of revenues over (under) expenditures	(14,032,296)	(12,355,523)	7,667,089	20,022,612	2,996,286
OTHER FINANCING SOURCES (USES)					
Issuance of bonds - premiums	-	-	401,611	401,611	432,940
Transfers from other funds	16,241,083	15,564,310	16,630,173	1,065,863	19,269,706
Transfers to other funds	(24,000,000)	(25,000,000)	(24,009,077)	990,923	(20,337,815)
Total other financing uses	(7,758,917)	(9,435,690)	(6,977,293)	2,458,397	(635,169)
Net change in unencumbered fund balance	(21,791,213)	(21,791,213)	689,796	22,481,009	2,361,117
Unencumbered fund balance, beginning	23,144,152	23,144,152	28,485,118	5,340,966	26,124,001
Unencumbered fund balance, ending	$ 1,352,939	$ 1,352,939	$ 29,174,914	$ 27,821,975	$ 28,485,118

The 2023 certified expenditure budget is $93,760,503, including an appropriated reserve of $21,000,000.

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 1,825,800	$ 1,825,300	$ 1,841,884	$ 16,584	$ 1,800,770
Revised budget adjustment	-	500	-	(500)	-
Total revenues	1,825,800	1,825,800	1,841,884	16,084	1,800,770
EXPENDITURES					
General government:					
Revised budget adjustment	-	288,246	-	288,246	-
Total expenditures	-	288,246	-	288,246	-
Excess of revenues over expenditures	1,825,800	1,537,554	1,841,884	304,330	1,800,770
OTHER FINANCING USES					
Transfers to other funds	(2,113,546)	(1,825,300)	(1,825,300)	-	(1,502,254)
Total other financing uses	(2,113,546)	(1,825,300)	(1,825,300)	-	(1,502,254)
Net change in unencumbered fund balance	(287,746)	(287,746)	16,584	304,330	298,516
Unencumbered fund balance, beginning	287,746	287,746	298,516	10,770	-
Unencumbered fund balance, ending	$ -	$ -	$ 315,100	$ 315,100	$ 298,516

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 373,890	$ 740,000	$ 768,737	$ 28,737	$ 305,248
Revised budget adjustment	-	(366,110)	-	366,110	-
Total revenues	373,890	373,890	768,737	394,847	305,248
OTHER FINANCING USES					
Transfers to other funds	(373,890)	(373,890)	(373,890)	-	(466,632)
Total other financing uses	(373,890)	(373,890)	(373,890)	-	(466,632)
Net change in unencumbered fund balance	-	-	394,847	394,847	(161,384)
Unencumbered fund balance, beginning	-	-	-	-	161,384
Unencumbered fund balance, ending	$ -	$ -	$ 394,847	$ 394,847	$ -

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 603,432	$ 486,000	$ 466,159	$ (19,841)	$ 482,698
Revised budget adjustment	-	117,432	-	(117,432)	-
Total revenues	603,432	603,432	466,159	(137,273)	482,698
EXPENDITURES					
General government:					
Revised budget adjustment	-	186,867	-	186,867	-
Total expenditures	-	186,867	-	186,867	-
Excess of revenues over expenditures	603,432	416,565	466,159	49,594	482,698
OTHER FINANCING USES					
Transfers to other funds	(672,867)	(486,000)	(466,159)	19,841	(593,512)
Total other financing uses	(672,867)	(486,000)	(466,159)	19,841	(593,512)
Net change in unencumbered fund balance	(69,435)	(69,435)	-	69,435	(110,814)
Unencumbered fund balance, beginning	69,435	69,435	-	(69,435)	110,814
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Property taxes	$ 224,400	$ 199,841	$ 98,337	$ (101,504)	$ 101,101
Revised budget adjustment	-	24,559	-	(24,559)	-
Total revenues	224,400	224,400	98,337	(126,063)	101,101
EXPENDITURES					
General government:					
Contractual services	224,400	224,000	114,123	109,877	101,121
Total expenditures	224,400	224,000	114,123	109,877	101,121
Net change in unencumbered fund balance	-	400	(15,786)	(16,186)	(20)
Unencumbered fund balance, beginning	-	-	24,159	24,159	24,179
Unencumbered fund balance, ending	$ -	$ 400	$ 8,373	$ 7,973	$ 24,159

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 1,027,417	$ 1,086,000	$ 1,096,492	$ 10,492	$ 928,715
Other revenue	-	-	-	-	63,588
Revised budget adjustment	-	(58,583)	-	58,583	-
Total revenues	1,027,417	1,027,417	1,096,492	69,075	992,303
EXPENDITURES					
General government:					
Revised budget adjustment	-	31,549	-	31,549	-
Total expenditures	-	31,549	-	31,549	-
Excess of revenues over expenditures	1,027,417	995,868	1,096,492	100,624	992,303
OTHER FINANCING USES					
Transfers to other funds	(1,117,549)	(1,086,000)	(1,086,000)	-	(744,868)
Total other financing uses	(1,117,549)	(1,086,000)	(1,086,000)	-	(744,868)
Net change in unencumbered fund balance	(90,132)	(90,132)	10,492	100,624	247,435
Unencumbered fund balance, beginning	90,132	90,132	247,435	157,303	-
Unencumbered fund balance, ending	$ -	$ -	$ 257,927	$ 257,927	$ 247,435

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 36,414	$ 30,900	$ 30,566	$ (334)	$ 30,108
Other revenue	155,356	-	-	-	-
Revised budget adjustment	-	160,870	-	(160,870)	-
Total revenues	191,770	191,770	30,566	(161,204)	30,108
EXPENDITURES					
General government:					
Revised budget adjustment	-	308,219	-	308,219	-
Total expenditures	-	308,219	-	308,219	-
Excess of revenues over expenditures	191,770	(116,449)	30,566	147,015	30,108
OTHER FINANCING USES					
Transfers to other funds	(339,119)	(30,900)	(30,566)	334	(30,108)
Total other financing uses	(339,119)	(30,900)	(30,566)	334	(30,108)
Net change in unencumbered fund balance	(147,349)	(147,349)	-	147,349	-
Unencumbered fund balance, beginning	147,349	147,349	-	(147,349)	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 379,431	$ 139,160	$ 137,445	$ (1,715)	$ 114,026
Revised budget adjustment	-	240,271	-	(240,271)	-
Total revenues	379,431	379,431	137,445	(241,986)	114,026
EXPENDITURES					
General government:					
Revised budget adjustment	-	240,271	-	240,271	-
Total expenditures	-	240,271	-	240,271	-
Excess of revenues over expenditures	379,431	139,160	137,445	(1,715)	114,026
OTHER FINANCING USES					
Transfers to other funds	(379,431)	(139,160)	(137,445)	1,715	(114,026)
Total other financing uses	(379,431)	(139,160)	(137,445)	1,715	(114,026)
Net change in unencumbered fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Property taxes	$ 320,000	$ 315,220	$ 312,009	$ (3,211)	$ 301,814
Revised budget adjustment	-	4,780	-	(4,780)	-
Total revenues	320,000	320,000	312,009	(7,991)	301,814
EXPENDITURES					
General government:					
Contractual services	342,887	342,887	335,402	7,485	301,250
Total expenditures	342,887	342,887	335,402	7,485	301,250
Net change in unencumbered fund balance	(22,887)	(22,887)	(23,393)	(506)	564
Unencumbered fund balance, beginning	22,887	22,887	23,451	564	22,887
Unencumbered fund balance, ending	$ -	$ -	$ 58	$ 58	$ 23,451

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 36,609	$ 36,609	$ 9,351	$ (27,258)	$ -
Total revenues	36,609	36,609	9,351	(27,258)	-
OTHER FINANCING USES					
Transfers to other funds	(36,609)	(36,609)	-	36,609	-
Total other financing uses	(36,609)	(36,609)	-	36,609	-
Net change in unencumbered fund balance	-	-	9,351	9,351	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ 9,351	$ 9,351	$ -

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Intergovernmental	$ 191,368	$ 191,368	$ 110,560	$ (80,808)	$ 131,964
Other revenue	-	-	450	450	-
Total revenues	191,368	191,368	111,010	(80,358)	131,964
EXPENDITURES					
Health and welfare:					
Contractual services	380,085	378,370	218,204	160,166	268,323
Other expenditures	2,651	4,366	3,816	550	2,651
Total expenditures	382,736	382,736	222,020	160,716	270,974
Deficiency of revenues under expenditures	(191,368)	(191,368)	(111,010)	80,358	(139,010)
OTHER FINANCING SOURCES					
Transfers from other funds	191,368	191,368	111,010	(80,358)	139,010
Total other financing sources	191,368	191,368	111,010	(80,358)	139,010
Net change in unencumbered fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Transient guest taxes	$ 7,712,942	$ 9,134,413	$ 9,649,919	$ 515,506	$ 8,295,476
Revised budget adjustment	-	(1,421,471)	-	1,421,471	-
Total revenues	7,712,942	7,712,942	9,649,919	1,936,977	8,295,476
EXPENDITURES					
Culture and recreation:					
Contractual services	2,532,000	2,937,594	2,898,916	38,678	2,469,660
Other expenditures	137,714	5,085	5,085	-	2,120
Appropriated reserve	3,000,000	1,081,665	-	1,081,665	-
Total expenditures	5,669,714	4,024,344	2,904,001	1,120,343	2,471,780
Excess of revenues over expenditures	2,043,228	3,688,598	6,745,918	3,057,320	5,823,696
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	-	9,088	9,088	-
Transfers to other funds	(5,321,345)	(6,966,715)	(3,561,884)	3,404,831	(4,870,608)
Total other financing uses	(5,321,345)	(6,966,715)	(3,552,796)	3,413,919	(4,870,608)
Excess (deficiency) before other changes in unencumbered fund balance	(3,278,117)	(3,278,117)	3,193,122	6,471,239	953,088
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	-	-	153,752
Total other changes in unencumbered fund balance	-	-	-	-	153,752
Net change in unencumbered fund balance	(3,278,117)	(3,278,117)	3,193,122	6,471,239	1,106,840
Unencumbered fund balance, beginning	3,789,734	3,789,734	6,305,679	2,515,945	5,198,839
Unencumbered fund balance, ending	$ 511,617	$ 511,617	$ 9,498,801	$ 8,987,184	$ 6,305,679

The 2023 certified expenditure budget is $10,991,059, including an appropriated reserve of $3,000,000.

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** These non-operating transactions were excluded from budgetary controls as they related directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 2,538,937	$ 2,856,695	$ 2,818,099	$ (38,596)	$ 2,664,548
Revised budget adjustment	-	(317,758)	-	317,758	-
Total revenues	2,538,937	2,538,937	2,818,099	279,162	2,664,548
EXPENDITURES					
Health and welfare:					
Contractual services	1,976,877	2,694,297	2,475,176	219,121	1,816,775
Other expenditures	187,818	227,142	227,142	-	187,818
Contingency	100,000	100,000	-	100,000	-
Appropriated reserve	1,830,000	1,073,256	-	1,073,256	-
Total expenditures	4,094,695	4,094,695	2,702,318	1,392,377	2,004,593
Excess (deficiency) of revenues over (under) expenditures	(1,555,758)	(1,555,758)	115,781	1,671,539	659,955
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	-	-	172,363
Total other changes in unencumbered fund balance	-	-	-	-	172,363
Net change in unencumbered fund balance	(1,555,758)	(1,555,758)	115,781	1,671,539	832,318
Unencumbered fund balance, beginning	1,759,703	1,759,703	2,391,729	632,026	1,559,411
Unencumbered fund balance, ending	$ 203,945	$ 203,945	$ 2,507,510	$ 2,303,565	$ 2,391,729

The 2023 certified expenditure budget is $4,094,695, including an appropriated reserve of $1,830,000.

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Other revenue	$ 475,000	$ 1,095,482	$ 1,315,026	$ 219,544	$ 96,267
Revised budget adjustment	-	(620,482)	-	620,482	-
Total revenues	475,000	475,000	1,315,026	840,026	96,267
EXPENDITURES					
Health and welfare:					
Contractual services	110,000	176,555	172,654	3,901	33,333
Materials and supplies	-	100,000	29,470	70,530	-
Other expenditures	365,000	183,445	-	183,445	-
Revised budget adjustment	-	15,000	-	15,000	-
Total expenditures	475,000	475,000	202,124	272,876	33,333
Excess of revenues over expenditures	-	-	1,112,902	1,112,902	62,934
Net change in unencumbered fund balance	-	-	1,112,902	1,112,902	62,934
Unencumbered fund balance, beginning	20,000	20,000	62,934	42,934	-
Unencumbered fund balance, ending	$ 20,000	$ 20,000	$ 1,175,836	$ 1,155,836	$ 62,934

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Intergovernmental	$ 2,538,937	$ 2,856,595	$ 2,818,099	$ (38,496)	$ 2,664,548
Revised budget adjustment	-	(317,658)	-	317,658	-
Total revenues	2,538,937	2,538,937	2,818,099	279,162	2,664,548
EXPENDITURES					
Culture and recreation:					
Revised budget adjustment	-	416,697	-	416,697	-
Total expenditures	-	416,697	-	416,697	-
Excess of revenues over expenditures	2,538,937	2,122,240	2,818,099	695,859	2,664,548
OTHER FINANCING USES					
Transfers to other funds	(3,138,974)	(2,722,277)	(2,722,277)	-	(2,327,608)
Total other financing uses	(3,138,974)	(2,722,277)	(2,722,277)	-	(2,327,608)
Net change in unencumbered fund balance	(600,037)	(600,037)	95,822	695,859	336,940
Unencumbered fund balance, beginning	600,037	600,037	801,598	201,561	464,658
Unencumbered fund balance, ending	$ -	$ -	$ 897,420	$ 897,420	$ 801,598

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Revised budget adjustment	$ -	$ (1,300,000)	$ -	$ 1,300,000	$ -
Total revenues	-	(1,300,000)	-	1,300,000	-
EXPENDITURES					
Sanitation:					
Personnel services	314,390	260,253	239,195	21,058	295,171
Contractual services	844,177	721,302	205,116	516,186	125,448
Materials and supplies	165,624	165,624	5,415	160,209	10,145
Other expenditures	8,617	4,415	-	4,415	-
Planned savings	-	-	-	-	-
Appropriated reserve	5,650,000	5,650,000	-	5,650,000	-
Revised budget adjustment	-	181,214	-	181,214	-
Total expenditures	6,982,808	6,982,808	449,726	6,533,082	430,764
Deficiency of revenues under expenditures	(6,982,808)	(8,282,808)	(449,726)	7,833,082	(430,764)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	1,300,000	1,300,000	-	-
Transfers to other funds	(150,000)	(150,000)	-	150,000	(150,000)
Total other financing sources (uses)	(150,000)	1,150,000	1,300,000	150,000	(150,000)
Excess (deficiency) before other changes in unencumbered fund balance	(7,132,808)	(7,132,808)	850,274	7,983,082	(580,764)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	-	-	213
Total other changes in unencumbered fund balance	-	-	-	-	213
Net change in unencumbered fund balance	(7,132,808)	(7,132,808)	850,274	7,983,082	(580,551)
Unencumbered fund balance, beginning	7,485,115	7,485,115	8,726,829	1,241,714	9,307,380
Unencumbered fund balance, ending	$ 352,307	$ 352,307	$ 9,577,103	$ 9,224,796	$ 8,726,829

The 2023 certified expenditures budget is $7,132,808, including an appropriated reserve of $5,650,000.

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 3,899,123	$ 3,616,354	$ 3,387,165	$ (229,189)	$ 3,652,274
Charges for services and sales	-	-	-	-	7,800
Other revenue	-	-	26	26	22
Revised budget adjustment	-	282,769	-	(282,769)	-
Total revenues	3,899,123	3,899,123	3,387,191	(511,932)	3,660,096
EXPENDITURES					
Public safety:					
Personnel services	2,766,987	2,535,955	2,398,417	137,538	2,687,999
Contractual services	223,066	223,128	223,128	-	234,565
Materials and supplies	56,142	56,142	38,573	17,569	37,664
Other expenditures	852,928	801,129	727,073	74,056	699,901
Appropriated reserve	1,050,000	1,050,000	-	1,050,000	-
Revised budget adjustment	-	282,769	-	282,769	-
Total expenditures	4,949,123	4,949,123	3,387,191	1,561,932	3,660,129
Deficiency of revenues under expenditures	(1,050,000)	(1,050,000)	-	1,050,000	(33)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	-	-	33
Total other changes in unencumbered fund balance	-	-	-	-	33
Net change in unencumbered fund balance	(1,050,000)	(1,050,000)	-	1,050,000	-
Unencumbered fund balance, beginning	1,250,000	1,250,000	1,250,000	-	1,250,000
Unencumbered fund balance, ending	$ 200,000	$ 200,000	$ 1,250,000	$ 1,050,000	$ 1,250,000

The 2023 certified expenditure budget is $4,949,123, including an appropriated reserve of $1,050,000.

* 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 were excluded from budgetary controls as they related directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 991,934	$ 1,509,046	$ 1,379,048	$ (129,998)	$ 1,257,538
Rental income	14,400	14,400	-	(14,400)	-
Other revenue	104,461	48,528	102,832	54,304	100,216
Revised budget adjustment	-	(461,179)	-	461,179	-
Total revenues	1,110,795	1,110,795	1,481,880	371,085	1,357,754
EXPENDITURES					
General government:					
Personnel services	269,465	204,411	183,328	21,083	261,820
Contractual services	1,140,717	1,311,353	1,207,482	103,871	1,232,492
Materials and supplies	42,500	42,500	16,807	25,693	12,475
Other expenditures	58,245	26,085	21,085	5,000	53,245
Appropriated reserve	200,000	126,578	-	126,578	-
Total expenditures	1,710,927	1,710,927	1,428,702	282,225	1,560,032
Excess (deficiency) of revenues over (under) expenditures	(600,132)	(600,132)	53,178	653,310	(202,278)
OTHER FINANCING USES					
Transfers to other funds	(70,000)	(70,000)	(70,000)	-	(70,000)
Total other financing uses	(70,000)	(70,000)	(70,000)	-	(70,000)
Deficiency before other changes in unencumbered fund balance	(670,132)	(670,132)	(16,822)	653,310	(272,278)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	8,881	8,881	4,756
Total other changes in unencumbered fund balance	-	-	8,881	8,881	4,756
Net change in unencumbered fund balance	(670,132)	(670,132)	(7,941)	662,191	(267,522)
Unencumbered fund balance, beginning	741,273	741,273	1,019,890	278,617	1,287,412
Unencumbered fund balance, ending	$ 71,141	$ 71,141	$ 1,011,949	$ 940,808	$ 1,019,890

The 2023 certified expenditures budget is $1,780,927, including an appropriated reserve of $200,000.

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** These non-operating transactions were excluded from budgetary controls as they related directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Sale of property	$ -	$ -	$ -	$ -	$ 135,000
Total revenues	-	-	-	-	135,000
EXPENDITURES					
Health and welfare:					
Contractual services	1,325,514	1,322,877	353,584	969,293	365,134
Materials and supplies	197,489	192,797	18,922	173,875	24,865
Other expenditures	269,377	276,706	276,706	-	266,208
Appropriated reserve	18,450,000	18,450,000	-	18,450,000	-
Total expenditures	20,242,380	20,242,380	649,212	19,593,168	656,207
Deficiency of revenues under expenditures	(20,242,380)	(20,242,380)	(649,212)	19,593,168	(521,207)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	-	-	968
Total other changes in unencumbered fund balance	-	-	-	-	968
Net change in unencumbered fund balance	(20,242,380)	(20,242,380)	(649,212)	19,593,168	(520,239)
Unencumbered fund balance, beginning	21,215,631	21,215,631	22,484,512	1,268,881	23,004,751
Unencumbered fund balance, ending	$ 973,251	$ 973,251	$ 21,835,300	$ 20,862,049	$ 22,484,512

The 2023 certified expenditures budget is $20,242,380, including an appropriated reserve of $18,450,000.

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 1,165,300	$ 1,165,300	$ 1,165,302	$ 2	$ 1,165,300
Total revenues	1,165,300	1,165,300	1,165,302	2	1,165,300
EXPENDITURES					
Health and welfare:					
Contractual services	1,395,072	1,395,072	119,801	1,275,271	108,808
Materials and supplies	121,377	84,021	16,841	67,180	17,814
Other expenditures	257,666	295,022	295,022	-	254,497
Appropriated reserve	12,000,000	12,000,000	-	12,000,000	-
Total expenditures	13,774,115	13,774,115	431,664	13,342,451	381,119
Excess (deficiency) of revenues over (under) expenditures	(12,608,815)	(12,608,815)	733,638	13,342,453	784,181
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	-	-	83,183
Total other changes in unencumbered fund balance	-	-	-	-	83,183
Net change in unencumbered fund balance	(12,608,815)	(12,608,815)	733,638	13,342,453	867,364
Unencumbered fund balance, beginning	13,240,319	13,240,319	14,713,329	1,473,010	13,845,965
Unencumbered fund balance, ending	$ 631,504	$ 631,504	$ 15,446,967	$ 14,815,463	$ 14,713,329

The 2023 certified expenditures budget is $13,774,115, including an appropriated reserve of $12,000,000.

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Property taxes	$ 740,632	$ 740,632	$ 725,664	$ (14,968)	$ 695,232
Motor vehicle taxes	36,256	36,256	35,279	(977)	34,076
Total revenues	776,888	776,888	760,943	(15,945)	729,308
EXPENDITURES					
General government:					
Contractual services	778,765	778,765	771,263	7,502	725,727
Total expenditures	778,765	778,765	771,263	7,502	725,727
Excess (deficiency) of revenues over (under) expenditures	(1,877)	(1,877)	(10,320)	(8,443)	3,581
Net change in unencumbered fund balance	(1,877)	(1,877)	(10,320)	(8,443)	3,581
Unencumbered fund balance, beginning	1,877	1,877	10,320	8,443	6,739
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ 10,320

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 1,391,594	$ 1,391,594	$ 1,242,690	$ (148,904)	$ 1,045,109
Other revenue	-	-	9,820	9,820	-
Total revenues	1,391,594	1,391,594	1,252,510	(139,084)	1,045,109
EXPENDITURES					
Public safety:					
Personnel services	1,363,628	1,416,750	1,377,365	39,385	1,253,209
Contractual services	1,009,158	1,122,272	946,997	175,275	702,659
Materials and supplies	365,018	208,576	170,842	37,734	136,406
Other expenditures	45,384	35,590	-	35,590	-
Total expenditures	2,783,188	2,783,188	2,495,204	287,984	2,092,274
Deficiency of revenues under expenditures	(1,391,594)	(1,391,594)	(1,242,694)	148,900	(1,047,165)
OTHER FINANCING SOURCES					
Transfers from other funds	1,391,594	1,391,594	1,242,690	(148,904)	1,045,109
Total other financing sources	1,391,594	1,391,594	1,242,690	(148,904)	1,045,109
Deficiency before other changes in unencumbered fund balance	-	-	(4)	(4)	(2,056)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	4	4	2,056
Total other changes in unencumbered fund balance	-	-	4	4	2,056
Net change in unencumbered fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

The City/County Fund was recertified with the State of Kansas for 2023.

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** These non-operating transactions were excluded from budgetary controls as they related directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Intergovernmental	$ 765,583	$ 765,583	$ 623,961	$ (141,622)	$ 563,742
Charges for services and sales	330,031	330,031	367,289	37,258	367,871
Licenses and permits	-	53,100	-	(53,100)	-
Other revenue	524,301	524,301	475,891	(48,410)	477,369
Total revenues	1,619,915	1,673,015	1,467,141	(205,874)	1,408,982
EXPENDITURES					
General government:					
Personnel services	2,138,355	2,150,577	1,828,891	321,686	1,755,258
Contractual services	193,670	275,280	252,406	22,874	190,756
Materials and supplies	25,642	50,642	34,823	15,819	43,637
Other expenditures	87,831	36,136	-	36,136	-
Planned savings**	(60,000)	(74,037)	-	(74,037)	-
Total expenditures	2,385,498	2,438,598	2,116,120	322,478	1,989,651
Deficiency of revenues under expenditures	(765,583)	(765,583)	(648,979)	116,604	(580,669)
OTHER FINANCING SOURCES					
Transfers from other funds	765,583	765,583	648,271	(117,312)	563,742
Total other financing sources	765,583	765,583	648,271	(117,312)	563,742
Deficiency before other changes in unencumbered fund balance	-	-	(708)	(708)	(16,927)
OTHER CHANGES IN UNENCUMBERED FUND BALANCE* **					
Cancelled encumbrances	-	-	708	708	16,927
Total other changes in unencumbered fund balance	-	-	708	708	16,927
Net change in unencumbered fund balance	-	-	-	-	-
Unencumbered fund balance, beginning	-	-	-	-	-
Unencumbered fund balance, ending	$ -	$ -	$ -	$ -	$ -

The City/County Fund was recertified with the State of Kansas for 2023.

* 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.

** Planned svaings represents the expenditure savings that the Department is responsible for ensuring is met within the overall department budget.

*** These non-operating transactions were excluded from budgetary controls as they related directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Fines and penalties	$ 452,010	$ 350,000	$ 347,176	$ (2,824)	$ 317,639
Revised budget adjustment	-	102,010	-	(102,010)	-
Total revenues	452,010	452,010	347,176	(104,834)	317,639
EXPENDITURES					
General government:					
Contractual services	440,000	439,000	6,817	432,183	8,707
Materials and supplies	125,000	120,000	-	120,000	-
Capital outlay	-	6,000	6,000	-	84,575
Appropriated reserve	2,700,000	2,700,000	-	2,700,000	-
Total expenditures	3,265,000	3,265,000	12,817	3,252,183	93,282
Net change in unencumbered fund balance	(2,812,990)	(2,812,990)	334,359	3,147,349	224,357
Unencumbered fund balance, beginning	2,958,931	2,958,931	3,445,787	486,856	3,221,430
Unencumbered fund balance, ending	$ 145,941	$ 145,941	$ 3,780,146	$ 3,634,205	$ 3,445,787

The 2023 certified expenditure budget is $3,265,000, including an appropriated reserve of $2,700,000.

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 2,305,914	$ 1,711,109	$ 1,391,779	$ (319,330)	$ 1,103,521
Rental income	350,391	1,253,245	1,500,302	247,057	1,255,982
Other revenue	1,044,100	359,668	308,490	(51,178)	336,942
Total revenues	3,700,405	3,324,022	3,200,571	(123,451)	2,696,445
EXPENDITURES					
Culture and recreation:					
Personnel services	1,783,376	2,029,649	1,947,897	81,752	1,493,650
Contractual services	1,815,756	2,251,735	2,247,910	3,825	1,950,622
Materials and supplies	101,273	125,079	123,491	1,588	77,131
Contingency	-	198,000	-	198,000	-
Total expenditures	3,700,405	4,604,463	4,319,298	285,165	3,521,403
Deficiency of revenues under expenditures	-	(1,280,441)	(1,118,727)	161,714	(824,958)
OTHER FINANCING SOURCES					
Transfers from other funds	-	1,054,300	868,616	(185,684)	1,122,193
Total other financing sources	-	1,054,300	868,616	(185,684)	1,122,193
Net change in unencumbered fund balance	-	(226,141)	(250,111)	(23,970)	297,235
Unencumbered fund balance, beginning	-	297,235	297,235	-	-
Unencumbered fund balance, ending	$ -	$ 71,094	$ 47,124	$ (23,970)	$ 297,235

The Century II Fund was recertified with the State of Kansas for 2023.

* 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.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 672,420	$ 651,270	$ 550,263	$ (101,007)	$ 487,113
Rental income	282,293	128,050	122,337	(5,713)	148,454
Other revenue	97,808	26,052	20,358	(5,694)	21,317
Total revenues	1,052,521	805,372	692,958	(112,414)	656,884
EXPENDITURES					
Culture and recreation:					
Personnel services	438,951	384,626	349,234	35,392	324,338
Contractual services	596,248	647,540	524,062	123,478	684,704
Materials and supplies	35,700	71,345	66,424	4,921	52,609
Contingency	84,622	71,087	-	71,087	-
Total expenditures	1,155,521	1,174,598	939,720	234,878	1,061,651
Deficiency of revenues under expenditures	(103,000)	(369,226)	(246,762)	122,464	(404,767)
OTHER FINANCING SOURCES					
Transfers from other funds	103,000	306,553	196,210	(110,343)	432,547
Total other financing sources	103,000	306,553	196,210	(110,343)	432,547
Net change in unencumbered fund balance	-	(62,673)	(50,552)	12,121	27,780
Unencumbered fund balance, beginning	-	62,673	62,673	-	34,893
Unencumbered fund balance, ending	$ -	$ -	$ 12,121	$ 12,121	$ 62,673

The Wichita Ice Center Fund was recertified with the State of Kansas for 2023.

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget Positive	2022
	Original	Final	Actual Amounts	(Negative)	Actual Amounts
REVENUES					
Local sales tax	$ 2,630,537	$ 1,982,297	$ 1,830,784	$ (151,513)	$ 2,245,571
Total revenues	2,630,537	1,982,297	1,830,784	(151,513)	2,245,571
EXPENDITURES					
General government:					
Contractual services	1,911,450	1,862,970	1,500,598	362,372	1,806,245
Other expenditures	122,490	104,327	90,998	13,329	81,586
Total expenditures	2,033,940	1,967,297	1,591,596	375,701	1,887,831
Excess of revenues over expenditures	596,597	15,000	239,188	224,188	357,740
OTHER FINANCING USES					
Transfers to other funds	(762,597)	(1,462,562)	(1,460,747)	1,815	(6,972)
Total other financing uses	(762,597)	(1,462,562)	(1,460,747)	1,815	(6,972)
Net change in unencumbered fund balance	(166,000)	(1,447,562)	(1,221,559)	226,003	350,768
Unencumbered fund balance, beginning	166,000	1,536,601	1,536,601	-	1,185,833
Unencumbered fund balance, ending	$ -	$ 89,039	$ 315,042	$ 226,003	$ 1,536,601

Note: The Community Improvement Districts Fund was recertified with the State of Kansas for 2023.

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Transient guest taxes	$ 7,712,942	$ 9,134,413	$ 9,649,919	$ 515,506	$ 8,295,476
Revised budget adjustment	-	(1,421,471)	-	1,421,471	-
Total revenues	7,712,942	7,712,942	9,649,919	1,936,977	8,295,476
EXPENDITURES					
Culture and recreation:					
Contractual services	2,532,000	2,937,594	2,898,916	38,678	2,469,660
Other expenditures	137,714	5,085	5,085	-	2,120
Appropriated reserve	3,000,000	1,081,665	-	1,081,665	-
Total expenditures	5,669,714	4,024,344	2,904,001	1,120,343	2,471,780
Excess of revenues over expenditures	2,043,228	3,688,598	6,745,918	3,057,320	5,823,696
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	-	9,088	9,088	-
Transfers to other funds	(5,321,345)	(6,966,715)	(3,561,884)	3,404,831	(4,870,608)
Total other financing uses	(5,321,345)	(6,966,715)	(3,552,796)	3,413,919	(4,870,608)
Excess (deficiency) before other changes in unencumbered fund balance	(3,278,117)	(3,278,117)	3,193,122	6,471,239	953,088
OTHER CHANGES IN UNENCUMBERED FUND BALANCE**					
Cancelled encumbrances	-	-	-	-	153,752
Total other changes in unencumbered fund balance	-	-	-	-	153,752
Net change in unencumbered fund balance	(3,278,117)	(3,278,117)	3,193,122	6,471,239	1,106,840
Unencumbered fund balance, beginning	3,789,734	3,789,734	6,305,679	2,515,945	5,198,839
Unencumbered fund balance, ending	$ 511,617	$ 511,617	$ 9,498,801	$ 8,987,184	$ 6,305,679

The 2023 certified expenditure budget is $10,991,059, including an appropriated reserve of $3,000,000.

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** These non-operating transactions were excluded from budgetary controls as they related directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Local sales tax	$ 39,847,152	$ 40,239,810	$ 40,264,947	$ 25,137	$ 38,726,181
Revised budget adjustment	-	(392,658)	-	392,658	-
Total revenues	39,847,152	39,847,152	40,264,947	417,795	38,726,181
EXPENDITURES					
General government:					
Appropriated reserve	10,350,000	9,782,551	-	9,782,551	-
Total expenditures	10,350,000	9,782,551	-	9,782,551	-
Excess of revenues over expenditures	29,497,152	30,064,601	40,264,947	10,200,346	38,726,181
OTHER FINANCING USES					
Transfers to other funds	(39,239,151)	(39,806,600)	(39,806,600)	-	(37,291,850)
Total other financing uses	(39,239,151)	(39,806,600)	(39,806,600)	-	(37,291,850)
Net change in unencumbered fund balance	(9,741,999)	(9,741,999)	458,347	10,200,346	1,434,331
Unencumbered fund balance, beginning	12,156,259	12,156,259	11,663,827	(492,432)	10,229,496
Unencumbered fund balance, ending	$ 2,414,260	$ 2,414,260	$ 12,122,174	$ 9,707,914	$ 11,663,827

The 2023 certified expenditure budget is $49,589,151, including an appropriated reserve of $10,350,000.

* 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.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Licenses and permits	$ 2,650	$ 2,650	$ 2,690	$ 40	$ 2,415
Interest and investment earnings	30,000	30,000	26,528	(3,472)	104,239
Total revenues	32,650	32,650	29,218	(3,432)	106,654
EXPENDITURES					
General government:					
Personnel services	3,813	3,813	-	3,813	-
Contractual services	88,448	97,548	84,914	12,634	70,851
Materials and supplies	3,500	3,500	-	3,500	918
Contingency	20,000	10,900	-	10,900	-
Total expenditures	115,761	115,761	84,914	30,847	71,769
Excess (deficiency) of revenues over (under) expenditures	(83,111)	(83,111)	(55,696)	27,415	34,885
Net change in unencumbered fund balance	(83,111)	(83,111)	(55,696)	27,415	34,885
Unencumbered fund balance, beginning	1,501,781	1,501,781	1,619,376	117,595	1,584,491
Unencumbered fund balance, ending	$ 1,418,670	$ 1,418,670	$ 1,563,680	$ 145,010	$ 1,619,376

* 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.

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.



CITY OF WICHITA



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 treatment plants.
- The Airport Authority operates and maintains the facilities for commercial, commuter and pleasure air
- 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.
- The Landfill Fund operates the City's construction and demolition landfill.

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COMBINING STATEMENT OF FUND NET POSITION

December 31, 2023

	Golf Course System Fund	Transit Fund	Landfill Fund	Total
ASSETS				
Current assets:				
Cash and cash equivalents	$ 2,973,373	$ 8,309,502	$ 2,951,595	$ 14,234,470
Receivables, net:				
Due from other agencies	-	2,293,104	-	2,293,104
Accounts receivable	46,574	75,643	306,811	429,028
Lease receivable	-	23,689	-	23,689
Due from other funds	3,135	3,676	81	6,892
Inventories	-	466,352	-	466,352
Prepaid items	3,700	-	-	3,700
Total current assets	3,026,782	11,171,966	3,258,487	17,457,235
Noncurrent assets:				
Lease receivable	-	23,890	-	23,890
Capital assets:				
Lease assets:				
Machinery, equipment and other assets	1,436,873	1,122,833	-	2,559,706
Less: accumulated amortization	(66,862)	(120,304)	-	(187,166)
SBITA assets:				
Machinery, equipment and other assets	-	628,940	-	628,940
Less: accumulated amortization	-	(170,452)	-	(170,452)
Other capital assets:				
Land	654,534	1,880,751	1,876,889	4,412,174
Buildings	2,871,776	12,514,705	460,775	15,847,256
Improvements other than buildings	15,178,529	912,713	-	16,091,242
Machinery, equipment and other assets	2,512,492	33,188,745	2,784,074	38,485,311
Construction in progress	534,149	632,601	-	1,166,750
Less accumulated depreciation	(17,856,220)	(26,297,097)	(2,301,381)	(46,454,698)
Total capital assets, net	5,265,271	24,293,435	2,820,357	32,379,063
Total noncurrent assets	5,265,271	24,317,325	2,820,357	32,402,953
Total assets	8,292,053	35,489,291	6,078,844	49,860,188
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	1,318,294	1,729,581	453,260	3,501,135
Deferred outflows related to OPEB	102,728	204,406	124,584	431,718
Total deferred outflows of resources	1,421,022	1,933,987	577,844	3,932,853

COMBINING STATEMENT OF FUND NET POSITION (CONTINUED)

December 31, 2023

	Golf Course System Fund	Transit Fund	Landfill Fund	Total
LIABILITIES				
Current liabilities:				
Accounts payable and other liabilities	$ 207,104	$ 1,093,195	$ 66,611	$ 1,366,910
Current portion of long-term obligations:				
Lease liability	260,871	107,395	-	368,266
SBITA liability	-	50,460	-	50,460
Compensated absences	96,834	244,285	11,405	352,524
Total current liabilities	564,809	1,495,335	78,016	2,138,160
Noncurrent liabilities:				
Unearned revenue	144,143	421	538	145,102
Due to other funds	5,668,420	-	-	5,668,420
Lease liability	1,110,675	908,452	-	2,019,127
SBITA liability	-	232,851	-	232,851
Net pension liability	1,767,228	2,398,382	504,923	4,670,533
Total other post-employment benefits (OPEB) liability	232,037	1,353,549	116,018	1,701,604
Compensated absences	22,077	55,695	2,600	80,372
Total noncurrent liabilities	8,944,580	4,949,350	624,079	14,518,009
Total liabilities	9,509,389	6,444,685	702,095	16,656,169
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to leases	-	47,214	-	47,214
Deferred inflows related to pensions	129,842	107,131	22,554	259,527
Deferred inflows related to OPEB	199,084	600,683	36,134	835,901
Total deferred inflows of resources	328,926	755,028	58,688	1,142,642
NET POSITION				
Net investment in capital assets	3,787,758	22,397,906	2,820,357	29,006,021
Unrestricted	(3,912,998)	7,825,659	3,075,548	6,988,209
Total net position	$ (125,240)	$ 30,223,565	$ 5,895,905	$ 35,994,230

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

For the year ended December 31, 2023

	Golf Course System Fund	Transit Fund	Landfill Fund	Total
OPERATING REVENUES				
Charges for services and sales	$ 4,569,382	$ 1,244,517	$ 2,454,225	$ 8,268,124
Rentals	1,609,557	220,636	-	1,830,193
Other operating revenues	473,192	961,966	34,466	1,469,624
Total operating revenues	6,652,131	2,427,119	2,488,691	11,567,941
OPERATING EXPENSES				
Personnel services	2,914,482	9,254,001	753,254	12,921,737
Contractual services	1,320,338	2,519,963	1,338,915	5,179,216
Materials and supplies	849,158	2,438,327	145,797	3,433,282
Other operating expenses	87,480	173,040	11,130	271,650
Administrative charges	116,142	350,964	37,099	504,205
Depreciation/amortization	226,000	3,161,728	289,080	3,676,808
Total operating expenses	5,513,600	17,898,023	2,575,275	25,986,898
Operating income (loss)	1,138,531	(15,470,904)	(86,584)	(14,418,957)
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental grants	-	10,673,994	-	10,673,994
Other revenues (expenses)	(675)	40,479	-	39,804
Interest expense	(7,425)	(37,737)	-	(45,162)
Gain on sale of assets	3,150	34,525	-	37,675
Total non-operating revenues (expenses)	(4,950)	10,711,261	-	10,706,311
Income (loss) before capital contributions and transfers	1,133,581	(4,759,643)	(86,584)	(3,712,646)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contributions	-	1,570,792	-	1,570,792
Transfers from other funds	-	3,586,326	-	3,586,326
Transfers to other funds	-	-	(1,300,000)	(1,300,000)
Total capital contributions and transfers	-	5,157,118	(1,300,000)	3,857,118
Change in net position	1,133,581	397,475	(1,386,584)	144,472
Net position - beginning, as previously reported	(1,258,821)	29,677,289	7,282,489	35,700,957
Prior period adjustment[1]	-	148,801	-	148,801
Net position - beginning, as adjusted	(1,258,821)	29,826,090	7,282,489	35,849,758
Net position - ending	$ (125,240)	$ 30,223,565	$ 5,895,905	$ 35,994,230

[1] See Note 23 (Change in Accounting Principles) in the Notes to the Financial Statements for further information.

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COMBINING STATEMENT OF CASH FLOWS

For the year ended December 31, 2023

	Golf Course System Fund	Transit Fund	Landfill Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 6,174,197	$ 1,454,981	$ 2,517,723	$ 10,146,901
Cash payments to suppliers for goods and services	(2,420,601)	(5,122,325)	(1,508,030)	(9,050,956)
Cash payments to employees for services	(2,697,918)	(8,849,187)	(630,537)	(12,177,642)
Other operating revenues	473,192	1,002,445	34,466	1,510,103
Other operating expenses	(675)	-	-	(675)
Net cash provided by (used in) operating activities	1,528,195	(11,514,086)	413,622	(9,572,269)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental grants received	-	9,312,035	-	9,312,035
Interfund loans	1,345	1,198	71	2,614
Transfers from other funds	-	3,586,326	-	3,586,326
Transfers to other funds	-	-	(1,300,000)	(1,300,000)
Net cash provided by (used in) noncapital financing activities	1,345	12,899,559	(1,299,929)	11,600,975
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on leases	(65,327)	(106,986)	-	(172,313)
Interest payments on leases	(7,425)	(33,014)	-	(40,439)
Principal payments on SBITAs	-	(196,828)	-	(196,828)
Interest payments on SBITAs	-	(4,723)	-	(4,723)
Capital asset additions	(865,231)	(1,426,802)	(17,468)	(2,309,501)
Sale of capital assets	3,150	35,025	-	38,175
Capital contributions	-	1,213,543	-	1,213,543
Net cash used in capital and related financing activities	(934,833)	(519,785)	(17,468)	(1,472,086)
Net increase (decrease) in cash and cash equivalents	594,707	865,688	(903,775)	556,620
Cash and cash equivalents - beginning	2,378,666	7,443,814	3,855,370	13,677,850
Cash and cash equivalents - ending	$ 2,973,373	$ 8,309,502	$ 2,951,595	$ 14,234,470

(Continued)

COMBINING STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2023

	Golf Course System Fund	Transit Fund	Landfill Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	$ 1,138,531	$ (15,470,904)	$ (86,584)	$ (14,418,957)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation/amortization	226,000	3,161,728	289,080	3,676,808
Other revenues (expenses)	(675)	40,479	-	39,804
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
(Increase) decrease in receivables	(9,717)	(9,785)	65,702	46,200
Decrease in lease receivables	-	23,490	-	23,490
(Increase) in inventory	-	(12,715)	-	(12,715)
Decrease in net pension asset	221,047	349,990	73,682	644,719
(Increase) in deferred outflows related to pensions	(912,258)	(1,106,013)	(196,462)	(2,214,733)
(Increase) decrease in deferred outflows related to OPEB	13,807	1,952	(36,711)	(20,952)
Increase (decrease) in accounts payable	(41,031)	376,502	22,451	357,922
(Decrease) in deposits	(1,985)	-	-	(1,985)
Increase (decrease) in unearned revenues	6,960	(271)	(2,204)	4,485
Increase in net pension liability	1,767,228	2,398,382	504,923	4,670,533
Increase (decrease) in total OPEB liability	(16,943)	73,078	44,882	101,017
Increase (decrease) in compensated absences	(4,754)	47,340	(640)	41,946
(Decrease) in deferred inflows related to leases	-	(1,294,659)	-	(1,294,659)
(Decrease) in deferred inflows related to pensions	(855,514)	(69,074)	(272,560)	(1,197,148)
Increase (decrease) in deferred inflows related to OPEB	(2,501)	(23,606)	8,063	(18,044)
Total adjustments	389,664	3,956,818	500,206	4,846,688
Net cash provided by (used in) operating activities	$ 1,528,195	$ (11,514,086)	$ 413,622	$ (9,572,269)
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES				
Operating grant receivables	$ -	$ 1,935,855	$ -	$ 1,935,855
Capital contribution receivables	-	357,249	-	357,249
Capital assets in accounts payable	105,967	596,371	-	702,338
Capital asset additions via SBITA liability	-	1,122,833	-	1,122,833
Capital asset additions via Lease liability	1,436,873	335,962	-	1,772,835

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 125,019,735	$ 125,019,735	$ 128,291,045	$ 3,271,310	$ 124,757,593
Fees	937,537	937,537	1,332,344	394,807	1,360,024
Rental income	-	-	39,717	39,717	47,117
Interest earnings	-	-	17,772	17,772	-
Sale of property	-	-	70,605	70,605	-
Intergovernmental	-	-	7,920,000	7,920,000	49,515
Other revenue	815,044	815,044	213,082	(601,962)	205,234
Total revenues	126,772,316	126,772,316	137,884,565	11,112,249	126,419,483
EXPENDITURES					
Personnel services	14,430,389	14,079,945	12,277,725	1,802,220	12,131,111
Contractual services	17,781,454	23,050,201	17,772,859	5,277,342	17,990,369
Materials and supplies	8,258,895	7,598,683	7,006,631	592,052	6,474,137
Capital outlay	2,570,000	5,771,053	5,808,227	(37,174)	5,219,196
Other operating expenditures	5,347,792	5,590,832	5,590,787	45	4,927,535
Cost of materials used	2,050,000	2,050,000	1,066,541	983,459	-
City administrative charges	732,261	567,983	567,983	-	732,261
Payments in lieu of franchise taxes	5,930,882	6,237,880	6,237,880	-	5,582,006
Other non-operating expenditures	71,000	71,000	143,971	(72,971)	5,067
Debt service	51,310,593	37,466,105	36,238,778	1,227,327	35,434,670
Contingency	2,000,000	2,000,000	-	2,000,000	-
Total expenditures	110,483,266	104,483,682	92,711,382	11,772,300	88,496,352
Excess of revenues over expenditures	16,289,050	22,288,634	45,173,183	22,884,549	37,923,131
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	-	-	-	142
Transfers to other funds	(74,885)	(74,885)	(74,885)	-	(74,885)
Total other financing uses	(74,885)	(74,885)	(74,885)	-	(74,743)
Excess before other changes in unencumbered net position	16,214,165	22,213,749	45,098,298	22,884,549	37,848,388
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Proceeds from issuance of bonds - principal	-	-	135,399,889	135,399,889	111,433,338
Proceeds from issuance of bonds - premium	-	-	1,914,821	1,914,821	-
Proceeds from long-term loans	-	-	70,000,000	70,000,000	67,829,719
Transfers to capital project funds	-	-	(201,153,901)	(201,153,901)	(194,747,959)
Transfers from debt service reserve	-	-	1,093,335	1,093,335	1,618,327
Transfers to debt service reserve	-	-	(914,009)	(914,009)	-
Cancelled encumbrances	-	-	990,198	990,198	215,143
Total other changes in unencumbered net position	-	-	7,330,333	7,330,333	(13,651,432)
Net change in unencumbered net position	16,214,165	22,213,749	52,428,631	30,214,882	24,196,956
Unencumbered net position, beginning	229,556,752	229,556,752	231,087,944	1,531,192	206,890,988
Unencumbered net position, ending	$ 245,770,917	$ 251,770,501	$ 283,516,575	$ 31,746,074	$ 231,087,944

* 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 or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 76,964,750	$ 76,964,750	$ 78,344,945	$ 1,380,195	$ 75,047,170
Fees	345,744	345,744	557,428	211,684	585,170
Rental income	16,414	16,414	-	(16,414)	-
Interest earnings	-	-	7,587	7,587	-
Sale of property	-	-	32,085	32,085	65,700
Other revenue	604,654	604,654	815,212	210,558	782,319
Total revenues	77,931,562	77,931,562	79,757,257	1,825,695	76,480,359
EXPENDITURES					
Personnel services	14,117,410	13,242,177	12,512,048	730,129	12,454,465
Contractual services	10,925,848	11,422,991	9,958,165	1,464,826	10,481,418
Materials and supplies	4,871,851	6,843,171	6,305,680	537,491	4,862,947
Capital outlay	2,858,340	2,858,340	2,295,527	562,813	1,482,579
Other operating expenditures	3,028,477	3,302,660	3,302,660	-	2,868,230
City administrative charges	439,780	342,755	342,755	-	439,780
Payments in lieu of franchise taxes	3,798,368	3,752,359	3,752,359	-	3,687,736
Debt service	32,151,001	25,897,252	22,634,861	3,262,391	22,242,603
Contingency	250,000	250,000	-	250,000	-
Revised budget adjustment	-	4,529,370	-	4,529,370	-
Total expenditures	72,441,075	72,441,075	61,104,055	11,337,020	58,519,758
Excess of revenues over expenditures	5,490,487	5,490,487	18,653,202	13,162,715	17,960,601
OTHER FINANCING USES					
Transfers to other funds	(154,792)	(154,792)	(154,792)	-	(154,792)
Total other financing uses	(154,792)	(154,792)	(154,792)	-	(154,792)
Excess before other changes in unencumbered net position	5,335,695	5,335,695	18,498,410	13,162,715	17,805,809
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Proceeds from issuance of bonds - principal	-	-	21,216,492	21,216,492	-
Proceeds from issuance of bonds - premium	-	-	817,908	817,908	-
Proceeds from long-term loans	-	-	13,192,971	13,192,971	-
Transfers to capital project funds	-	-	(22,921,654)	(22,921,654)	(11,840,703)
Transfers from debt service reserve	-	-	898,304	898,304	1,336,008
Transfers to debt service reserve	-	-	(390,191)	(390,191)	-
Cancelled encumbrances	-	-	302,258	302,258	126,032
Total other changes in unencumbered net position	-	-	13,116,088	13,116,088	(10,378,663)
Net change in unencumbered net position	5,335,695	5,335,695	31,614,498	26,278,803	7,427,146
Unencumbered net position, beginning	114,333,758	114,333,758	114,331,437	(2,321)	106,904,291
Unencumbered net position, ending	$ 119,669,453	$ 119,669,453	$ 145,945,935	$ 26,276,482	$ 114,331,437

* 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 or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 15,326,200	$ 16,149,671	$ 16,907,980	$ 758,309	$ 14,973,508
Licenses and permits	157,999	163,440	190,852	27,412	154,561
Rental income	16,750,442	17,218,422	16,622,288	(596,134)	16,438,503
Sale of property	25,000	25,000	48,300	23,300	8,623
Intergovernmental	3,927,500	-	786,511	786,511	13,072,165
Other revenue	3,085,293	3,085,293	20,019	(3,065,274)	120,859
Total revenues	39,272,434	36,641,826	34,575,950	(2,065,876)	44,768,219
EXPENDITURES					
Personnel services	12,394,397	12,720,200	12,180,768	539,432	11,297,778
Contractual services	5,796,797	6,568,027	6,008,956	559,071	5,808,464
Materials and supplies	1,340,842	1,463,492	1,396,434	67,058	1,095,069
Capital outlay	257,300	287,300	277,334	9,966	333,877
Other operating expenditures	990,929	990,929	990,929	-	990,929
Cost of materials used	3,771,395	3,681,819	3,570,436	111,383	3,566,327
City administrative charges	426,508	392,097	392,097	-	426,508
Debt service	8,700,811	8,700,811	8,680,859	19,952	8,632,477
Total expenditures	33,678,979	34,804,675	33,497,813	1,306,862	32,151,429
Excess before other changes in unencumbered net position	5,593,455	1,837,151	1,078,137	(759,014)	12,616,790
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Transfers from restricted funds	-	-	10,462,929	10,462,929	-
Transfers to capital project funds	(9,440,047)	(10,765,791)	(2,689,460)	8,076,331	(6,286,288)
Cancelled encumbrances	-	-	43,136	43,136	169,995
Total other changes in unencumbered net position	(9,440,047)	(10,765,791)	7,816,605	18,582,396	(6,116,293)
Net change in unencumbered net position	(3,846,592)	(8,928,640)	8,894,742	17,823,382	6,500,497
Unencumbered net position, beginning	26,962,403	35,475,217	35,475,217	-	28,974,720
Unencumbered net position, ending	$ 23,115,811	$ 26,546,577	$ 44,369,959	$ 17,823,382	$ 35,475,217

* The Original column represents the budget adopted by the City Council. The Final column is the Adopted Budget (i.e. Original) plus any subsequent adjustments authorized by the City Council. This fund was not required to be certified with the State of Kansas and was not certified for 2023.

** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Charges for services and sales	$ 13,087,220	$ 13,888,710	$ 13,100,660	$ (788,050)	$ 12,889,458
Fees	-	-	192,101	192,101	192,908
Sale of property	-	-	6,900	6,900	69,350
Other revenue	-	-	160,932	160,932	206,189
Revised budget adjustment	-	(801,490)	-	801,490	-
Total revenues	13,087,220	13,087,220	13,460,593	373,373	13,357,905
EXPENDITURES					
Personnel services	3,253,873	3,165,008	2,738,206	426,802	2,849,049
Contractual services	3,472,628	3,223,128	2,508,946	714,182	2,472,930
Materials and supplies	420,967	670,967	453,500	217,467	450,491
Capital outlay	428,000	528,000	465,720	62,280	80,523
Other operating expenditures	1,134,779	1,178,820	1,153,610	25,210	1,034,353
City administrative charges	306,516	313,766	313,766	-	306,516
Debt service	2,015,657	2,015,657	2,009,650	6,007	2,047,119
Appropriated reserve	21,300,000	19,970,104	-	19,970,104	-
Total expenditures	32,332,420	31,065,450	9,643,398	21,422,052	9,240,981
Excess (deficiency) of revenues over (under) expenditures	(19,245,200)	(17,978,230)	3,817,195	21,795,425	4,116,924
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	41,414	41,414	36,954	(4,460)	9,463
Transfers to other funds	(1,095,341)	(2,362,311)	(32,457)	2,329,854	(32,730)
Total other financing sources (uses)	(1,053,927)	(2,320,897)	4,497	2,325,394	(23,267)
Excess (deficiency) before other changes in unencumbered net position	(20,299,127)	(20,299,127)	3,821,692	24,120,819	4,093,657
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Transfers to capital project funds	-	-	(1,895,215)	(1,895,215)	(1,089,647)
Cancelled encumbrances	-	-	28,134	28,134	110,273
Total other changes in unencumbered net position	-	-	(1,867,081)	(1,867,081)	(979,374)
Net change in unencumbered net position	(20,299,127)	(20,299,127)	1,954,611	22,253,738	3,114,283
Unencumbered net position, beginning	21,841,432	21,841,432	25,005,704	3,164,272	21,891,421
Unencumbered net position, ending	$ 1,542,305	$ 1,542,305	$ 26,960,315	$ 25,418,010	$ 25,005,704

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** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 3,775,000	$ 4,145,607	$ 4,376,973	$ 231,366	$ 3,989,993
Rental income	1,285,000	1,313,630	1,377,094	63,464	1,288,331
Sale of property	-	-	3,150	3,150	11,210
Other revenue	15,000	22,000	36,717	14,717	22,475
Total revenues	5,075,000	5,481,237	5,793,934	312,697	5,312,009
EXPENDITURES					
Personnel services	2,548,983	2,727,277	2,704,369	22,908	2,277,688
Contractual services	917,919	1,208,453	1,097,930	110,523	1,179,412
Materials and supplies	526,964	552,417	534,800	17,617	666,679
Capital outlay	-	175,000	174,117	883	120,756
Other operating expenditures	80,905	111,163	87,480	23,683	23,630
Cost of materials used	211,815	318,321	310,585	7,736	246,823
City administrative charges	174,754	116,142	116,142	-	174,754
Total expenditures	4,461,340	5,208,773	5,025,423	183,350	4,689,742
Excess before other changes in unencumbered net position	613,660	272,464	768,511	496,047	622,267
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Transfers to capital project funds	-	(842,464)	(768,773)	73,691	(945,879)
Cancelled encumbrances	-	-	262	262	21
Total other changes in unencumbered net position	-	(842,464)	(768,511)	73,953	(945,858)
Net change in unencumbered net position	613,660	(570,000)	-	570,000	(323,591)
Unencumbered net position, beginning	1,870,194	1,000,000	1,000,000	-	1,323,591
Unencumbered net position, ending	$ 2,483,854	$ 430,000	$ 1,000,000	$ 570,000	$ 1,000,000

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 1,495,739	$ 1,362,357	$ 1,244,517	$ (117,840)	$ 1,135,297
Rental income	120,000	196,000	221,030	25,030	196,805
Sale of property	-	-	35,025	35,025	3,150
Other revenue	731,098	847,470	861,022	13,552	832,698
Total revenues	2,346,837	2,405,827	2,361,594	(44,233)	2,167,950
EXPENDITURES					
Personnel services	1,383,196	1,638,143	1,591,353	46,790	1,521,215
Contractual services	1,068,360	1,105,926	987,266	118,660	886,278
Materials and supplies	60,236	63,236	23,098	40,138	28,575
Other operating expenditures	243,720	201,903	173,040	28,863	172,426
City administrative charges	170,091	249,410	249,410	-	170,091
Total expenditures	2,925,603	3,258,618	3,024,167	234,451	2,778,585
Deficiency of revenues under expenditures	(578,766)	(852,791)	(662,573)	190,218	(610,635)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	3,586,326	3,586,326	3,586,326	-	3,586,326
Transfers to other funds	(1,622,532)	(1,289,517)	(1,289,516)	1	(871,269)
Total other financing sources	1,963,794	2,296,809	2,296,810	1	2,715,057
Excess before other changes in unencumbered net position	1,385,028	1,444,018	1,634,237	190,219	2,104,422
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Cancelled encumbrances	-	-	-	-	13,194
Total other changes in unencumbered net position	-	-	-	-	13,194
Net change in unencumbered net position	1,385,028	1,444,018	1,634,237	190,219	2,117,616
Unencumbered net position, beginning	9,349,234	8,769,767	8,769,767	-	6,652,151
Unencumbered net position, ending	$ 10,734,262	$ 10,213,785	$ 10,404,004	$ 190,219	$ 8,769,767

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 3,315,864	$ 3,315,864	$ 2,454,225	$ (861,639)	$ 2,198,996
Rental income	996	996	-	(996)	-
Other revenue	73,008	73,008	34,466	(38,542)	46,532
Total revenues	3,389,868	3,389,868	2,488,691	(901,177)	2,245,528
EXPENDITURES					
Personnel services	659,508	668,608	628,076	40,532	542,408
Contractual services	1,327,065	1,314,418	1,300,326	14,092	1,910,797
Materials and supplies	139,865	149,865	145,797	4,068	152,010
Capital outlay	469,218	232,718	17,468	215,250	-
Other operating expenditures	2,836	11,130	11,130	-	-
City administrative charges	61,620	37,099	37,099	-	61,620
Appropriated reserve	4,000,000	2,946,274	-	2,946,274	-
Total expenditures	6,660,112	5,360,112	2,139,896	3,220,216	2,666,835
Excess (deficiency) of revenues over (under) expenditures	(3,270,244)	(1,970,244)	348,795	2,319,039	(421,307)
OTHER FINANCING USES					
Transfers to other funds	-	(1,300,000)	(1,300,000)	-	-
Total other financing uses	-	(1,300,000)	(1,300,000)	-	-
Deficiency before other changes in unencumbered net position	(3,270,244)	(3,270,244)	(951,205)	2,319,039	(421,307)
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Cancelled encumbrances	-	-	4,345	4,345	54,087
Total other changes in unencumbered net position	-	-	4,345	4,345	54,087
Net change in unencumbered net position	(3,270,244)	(3,270,244)	(946,860)	2,323,384	(367,220)
Unencumbered net position, beginning	3,567,186	3,567,186	4,130,493	563,307	4,497,713
Unencumbered net position, ending	$ 296,942	$ 296,942	$ 3,183,633	$ 2,886,691	$ 4,130,493

The 2023 certified expenditure budget is $6,660,112, including an appropriated reserve of $4,000,000.

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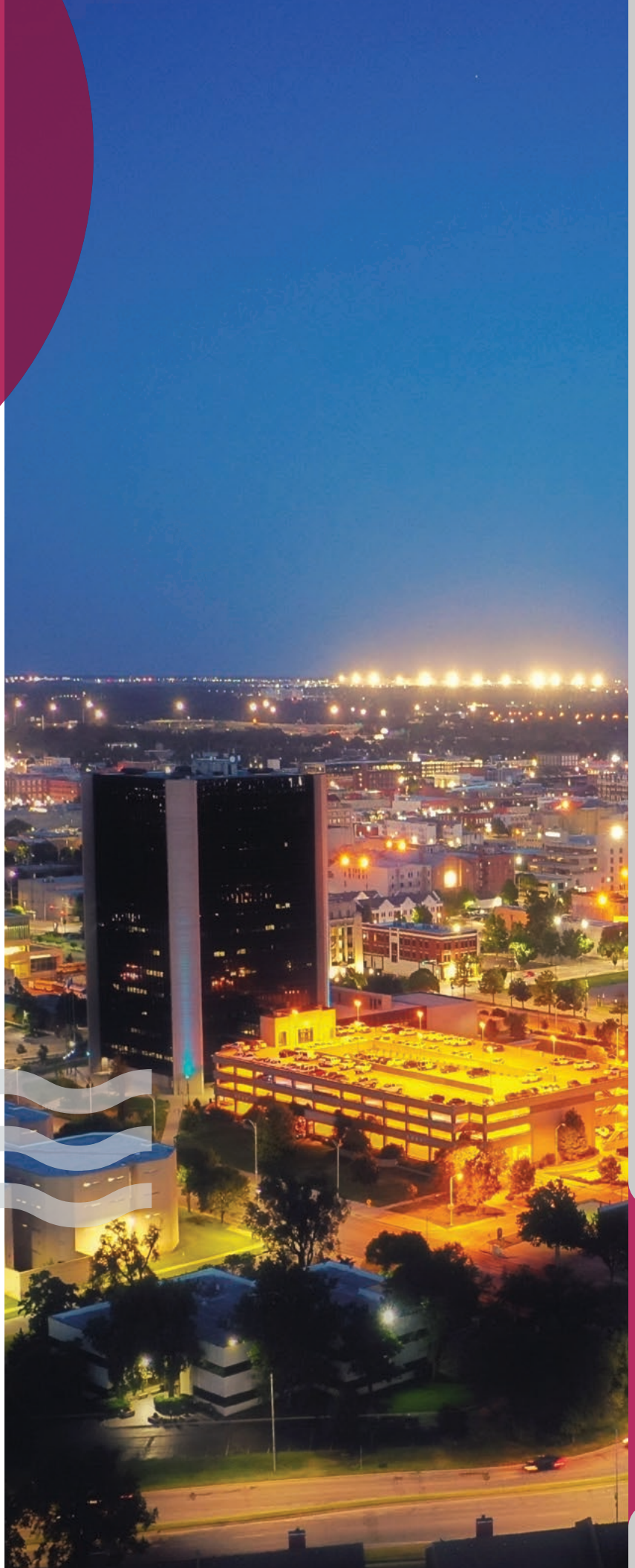
Internal Service Funds

Internal service funds are used to account for the financing and administration of general services rendered to the various departments of the City.



CITY OF WICHITA



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.

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COMBINING STATEMENT OF FUND NET POSITION

December 31, 2023

	Information Technology	Fleet	Self Insurance	Total
ASSETS				
Current assets:				
Cash and cash equivalents	$ 2,569,547	$ 4,061,580	$ 62,937,460	$ 69,568,587
Receivables, net:				
Accounts receivable	-	86,403	-	86,403
Due from other funds	-	-	3,519,626	3,519,626
Inventories	-	1,625,054	-	1,625,054
Prepaid items	571,596	-	128,900	700,496
Total current assets	3,141,143	5,773,037	66,585,986	75,500,166
Noncurrent assets:				
Capital assets:				
Lease assets:				
Machinery, equipment and other assets	376,653	-	-	376,653
Less: accumulated amortization	(341,980)	-	-	(341,980)
SBITA assets:				
Machinery, equipment and other assets	4,156,143	208,159	-	4,364,302
Less: accumulated amortization	(1,627,798)	(62,448)	-	(1,690,246)
Other capital assets:				
Buildings	44,287	29,955	-	74,242
Improvements other than buildings	74,907	-	-	74,907
Machinery, equipment and other assets	10,043,942	47,875,236	-	57,919,178
Construction in progress	82,600	178,846	-	261,446
Less accumulated depreciation/amortization	(9,451,055)	(29,677,672)	-	(39,128,727)
Total capital assets, net	3,357,699	18,552,076	-	21,909,775
Total noncurrent assets	3,357,699	18,552,076	-	21,909,775
Total assets	6,498,842	24,325,113	66,585,986	97,409,941
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	4,798,222	2,173,857	269,378	7,241,457
Deferred outflows related to OPEB	120,007	64,241	5,841	190,089
Total deferred outflows of resources	4,918,229	2,238,098	275,219	7,431,546

COMBINING STATEMENT OF FUND NET POSITION (CONTINUED)

December 31, 2023

	Information Technology	Fleet	Self Insurance	Total
LIABILITIES				
Current liabilities:				
Accounts payable and other liabilities	$ 425,860	$ 916,328	$ 2,066,929	$ 3,409,117
Deposits	-	-	403,992	403,992
Current portion of long-term obligations:				
Claims payable	-	-	10,303,590	10,303,590
Lease liability	30,044	-	-	30,044
SBITA liability	1,402,482	61,117	-	1,463,599
Compensated absences	323,095	138,356	37,987	499,438
Total current liabilities	2,181,481	1,115,801	12,812,498	16,109,780
Noncurrent liabilities:				
Claims payable	-	-	21,474,964	21,474,964
SBITA liability	296,678	65,139	-	361,817
Net pension liability	6,563,989	3,029,534	378,691	9,972,214
Total other post-employment benefits (OPEB) liability	657,438	425,401	38,673	1,121,512
Compensated absences	73,662	31,544	8,660	113,866
Total noncurrent liabilities	7,591,767	3,551,618	21,900,988	33,044,373
Total liabilities	9,773,248	4,667,419	34,713,486	49,154,153
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	293,200	172,085	16,917	482,202
Deferred inflows related to OPEB	260,024	252,695	12,046	524,765
Total deferred inflows of resources	553,224	424,780	28,963	1,006,967
NET POSITION				
Net investment in capital assets	1,616,730	18,425,820	-	20,042,550
Unrestricted	(526,131)	3,045,192	32,118,756	34,637,817
Total net position	$ 1,090,599	$ 21,471,012	$ 32,118,756	$ 54,680,367

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

For the year ended December 31, 2023

	Information Technology	Fleet	Self Insurance	Total
OPERATING REVENUES				
Charges for services and sales	$ 15,787,345	$ 5,942,718	$ -	$ 21,730,063
Rentals	-	9,601,857	-	9,601,857
Employer contributions	-	-	47,171,812	47,171,812
Employee contributions	-	-	11,491,719	11,491,719
Other operating revenues	-	12,771	2,814,400	2,827,171
Total operating revenues	15,787,345	15,557,346	61,477,931	92,822,622
OPERATING EXPENSES				
Personnel services	7,381,361	3,862,032	1,173,069	12,416,462
Contractual services	4,073,393	1,970,996	9,760,411	15,804,800
Materials and supplies	110,499	8,454,762	64,725	8,629,986
Other operating expenses	96,189	-	386,662	482,851
Administrative charges	543,661	420,202	102,800	1,066,663
Depreciation/amortization	2,612,281	2,943,289	-	5,555,570
Employee/insurance claims	-	-	45,391,730	45,391,730
Total operating expenses	14,817,384	17,651,281	56,879,397	89,348,062
Operating income	969,961	(2,093,935)	4,598,534	3,474,560
NON-OPERATING REVENUES (EXPENSES)				
Other revenues (expenses)	133	363,942	-	364,075
Interest expense	(58,827)	(2,109)	-	(60,936)
Gain on sale of assets	-	243,146	-	243,146
Total non-operating revenues (expenses)	(58,694)	604,979	-	546,285
Income (loss) before capital contributions and transfers	911,267	(1,488,956)	4,598,534	4,020,845
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contributions	658,771	7,356,608	-	8,015,379
Transfers from other funds	-	-	2,000,000	2,000,000
Transfers to other funds	(1,899,959)	-	-	(1,899,959)
Total capital contributions and transfers	(1,241,188)	7,356,608	2,000,000	8,115,420
Change in net position	(329,921)	5,867,652	6,598,534	12,136,265
Net position - beginning, as previously stated	600,880	15,582,819	25,520,222	41,703,921
Prior period adjustment[1]	819,640	20,541	-	840,181
Net position - beginning, as adjusted	1,420,520	15,603,360	25,520,222	42,544,102
Net position - ending	$ 1,090,599	$ 21,471,012	$ 32,118,756	$ 54,680,367

[1] See Note 23 (Change in Accounting Principles) in the Notes to the Financial Statements for further information.

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COMBINING STATEMENT OF CASH FLOWS

For the year ended December 31, 2023

	Information Technology	Fleet	Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 15,787,345	$ 15,458,970	$ 58,741,554	$ 89,987,869
Cash payments to suppliers for goods and services	(5,250,011)	(10,459,803)	(63,573,540)	(79,283,354)
Cash payments to employees for services	(6,329,757)	(3,464,023)	(1,101,968)	(10,895,748)
Other operating revenues	133	376,713	2,814,400	3,191,246
Net cash provided by (used in) operating activities	4,207,710	1,911,857	(3,119,554)	3,000,013
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund loans	-	-	(3,519,626)	(3,519,626)
Transfers from other funds	-	-	2,000,000	2,000,000
Transfers to other funds	(1,899,959)	-	-	(1,899,959)
Net cash used in noncapital financing activities	(1,899,959)	-	(1,519,626)	(3,419,585)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on lease	(176,281)	-	-	(176,281)
Interest payments on leases	(4,845)	-	-	(4,845)
Principal payments on SBITAs	(1,637,342)	(61,363)	-	(1,698,705)
Interest payments on SBITAs	(53,982)	(2,109)	-	(56,091)
Capital asset additions	(78,524)	(3,866,622)	-	(3,945,146)
Sale of capital assets	-	297,393	-	297,393
Net cash used in capital and related financing activities	(1,950,974)	(3,632,701)	-	(5,583,675)
Net increase (decrease) in cash and temporary investments	356,777	(1,720,844)	(4,639,180)	(6,003,247)
Cash and temporary investments - beginning	2,212,770	5,782,424	67,576,640	75,571,834
Cash and temporary investments - ending	$ 2,569,547	$ 4,061,580	$ 62,937,460	$ 69,568,587

(Continued)

COMBINING STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2023

	Information Technology	Fleet	Self Insurance	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	$ 969,961	$ (2,093,935)	$ 4,598,534	$ 3,474,560
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation/amortization	2,612,281	2,943,289	-	5,555,570
Other revenues (expenses)	133	363,942	-	364,075
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
(Increase) decrease in accounts receivable	-	(85,605)	57,460	(28,145)
(Increase) in inventory	-	(77,851)	-	(77,851)
(Increase) in prepaid items	(571,596)	-	-	(571,596)
Decrease in net pension asset	921,030	442,094	55,262	1,418,386
(Increase) in deferred outflows related to pensions	(3,094,230)	(1,397,921)	(176,149)	(4,668,300)
(Increase) decrease in deferred outflows related to OPEB	8,045	10,276	(108)	18,213
Increase (decrease) in accounts payable	172,847	466,167	(478,230)	160,784
Increase in deposits	-	-	20,563	20,563
(Decrease) in claims payable	-	-	(7,383,179)	(7,383,179)
Increase in net pension liability	6,563,989	3,029,534	378,691	9,972,214
Increase (decrease) in total OPEB liability	17,203	(36,990)	3,104	(16,683)
Increase (decrease) in compensated absences	16,245	(7,772)	10,907	19,380
(Decrease) in deferred inflows related to pensions	(3,395,723)	(1,663,867)	(204,419)	(5,264,009)
Increase (decrease) in deferred inflows related to OPEB	(12,475)	20,496	(1,990)	6,031
Total adjustments	3,237,749	4,005,792	(7,718,088)	(474,547)
Net cash provided by (used in) operating activities	$ 4,207,710	$ 1,911,857	$ (3,119,554)	$ 3,000,013
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES				
Capital assets in accounts payable	$ 11,765	$ -	$ -	$ 11,765
Capital asset additions via SBITA liability	219,662	-	-	219,662

COMBINING SCHEDULE OF FUND NET POSITION

December 31, 2023

	Life Insurance	Health Insurance	Workers' Compensation	General Liability	Pension Reserve	Total
ASSETS						
Current assets:						
Cash and cash equivalents	$ 765,500	$ 25,867,976	$ 20,055,396	$ 8,371,450	$ 7,877,138	$ 62,937,460
Due from other funds	-	3,519,626	-	-	-	3,519,626
Prepaid items	-	128,900	-	-	-	128,900
Total current assets	765,500	29,516,502	20,055,396	8,371,450	7,877,138	66,585,986
Total assets	765,500	29,516,502	20,055,396	8,371,450	7,877,138	66,585,986
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	-	-	269,378	-	-	269,378
Deferred outflows related to OPEB	-	-	5,841	-	-	5,841
Total deferred outflows of resources	-	-	275,219	-	-	275,219
LIABILITIES						
Current liabilities:						
Accounts payable and other liabilities	74,244	1,461,592	156,382	374,711	-	2,066,929
Deposits	-	403,992	-	-	-	403,992
Current portion of long-term obligations:						
Claims payable	-	3,589,838	2,280,781	4,432,971	-	10,303,590
Compensated absences	-	-	11,326	26,661	-	37,987
Total current liabilities	74,244	5,455,422	2,448,489	4,834,343	-	12,812,498
Noncurrent liabilities:						
Claims payable	-	-	11,714,268	9,760,696	-	21,474,964
Net pension liability	-	-	378,691	-	-	378,691
Total OPEB liability	-	-	38,673	-	-	38,673
Compensated absences	-	-	2,582	6,078	-	8,660
Total noncurrent liabilities	-	-	12,134,214	9,766,774	-	21,900,988
Total liabilities	74,244	5,455,422	14,582,703	14,601,117	-	34,713,486
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	-	-	16,917	-	-	16,917
Deferred inflows related to OPEB	-	-	12,046	-	-	12,046
Total deferred inflows of resources	-	-	28,963	-	-	28,963
NET POSITION						
Unrestricted	691,256	24,061,080	5,718,949	(6,229,667)	7,877,138	32,118,756
Total net position	$ 691,256	$ 24,061,080	$ 5,718,949	$ (6,229,667)	$ 7,877,138	$ 32,118,756

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

For the year ended December 31, 2023

	Life Insurance	Health Insurance	Workers' Compensation	General Liability	Pension Reserve	Total
OPERATING REVENUES						
Employer contributions	$ 270,578	$ 37,213,565	$ 5,253,949	$ 4,433,720	$ -	$ 47,171,812
Employee contributions	621,456	10,870,263	-	-	-	11,491,719
Other operating revenues	-	-	56,999	2,757,401	-	2,814,400
Total operating revenues	892,034	48,083,828	5,310,948	7,191,121	-	61,477,931
OPERATING EXPENSES						
Personnel services	-	-	892,910	280,159	-	1,173,069
Contractual services	904,975	1,850,970	2,205,790	4,798,676	-	9,760,411
Materials and supplies	-	-	-	64,725	-	64,725
Other operating expenses	-	271,413	-	115,249	-	386,662
Administrative charges	1,563	29,348	39,154	32,735	-	102,800
Employee/insurance claims	-	49,620,868	3,239,751	(7,468,889)	-	45,391,730
Total operating expenses	906,538	51,772,599	6,377,605	(2,177,345)	-	56,879,397
Operating income (loss)	(14,504)	(3,688,771)	(1,066,657)	9,368,466	-	4,598,534
TRANSFERS						
Transfers from other funds	-	-	-	-	2,000,000	2,000,000
Total transfers	-	-	-	-	2,000,000	2,000,000
Change in net position	(14,504)	(3,688,771)	(1,066,657)	9,368,466	2,000,000	6,598,534
Net position - beginning	705,760	27,749,851	6,785,606	(15,598,133)	5,877,138	25,520,222
Net position - ending	$ 691,256	$ 24,061,080	$ 5,718,949	$ (6,229,667)	$ 7,877,138	$ 32,118,756

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 14,978,180	$ 16,020,546	$ 15,787,345	$ (233,201)	$ 13,254,970
Other revenue	-	-	133	133	19
Revised budget adjustment	-	(1,042,366)	-	1,042,366	-
Total revenues	14,978,180	14,978,180	15,787,478	809,298	13,254,989
EXPENDITURES					
Personnel services	6,613,862	6,360,040	6,357,276	2,764	5,959,107
Contractual services	6,435,098	6,538,898	6,068,344	470,554	5,943,052
Materials and supplies	192,479	189,279	110,499	78,780	67,459
Capital outlay	-	8,000	7,687	313	16,630
Other operating expenditures	464,133	197,668	96,189	101,479	92,176
Cost of materials used	20,000	20,000	-	20,000	-
City administrative charges	575,043	543,661	543,661	-	575,043
Debt service	217,475	143,286	-	143,286	181,127
Revised budget adjustment	-	364,690	-	364,690	-
Total expenditures	14,518,090	14,365,522	13,183,656	1,181,866	12,834,594
Excess of revenues over expenditures	460,090	612,658	2,603,822	1,991,164	420,395
OTHER FINANCING USES					
Transfers to other funds	-	-	-	-	(1,915,335)
Total other financing uses	-	-	-	-	(1,915,335)
Excess (deficiency) before other changes in unencumbered net position	460,090	612,658	2,603,822	1,991,164	(1,494,940)
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Transfers to capital project funds	(1,747,391)	(1,899,959)	(1,899,959)	-	-
Cancelled encumbrances	-	-	-	-	6,737
Total other changes in unencumbered net position	(1,747,391)	(1,899,959)	(1,899,959)	-	6,737
Net change in unencumbered net position	(1,287,301)	(1,287,301)	703,863	1,991,164	(1,488,203)
Unencumbered net position, beginning	2,092,657	2,092,657	1,826,830	(265,827)	3,315,033
Unencumbered net position, ending	$ 805,356	$ 805,356	$ 2,530,693	$ 1,725,337	$ 1,826,830

* 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 or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023 Actual Amounts	Variance with Final Budget Positive (Negative)	2022 Actual Amounts
	Original	Final			
REVENUES					
Charges for services and sales	$ 6,750,630	$ 6,528,630	$ 5,942,718	$ (585,912)	$ 6,725,809
Licenses and permits	-	-	1,000	1,000	-
Rental income	10,416,095	10,416,095	9,601,857	(814,238)	9,541,812
Sale of property	250,000	250,000	297,393	47,393	506,705
Other revenue	1,230,000	1,230,000	367,282	(862,718)	98,464
Revised budget adjustment	-	222,000	-	(222,000)	-
Total revenues	18,646,725	18,646,725	16,210,250	(2,436,475)	16,872,790
EXPENDITURES					
Personnel services	4,183,742	4,023,338	3,466,182	557,156	3,275,911
Contractual services	1,792,331	2,249,401	2,220,290	29,111	1,839,260
Materials and supplies	9,099,591	8,844,571	8,173,951	670,620	8,212,870
Capital outlay	3,178,100	3,178,100	3,155,029	23,071	3,070,459
Other operating expenditures	45,896	45,896	-	45,896	-
Cost of materials used	1,000,000	1,000,000	115,843	884,157	359,835
City administrative charges	490,508	420,202	420,202	-	490,508
Planned savings**	(750,000)	(750,000)	-	(750,000)	-
Contingency	3,400,000	-	-	-	-
Revised budget adjustment	-	3,428,660	-	3,428,660	-
Total expenditures	22,440,168	22,440,168	17,551,497	4,888,671	17,248,843
Deficiency before other changes in unencumbered net position	(3,793,443)	(3,793,443)	(1,341,247)	2,452,196	(376,053)
OTHER CHANGES IN UNENCUMBERED NET POSITION* **					
Cancelled encumbrances	-	-	144,570	144,570	4,195
Total other changes in unencumbered net position	-	-	144,570	144,570	4,195
Net change in unencumbered net position	(3,793,443)	(3,793,443)	(1,196,677)	2,596,766	(371,858)
Unencumbered net position, beginning	4,830,166	4,830,166	5,216,677	386,511	5,588,535
Unencumbered net position, ending	$ 1,036,723	$ 1,036,723	$ 4,020,000	$ 2,983,277	$ 5,216,677

* 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.

** Planned savings represents the expenditure savings that the Department is responsible for ensuring is met within the overall Fund budget.

*** These non-operating transactions are excluded from budgetary controls as they relate directly to long-term assets and liabilities or the cancellation of prior year encumbrances.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED NET POSITION BUDGET AND ACTUAL - BUDGETARY BASIS

For the Year Ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	Budgeted Amounts*		2023	Variance with Final Budget	2022
	Original	Final	Actual Amounts	Positive (Negative)	Actual Amounts
REVENUES					
Employer contributions	$ 51,357,791	$ 52,796,868	$ 47,171,813	$ (5,625,055)	$ 46,819,346
Employee contributions	13,227,968	14,750,855	11,493,645	(3,257,210)	12,233,425
Other revenue	2,745,785	737,107	2,812,474	2,075,367	1,796,440
Total revenues	67,331,544	68,284,830	61,477,932	(6,806,898)	60,849,211
EXPENDITURES					
Personnel services	2,304,061	1,696,689	1,107,771	588,918	1,051,435
Contractual services	9,860,098	12,320,307	9,488,680	2,831,627	8,115,689
Materials and supplies	135,657	185,657	91,487	94,170	51,579
Capital outlay	10,000	10,000	-	10,000	-
Other operating expenditures	507,405	386,662	386,662	-	503,707
City administrative charges	98,331	102,800	102,800	-	98,331
Other non-operating expenditures	1,250,000	4,305,000	4,061,049	243,951	1,101,271
Employee/insurance claims	56,355,122	56,355,122	49,245,616	7,109,506	46,843,624
Contingency	1,000,000	80,000	-	80,000	-
Total expenditures	71,520,674	75,442,237	64,484,065	10,958,172	57,765,636
Excess (deficiency) of revenues over (under) expenditures	(4,189,130)	(7,157,407)	(3,006,133)	4,151,274	3,083,575
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	4,000,000	2,000,000	(2,000,000)	-
Transfers to other funds	-	-	-	-	(62,000)
Total other financing sources (uses)	-	4,000,000	2,000,000	(2,000,000)	(62,000)
Excess (deficiency) before other changes in unencumbered net position	(4,189,130)	(3,157,407)	(1,006,133)	2,151,274	3,021,575
OTHER CHANGES IN UNENCUMBERED NET POSITION**					
Cancelled encumbrances	-	-	6,000	6,000	39,633
Total other changes in unencumbered net position	-	-	6,000	6,000	39,633
Net change in unencumbered net position	(4,189,130)	(3,157,407)	(1,000,133)	2,157,274	3,061,208
Unencumbered net position, beginning	60,145,131	65,282,303	65,282,303	-	62,221,095
Unencumbered net position, ending	$ 55,956,001	$ 62,124,896	$ 64,282,170	$ 2,157,274	$ 65,282,303

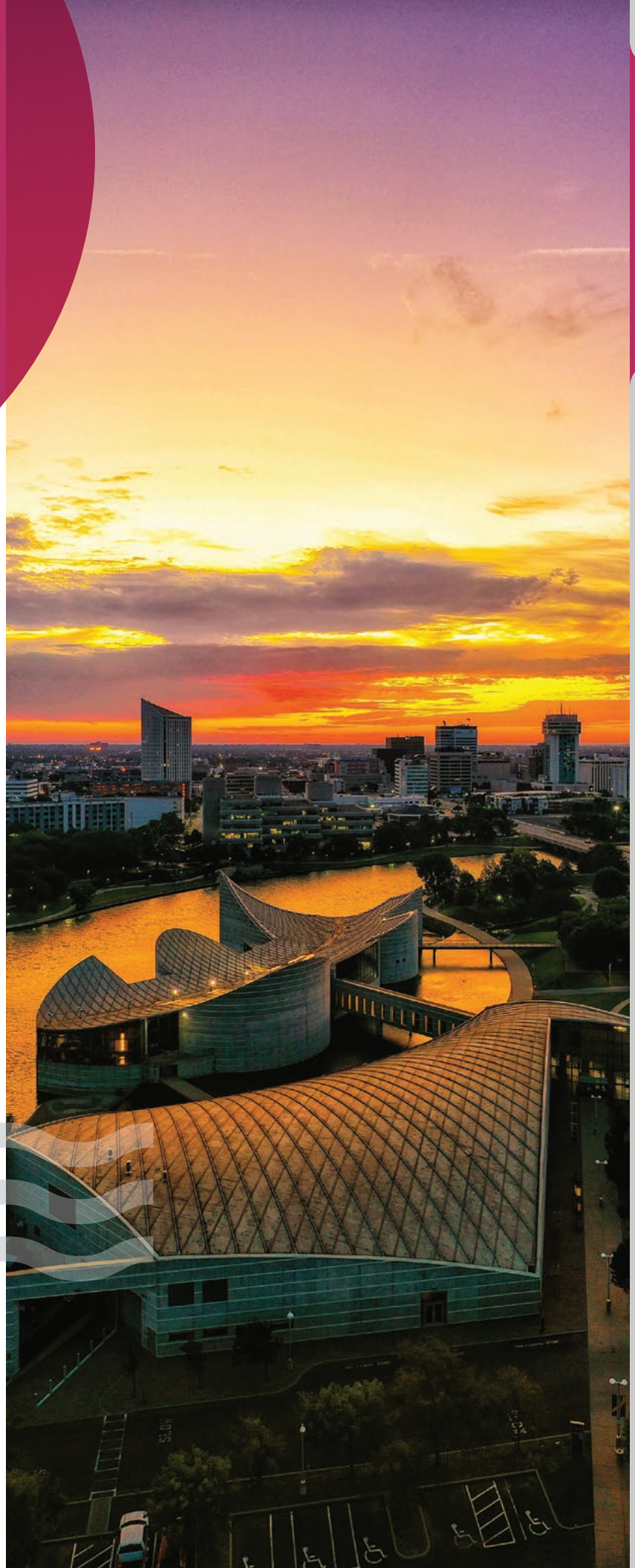
The Self Insurance Fund was recertified with the State of Kansas in 2023.

* 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 or the cancellation of prior year encumbrances.

Fiduciary Funds

Fiduciary funds are used to report fiduciary activities including pension trust funds, investment trust funds, private purpose trust funds and custodial funds.



CITY OF WICHITA



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

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

Property and Evidence Custodial Fund

The Property and Evidence Custodial Fund securely accounts for the collection, holding and distribution of cash seized by the Wichita Police Department. Financial statements for this Fund can be found in the **Financial Section.**

COMBINING STATEMENT OF FIDUCIARY NET POSITION

December 31, 2023

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3b	Pension Trust Funds
ASSETS				
Cash and temporary investments	$ 23,268	$ 22,206	$ -	$ 45,474
Receivables:				
Investment sales pending	4,962,073	3,859,363	21,093	8,842,529
Interest and dividends	2,328,343	1,801,856	8,128	4,138,327
Other receivables	764,170	333,636	8,723	1,106,529
Total receivables	8,054,586	5,994,855	37,944	14,087,385
Investments, at fair value:				
Government short-term investment fund	21,491,685	14,866,587	83,905	36,442,177
Equity:				
Domestic equity	335,257,840	260,746,414	3,371,039	599,375,293
International equity	229,407,465	178,429,531	521,879	408,358,875
Fixed income	147,611,683	114,808,839	454,218	262,874,740
Real estate	46,436,969	36,118,466	-	82,555,435
Target date and money market funds	-	-	6,641,958	6,641,958
Timber	54,231,633	42,180,566	-	96,412,199
Derivative investments	311,932	242,613	961	555,506
Securities lending short-term collateral investment pool	2,606,341	2,027,131	14,327	4,647,799
Total investments	837,355,548	649,420,147	11,088,287	1,497,863,982
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	845,433,402	655,437,208	11,126,231	1,511,996,841
LIABILITIES				
Accounts payable and other liabilities	1,690,057	892,878	3,133	2,586,068
Investment purchases pending	6,759,885	5,257,642	31,970	12,049,497
Securities lending obligations	2,606,341	2,027,131	14,327	4,647,799
Total liabilities	11,056,283	8,177,651	49,430	19,283,364
NET POSITION				
Restricted for pensions	834,377,119	647,259,557	11,076,801	1,492,713,477
Total net position	$ 834,377,119	$ 647,259,557	$ 11,076,801	$ 1,492,713,477

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the year ended December 31, 2023

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3b	Pension Trust Funds
ADDITIONS				
Contributions:				
Employer	$ 19,816,462	$ 10,962,943	$ 214,953	$ 30,994,358
Employee	6,908,792	4,078,808	214,953	11,202,553
Total contributions	26,725,254	15,041,751	429,906	42,196,911
Investment income:				
From investing activities:				
Net appreciation in the fair value of investments	108,448,368	85,166,999	1,646,594	195,261,961
Interest	6,548,670	5,070,579	20,624	11,639,873
Dividends	5,096,528	4,007,417	50,125	9,154,070
Commission recapture	14,932	12,200	117	27,249
Total investing activity income	120,108,498	94,257,195	1,717,460	216,083,153
Less investment expense	3,666,746	2,924,812	17,159	6,608,717
Net income from investing activities	116,441,752	91,332,383	1,700,301	209,474,436
From securities lending activities:				
Securities lending income	357,552	281,132	1,509	640,193
Less securities lending expense, net:				
Borrower rebates	253,095	199,072	826	452,993
Management fees	28,724	22,562	197	51,483
Total securities lending expenses	281,819	221,634	1,023	504,476
Net income from securities lending activities	75,733	59,498	486	135,717
Total net investment income	116,517,485	91,391,881	1,700,787	209,610,153
Reclassifications due to participant conversion	-	-	2,880	2,880
Total additions	143,242,739	106,433,632	2,133,573	251,809,944
DEDUCTIONS				
Pension benefits	54,472,992	50,092,101		104,565,093
Administrative charges	589,232	658,339	-	1,247,571
Employee contributions refunded	595,094	1,379,931	707,759	2,682,784
Reclassifications due to participant conversion	-	2,880	-	2,880
Total deductions	55,657,318	52,133,251	707,759	108,498,328
Change in net position	87,585,421	54,300,381	1,425,814	143,311,616
Net position - beginning	746,791,698	592,959,176	9,650,987	1,349,401,861
Net position - ending	$ 834,377,119	$ 647,259,557	$ 11,076,801	$ 1,492,713,477

Additional Information

Additional Information includes various supplementary schedules pertaining to long-term debt obligations, combining financial schedules and insurance policies in force.



CITY OF WICHITA

Additional Information

Additional Information includes various supplementary schedules pertaining to long-term debt obligations, combining financial schedules and insurance policies in force. Combining financial schedules are shown for the following funds and subfund:

- 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



COMBINED SCHEDULE OF CHANGES IN BONDS PAYABLE

For the year ended December 31, 2023

	Balance December 31, 2022	Issued	Retired	Balance December 31, 2023
General obligation bonds payable from:				
Ad valorem property taxes	$ 51,958,717	$ 15,930,000	$ 8,259,934	$ 59,628,783
Special assessments	156,489,836	24,580,000	15,555,686	165,514,150
Tax increment financing	27,115,257	4,220,000	2,291,550	29,043,707
Transient guest tax	2,405,000	-	30,000	2,375,000
Airport Authority	122,455,000	-	3,675,000	118,780,000
Local sales tax	62,320,000	-	7,775,000	54,545,000
Stormwater Utility	7,306,190	-	1,807,830	5,498,360
Water Utility	93,690,000	-	6,250,000	87,440,000
Revenue bonds payable from:		-		
Water Utility	359,703,408	137,539,693	18,384,350	478,858,751
Sewer Utility	177,522,754	21,306,719	16,235,650	182,593,823
Local sales tax	3,170,255	-	620,862	2,549,393
	$ 1,064,136,417	$ 203,576,412	$ 80,885,862	$ 1,186,826,967

RECONCILIATION OF BONDS PAYABLE

As of December 31, 2023

	Balance December 31, 2023
General obligation bonds	$ 522,825,000
Revenue bonds	664,001,967
Total bonds payable	$ 1,186,826,967
Serial bonds payable	$ 313,656,033
Bonds payable from proprietary funds	873,170,934
Total bonds payable	$ 1,186,826,967

SUMMARY OF GENERAL OBLIGATION DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM GOVERNMENTAL FUND REVENUES

Based on bonded debt as of December 31, 2023

	PAYABLE FROM PROPERTY TAXES			PAYABLE FROM TRANSIENT GUEST TAX		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2024	$ 8,734,126	$ 2,552,713	$ 11,286,839	$ 35,000	$ 87,163	$ 122,163
2025	7,925,654	2,090,216	10,015,870	40,000	85,287	125,287
2026	7,880,395	1,762,801	9,643,196	50,000	83,538	133,538
2027	7,682,568	1,428,258	9,110,826	55,000	81,962	136,962
2028	8,010,852	1,110,796	9,121,648	65,000	80,163	145,163
2029	7,338,348	779,294	8,117,642	70,000	78,137	148,137
2030	3,361,840	465,109	3,826,949	80,000	75,888	155,888
2031	3,155,000	318,806	3,473,806	80,000	73,087	153,087
2032	3,265,000	205,663	3,470,663	95,000	69,588	164,588
2033	2,160,000	86,987	2,246,987	105,000	65,718	170,718
2034	115,000	3,594	118,594	1,700,000	31,875	1,731,875
	$ 59,628,783	$ 10,804,237	$ 70,433,020	$ 2,375,000	$ 812,406	$ 3,187,406

	PAYABLE FROM TAX INCREMENT FINANCING			PAYABLE FROM LOCAL SALES TAX		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2024	$ 2,518,058	$ 1,083,941	$ 3,601,999	$ 8,000,000	$ 1,714,850	$ 9,714,850
2025	1,924,566	979,879	2,904,445	8,195,000	1,388,638	9,583,638
2026	2,091,083	905,750	2,996,833	8,405,000	1,181,400	9,586,400
2027	2,210,000	824,020	3,034,020	7,900,000	928,175	8,828,175
2028	2,020,000	741,660	2,761,660	6,625,000	658,300	7,283,300
2029	2,525,000	660,725	3,185,725	6,785,000	418,550	7,203,550
2030	2,735,000	558,470	3,293,470	1,640,000	189,100	1,829,100
2031	2,605,000	467,930	3,072,930	1,680,000	139,900	1,819,900
2032	2,810,000	384,402	3,194,402	1,725,000	106,300	1,831,300
2033	3,030,000	293,376	3,323,376	1,770,000	71,800	1,841,800
2034	965,000	194,931	1,159,931	1,820,000	36,400	1,856,400
2035	1,020,000	154,706	1,174,706	-	-	-
2036	1,080,000	111,300	1,191,300	-	-	-
2037	1,145,000	64,375	1,209,375	-	-	-
2038	365,000	14,600	379,600	-	-	
	$ 29,043,707	$ 7,440,065	$ 36,483,772	$ 54,545,000	$ 6,833,413	$ 61,378,413

(Continued)

SUMMARY OF GENERAL OBLIGATION DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM GOVERNMENTAL FUND REVENUES (CONTINUED)

Based on bonded debt as of December 31, 2023

	TOTAL PAYABLE FROM TAXES			PAYABLE FROM SPECIAL ASSESSMENTS		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2024	$ 19,287,184	$ 5,438,667	$ 24,725,851	$ 15,888,636	$ 6,147,974	$ 22,036,610
2025	18,085,220	4,544,020	22,629,240	14,605,600	5,317,164	19,922,764
2026	18,426,478	3,933,489	22,359,967	13,553,522	4,705,749	18,259,271
2027	17,847,568	3,262,415	21,109,983	13,597,432	4,125,341	17,722,773
2028	16,720,852	2,590,919	19,311,771	13,004,148	3,556,116	16,560,264
2029	16,718,348	1,936,706	18,655,054	12,951,652	3,023,057	15,974,709
2030	7,816,840	1,288,567	9,105,407	11,193,160	2,528,160	13,721,320
2031	7,520,000	999,723	8,519,723	9,395,000	2,118,771	11,513,771
2032	7,895,000	765,953	8,660,953	9,360,000	1,814,336	11,174,336
2033	7,065,000	517,881	7,582,881	8,750,000	1,547,010	10,297,010
2034	4,600,000	266,800	4,866,800	7,995,000	1,307,531	9,302,531
2035	1,020,000	154,706	1,174,706	7,295,000	1,082,065	8,377,065
2036	1,080,000	111,300	1,191,300	6,295,000	869,645	7,164,645
2037	1,145,000	64,375	1,209,375	4,935,000	682,299	5,617,299
2038	365,000	14,600	379,600	4,005,000	517,356	4,522,356
2039	-	-	-	3,220,000	396,544	3,616,544
2040	-	-	-	3,085,000	293,494	3,378,494
2041	-	-	-	2,935,000	192,844	3,127,844
2042	-	-	-	2,140,000	99,329	2,239,329
2043	-	-		1,310,000	27,837	1,337,837
	$ 145,592,490	$ 25,890,121	$ 171,482,611	$ 165,514,150	$ 40,352,622	$ 205,866,772

SUMMARY OF GENERAL OBLIGATION DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM PROPRIETARY FUND REVENUES

Based on bonded debt as of December 31, 2023

	Airport Authority			Stormwater Utility		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
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	-	-	-
	$ 118,780,000	$ 60,991,769	$ 179,771,769	$ 5,498,360	$ 340,026	$ 5,838,386

(Continued)

SUMMARY OF GENERAL OBLIGATION DEBT SERVICE CHARGES TO MATURITY PAYABLE FROM PROPRIETARY FUND REVENUES (CONTINUED)

Based on bonded debt as of December 31, 2023

	Water Utility			Totals		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2024	$ 6,560,000	$ 3,037,850	$ 9,597,850	$ 12,239,180	$ 8,041,966	$ 20,281,146
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	176,437	9,586,437	14,645,000	3,236,727	17,881,727
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
	$ 87,440,000	$ 18,350,050	$ 105,790,050	$ 211,718,360	$ 79,681,845	$ 291,400,205

SUMMARY OF REVENUE BOND DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM PROPRIETARY FUND REVENUES

Based on bonded debt as of December 31, 2023

	Water Utility*			Sewer Utility*		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2024	$ 17,527,412	$ 7,708,484	$ 25,235,896	$ 13,907,588	$ 5,915,190	$ 19,822,778
2025	18,278,701	6,927,929	25,206,630	14,686,300	5,321,395	20,007,695
2026	17,820,846	6,156,805	23,977,651	14,494,154	4,734,732	19,228,886
2027	17,692,662	5,461,289	23,153,951	14,472,338	4,173,988	18,646,326
2028	18,211,579	4,786,431	22,998,010	14,988,421	3,626,588	18,615,009
2029	24,233,907	7,390,600	31,624,507	12,680,381	3,135,139	15,815,520
2030	24,622,482	6,722,043	31,344,525	12,528,553	2,712,661	15,241,214
2031	21,366,441	6,082,565	27,449,006	11,247,357	2,313,517	13,560,874
2032	20,160,573	5,547,534	25,708,107	10,900,759	2,616,229	13,516,988
2033	18,172,414	5,066,495	23,238,909	10,435,763	2,260,219	12,695,982
2034	18,478,293	4,651,554	23,129,847	10,753,233	1,934,002	12,687,235
2035	16,890,235	4,221,160	21,111,395	7,836,173	1,572,238	9,408,411
2036	16,843,253	3,840,086	20,683,339	7,419,600	1,297,960	8,717,560
2037	16,557,359	3,463,373	20,020,732	6,778,534	1,057,095	7,835,629
2038	16,112,566	3,095,935	19,208,501	3,247,994	834,642	4,082,636
2039	16,358,887	2,754,751	19,113,638	3,357,998	735,694	4,093,692
2040	11,106,335	2,407,303	13,513,638	2,018,568	633,218	2,651,786
2041	9,974,923	2,227,515	12,202,438	1,064,725	573,461	1,638,186
2042	10,149,664	2,069,774	12,219,438	1,111,491	531,895	1,643,386
2043	8,725,573	1,907,865	10,633,438	478,889	488,497	967,386
2044	8,827,662	1,805,776	10,633,438	496,944	470,442	967,386
2045	8,930,946	1,702,492	10,633,438	515,678	451,708	967,386
2046	9,035,438	1,598,000	10,633,438	535,119	432,267	967,386
2047	9,141,152	1,492,286	10,633,438	555,293	412,093	967,386
2048	9,248,104	1,385,334	10,633,438	576,228	391,158	967,386
2049	9,356,307	1,277,131	10,633,438	597,952	369,434	967,386
2050	9,465,776	1,167,662	10,633,438	620,495	346,891	967,386
2051	9,576,525	1,056,913	10,633,438	643,887	323,499	967,386
2052	9,688,571	944,868	10,633,439	668,162	299,224	967,386
2053	9,801,927	831,511	10,633,438	693,351	274,035	967,386
2054	9,916,609	716,829	10,633,438	719,491	247,895	967,386
2055	10,032,634	600,804	10,633,438	746,616	220,770	967,386
2056	10,150,015	483,423	10,633,438	774,763	192,623	967,386
2057	10,268,771	364,667	10,633,438	803,972	163,414	967,386
2058	10,388,915	244,523	10,633,438	834,281	133,105	967,386
2059	10,510,465	122,972	10,633,437	865,734	101,652	967,386
2060	-	-	-	898,372	69,014	967,386
2061	-	-	-	932,240	35,144	967,384
	493,623,922	$ 108,284,682	$ 601,908,604	186,887,397	$ 51,402,728	$ 238,290,125
	(14,765,171) **			(4,293,574) **		
	$ 478,858,751			$ 182,593,823		

* 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	Totals* Principal	Interest	Debt Service Charges
2024	$ 31,435,000	$ 13,623,674	$ 45,058,674
2025	32,965,001	12,249,324	45,214,325
2026	32,315,000	10,891,537	43,206,537
2027	32,165,000	9,635,277	41,800,277
2028	33,200,000	8,413,019	41,613,019
2029	36,914,288	10,525,739	47,440,027
2030	37,151,035	9,434,704	46,585,739
2031	32,613,798	8,396,082	41,009,880
2032	31,061,332	8,163,763	39,225,095
2033	28,608,177	7,326,714	35,934,891
2034	29,231,526	6,585,556	35,817,082
2035	24,726,408	5,793,398	30,519,806
2036	24,262,853	5,138,046	29,400,899
2037	23,335,893	4,520,468	27,856,361
2038	19,360,560	3,930,577	23,291,137
2039	19,716,885	3,490,445	23,207,330
2040	13,124,903	3,040,521	16,165,424
2041	11,039,648	2,800,976	13,840,624
2042	11,261,155	2,601,669	13,862,824
2043	9,204,462	2,396,362	11,600,824
2044	9,324,606	2,276,218	11,600,824
2045	9,446,624	2,154,200	11,600,824
2046	9,570,557	2,030,267	11,600,824
2047	9,696,445	1,904,379	11,600,824
2048	9,824,332	1,776,492	11,600,824
2049	9,954,259	1,646,565	11,600,824
2050	10,086,271	1,514,553	11,600,824
2051	10,220,412	1,380,412	11,600,824
2052	10,356,733	1,244,092	11,600,825
2053	10,495,278	1,105,546	11,600,824
2054	10,636,100	964,724	11,600,824
2055	10,779,250	821,574	11,600,824
2056	10,924,778	676,046	11,600,824
2057	11,072,743	528,081	11,600,824
2058	11,223,196	377,628	11,600,824
2059	11,376,199	224,624	11,600,823
2060	898,372	69,014	967,386
2061	932,240	35,144	967,384
	680,511,319	$ 159,687,410	$ 840,198,729
	(19,058,745) **		
	$ 661,452,574		

SUMMARY OF REVENUE BOND DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM GOVERNMENTAL FUND REVENUES

Based on bonded debt as of December 31, 2023

	Sales Tax Special Obligation			Total		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2024	$ 22,209	$ 112,900	$ 135,109	$ 22,209	$ 112,900	$ 135,109
2025	319,418	109,390	428,808	319,418	109,390	428,808
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	41,647	168,496	126,849	41,647	168,496
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	149,699	18,690	168,389	149,699	18,690	168,389
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
	$ 2,549,393	$ 769,395	$ 3,318,788	$ 2,549,393	$ 769,395	$ 3,318,788

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SUMMARY OF REVENUE LOAN PAYABLE DEBT SERVICE CHARGES TO MATURITY
PAYABLE FROM PROPRIETARY FUND REVENUES

Based on outstanding loans payable as of December 31, 2023

	Water Utility*			Sewer Utility*		
Year	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2024	$ -	$ -	$ -	$ -	$ -	$ -
2025	3,539,030	1,379,668	4,918,698	545,065	283,207	828,272
2026	7,165,345	2,672,051	9,837,396	556,737	271,535	828,272
2027	7,283,402	2,553,994	9,837,396	568,658	259,614	828,272
2028	7,403,501	2,433,895	9,837,396	580,835	247,437	828,272
2029	7,525,682	2,311,714	9,837,396	593,272	234,999	828,271
2030	7,649,980	2,187,416	9,837,396	605,976	222,295	828,271
2031	7,776,435	2,060,961	9,837,396	618,952	209,319	828,271
2032	7,905,087	1,932,309	9,837,396	632,206	196,065	828,271
2033	8,035,975	1,801,421	9,837,396	645,744	182,527	828,271
2034	8,169,139	1,668,257	9,837,396	659,572	168,700	828,272
2035	8,304,624	1,532,772	9,837,396	673,695	154,576	828,271
2036	8,442,468	1,394,928	9,837,396	688,122	140,150	828,272
2037	8,582,718	1,254,678	9,837,396	702,857	125,415	828,272
2038	8,725,417	1,111,979	9,837,396	717,907	110,364	828,271
2039	8,870,609	966,787	9,837,396	733,280	94,992	828,272
2040	9,018,340	819,056	9,837,396	748,982	79,289	828,271
2041	9,168,658	668,738	9,837,396	765,020	63,252	828,272
2042	9,321,610	515,786	9,837,396	781,401	46,869	828,270
2043	9,477,244	360,152	9,837,396	798,134	30,137	828,271
2044	9,635,609	201,787	9,837,396	815,225	13,046	828,271
2045	4,878,059	40,639	4,918,698	-	-	-
	166,878,932	$ 29,868,988	$ 196,747,920	13,431,640	$ 3,133,788	$ 16,565,428
	(1,218,750) **			(189,333) **		
	$ 165,660,182			$ 13,242,307		

* Revenue loans payable by the Water Utility are comprised of Kansas Public Water Supply Loan Fund (KPWSLF) loans, which are direct borrowing and placement loans.

****** Less estimated interest incurred during the construction phase of the KPWSLF loan that will be rolled into the principal balance.

	Totals*		
Year	Principal	Interest	Debt Service Charges
2024	$ -	$ -	$ -
2025	4,084,095	1,662,875	5,746,970
2026	7,722,082	2,943,586	10,665,668
2027	7,852,060	2,813,608	10,665,668
2028	7,984,336	2,681,332	10,665,668
2029	8,118,954	2,546,713	10,665,667
2030	8,255,956	2,409,711	10,665,667
2031	8,395,387	2,270,280	10,665,667
2032	8,537,293	2,128,374	10,665,667
2033	8,681,719	1,983,948	10,665,667
2034	8,828,711	1,836,957	10,665,668
2035	8,978,319	1,687,348	10,665,667
2036	9,130,590	1,535,078	10,665,668
2037	9,285,575	1,380,093	10,665,668
2038	9,443,324	1,222,343	10,665,667
2039	9,603,889	1,061,779	10,665,668
2040	9,767,322	898,345	10,665,667
2041	9,933,678	731,990	10,665,668
2042	10,103,011	562,655	10,665,666
2043	10,275,378	390,289	10,665,667
2044	10,450,834	214,833	10,665,667
2045	4,878,059	40,639	4,918,698
	180,310,572	$ 33,002,776	$ 213,313,348
	(1,408,083) **		
	$ 178,902,489		

STATEMENT OF OUTSTANDING DEBT

As of December 31, 2023

OUTSTANDING DEBT:		
Bonded debt payable from:		
General obligation bonds:		
Ad valorem property taxes		**$ 59,628,783**
Other than ad valorem property taxes:		
Special assessments	$ 165,514,150	
Tax increment financing	29,043,707	
Transient guest tax	2,375,000	
Airport Authority	118,780,000	
Local sales tax	54,545,000	
Stormwater Utility	5,498,360	
Water Utility	87,440,000	**463,196,217**
Total bonded debt - general obligation		**522,825,000**
Revenue bonds - specified revenues:		
Water-Sewer Utility Revenue Bonds	388,165,000	
Water-Sewer Utility WIFIA Bonds [2]	273,287,574	
Sales Tax Special Obligation Revenue Bonds - 2017 [1]	770,949	
Sales Tax Special Obligation Revenue Bonds - 2018 [1]	1,778,444	**664,001,967**
Gross City bonded debt		**1,186,826,967**
Loans from specific revenues:		
Water-Sewer Utility KPWSLF Loans [3]		**178,902,489**
Total outstanding debt		**$ 1,365,729,456**
Less: non-general obligation debt:		
Revenue bonds - specific revenues:		
Water-Sewer Utility Revenue Bonds	$ (388,165,000)	
Water-Sewer Utility WIFIA Bonds [2]	(273,287,574)	
Sales Tax Special Obligation Revenue Bonds - 2017 [1]	(770,949)	
Sales Tax Special Obligation Revenue Bonds - 2018 [1]	(1,778,444)	**(664,001,967)**
Loans from specific revenues:		
Water-Sewer Utility KPWSLF Loans [3]		**(178,902,489)**
Add: General obligation temporary notes		
Internal Improvements - Taxable Series 314, Dated 10/13/2023	113,875,000	**113,875,000**
Total general obligation outstanding debt		**$ 636,700,000**

[1] Portion of the bonds outstanding listed are based upon City's portion of the 1% Sedgwick County Sales Tax.

[2] See *Note 10.F - Direct Borrowings and Placements: Bonds and Long-term Loans, Water Infrastructure Finance and Innovation Act (WIFIA) Bonds* section for information on the City's two outstanding WIFIA Bonds for the Water and Sewer Utility.

[3] See *Note 10.F - Direct Borrowings and Placements: Bonds and Long-term Loans, Kansas Public Water Supply Loan Fund (KPWSLF or Revolving Fund)* section for information on the City's four outstanding KPWSLF loans for the Water and Sewer Utility.

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SCHEDULE OF INSURANCE IN FORCE

December 31, 2023

Company	Policy Period From	Policy Period To	Details of Coverage	Terms	Deductible	Value Limits
Traveler's (primary) with RSUI, STARR, Kinsale, Chubb,Paragon & James River providing secondary coverages up to the value limits.	01-23	01-24	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. Damage to vehicles is not included. Water Reclamation Faciity has a separate deductible.	Per occurrence with total insured values of approximately $1 billion.	$ 250,000 (3% TIV, min. $500,000 per location wind and hail) $1,000,000 Water Reclamation Facility	$ 350,000,000
Traveler's	01-23	01-24	Comprehensive coverage for steam boilers, air conditioners, and electric motors on a repair or replacement cost basis.	Per occurrence	250,000	Included
Traveler's	01-23	01-24	Data processing property protection	Hardware	250,000	Included
Hartford Fire	01-23	01-24	Burglary and/or theft coverage for monies and securities	Per occurrence	10,000	50,000 to 1,000,000
Housing Authority Risk Retention Group	06-23	06-24	Wichita Housing Authority (WHA) commercial, pesticide liability, mold/other fungi/bacteria, third party discrimination liability coverage	Per occurrence	10,000 commercial, 2,500 pest, 25,000 mold, 10,000 discrimination	5,000,000 commercial, 50,000 pest, 100,000 mold, 500,000 discrimination
Housing Authority Property Insurance	06-23	06-24	WHA occupied commercial property coverage	Per occurrence with combined limit based on individual property values	10,000	26,708,514
Housing Specialty Insurance Company	06-23	06-24	WHA vacant commerical property coverage	Per occurrence with combined limit based on individual actual cash values	25,000	14,632,242
Philadelphia Indemnity Insurance	12-23	12-24	WHA flood insurance on 29 owned units	Per occurrence	1,000 to 5,000 per unit	48,000 to 50,000 per unit
Philadelphia Indemnity Insurance	03-23	03-24	WHA flood insurance on 1 owned unit	Per occurrence	1,000 per unit	50,000 per unit
Philadelphia Indemnity Insurance	05-23	05-24	WHA flood insurance on 5 owned units	Per occurrence	1,250 per unit	63,000 to 161,000 per unit
Safety National Casualty Corporation	01-23	01-24	Excess workers' compensation	Per occurrence- liability imposed by law (higher amount is	850,000 1,000,000	Statutory
			Employers' liability	Per occurrence	-	1,000,000
Zurich	01-23	01-24	Travel accident insurance	Per person/occurrence	-	100,000
				Aggregate	-	500,000

(Continued)

SCHEDULE OF INSURANCE IN FORCE (CONTINUED)

December 31, 2023

Company	Policy Period From	Policy Period To	Details of Coverage	Terms	Deductible	Value Limits
Chubb	01-23	01-24	Foreign package-General liability	Per occurrence	-	1,000,000
Safety National, Kinsale, and APR	01-23	01-24	Special liability - $2 million (self-insured retention), $5 million primary	Per occurrence	2,000,000	10,000,000
The Hartford	01-23	01-24	Position bonding	Per occurrence	-	20,000
AXA-XL	01-23	01-24	Cyber insurance	Combined aggregate	500,000	5,000,000
WICHITA AIRPORT AUTHORITY						
AIG	01-23	01-24	Comprehensive general liability	Per occurrence	$ 1,000	$ 100,000,000
Ace American Insurance Co.	01-23	01-24	Drone Coverage	Per occurrence	-	1,000,000
Great American Alliance Ins. Co.	01-23	01-24	Underground storage tank liability (City-Wide)	Per occurrence	10,000	1,000,000
WICHITA ART MUSEUM						
StarNet / XL Specialty	01-23	01-24	All risk coverage for fine arts collections, on premises; worldwide transit coverage; and other locations.	Per occurrence at insured's premises.	$ 1,000	$ 200,000,000
				Per occurrence not at insured's premises	1,000	100,000,000
				Art in transit	1,000	100,000,000

COMBINING BALANCE SHEET

December 31, 2023

	Economic Development Subfund	General Fund	Intrafund Elimination	Combined General Fund
ASSETS				
Cash and cash equivalents	$ 1,444,457	$ 87,261,160	$ -	$ 88,705,617
Receivables, net:				
Property taxes	-	119,707,038	-	119,707,038
Accounts receivable	245,000	1,488,411	-	1,733,411
Leases receivable	2,525,713	2,530	-	2,528,243
Due from other funds	21,842	91,893	-	113,735
Prepaid items	-	63,828	-	63,828
Total assets	$ 4,237,012	$ 208,614,860	$ -	$ 212,851,872
LIABILITIES				
Accounts payable and other liabilities	$ 230,733	$ 9,213,966	$ -	$ 9,444,699
Deposits	48,958	585,156	-	634,114
Unearned revenue	10,000	161,746	-	171,746
Total liabilities	289,691	9,960,868	-	10,250,559
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue:				
Property taxes	-	117,075,197	-	117,075,197
Unavailable revenue:				
Property taxes	-	1,921,830	-	1,921,830
Other	88,500	79,482	-	167,982
Deferred inflows related to leases	2,568,210	2,092	-	2,570,302
Total deferred inflows of resources	2,656,710	119,078,601	-	121,735,311
FUND BALANCES				
Nonspendable	-	63,828	-	63,828
Assigned	1,290,611	2,938,558	-	4,229,169
Unassigned	-	76,573,005	-	76,573,005
Total fund balances	1,290,611	79,575,391	-	80,866,002
Total liabilities, deferred inflows of resources and fund balances	$ 4,237,012	$ 208,614,860	$ -	$ 212,851,872

COMBINING BALANCE SHEET

December 31, 2023

	Economic Development TIF Districts Subfund	Debt Service Fund	Intrafund Elimination	Combined Debt Service Fund
ASSETS				
Cash and cash equivalents	$ 997,114	$ 30,701,089	$ -	$ 31,698,203
Cash with fiscal agent	-	142,340	-	142,340
Receivables, net:				
Property taxes	-	32,527,107	-	32,527,107
Special assessments	-	182,467,514	-	182,467,514
Notes receivable	-	350,881	-	350,881
Due from other funds	-	5,668,420	-	5,668,420
Total assets	$ 997,114	$ 251,857,351	$ -	$ 252,854,465
LIABILITIES				
Deposits	$ 11,458	$ 1,659,556	$ -	$ 1,671,014
Unearned revenue	-	3,597,822	-	3,597,822
Total liabilities	11,458	5,257,378	-	5,268,836
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue:				
Property taxes	-	31,811,787	-	31,811,787
Unavailable revenue:				
Property taxes	-	521,332	-	521,332
Special assessments	-	182,253,281	-	182,253,281
Other	-	350,881	-	350,881
Total deferred inflows of resources	-	214,937,281	-	214,937,281
FUND BALANCES				
Restricted	985,656	31,662,692	-	32,648,348
Total fund balances	985,656	31,662,692	-	32,648,348
Total liabilities, deferred inflows of resources and fund balances	$ 997,114	$ 251,857,351	$ -	$ 252,854,465

COMBINING BALANCE SHEET

December 31, 2023

	East Bank TIF District	West Bank TIF District	Old Town Cinema TIF District	Southfork TIF District
ASSETS				
Cash and cash equivalents	$ 315,100	$ 394,847	$ -	$ 8,373
Total assets	$ 315,100	$ 394,847	$ -	$ 8,373
LIABILITIES				
Deposits	$ -	$ -	$ -	$ -
Total liabilities	-	-	-	-
FUND BALANCES				
Restricted	315,100	394,847	-	8,373
Total fund balances	315,100	394,847	-	8,373
Total liabilities, deferred inflows of resources and fund balances	$ 315,100	$ 394,847	$ -	$ 8,373

Center City TIF District	Ken Mar TIF District	Douglas & Hillside TIF District	Union Station TIF District	Riverside TIF District	Economic Development TIF Districts
$ 257,927	$ -	$ -	$ 11,516	$ 9,351	$ 997,114
$ 257,927	$ -	$ -	$ 11,516	$ 9,351	$ 997,114
$ -	$ -	$ -	$ 11,458	$ -	$ 11,458
-	-	-	11,458	-	11,458
257,927	-	-	58	9,351	985,656
257,927	-	-	58	9,351	985,656
$ 257,927	$ -	$ -	$ 11,516	$ 9,351	$ 997,114

COMBINING BALANCE SHEET

December 31, 2023

	Gilbert & Mosely TIF District	North Industrial Corridor TIF District	Environmental TIF Districts
ASSETS			
Cash and cash equivalents	$ 21,857,128	$ 15,983,964	$ 37,841,092
Receivables, net:			
Accounts receivable	741,000	-	741,000
Due from other funds	3,646	167	3,813
Total assets	$ 22,601,774	$ 15,984,131	$ 38,585,905
LIABILITIES			
Accounts payable and other liabilities	$ 18,926	$ 48,529	$ 67,455
Total liabilities	18,926	48,529	67,455
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue:			
Other	741,000	-	741,000
Total deferred inflows of resources	741,000	-	741,000
FUND BALANCES			
Restricted	21,841,848	15,935,602	37,777,450
Total fund balances	21,841,848	15,935,602	37,777,450
Total liabilities, deferred inflows of resources and fund balances	$ 22,601,774	$ 15,984,131	$ 38,585,905

COMBINING BALANCE SHEET

December 31, 2023

	City-County Flood Control	City-County Metropolitan Planning	City-County Joint Operations
ASSETS			
Cash and cash equivalents	$ 43,361	$ 225,112	$ 268,473
Due from other funds	1,409	-	1,409
Total assets	$ 44,770	$ 225,112	$ 269,882
LIABILITIES			
Accounts payable and other liabilities	$ 43,613	$ 214,683	$ 258,296
Total liabilities	43,613	214,683	258,296
FUND BALANCES			
Restricted	1,157	10,429	11,586
Total fund balances	1,157	10,429	11,586
Total liabilities and fund balances	$ 44,770	$ 225,112	$ 269,882

COMBINING BALANCE SHEET

December 31, 2023

	WaterWalk Hotel	Broadview Hotel	Central & Oliver	Greenwich & K-96 (Cabelas)
ASSETS				
Cash and cash equivalents	$ 12,427	$ -	$ 2,438	$ 24,264
Receivables, net:				
Accounts receivable	-	3,995	-	-
Total assets	$ 12,427	$ 3,995	$ 2,438	$ 24,264
LIABILITIES				
Accounts payable and other liabilities	$ 12,427	$ -	$ 2,438	$ 24,264
Due to other funds	-	3,995	-	-
Total liabilities	12,427	3,995	2,438	24,264
FUND BALANCES				
Restricted	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	$ 12,427	$ 3,995	$ 2,438	$ 24,264

Douglas & Broadway	Kellogg & West	Greenwich & K-96 (STAR)	Wichita Downtown	Chicken & Pickle	Spaghetti Works	Multi-Sports Stadium
$ 14,792	$ 15,599	$ -	$ 14,349	$ 75,345	$ 10,586	$ 219,796
-	-	-	-	-	-	-
$ 14,792	$ 15,599	$ -	$ 14,349	$ 75,345	$ 10,586	$ 219,796
$ 14,792	$ 15,599	$ -	$ 14,349	$ 8,868	$ 10,586	$ -
-	-	-	-	-	-	-
14,792	15,599	-	14,349	8,868	10,586	-
-	-	-	-	66,477	-	219,796
-	-	-	-	66,477	-	219,796
$ 14,792	$ 15,599	$ -	$ 14,349	$ 75,345	$ 10,586	$ 219,796

(Continued)

COMBINING BALANCE SHEET (CONTINUED)

December 31, 2023

	Douglas & Emporia	Delano Catalyst	Douglas Market	Community Improvement Districts
ASSETS				
Cash and cash equivalents	$ 24,591	$ 10,032	$ 18,088	$ 442,307
Receivables, net:				
Accounts receivable	-	-	-	3,995
Total assets	$ 24,591	$ 10,032	$ 18,088	$ 446,302
LIABILITIES				
Accounts payable and other liabilities	$ 13,910	$ 10,032	$ -	$ 127,265
Due to other funds	-	-	-	3,995
Total liabilities	13,910	10,032	-	131,260
FUND BALANCES				
Restricted	10,681	-	18,088	315,042
Total fund balances	10,681	-	18,088	315,042
Total liabilities and fund balances	$ 24,591	$ 10,032	$ 18,088	$ 446,302

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COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended December 31, 2023

	Economic Development Subfund	General Fund	Intrafund Elimination	Combined General Fund
REVENUES				
Property taxes	$ 7,636	$ 106,535,253	$ -	$ 106,542,889
Motor vehicle taxes	-	13,890,343	-	13,890,343
Franchise taxes	-	55,865,977	-	55,865,977
Local sales tax	-	39,600,831	-	39,600,831
Intergovernmental	-	18,557,776	-	18,557,776
Licenses and permits	-	2,350,944	-	2,350,944
Fines and penalties	-	6,518,149	-	6,518,149
Rentals	552,167	752,641	-	1,304,808
Sale of property	18,226	198,312	-	216,538
Interest and investment earnings	-	37,132,776	-	37,132,776
Charges for services and sales	104,932	18,315,418	-	18,420,350
Other revenue	482,066	7,566,707	(236,276)	7,812,497
Total revenues	1,165,027	307,285,127	(236,276)	308,213,878
EXPENDITURES				
Current:				
General government	1,668,427	41,116,185	(236,276)	42,548,336
Public safety	-	180,305,240	-	180,305,240
Highways and streets	-	14,812,767	-	14,812,767
Sanitation	-	6,220,746	-	6,220,746
Health and welfare	-	1,865,876	-	1,865,876
Culture and recreation	-	32,179,221	-	32,179,221
Principal retirement - leases	-	113,880	-	113,880
Interest - leases	-	37,167	-	37,167
Principal retirement - SBITA	-	181,913	-	181,913
Interest - SBITA	-	2,225	-	2,225
Total expenditures	1,668,427	276,835,220	(236,276)	278,267,371
Excess (deficiency) of revenues over (under) expenditures	(503,400)	30,449,907	-	29,946,507
OTHER FINANCING SOURCES (USES)				
Issuance of long-term lease	-	109,040	-	109,040
Issuance of SBITA	-	245,922	-	245,922
Transfers from other funds	1,000,000	10,611,454	(1,000,000)	10,611,454
Transfers to other funds	(149,500)	(10,201,410)	1,000,000	(9,350,910)
Total other financing sources	850,500	765,006	-	1,615,506
Net change in fund balance	347,100	31,214,913	-	31,562,013
Fund balances - beginning, as previously stated	1,021,328	48,382,327	-	49,403,655
Prior period adjustment	(77,817)	(21,849)	-	(99,666)
Fund balances (deficits) - beginning, restated	943,511	48,360,478	-	49,303,989
Fund balances - ending	$ 1,290,611	$ 79,575,391	$ -	$ 80,866,002

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended December 31, 2023

	Economic Development TIF Districts Subfund	Debt Service Fund	Intrafund Elimination	Combined Debt Service Fund
REVENUES				
Property taxes	$ 4,760,980	$ 28,955,658	$ -	$ 33,716,638
Motor vehicle taxes	-	3,776,393	-	3,776,393
Special assessments	-	19,879,348	-	19,879,348
Local sales tax	-	814,648	-	814,648
Interest and investment earnings	-	73,896	-	73,896
Other revenue	-	567,560	-	567,560
Total revenues	4,760,980	54,067,503	-	58,828,483
EXPENDITURES				
Current:				
General government	449,525	-	-	449,525
Debt service:				
Principal retirement	-	34,533,032	-	34,533,032
Interest and fiscal charges	-	11,067,327	-	11,067,327
Other debt service	-	239,489	-	239,489
Total expenditures	449,525	45,839,848	-	46,289,373
Excess of revenues over expenditures	4,311,455	8,227,655	-	12,539,110
OTHER FINANCING SOURCES (USES)				
Premiums on issuance of debt	-	401,611	-	401,611
Transfers from other funds	-	17,948,195	(3,453,201)	14,494,994
Transfers to other funds	(3,919,360)	(24,009,077)	3,453,201	(24,475,236)
Total other financing uses	(3,919,360)	(5,659,271)	-	(9,578,631)
Net change in fund balance	392,095	2,568,384	-	2,960,479
Fund balances - beginning	593,561	29,094,308	-	29,687,869
Fund balances - ending	$ 985,656	$ 31,662,692	$ -	$ 32,648,348

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND - ECONOMIC DEVELOPMENT TIF DISTRICTS SUBFUND

For the year ended December 31, 2023

	East Bank TIF District	West Bank TIF District	Old Town Cinema TIF District	Southfork TIF District
REVENUES				
Property taxes	$ 1,841,884	$ 768,737	$ 466,159	$ 98,337
Total revenues	1,841,884	768,737	466,159	98,337
EXPENDITURES				
Current:				
General government	-	-	-	114,123
Total expenditures	-	-	-	114,123
Excess (deficiency) of revenues over (under) expenditures	1,841,884	768,737	466,159	(15,786)
OTHER FINANCING USES				
Transfers to other funds	(1,825,300)	(373,890)	(466,159)	-
Total other financing uses	(1,825,300)	(373,890)	(466,159)	-
Net change in fund balance	16,584	394,847	-	(15,786)
Fund balances - beginning	298,516	-	-	24,159
Fund balances - ending	$ 315,100	$ 394,847	$ -	$ 8,373

Center City TIF District	Ken Mar TIF District	Douglas & Hillside TIF District	Union Station TIF District	Riverside TIF District	Economic Development TIF Districts
$ 1,096,492	$ 30,566	$ 137,445	$ 312,009	$ 9,351	$ 4,760,980
1,096,492	30,566	137,445	312,009	9,351	4,760,980
-	-	-	335,402	-	449,525
-	-	-	335,402	-	449,525
1,096,492	30,566	137,445	(23,393)	9,351	4,311,455
(1,086,000)	(30,566)	(137,445)	-	-	(3,919,360)
(1,086,000)	(30,566)	(137,445)	-	-	(3,919,360)
10,492	-	-	(23,393)	9,351	392,095
247,435	-	-	23,451	-	593,561
$ 257,927	$ -	$ -	$ 58	$ 9,351	$ 985,656

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended December 31, 2023

	Gilbert & Mosley TIF District	North Industrial Corridor TIF District	Environmental TIF Districts
REVENUES			
Property taxes	$ -	$ 1,165,301	$ 1,165,301
Total revenues	-	1,165,301	1,165,301
EXPENDITURES			
Current:			
Health and welfare	651,894	667,583	1,319,477
Total expenditures	651,894	667,583	1,319,477
Net change in fund balance	(651,894)	497,718	(154,176)
Fund balances - beginning	22,493,742	15,437,884	37,931,626
Fund balances - ending	$ 21,841,848	$ 15,935,602	$ 37,777,450

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended December 31, 2023

	City-County Flood Control	City-County Metropolitan Planning	City-County Joint Operations
REVENUES			
Intergovernmental	$ 1,252,510	$ 624,075	$ 1,876,585
Charges for services and sales	-	367,289	367,289
Other revenue	-	475,777	475,777
Total revenues	1,252,510	1,467,141	2,719,651
EXPENDITURES			
Current:			
General government	-	1,625,609	1,625,609
Public safety	2,653,010	500,088	3,153,098
Total expenditures	2,653,010	2,125,697	4,778,707
Deficiency of revenues under expenditures	(1,400,500)	(658,556)	(2,059,056)
OTHER FINANCING SOURCES			
Transfers from other funds	1,242,690	648,271	1,890,961
Total other financing sources	1,242,690	648,271	1,890,961
Net change in fund balance	(157,810)	(10,285)	(168,095)
Fund balances - beginning	158,967	20,714	179,681
Fund balances - ending	$ 1,157	$ 10,429	$ 11,586

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COMMUNITY IMPROVEMENT DISTRICTS FUND

For the year ended December 31, 2023

	WaterWalk Hotel	Broadview Hotel	Central & Oliver	Greenwich & K-96 (Cabelas)
REVENUES				
Local sales tax	$ 124,341	$ 119,466	$ 37,339	$ 387,577
Total revenues	124,341	119,466	37,339	387,577
EXPENDITURES				
Current:				
General government	124,341	119,466	37,339	387,577
Total expenditures	124,341	119,466	37,339	387,577
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING USES				
Transfers to other funds	-	-	-	-
Total other financing uses	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

Douglas & Broadway	Kellogg & West	Greenwich & K-96 (STAR)	Wichita Downtown	Chicken & Pickle	Spaghetti Works	Multi-Sports Stadium
$ 166,477	$ 291,593	$ 12	$ 97,843	$ 164,488	$ 77,263	$ 206,056
166,477	291,593	12	97,843	164,488	77,263	206,056
166,477	291,593	-	102,403	148,088	71,904	10,304
166,477	291,593	-	102,403	148,088	71,904	10,304
-	-	12	(4,560)	16,400	5,359	195,752
-	-	(1,447,562)	-	-	(7,726)	(5,459)
-	-	(1,447,562)	-	-	(7,726)	(5,459)
-	-	(1,447,550)	(4,560)	16,400	(2,367)	190,293
-	-	1,447,550	4,560	50,077	2,367	29,503
$ -	$ -	$ -	$ -	$ 66,477	$ -	$ 219,796

(Continued)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COMMUNITY IMPROVEMENT DISTRICTS FUND (CONTINUED)

For the year ended December 31, 2023

	Douglas & Emporia	Delano Catalyst	Douglas Market	Community Improvement Districts
REVENUES				
Local sales tax	$ 8,226	$ 131,957	$ 18,147	$ 1,830,785
Total revenues	8,226	131,957	18,147	1,830,785
EXPENDITURES				
Current:				
General government	-	131,957	148	1,591,597
Total expenditures	-	131,957	148	1,591,597
Excess (deficiency) of revenues over (under) expenditures	8,226	-	17,999	239,188
OTHER FINANCING USES				
Transfers to other funds	-	-	-	(1,460,747)
Total other financing uses	-	-	-	(1,460,747)
Net change in fund balance	8,226	-	17,999	(1,221,559)
Fund balances - beginning	2,455	-	89	1,536,601
Fund balances - ending	$ 10,681	$ -	$ 18,088	$ 315,042

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 over time.



CITY OF WICHITA

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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NET POSITION BY COMPONENT

For years ended December 31, 2014 through December 31, 2023
(accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2014	2015	2016	2017	2018
GOVERNMENTAL ACTIVITIES					
Net investment in capital assets	$ 714,088	$ 779,473	$ 831,119	$ 860,155	$ 877,975
Restricted for:					
Alcohol and drug programs	-	-	-	-	-
Capital projects	24,909	22,017	30,743	14,594	59,996
Cemetery (perpetual care)	749	721	1,498	1,500	1,386
Debt service	221,877	191,172	183,820	180,661	176,757
Environmental remediation	-	-	-	-	-
Grant programs	-	-	-	-	-
Highways and streets	-	-	702	2,958	9,227
Municipal court	-	-	-	-	-
Other purposes	19,618	23,628	28,192	28,372	25,063
Park and recreation	-	-	-	-	-
Promotion and development	-	-	-	-	-
Unrestricted	48,517	27,477	38,389	20,546	(5,915)
Total governmental activities net position	$ 1,029,758	$ 1,044,488	$ 1,114,463	$ 1,108,786	$ 1,144,489
BUSINESS-TYPE ACTIVITIES					
Net investment in capital assets	$ 908,335	$ 920,577	$ 956,424	$ 966,425	$ 1,006,030
Restricted for:					
Capital projects	31,221	37,578	18,398	9,554	13,836
Operating projects	-	-	-	-	-
Revenue bond covenants	107,357	105,443	114,093	131,055	113,163
Unrestricted	61,782	56,332	72,483	85,514	86,752
Total business-type activities net position	$ 1,108,695	$ 1,119,930	$ 1,161,398	$ 1,192,548	$ 1,219,781
PRIMARY GOVERNMENT					
Net investment in capital assets	$ 1,622,423	$ 1,700,050	$ 1,787,543	$ 1,826,580	$ 1,884,005
Restricted for:					
Alcohol and drug programs	-	-	-	-	-
Capital projects	56,130	59,595	49,141	24,148	73,832
Cemetery (perpetual care)	749	721	1,498	1,500	1,386
Debt service	221,877	191,172	183,820	180,661	176,757
Environmental remediation	-	-	-	-	-
Grant programs	-	-	-	-	-
Highways and streets	-	-	702	2,958	9,227
Municipal court	-	-	-	-	-
Operating projects	-	-	-	-	-
Other purposes	19,618	23,628	28,192	28,372	25,063
Park and recreation	-	-	-	-	-
Promotion and development	-	-	-	-	-
Revenue bond covenants	107,357	105,443	114,093	131,055	113,163
Unrestricted	110,299	83,809	110,872	106,060	80,837
Total primary government net position	$ 2,138,453	$ 2,164,418	$ 2,275,861	$ 2,301,334	$ 2,364,270

	Fiscal Year				
	2019	2020	2021	2022	2023
GOVERNMENTAL ACTIVITIES					
Net investment in capital assets	$ 893,090	$ 929,603	$ 891,532	$ 890,453	$ 911,031
Restricted for:					
Alcohol and drug programs	-	-	-	-	4,160
Capital projects	29,334	11,485	46,703	48,767	44,403
Cemetery (perpetual care)	1,512	1,402	1,584	1,619	1,564
Debt service	171,034	170,604	190,954	198,169	213,033
Environmental remediation	-	-	-	-	6,318
Grant programs	-	-	-	-	10,566
Highways and streets	13,466	16,380	20,952	24,888	29,537
Municipal court	-	-	-	-	3,824
Other purposes	33,103	35,170	37,638	35,283	15
Park and recreation	-	-	-	-	897
Promotion and development	-	-	-	-	9,988
Unrestricted	(35,463)	(44,506)	(24,276)	(2,148)	(10,010)
Total governmental activities net position	$ 1,106,076	$ 1,120,138	$ 1,165,087	$ 1,197,031	$ 1,225,326
BUSINESS-TYPE ACTIVITIES					
Net investment in capital assets	$ 1,006,493	$ 1,038,139	$ 1,078,289	$ 1,066,165	$ 1,100,117
Restricted for:					
Capital projects	18,058	20,121	5,808	8,951	3,317
Operating projects	-	6,108	6,983	8,113	8,047
Revenue bond covenants	145,733	162,408	207,987	182,877	199,451
Unrestricted	78,696	82,781	90,805	221,362	278,011
Total business-type activities net position	$ 1,248,980	$ 1,309,557	$ 1,389,872	$ 1,487,468	$ 1,588,943
PRIMARY GOVERNMENT					
Net investment in capital assets	$ 1,899,583	$ 1,967,742	$ 1,969,821	$ 1,956,618	$ 2,011,148
Restricted for:					
Alcohol and drug programs	-	-	-	-	4,160
Capital projects	47,392	31,606	52,511	57,718	47,720
Cemetery (perpetual care)	1,512	1,402	1,584	1,619	1,564
Debt service	171,034	170,604	190,954	198,169	213,033
Environmental remediation	-	-	-	-	6,318
Grant programs	-	-	-	-	10,566
Highways and streets	13,466	16,380	20,952	24,888	29,537
Municipal court	-	-	-	-	3,824
Operating projects	-	6,108	6,983	8,113	8,047
Other purposes	33,103	35,170	37,638	35,283	15
Park and recreation	-	-	-	-	897
Promotion and development	-	-	-	-	9,988
Revenue bond covenants	145,733	162,408	207,987	182,877	199,451
Unrestricted	43,233	38,275	66,529	219,214	268,001
Total primary government net position	$ 2,355,056	$ 2,429,695	$ 2,554,959	$ 2,684,499	$ 2,814,269

CHANGES IN NET POSITION

For years ended December 31, 2014 through December 31, 2023
(accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2014	2015	2016	2017	2018
EXPENSES					
Governmental activities:					
General government	$ 46,350	$ 64,844	$ 47,613	$ 62,657	$ 53,601
Public safety	132,601	136,232	151,445	150,548	146,543
Highways and streets	50,698	68,326	44,659	101,127	77,138
Sanitation	4,489	5,384	5,054	5,035	5,198
Health and welfare	29,668	31,896	34,973	33,392	42,045
Culture and recreation	35,629	37,707	43,908	45,189	48,998
Interest on long-term debt	13,729	12,334	14,874	11,258	10,585
Total governmental activities expenses	313,164	356,723	342,526	409,206	384,108
Business-type activities:					
Water Utility	60,654	72,179	75,308	77,795	77,052
Sewer Utility	46,801	44,943	48,510	49,942	51,177
Airport Authority	28,691	38,967	38,671	39,887	39,852
Stormwater Utility	8,476	10,905	10,111	9,937	9,958
Golf Course System	4,887	4,960	5,038	5,296	5,016
Transit	15,340	16,337	14,086	14,829	15,780
Landfill	-	-	-	-	-
Total business-type activities expenses	164,849	188,291	191,724	197,686	198,835
Total primary government expenses	$ 478,013	$ 545,014	$ 534,250	$ 606,892	$ 582,943
PROGRAM REVENUES					
Governmental activities:					
Charges for services:					
General government	$ 15,778	$ 22,389	$ 32,111	$ 24,337	$ 24,422
Public safety	6,588	7,411	7,566	3,244	5,020
Highways and streets	4,558	5,196	6,606	3,584	4,322
Sanitation	1,115	1,085	2,134	4,710	3,168
Health and welfare	3,821	3,332	4,271	2,590	3,486
Culture and recreation	4,798	4,979	5,921	3,707	5,063
Operating grants and contributions	45,088	46,685	49,012	49,218	45,880
Capital grants and contributions	38,795	50,301	51,006	76,791	98,229
Total governmental activities revenues	120,541	141,378	158,627	168,181	189,590
Business-type activities:					
Charges for services:					
Water Utility	75,173	74,906	77,241	81,026	88,015
Sewer Utility	51,291	53,236	54,626	57,409	62,665
Airport Authority	23,687	25,752	28,394	31,012	30,565
Stormwater Utility	9,315	9,353	9,198	11,897	12,853
Golf Course System	4,301	4,632	4,412	4,352	4,190
Transit	2,035	2,089	1,783	1,908	2,152
Landfill	-	-	-	-	-
Operating grants and contributions	8,859	4,592	7,406	6,781	7,036
Capital grants and contributions	22,871	27,842	33,555	22,290	11,037
Total business-type activities revenues	197,532	202,402	216,615	216,675	218,513
Total primary government revenues	$ 318,073	$ 343,780	$ 375,242	$ 384,856	$ 408,103
NET REVENUE (EXPENSE)					
Governmental activities	$ (192,623)	$ (215,345)	$ (183,899)	$ (241,025)	$ (194,518)
Business-type activities	32,683	14,111	24,891	18,989	19,678
Total primary government net expense	$ (159,940)	$ (201,234)	$ (159,008)	$ (222,036)	$ (174,840)

	Fiscal Year				
	2019	2020	2021	2022	2023
EXPENSES					
Governmental activities:					
General government	$ 53,832	$ 50,481	$ 53,279	$ 61,436	$ 75,646
Public safety	170,966	173,495	154,190	149,734	226,644
Highways and streets	93,555	67,712	57,704	62,033	66,200
Sanitation	4,781	7,536	8,882	6,271	7,342
Health and welfare	36,035	34,918	62,423	56,334	39,972
Culture and recreation	49,526	42,140	42,094	46,586	52,543
Interest on long-term debt	12,305	11,557	7,014	9,748	7,907
Total governmental activities expenses	421,000	387,839	385,586	392,142	476,254
Business-type activities:					
Water Utility	77,827	82,008	82,923	93,902	92,843
Sewer Utility	53,290	53,565	51,984	55,140	56,004
Airport Authority	42,813	42,755	37,457	38,786	42,202
Stormwater Utility	11,050	11,856	10,721	9,997	12,028
Golf Course System	4,897	4,281	4,024	4,431	5,505
Transit	15,476	16,038	15,570	16,241	17,700
Landfill	-	-	-	2,675	2,573
Total business-type activities expenses	205,353	210,503	202,679	221,172	228,855
Total primary government expenses	$ 626,353	$ 598,342	$ 588,265	$ 613,314	$ 705,109
PROGRAM REVENUES					
Governmental activities:					
Charges for services					
General government	$ 27,206	$ 23,203	$ 28,464	$ 25,295	$ 23,999
Public safety	5,106	6,114	3,878	4,895	3,953
Highways and streets	3,792	3,835	3,503	5,672	3,967
Sanitation	2,864	2,711	2,537	-	-
Health and welfare	3,420	4,322	2,447	1,702	1,424
Culture and recreation	5,221	2,527	4,501	6,641	6,853
Operating grants and contributions	53,891	65,495	86,167	79,016	85,143
Capital grants and contributions	40,591	42,664	42,949	34,469	44,002
Total governmental activities revenues	142,091	150,871	174,446	157,690	169,341
Business-type activities:					
Charges for services:					
Water Utility	85,197	103,244	112,772	126,165	129,734
Sewer Utility	65,697	68,116	74,382	75,654	78,958
Airport Authority	32,086	23,251	29,229	32,706	34,796
Stormwater Utility	12,799	13,009	13,534	13,082	13,300
Golf Course System	3,985	4,062	5,174	5,415	6,182
Transit	2,083	1,232	1,129	1,341	1,500
Landfill	-	-	-	2,199	2,454
Operating grants and contributions	6,864	19,166	10,081	23,868	12,296
Capital grants and contributions	16,003	23,180	13,214	10,439	30,812
Total business-type activities revenues	224,714	255,260	259,515	290,869	310,032
Total primary government revenues	$ 366,805	$ 406,131	$ 433,961	$ 448,559	$ 479,373
NET REVENUE (EXPENSE)					
Governmental activities	$ (278,909)	$ (236,968)	$ (211,140)	$ (234,452)	$ (306,913)
Business-type activities	19,361	44,757	56,836	69,697	81,177
Total primary government net expense	$ (259,548)	$ (192,211)	$ (154,304)	$ (164,755)	$ (225,736)

(Continued)

CHANGES IN NET POSITION (CONTINUED)

For years ended December 31, 2014 through December 31, 2023
(accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2014	2015	2016	2017	2018
GENERAL REVENUES					
Governmental activities:					
Taxes:					
Property taxes	$ 105,989	$ 106,706	$ 108,266	$ 110,624	$ 113,366
Sales taxes	56,143	57,959	58,660	57,683	59,602
Franchise taxes	41,864	44,304	44,766	45,564	47,282
Motor vehicle taxes	14,397	14,732	15,704	15,738	16,116
Transient guest taxes	6,754	7,255	7,178	7,065	7,411
Interest and investment earnings (loss)	1,422	1,725	2,255	3,921	7,362
Miscellaneous	15,289	11,952	12,585	5,720	1,968
Special item - loss on sale of Hyatt Hotel	-	-	(11,754)	-	-
Transfers	(4,744)	(3,539)	(4,114)	(11,017)	(12,829)
Total governmental activities general revenues	237,114	241,094	233,546	235,298	240,278
Business-type activities:					
Interest and investment earnings	42	449	103	428	1,086
Miscellaneous	5,170	2,013	1,286	714	927
Transfers	4,744	3,539	4,114	11,017	12,829
Total business-type activities general revenues	9,956	6,001	5,503	12,159	14,842
Total primary government general revenues	$ 247,070	$ 247,095	$ 239,049	$ 247,457	$ 255,120
CHANGE IN NET POSITION					
Governmental activities:					
Change in net position before prior period adjustment	$ 44,491	$ 25,749	$ 49,647	$ (5,727)	$ 45,760
Prior period adjustment	-	(11,019)	20,328	52	(10,057)
Total governmental activities change in net position	44,491	14,730	69,975	(5,675)	35,703
Business-type activities:					
Change in net position before prior period adjustment	42,639	20,112	30,394	31,148	34,520
Prior period adjustment	-	(8,878)	11,073	-	(7,287)
Total business-type activities change in net position	42,639	11,234	41,467	31,148	27,233
Primary Government:					
Change in net position before prior period adjustment	87,130	45,861	80,041	25,421	80,280
Prior period adjustment	-	(19,897)	31,401	52	(17,344)
Total primary government change in net position	$ 87,130	$ 25,964	$ 111,442	$ 25,473	$ 62,936

	Fiscal Year				
	2019	2020	2021	2022	2023
GENERAL REVENUES					
Governmental activities:					
Taxes:					
Property taxes	$ 118,080	$ 123,116	$ 130,276	$ 133,834	$ 144,055
Sales taxes	63,024	63,822	72,156	79,945	82,511
Franchise taxes	44,797	45,461	47,715	55,552	55,866
Motor vehicle taxes	16,609	16,685	17,410	17,072	17,702
Transient guest taxes	11,057	7,703	8,507	11,965	13,422
Interest and investment earnings (loss)	11,388	5,488	1,631	(7,687)	37,254
Miscellaneous	3,529	2,654	1,075	2,352	1,602
Special item - loss on sale of Hyatt Hotel	-	-	-	-	-
Transfers	(12,741)	(13,898)	(22,709)	(22,375)	(18,096)
Total governmental activities general revenues	255,743	251,031	256,061	270,658	334,316
Business-type activities:					
Interest and investment earnings	1,463	378	51	104	663
Miscellaneous	1,718	1,543	719	867	1,360
Transfers	12,741	13,898	22,709	22,375	18,096
Total business-type activities general revenues	15,922	15,819	23,479	23,346	20,119
Total primary government general revenues	$ 271,665	$ 266,850	$ 279,540	$ 294,004	$ 354,435
CHANGE IN NET POSITION					
Governmental activities:					
Change in net position before prior period adjustment	$ (23,166)	$ 14,063	$ 44,921	$ 36,206	$ 27,403
Prior period adjustment	(15,248)	-	28	(4,262)	892
Total governmental activities change in net position	(38,414)	14,063	44,949	31,944	28,295
Business-type activities:					
Change in net position before prior period adjustment	35,283	60,576	80,315	93,043	101,296
Prior period adjustment	(6,083)	-	-	4,553	179
Total business-type activities change in net position	29,200	60,576	80,315	97,596	101,475
Primary Government:					
Change in net position before prior period adjustment	12,117	74,639	125,236	129,249	128,699
Prior period adjustment	(21,331)	-	28	291	1,071
Total primary government change in net position	$ (9,214)	$ 74,639	$ 125,264	$ 129,540	$ 129,770

FUND BALANCES OF GOVERNMENTAL FUNDS

For years ended December 31, 2014 through December 31, 2023
(modified accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2014	2015	2016	2017	2018
General Fund					
Nonspendable	$ 888	$ 949	$ 858	$ 850	$ 1,050
Committed	-	-	14,000	19,000	-
Assigned	5,384	6,347	5,249	3,704	3,376
Unassigned	27,859	28,824	36,449	33,262	35,563
Total General Fund	$ 34,131	$ 36,120	$ 56,556	$ 56,816	$ 39,989
All other governmental funds					
Nonspendable	$ 356	$ 4,463	$ 4,129	$ 369	$ 379
Restricted	100,590	114,212	106,421	121,210	114,541
Committed	16,527	16,142	18,004	17,101	15,528
Assigned	1,853	2,084	796	850	1,073
Unassigned	(43,465)	(67,116)	(82,449)	(102,281)	(80,573)
Total all other governmental funds	$ 75,861	$ 69,785	$ 46,901	$ 37,249	$ 50,948

	Fiscal Year				
	2019	2020	2021	2022	2023
General Fund					
Nonspendable	$ 621	$ 920	$ 265	$ 14	$ 64
Committed	-	-	-	-	-
Assigned	5,473	2,507	3,367	5,210	4,229
Unassigned	37,225	45,032	50,117	44,180	76,573
Total General Fund	$ 43,319	$ 48,459	$ 53,749	$ 49,404	$ 80,866
All other governmental funds					
Nonspendable	$ 450	$ 441	$ 339	$ 533	$ 624
Restricted	128,663	120,839	140,194	144,552	142,690
Committed	16,800	16,704	15,219	10,933	11,162
Assigned	1,489	1,902	1,201	147	724
Unassigned	(115,156)	(184,590)	(191,576)	(183,180)	(172,571)
Total all other governmental funds	$ 32,246	$ (44,704)	$ (34,623)	$ (27,015)	$ (17,371)

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

For years ended December 31, 2014 through December 31, 2023
(modified accrual basis of accounting)
(dollars expressed in thousands)

	Fiscal Year				
	2014	2015	2016	2017	2018
REVENUES					
Taxes	$ 183,283	$ 186,651	$ 189,808	$ 191,109	$ 196,496
Special assessments	31,509	29,797	28,665	28,991	28,367
Franchise taxes	41,863	44,304	44,766	45,563	47,282
Intergovernmental	57,530	70,185	82,921	93,656	119,050
Licenses and permits	7,241	7,732	8,096	2,857	2,939
Fines and penalties	9,858	9,767	9,121	8,271	8,187
Rentals	4,203	6,227	4,328	4,216	4,237
Interest and investment earnings (loss)	1,456	1,725	2,255	3,921	7,362
Charges for services and sales	12,122	21,947	23,525	19,927	20,953
Other revenue	22,117	13,740	15,243	20,795	18,200
Total revenues	371,182	392,075	408,728	419,306	453,073
EXPENDITURES					
Current:					
General government	37,368	37,601	39,113	38,243	39,409
Public safety	129,934	131,496	136,049	136,336	144,224
Highways and streets	18,416	20,301	19,760	20,217	17,646
Sanitation	4,366	4,977	4,558	4,671	4,924
Health and welfare	31,656	33,035	36,431	35,388	35,896
Culture and recreation	31,044	33,391	36,591	37,018	37,042
Debt service:					
Principal	50,925	51,669	51,082	57,588	52,787
Interest and other debt service	17,132	18,699	16,480	16,035	15,202
Capital outlay	76,379	91,671	93,164	118,071	134,089
Total expenditures	397,220	422,840	433,228	463,567	481,219
Deficiency of revenues under expenditures	(26,038)	(30,765)	(24,500)	(44,261)	(28,146)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	108,370	50,560	11,731	34,370	27,235
Issuance of refunding debt	-	-	13,357	-	-
Premiums on issuance of debt	9,842	6,045	2,977	5,629	1,946
Discounts on issuance of debt	(33)	-	(349)	-	-
Payments on refunded debt	(48,905)	(32,321)	(24,267)	(1,406)	-
Repayments of long-term note receivables	-	-	-	-	-
Issuance of long-term note receivables	-	-	-	-	-
Issuance of long-term lease payable	-	-	-	-	-
Issuance of SBITA	-	-	-	-	-
Transfers from other funds	90,735	124,180	70,463	84,556	99,993
Transfers to other funds	(92,603)	(126,142)	(72,533)	(88,332)	(85,156)
Total other financing sources	67,406	22,322	1,379	34,817	44,018
Net change in fund balance before special items	41,368	(8,443)	(23,121)	(9,444)	15,872
SPECIAL ITEMS					
Sale of Hyatt Hotel	-	-	20,003	-	-
Transfers to other funds, Hyatt Hotel proceeds	-	-	-	-	(19,000)
Total special items	-	-	20,003	-	(19,000)
Net change in fund balance before prior period adjustment	41,368	(8,443)	(3,118)	(9,444)	(3,128)
Prior period adjustment	-	4,354	671	52	-
Total changes in fund balances	$ 41,368	$ (4,089)	$ (2,447)	$ (9,392)	$ (3,128)
Debt service as a percentage of noncapital expenditures	20.3%	18.9%	19.8%	17.2%	16.7%

	Fiscal Year				
	2019	2020	2021	2022	2023
REVENUES					
Taxes	$ 208,769	$ 211,326	$ 228,349	$ 242,278	$ 255,786
Special assessments	25,894	24,954	23,015	22,148	20,556
Franchise taxes	44,797	45,461	47,715	55,552	55,866
Intergovernmental	75,089	88,634	90,713	84,522	96,277
Licenses and permits	2,715	2,063	2,182	2,397	2,354
Fines and penalties	10,616	8,616	9,823	7,424	6,869
Rentals	3,841	2,389	2,875	3,481	3,461
Interest and investment earnings (loss)	11,388	5,488	1,631	(7,687)	37,254
Charges for services and sales	21,114	20,780	21,966	23,821	22,587
Other revenue	23,397	19,682	25,416	20,999	18,516
Total revenues	427,620	429,393	453,685	454,935	519,526
EXPENDITURES					
Current:					
General government	42,163	43,195	44,969	51,093	63,881
Public safety	147,100	162,077	166,195	172,887	192,604
Highways and streets	18,286	15,752	14,995	15,705	14,813
Sanitation	4,379	7,148	8,535	6,335	6,670
Health and welfare	36,836	39,125	59,234	54,214	42,350
Culture and recreation	40,463	32,959	35,443	41,459	45,709
Debt service:					
Principal	55,601	56,684	39,452	39,729	34,987
Interest and other debt service	15,994	16,126	18,215	17,049	18,608
Capital outlay	165,779	159,496	86,995	87,863	103,880
Total expenditures	526,601	532,562	474,033	486,334	523,502
Deficiency of revenues under expenditures	(98,981)	(103,169)	(20,348)	(31,399)	(3,976)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	81,030	24,095	29,215	40,045	44,730
Issuance of refunding debt	-	5,815	-	-	-
Premiums on issuance of debt	8,864	5,803	9,141	1,583	2,037
Discounts on issuance of debt	-	-	-	-	-
Payments on refunded debt	-	-	-	-	-
Repayments of long-term note receivables	-	-	-	24	50
Issuance of long-term note receivables	-	-	-	(193)	(26)
Issuance of long-term lease payable	-	-	-	33	312
Payments on long-term lease payable	-	-	-	-	246
Transfers from other funds	95,416	77,766	82,252	99,500	128,798
Transfers to other funds	(102,334)	(82,120)	(84,918)	(101,777)	(130,965)
Total other financing sources (uses)	82,976	31,359	35,690	39,215	45,182
Net change in fund balance before special items	(16,005)	(71,810)	15,342	7,816	41,206
SPECIAL ITEMS					
Sale of Hyatt Hotel	-	-	-	-	-
Transfers to other funds, Hyatt Hotel proceeds	-	-	-	-	-
Total special items	-	-	-	-	-
Net change in fund balance before prior period adjustment	(16,005)	(71,810)	15,342	7,816	41,206
Prior period adjustment	634	-	28	(4,553)	(100)
Total changes in fund balances	$ (15,371)	$ (71,810)	$ 15,370	$ 3,263	$ 41,106
Debt service as a percentage of noncapital expenditures	17.1%	18.0%	13.8%	13.2%	12.1%

GOVERNMENTAL OWN SOURCE REVENUES BY SOURCE

For years ended December 31, 2014 through December 31, 2023
(modified accrual basis of accounting)
(dollars expressed in thousands)

Year	Property Taxes[1]	Special Assessments[2]	Franchise Taxes
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
2022	150,367	22,148	55,552
2023	159,853	20,556	55,866

[1] Property taxes include motor vehicle taxes.

[2] Special assessments includes the assessments for improvements.

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GOVERNMENTAL REVENUES BY SOURCE

For years ended December 31, 2014 through December 31, 2023
(modified accrual basis of accounting)
(dollars expressed in thousands)

Year	Taxes[1]	Special Assessments[2]	Franchise Taxes	Local Sales Tax	Intergovern-mental	Licenses and Permits
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
2022	162,333	22,148	55,552	79,945	84,522	2,397
2023	173,275	20,556	55,866	82,511	96,277	2,354

GOVERNMENTAL EXPENDITURES BY FUNCTION

For years ended December 31, 2014 through December 31, 2023
(modified accrual basis of accounting)
(dollars expressed in thousands)

Year	General Government	Public Safety	Highways and Streets	Sanitation	Health and Welfare	Culture and Recreation
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
2022	51,093	172,887	15,705	6,335	54,214	41,459
2023	63,881	192,604	14,813	6,670	42,350	45,709

[1] Includes all property taxes, motor vehicle taxes and transient guest taxes.

[2] Includes all collections through specials, including nuisance collections.

Fines and Penalties	Rentals	Interest Earnings	Charges for Services and Sales	Other Revenue	Total	Year
$ 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
7,424	3,481	(7,687)	23,821	20,999	454,935	2022
6,869	3,461	37,254	22,587	18,516	519,526	2023

Debt Service	Capital Outlay	Total	Year
$ 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
56,662	87,863	486,218	2022
53,595	103,880	523,502	2023

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

For years ended December 31, 2014 through December 31, 2023
(dollars expressed in thousands)

Year[1]	Real Property		Personal Property		State Assessed Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
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
2022	4,047,001	28,579,078	55,347	232,739	144,095	436,651
2023	4,431,856	31,550,749	63,464	264,699	138,939	421,028

Year[1]	Totals Assessed Property		Assessed Value as a Percent of Actual Value	Total Direct Tax Rate[2]	Tangible Valuation of Motor Vehicles	Total Valuation for Bonded Debt Limitations
	Assessed Value	Estimated Actual Value				
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
2022	4,246,443	29,248,468	14.52	32.762	460,565	4,707,008
2023	4,634,259	32,236,476	14.38	32.743	474,345	5,108,604

[1] The assessed value and tax rate of the referenced year supports the budget of the subsequent year. For example, the assessed value of 2023 multiplied by the tax rate supports the budget of fiscal 2024.

[2] Direct tax rates are per $1,000 of actual value.

Source: Sedgwick County Clerk and Sedgwick County Appraiser

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS

For years ended December 31, 2014 through December 31, 2023

	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
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
2022	25.761	7.001	32.762	1.500	29.368	51.484	82.352	115.114
2023	25.747	6.996	32.743	1.500	28.988	51.954	82.442	115.185

[1] Represents the year the taxes were levied, which provides support for the subsequent budget year (i.e., 2023 taxes are for the 2024 fiscal year).

Source: Sedgwick County Clerk and Sedgwick County Appraiser

PRINCIPAL PROPERTY TAXPAYERS

For years ended December 31, 2023 and December 31, 2014
(dollars expressed in thousands)

Taxpayer	2023 Assessed Value	2023 Rank	2023 Percentage of Total Taxable Assessed Value	2014 Assessed Value	2014 Rank	2014 Percentage of Total Taxable Assessed Value
Evergy Kansas South Inc (Westar Energy Co.)	$ 72,174	1	1.56 %	$ 40,413	1	1.28 %
Kansas Gas Service-A Division of One Gas	33,068	2	0.71	19,131	4	0.61
Wesley Medical Center LLC	26,203	3	0.57	10,732	7	0.34
Walmart Stores Inc	22,526	4	0.49	13,459	6	0.43
Bradley Fair Properties LLC	14,967	5	0.32	9,763	8	0.31
Simon Property Group LP	12,812	6	0.28	25,807	3	0.82
City of Wichita	11,159	7	0.24	30,558	2	0.97
New Market Square Ltd	10,553	8	0.23	-	-	-
Black Hills Corporation	9,255	9	0.20	-	-	-
Ruffin Epic/Riverfront Hotel/Hotel of Wichita	8,700	10	0.19	-	-	-
Southwestern Bell Telephone	-	-	-	13,887	5	0.44
Sam's Club	-	-	-	9,310	9	0.30
Target Corporation	-	-	-	6,977	10	0.22
Totals	**$ 221,418**		**4.79 %**	**$ 180,037**		**5.72 %**

PRINCIPAL EMPLOYERS, WICHITA AREA

For years ended December 31, 2023 and December 31, 2014

Employer	2023 Total Full-time Wichita-area Employees	2023 Rank	2023 Percentage of Total Wichita-area Employment	2014 Total Full-time Wichita-area Employees	2014 Rank	2014 Percentage of Total Wichita-area Employment
Spirit AeroSystems, Inc.	11,500	1	3.69 %	10,900	1	3.73 %
Textron Aviation	9,600	2	3.08	-	-	-
McConnell Air Force Base	5,917	3	1.90	5,094	4	1.74
USD 259 Wichita	5,556	4	1.78	5,606	3	1.92
Steven Enterprises	3,529	5	1.13	-	-	-
Ascension Via Christi Health	3,239	6	1.04	5,899	2	2.02
Koch Industries	2,987	7	0.96	3,300	6	1.13
City of Wichita	2,791	8	0.90	2,800	8	0.96
Sedgwick County	2,556	9	0.82	2,618	10	0.90
Wichita State University	2,465	10	0.79	-	-	-
State of Kansas	-	-	-	3,992	5	1.37
Bombardier Aerospace Learjet, Inc.	-	-	-	2,855	7	0.98
U.S. Government	-	-	-	2,620	9	0.90
Percent of total employment			**16.09 %**			**15.65 %**
Total employment	**311,642**			**292,400**		

Source: Wichita Business Journal; total employment is from U.S. Department of Labor - Bureau of Labor Statistics

PROPERTY TAX LEVIES AND COLLECTIONS
GENERAL AND DEBT SERVICE FUNDS

For years ended December 31, 2014 through December 31, 2023
(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
2014	$ 101,569	$ 98,154	96.64 %	$ 2,257	$ 100,411	98.86 %
2015	102,796	99,260	96.56	2,298	101,558	98.80
2016	104,322	101,015	96.83	2,230	103,245	98.97
2017	106,691	102,972	96.51	2,354	105,326	98.72
2018	109,931	106,115	96.53	2,412	108,527	98.72
2019	113,747	109,710	96.45	2,453	112,163	98.61
2020	118,591	114,624	96.65	2,474	117,098	98.74
2021	124,759	120,804	96.83	1,559	122,363	98.08
2022	129,165	124,813	96.63	1,119	125,932	97.50
2023	139,122	133,525	95.98	-	133,525	95.98

TAX INCREMENT FINANCING (TIF) AND
SELF SUPPORTED MUNICIPAL IMPROVEMENT (SSMID) DISTRICTS

For years ended December 31, 2014 through December 31, 2023
(dollars expressed in thousands)

Year Ended December 31[1]	Taxes Levied [3]	Collections in Initial Year		Total Collections in Subsequent Years	Total Tax Collections	
		Amount	Percentage Levy		Amount	Percentage of Levy [3]
2014	$ 6,297	$ 6,428	102.08 %	$ 61	$ 6,489	103.04 %
2015	6,879	6,373	92.64	48	6,421	93.34
2016	6,630	6,371	96.09	12	6,383	96.28
2017	6,839	6,776	99.08	8	6,784	99.19
2018	6,948	6,224	89.58	32	6,256	90.04
2019	7,508	7,098	94.54	53	7,151	95.25
2020	8,343	7,006	83.97	86	7,092	85.00
2021	7,978	7,717	96.73	13	7,730	96.89
2022	6,181	5,911	95.63	(45)	5,866	94.90
2023	6,743	6,718	99.64	-	6,718	99.64

[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] Taxies levied obtained from Sedgwick County Clerks published Ad Valorem Tax Levies.

[3] 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 amounts.

PROPERTY TAX LEVIES AND COLLECTIONS
SPECIAL ASSESSMENT LEVIES AND COLLECTIONS

For years ended December 31, 2014 through December 31, 2023
(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
2014	$ 29,982	$ 27,839	92.85 %	$ 1,541	$ 29,380	97.99 %
2015	28,112	26,575	94.53	1,106	27,681	98.47
2016	26,819	25,294	94.31	1,177	26,471	98.70
2017	26,810	25,505	95.13	1,066	26,571	99.11
2018	25,439	24,528	96.42	821	25,349	99.65
2019	24,204	22,756	94.02	1,353	24,109	99.61
2020	23,558	22,563	95.78	711	23,274	98.79
2021	21,427	20,605	96.16	621	21,226	99.06
2022	20,052	19,437	96.93	417	19,854	99.01
2023	20,400	19,491	95.54	-	19,491	95.54

[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.

RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING

For years ended December 31, 2014 through December 31, 2023
(dollars expressed in thousands except per capita amounts)

Fiscal Year	Estimated Actual Value of Taxable Property[4]	(Long-term) General Obligation (G.O.) Bonds[1]	Plus: G.O. Premiums (Discounts)	Plus: Temporary G.O. Notes Payable[2]	Less: Amounts Available in Debt Service Fund [3]	Net General Obligation Debt	Percent of Estimated Actual Value of Taxable Property[4]	Per Capita[5]
2014	$ 21,044,723	$ 630,375	$ 40,099	$ 185,270	$ 41,315	$ 814,429	3.87 %	$ 2,096.5
2015	21,320,751	682,625	47,114	75,480	31,192	774,027	3.63	1,987.6
2016	21,896,559	622,160	46,213	97,470	25,761	740,082	3.38	1,895.0
2017	22,620,860	604,835	46,904	90,340	46,053	696,026	3.08	1,783.3
2018	23,486,061	567,965	43,519	117,065	40,294	688,255	2.93	1,768.1
2019	24,494,987	584,230	47,395	91,390	30,575	692,440	2.83	1,775.8
2020	25,864,487	554,640	44,691	111,030	21,607	688,754	2.66	1,732.6
2021	27,006,647	534,075	42,098	138,040	26,895	687,318	2.54	1,741.9
2022	29,248,468	523,740	38,748	130,955	29,640	663,803	2.27	1,676.5
2023	32,236,476	522,825	36,288	113,875	32,640	640,348	1.99	1,617.2

[1] Includes all general obligation long-term bonded debt.
[2] Includes all general obligation short-term bonded debt (notes payable).
[3] Debt Service Fund fund balance, excluding Economic Development TIF Districts that are pay-as-you-go financing.
[4] Excludes estimated actual value of motor vehicles.
[5] Population figures provided on page G-29 on this section.

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GOVERNMENT EXPENDITURES

For years ended December 31, 2014 through December 31, 2023
(dollars expressed in thousands)

Fiscal Year	Principal	Interest	Debt Service	Total Governmental Expenditures[6]	Ratio of Debt Service to Government Expenditures
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
2022	39,110	10,551	49,661	486,218	10.21
2023	33,912	10,933	44,845	523,503	8.57

[6] Includes expenditures of all governmental fund types.

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, 2014 through December 31, 2023
(dollars expressed in thousands except per capita amounts)

Fiscal Year	Assessed Value[1]	General Obligation Bonded Debt[2]	Plus: G.O. Premiums (Discounts)	Plus: G.O. Temporary Notes Payable[3]	Less: Amounts Available in Debt Service Fund[4]	Less: G.O. Debt Payable from Non-Property Tax Sources	
						Local Sales Tax	Transient Guest Tax
2014	$ 3,552,691	$ 630,375	$ 40,099	$ 185,270	$ 41,315	$ 148,770	$ 2,485
2015	3,608,727	682,625	47,114	75,480	31,192	131,560	2,485
2016	3,699,135	622,160	46,213	97,470	25,761	114,035	2,485
2017	3,801,422	604,835	46,904	90,340	46,053	96,275	2,480
2018	3,923,218	567,965	43,519	117,065	40,294	81,995	2,475
2019	4,083,357	584,230	47,395	91,390	30,575	93,975	2,465
2020	4,266,318	554,640	44,691	111,030	21,607	83,660	2,450
2021	4,416,912	534,075	42,098	138,040	26,895	73,130	2,430
2022	4,707,008	523,740	38,748	130,955	29,640	62,320	2,405
2023	5,108,604	522,825	36,288	113,875	32,640	54,545	2,375

[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] Includes all general obligation short-term bonded debt (notes payable) from governmental and proprietary funds.

[4] Debt Service Fund fund balance, excluding Economic Development TIF Districts that are pay-as-you-go financing.

[5] Based on most recent population data reported on page G-29.

Less: 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[5]	Fiscal Year
Proprietary Revenues	Special Assessments				
$ 196,082	$ 192,575	$ 274,517	0.077	$ 706.67	2014
287,881	181,733	170,368	0.047	437.47	2015
276,622	167,574	179,366	0.048	459.27	2016
284,852	172,707	139,712	0.037	357.95	2017
273,916	164,381	165,488	0.042	425.14	2018
263,652	146,406	185,942	0.046	476.85	2019
260,285	137,659	204,700	0.048	514.93	2020
248,539	150,003	213,216	0.048	540.37	2021
236,227	156,489	206,362	0.044	521.18	2022
223,453	165,514	194,461	0.038	491.12	2023

RATIOS OF OUTSTANDING DEBT BY TYPE

For years ended December 31, 2014 through December 31, 2023
(dollars expressed in thousands, except per capita amounts)

	Proprietary Activities							
				Direct Borrowings/Placements				
Fiscal Year	Water & Sewer Utility Revenue Bonds	Airport Authority Bonds[1]	General Obligation Bonds	Water & Sewer Utility Revenue Bonds	Water & Sewer Utility Loans	SBITA Liabilities[2]	Lease Liabilities[3]	Bond Anticipation Notes
2014	$ 411,426	$ 11,330	$ 196,082	$ -	$ -	$ -	$ -	$ 96,565
2015	416,112	5,460	287,881	-	-	-	-	-
2016	425,252	5,460	276,622	-	-	-	-	-
2017	469,430	5,460	284,852	-	-	-	-	-
2018	439,115	5,460	273,916	-	-	-	-	-
2019	454,294	11,550	263,652	-	-	-	-	-
2020	455,985	8,978	260,285	-	-	-	-	-
2021	461,537	7,438	248,539	29,921	24,955	-	-	-
2022	425,692	-	236,227	142,501	93,713	-	-	-
2023	419,178	-	223,453	273,288	178,902	444	2,388	-

	Component Unit
Fiscal Year	Wichita Senior RAD LP
2014	$ 1,595
2015	-
2016	-
2017	-
2018	-
2019	-
2020	-
2021	26,878
2022	36,783
2023	42,145

[1] The City of Wichita removed the Airport Authority Revenue Bonds (Special Facility Revenue Bonds) from its financial statements for 2022 as a part the implementation of GASB 91 - Conduit Debt Obligations.

[2] The City of Wichita implemented GASB 96 - Subscription-Based Information Technology Arrangements (SBITAs) in 2023. Prior years have not been restated.

[3] The City of Wichita implemented GASB 87 - Leases in 2022. Prior years have not been restated.

[4] The City added temporary notes payable (short-term general obligation debt) to schedule for all years in 2023. See Note 11 (Temporary Notes Payable) to the Financial St

[5] Expressed in dollars. Population figures are presented on page G-29 of this section.

Governmental Activities								
General Obligation Bonds	Local Sales Tax Revenue Bonds	SBITA Liabilities[2]	Lease Liabilities[3]	Temporary Notes Payable[4]	Total Debt Primary Government	Total Debt Per Capita[5]	Total Debt as a Percent of Per Capita Income	Fiscal Year
$ 474,392	$ 1,635	$ -	$ 341	$ 185,270	$ 1,377,041	$ 3,545	7.68 %	2014
441,858	1,698	-	272	75,480	1,228,761	3,155	6.52	2015
391,751	1,471	-	171	97,470	1,198,197	3,068	6.51	2016
366,887	3,045	-	64	90,340	1,220,078	3,126	6.69	2017
337,568	4,577	-	-	117,065	1,177,701	3,026	6.20	2018
367,973	4,331	-	528	91,390	1,193,718	3,061	5.90	2019
339,046	4,050	-	413	111,030	1,179,787	2,968	5.50	2020
327,634	3,674	-	291	138,040	1,242,029	3,148	5.59	2021
325,591	3,170	-	1,179	130,955	1,359,028	3,432	5.87	2022
335,660	2,549	2,474	1,054	113,875	1,553,265	3,923	6.71	2023

LEGAL DEBT MARGIN INFORMATION

For years ended December 31, 2014 through December 31, 2023
(dollars expressed in thousands)

	2014	2015	2016	2017	2018
Debt limit	$ 1,065,807	$ 1,082,618	$ 1,109,740	$ 1,140,427	$ 1,176,965
Total net debt applicable to limit	244,903	320,920	323,362	306,658	322,923
Legal debt margin	$ 820,904	$ 761,698	$ 786,378	$ 833,769	$ 854,042
Total net debt applicable to limit as a percentage of debt limit	22.98%	29.64%	29.14%	26.89%	27.44%

[1] Total debt is comprised of total debt for the primary government per G-24 and G-25.

[2] Debt Service Fund fund balance, excluding Economic Development TIF Districts that are pay-as-you-go financing.

2019	2020	2021	2022	2023
$ 1,225,007	$ 1,279,895	$ 1,325,074	$ 1,412,102	$ 1,532,581
340,728	339,537	367,841	329,973	371,894
$ 884,279	$ 940,358	$ 957,233	$ 1,082,129	$ 1,160,687
27.81%	26.53%	27.76%	23.37%	24.27%

Total debt[1]	**$ 1,553,265**
2023 Equalized assessed valuation of taxable tangible property	$ 4,634,259
Add: 2023 Estimated tangible valuation of motor vehicles	474,345
Total assessed value	**$ 5,108,604**
Debt limit (30% of equalized assessed value)	**$ 1,532,581**
Debt applicable to limit:	
General obligation bonds and temporary notes	$ 371,894
Less: Amount set aside for repayment of general obligation debt[2]	(32,640)
Total net debt applicable to limit	**$ 339,254**
Legal debt margin	**$ 1,193,327**

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

For years ended December 31, 2021 through December 31, 2023

	December 31, 2021		December 31, 2022		December 31, 2023	
	Percent of Debt Applicable to City[1, 2]	City of Wichita Share of Debt	Percent of Debt Applicable to City[1, 2]	City of Wichita Share of Debt	Percent of Debt Applicable to City[1, 2]	City of Wichita Share of Debt
Direct Debt:						
General obligation (G.O.) bonded debt payable from:						
Ad valorem taxes		$ 51,525,191		$ 51,958,717		$ 59,628,783
Special assessments		150,003,340		156,489,836		165,514,150
Tax increment financing		22,265,299		27,115,257		29,043,707
Transient guest taxes		2,430,000		2,405,000		2,375,000
Local sales tax		73,130,000		62,320,000		54,545,000
Premiums (discounts)		28,280,439		25,971,594		24,553,326
Revenue bonds payable from:						
Local sales tax		3,673,689		3,170,255		2,549,393
Temporary notes payable (G.O.)		138,040,000		130,955,000		113,875,000
Lease liabilities		-		1,179,595		1,053,636
SBITA liabilities		-		-		2,474,303
Total direct debt		**469,347,958**		**461,565,254**		**455,612,298**
Overlapping debt:						
Sedgwick County	71.7%	88,212,404	72.0%	80,974,800	72.1%	71,461,915
USD 259	57.1%	135,602,280	56.1%	128,331,555	55.5%	107,683,875
Total overlapping debt		**223,814,684**		**209,306,355**		**179,145,790**
Total direct and overlapping debt		**$ 693,162,642**		**$ 670,871,609**		**$ 634,758,088**

[1] Percentage of overlapping debt based on assessed valuation.

[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.

DEMOGRAPHIC AND ECONOMIC STATISTICS

For years 2014 through 2023

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]
2014	388,465	640,604	$ 30,988,200	$ 46,143
2015	389,437	642,257	30,295,600	48,387
2016	390,549	645,129	30,103,400	47,132
2017	390,307	644,949	30,801,300	46,695
2018	389,255	644,888	33,060,860	48,818
2019	389,938	640,218	33,281,653	51,854
2020	397,532	643,768	34,765,136	54,003
2021	394,574	644,480	36,311,937	56,343
2022	395,951	646,794	37,809,727	58,457
2023	395,951 [2]	646,794 [2]	37,809,727 [2]	58,457 [2]

DEMOGRAPHIC AND ECONOMIC STATISTICS (CONTINUED)

For years 2014 through 2023

Fiscal Year	Median Age[2]	School Enrollment[2]	Average Annual Unemployment Rates	
			City of Wichita	Wichita MSA
2014	34.0	51,330	5.6 %	5.2 %
2015	34.0	51,133	5.0	4.7
2016	34.6	50,566	5.0	4.6
2017	34.7	51,416	4.4	4.2
2018	35.9	49,953	3.8	3.7
2019	35.3	49,375	3.5	3.4
2020	35.3	46,987	9.2	8.3
2021	35.3	47,517	4.9	4.4
2022	35.4	46,880	3.2	3.0
2023	35.4 [2]	46,880 [2]	3.1	2.9

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 may be repeated in the current year.

PLEDGED REVENUE COVERAGE

For years ended December 31, 2014 through December 31, 2023
(dollars expressed in thousands)

Water General Obligation and Revenue Bonds

Fiscal Year	Gross Earnings	Less: Operating and Maintenance Expense	Net Revenue Available for Debt Service	Principal[1]	Interest[1]	Coverage
2014	$ 80,476	$ 29,182	$ 51,294	$ 13,166	$ 10,746	$ 2.15
2015	82,604	28,982	53,622	18,814	16,660	1.51
2016	83,383	32,030	51,353	19,867	15,331	1.46
2017	87,683	31,588	56,095	17,524	13,940	1.78
2018	93,096	29,710	63,386	18,983	13,492	1.95
2019	91,051	32,319	58,732	18,214	13,661	1.84
2020	106,171	35,293	70,878	20,402	13,097	2.12
2021	115,009	31,009	84,000	22,188	12,626	2.41
2022	128,008	35,400	92,607	23,640	11,795	2.61
2023	131,964	40,788	91,176	24,634	11,473	2.53

Sewer Revenue Bonds

Fiscal Year	Gross Earnings	Less: Operating and Maintenance Expense	Net Revenue Available for Debt Service	Principal	Interest	Coverage
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
2022	77,299	26,418	50,882	15,585	6,658	2.29
2023	80,916	30,544	50,372	16,236	6,343	2.23

Combined Water and Sewer General Obligation and Revenue Bonds

Fiscal Year	Gross Earnings	Less: Operating and Maintenance Expense	Net Revenue Available for Debt Service	Principal[1]	Interest[1]	Coverage
2014	$ 133,878	$ 52,496	$ 81,382	$ 22,490	$ 18,704	1.98
2015	138,486	51,199	87,287	27,576	24,477	1.68
2016	140,738	57,034	83,704	30,345	23,246	1.56
2017	148,548	56,629	91,919	29,339	22,160	1.78
2018	159,289	56,342	102,947	33,150	22,138	1.86
2019	160,913	61,228	99,685	30,815	22,026	1.89
2020	176,601	63,663	112,938	33,170	20,495	2.10
2021	191,205	58,330	132,875	36,095	19,748	2.38
2022	205,307	61,818	143,489	39,225	18,452	2.49
2023	212,880	71,332	141,548	40,870	17,816	2.41

[1] Principal and interest for years 2014 through 2022 were updated to include payments for Water general obligation bond debt service.

Note: The covenants of the revenue bonds require the combined Utilities to produce net revenues for the debt service of the Utilities' general obligation and revenue bonds of not less than 120% of the current year's debt service requirements.

CAPITAL ASSET STATISTICS BY FUNCTION

For years ended December 31, 2014 through December 31, 2023

	Fiscal Year									
FUNCTION	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Public Safety:										
Police stations[4]	4	4	4	4	4	5	5	5	5	5
Police patrol units	171	180	175	174	197	220	220	222	224	224
Fire stations	22	22	22	22	22	22	22	22	22	22
Highways and Streets:										
Streets (miles)	1,906	1,909	1,921	1,917	1,924	1,926	1,931	1,949	1,978	1,962
Signalized intersections	592	594	601	604	608	610	612	609	613	613
Culture and Recreation:										
Parks acreage	4,904	4,996	5,008	5,004	5,004	5,002	5,007	5,007	5,007	4,841
Swimming pools	9	9	9	8	7	9	6	6	6	6
Interactive water features	5	5	5	5	6	6	6	10	12	12
Fishing ponds	13	13	13	12	12	12	12	12	12	12
Tennis courts	77	73	77	76	76	69	68	68	68	66
Pickle Ball[5]	-	-	-	-	-	-	13	13	23	31
Exercise/fitness trails	13	14	14	14	14	15	15	15	15	17
Children's playgrounds	81	80	81	83	84	86	86	86	86	87
Community centers	9	9	9	9	7	7	7	7	7	7
Golf courses[3]	5	5	5	5	5	4	4	4	4	4
Libraries	9	8	8	8	7	7	7	7	7	7
Water:										
Water mains (miles)	2,422	2,416	2,413	2,383	2,487	2,419	2,524	2,530	2,535	2,535
Maximum daily capacity (million gallons per day)[1]	125	125	125	125	125	120	120	120	120	120
Sewer:										
Sanitary sewers (miles)[2]	2,022	2,030	2,033	2,046	2,185	2,198	2,083	2,096	2,113	2,147
Storm sewers (miles)	925	1,091	1,395	1,459	1,481	1,240	1,607	1,157	1,158	1,152
Maximum daily treatment capacity (million gallons per day)[1]	62	62	62	62	65	87	51	49	51	43
Airport:										
Public airports	2	2	2	2	2	2	2	2	2	2
Transit:										
Bus fleet	56	52	53	55	55	54	54	50	50	50
Para-transit vans	22	25	24	24	27	27	27	26	26	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.

OPERATING INDICATORS BY FUNCTION

For years ended December 31, 2014 through December 31, 2023

	Fiscal Year				
FUNCTION	**2014**	**2015**	**2016**	**2017**	**2018**
Public Safety:					
Police:					
Dispatched calls for 911 service	218,614	218,160	221,529	219,955	211,781
Parking violations	16,012	16,372	12,156	9,369	7,423
Traffic violations	58,824	53,184	48,170	37,531	38,178
Fire:					
Number of unit responses	76,539	76,962	76,328	78,160	68,072
Fires contained to room of origin	69%	76%	64%	65%	58%
Inspections[2]	7,342	7,873	9,320	7,508	6,657
Highways and Streets:					
Street resurfacing (miles)	22	22	12	16	30
Potholes repaired	56,558	73,275	66,488	78,333	68,695
Culture and Recreation:					
Golf rounds played[3]	155,611	166,536	157,572	151,716	138,443
Trees planted	909	1,422	1,647	1,825	1,682
Swim lessons (total registered)	1,433	1,126	1,073	1,321	1,216
Botanica visitors	206,193	220,041	220,716	231,542	217,925
Convention & Performance Center:					
Conventions	28	27	23	25	24
Consumer shows	30	33	35	36	36
Performances	66	57	60	54	55
Other events	139	324	265	195	175
Library circulation	2,102,505	2,104,230	1,983,642	1,942,851	2,125,915
Library program attendance	56,944	70,035	66,915	74,748	71,031
Water:					
Water customers[1]	144,106	146,717	147,876	152,758	152,825
Main Breaks[4] (per 1,000 miles of mains)	214	296	371	391	746
Average daily consumption (million gallons per day)	52	50	50	50	50
Sewer (wastewater):					
Sewer customers[1]	136,019	137,058	138,126	138,189	139,154
Average daily sewage treated (million gallons per day)	37	35	35	34	32
Airport:					
Number of passengers	1,533,669	1,571,348	1,602,311	1,620,240	1,665,116
Passenger enplanements	763,597	782,725	798,804	810,246	832,831
Number of daily flights	34	34	32	33	34
Transit:					
Bus rides	1,864,279	1,886,495	1,233,899	1,262,552	1,411,363
Para-transit van rides	260,906	237,441	69,191	71,713	81,032

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 include 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 (i.e. closures, reduced travel).

FUNCTION	Fiscal Year 2019	2020	2021	2022	2023
Public Safety:					
Police:					
Dispatched calls for 911 service	212,670	201,595	202,361	221,387	221,387
Parking violations	5,811	6,289	6,856	5,104	5,463
Traffic violations	35,425	35,390	27,711	25,213	22,500
Fire:					
Number of unit responses	70,252	74,095	86,961	85,897	90,484
Fires contained to room of origin	74%	63%	66%	37%	46%
Inspections[2]	6,479	6,562	5,924	4,946	5,344
Highways and Streets:					
Street resurfacing (miles)	36	38	115	140	33
Potholes repaired	81,256	71,879	83,485	83,487	66,716
Culture and Recreation:[5]					
Golf rounds played[3]	135,180	145,231	177,214	174,261	188,743
Trees planted	1,870	1,875	467	2,219	2,243
Swim lessons (total registered)	1,262	-	1,191	980	669
Botanica visitors	270,489	145,389	300,412	279,488	307,571
Convention & Performance Center:					
Conventions	26	3	8	8	5
Consumer shows	41	34	18	68	48
Performances	61	16	25	54	53
Other events	169	94	71	68	99
Library circulation	2,003,591	2,125,915	1,738,681	1,639,105	1,601,438
Library program attendance	77,913	15,308	12,107	26,710	43,535
Water:					
Water customers[1]	154,071	154,684	152,306	160,767	154,587
Main Breaks[4] (per 1,000 miles of mains)	659	730	1,019	719	745
Average daily consumption (million gallons per day)	50	43	43	46	45
Sewer (wastewater):					
Sewer customers[1]	140,517	148,663	145,752	146,875	147,767
Average daily sewage treated (million gallons per day)	34	32	29	30	29
Airport:[5]					
Number of passengers	1,749,906	789,856	1,285,070	1,534,965	1,721,990
Passenger enplanements	876,864	394,706	645,352	768,837	863,141
Number of daily flights	33	21	28	28	29
Transit:[5]					
Bus rides	1,286,807	756,328	768,859	1,011,541	1,169,200
Para-transit van rides	80,153	59,832	73,683	75,568	80,431

CITY GOVERNMENT EMPLOYEES BY FUNCTION

For years ended December 31, 2014 through December 31, 2023

FUNCTION	Fiscal Year 2014	2015	2016	2017	2018
General Government:					
City council and city manager	15	20	21	21	22
General government	19	22	21	17	41
Economic development	4	3	4	4	4
Financial services	67	68	68	73	72
Legal services	26	26	27	27	27
Building services	101	101	101	100	100
Fleet services	57	57	57	57	57
Municipal court	116	115	115	115	115
Information technology	57	59	59	59	57
Metropolitan planning	18	18	17	13	17
Human resources	17	17	19	14	15
Public Safety:					
Police	840	838	846	845	842
Fire	452	453	453	453	453
Metropolitan area building and construction	53	50	49	47	43
Flood control	18	18	18	18	18
Highways and Streets:					
Administration	9	9	9	9	9
Street maintenance	121	121	121	121	121
Engineering and architecture	88	88	87	87	87
Sanitation:					
Landfill operations[1]	3	3	12	12	12
Street cleaning	24	24	24	24	24
Health and Welfare:					
Housing and community services	82	82	81	81	81
Environmental services	29	29	29	28	28
Culture and Recreation:					
Libraries	139	138	135	134	148
Art museum	26	22	18	13	13
Parks and recreation	124	129	140	136	136
Golf courses	33	33	33	33	33
Community facilities	52	49	46	50	50
Water Utility	214	215	207	208	189
Sewer Utility	154	154	154	154	154
Airport Authority	134	136	136	140	140
Stormwater Utility	39	39	39	39	39
Transit	139	138	136	145	145
Landfill[1]	-	-	-	-	-
Total	**3,270**	**3,274**	**3,282**	**3,277**	**3,292**

[1] The Landfill Fund was reclassified as an enterprise fund in 2022.

Note: Numbers presented are authorized positions as reported in the Adopted Budget and includes part-time and seasonal employees.

FUNCTION	Fiscal Year 2019	2020	2021	2022	2023
General Government:					
City council and city manager	22	25	25	25	25
General government	40	37	35	39	39
Economic development	4	4	4	4	4
Financial services	72	72	72	72	70
Legal services	26	27	28	29	29
Building services	99	85	84	79	76
Fleet services	57	48	48	48	48
Municipal court	115	115	115	115	112
Information technology	60	60	61	63	63
Metropolitan planning	17	17	18	20	23
Human resources	15	18	17	17	17
Public Safety:					
Police	842	893	905	910	915
Fire	443	484	484	484	527
Metropolitan area building and construction	43	40	41	39	36
Flood control	18	18	18	18	18
Highways and Streets:					
Administration	9	9	9	10	10
Street maintenance	121	95	95	95	95
Engineering and architecture	89	75	75	77	73
Sanitation:					
Landfill operations[1]	12	13	13	0	0
Street cleaning	24	22	22	22	22
Health and Welfare:					
Housing and community services	61	58	70	65	60
Environmental services	28	21	21	21	19
Culture and Recreation:					
Libraries	143	141	141	142	144
Art museum	13	11	9	1	0
Parks and recreation	133	133	134	134	120
Golf courses	31	21	21	21	22
Community facilities	46	44	28	28	28
Water Utility	196	187	187	188	191
Sewer Utility	154	154	155	153	153
Airport Authority	141	141	141	141	141
Stormwater Utility	39	37	37	37	37
Transit	154	153	153	152	148
Landfill[1]	-	-	-	15	15
Total	**3,267**	**3,258**	**3,266**	**3,264**	**3,280**

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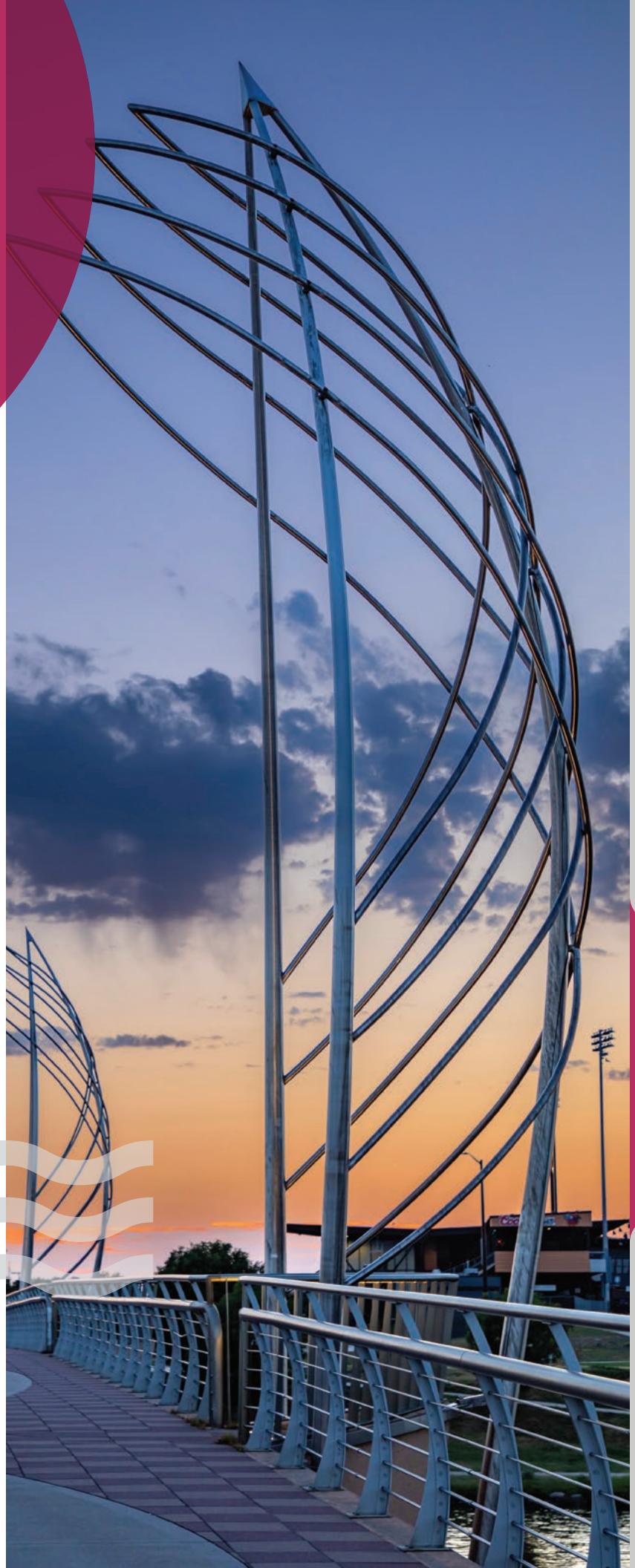
Single Audit Section

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 which are funded by federal funds.

CITY OF WICHITA



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 that are fully or partially funded by federal funds (directly or indirectly).



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 (*Government Auditing Standards*), 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, 2023, 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, 2024. 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 that we consider to be a material weakness.

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*.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's responses to the finding identified in our audit and 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 the financial statements and, accordingly, we express no opinion on the response.

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.



Fargo, North Dakota
June 27, 2024

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

Opinion on Each Major Federal Program

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, 2023. 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.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the 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.

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

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

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

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

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

Eide Bailly LLP

Fargo, North Dakota
June 27, 2024

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EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance for the Passenger Facility Charge Program; Report on Internal Control Over Compliance Required by the Facility Charge Audit Guide for Public Agencies

To the Honorable Mayor and Members of the City Council
City of Wichita
Wichita, Kansas

Report on Compliance for the Passenger Facility Charge Program

Opinion on the Passenger Facility Charge Program

We have audited the City of Wichita's ("the City") compliance with the types of compliance requirements identified as subject to audit in the *Passenger Facility Charge Audit Guide for Public Agencies,* issued by the Federal Aviation Administration (Guide) that could have a direct and material effect on its passenger facility charge program for the year ended December 31, 2023.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the year ended December 31, 2023.

Basis for Opinion on the Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the passenger facility charge program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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

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

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

Eide Bailly LLP

Fargo, North Dakota
June 27, 2024

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2023

Federal Grantor, Pass-Through Grantor, Program or Cluster Title	Cluster	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development					
Direct Funding:					
Community Development Block Grants/Entitlement Grants	1	14.218		$ 382,099	$ 2,443,155
COVID-19 Community Development Block Grants/Entitlement Grants	1	14.218		38,695	163,628
Emergency Solutions Grant Program		14.231		106,196	173,636
COVID-19 Emergency Solutions Grant Program		14.231		221,036	263,433
HOME Investment Partnerships Program		14.239		-	1,590,697
COVID-19 HOME Investment Partnerships Program		14.239		-	251,080
Public and Indian Housing		14.850		-	592,190
Section 8 Housing Choice Vouchers	2	14.871		-	21,567,198
COVID-19 Section 8 Housing Choice Vouchers	2	14.871		-	1,168,783
Public Housing Capital Fund		14.872		-	1,697,636
Mainstream Vouchers	2	14.879		-	482,032
Family Self-Sufficiency Program		14.896		-	228,109
Lead-Based Paint Hazard Control in Privately-Owned Housing		14.900		-	23,114
Total U.S. Department of Housing and Urban Development				748,026	30,644,691
U. S. Department of the Interior					
Direct Funding:					
Equus Beds Division Acquifer Storage Recharge		15.539		-	7,920,000
Passed Through Kansas Department of Wildlife, Parks and Tourism:					
Sport Fish Restoration	7	15.605	45002	-	17,077
Total U.S. Department of the Interior				-	7,937,077
U.S. Department of Justice					
Direct Funding:					
COVID-19 Coronavirus Emergency Supplemental Funding Program		16.034		-	6,050
Joint Law Enforcement Operations		16.111		-	16,126
Public Safety Partnership and Community Policing Grants		16.710		-	404,787
Byrne Criminal Justice Innovation Program		16.817		4,225	168,035
Equitable Sharing Program		16.922		-	67,230
Passed Through Sedgwick County:					
Missing Children's Assistance		16.543	17-22-000642	-	140,676
Edward Byrne Memorial Justice Assistance Grant Program		16.738	2018-DG-BX-0013	-	15,964
Edward Byrne Memorial Justice Assistance Grant Program		16.738	2019-DG-BX-0006	21,391	289,171
Edward Byrne Memorial Justice Assistance Grant Program		16.738	2020-DJ-BX-0927	-	65,390
Edward Byrne Memorial Justice Assistance Grant Program		16.738	13406701	-	95,173
Edward Byrne Memorial Justice Assistance Grant Program		16.738	15PBJA22GG02077JAGX	-	145,897
Passed Through Kansas Governor's Grant Program:					
Crime Victim Assistance		16.575	23-VOCA-47	-	84,941
Crime Victim Assistance		16.575	24-VOCA-46	-	37,322
Crime Victim Assistance		16.575	23-VOCA-46	-	137,457
Crime Victim Assistance		16.575	24-VOCA-45	-	48,077
Violence Against Women Formula Grant		16.588	22-VAWA-16	-	2,358
Violence Against Women Formula Grant		16.588	23-VAWA-17	-	145,258
Project Safe Neighborhoods		16.609	21-PSN-02	-	762
Passed Through Wichita State University:					
Project Safe Neighborhoods		16.609	WSU#22-01602	-	11,494
Total U.S. Department of Justice				25,616	1,882,168

(Continued)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

For the year ended December 31, 2023

Federal Grantor, Pass-Through Grantor, Program or Cluster Title	Cluster	Assistance Listing 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		$ -	$ 12,761,873
COVID-19 Airport Improvement Program		20.106		-	1,192,617
Federal Transit - Formula Grants	3	20.507		50,007	4,299,159
COVID-19 Federal Transit - Formula Grants	3	20.507		-	4,809,907
Enhance Mobility for Seniors and Individuals with Disabilities	4	20.513		300,315	393,341
Bus and Bus Facilities Formula Program	3	20.526		-	1,292,683
Passed Through Kansas Department of Transportation:					
Highway Planning and Construction		20.205	87 N-0673-01	-	3,817
Highway Planning and Construction		20.205	54-87 KA-2382-01	-	106,024
Highway Planning and Construction		20.205	87 N-0662-01	-	2,616
Highway Planning and Construction		20.205	87 N-0660-01	-	593
Highway Planning and Construction		20.205	87 N-0684-01	-	47,244
Highway Planning and Construction		20.205	87 TE-0620-01	-	72,504
Highway Planning and Construction		20.205	87 N-0615-01	-	7,884
Highway Planning and Construction		20.205	87 N-0616-01	-	2,839
Highway Planning and Construction		20.205	87 N-0720-01	-	1,267,078
Highway Planning and Construction		20.205	87 N-0696-01	-	395,214
Highway Planning and Construction		20.205	106 N-0747-01	-	118,417
State and Community Highway Safety	5	20.600	PT-1049-23,SP-130023	-	22,964
National Priority Safety Programs	5	20.616	SP-4704-23	-	6,237
Total U.S. Department of Transportation				350,322	26,803,011
U.S. Department of Treasury					
Direct Funding:					
Equitable Sharing Program		21.016		-	10,450
COVID-19 Emergency Rental Assistance Program		21.023		-	1,469,441
COVID-19 Coronavirus State and Local Fiscal Recovery Funds		21.027		5,174,214	22,246,224
Total U.S. Department of Treasury				5,174,214	23,726,115
National Endowment for the Humanities					
Direct Funding:					
COVID-19 Promotion of the Arts Grants to Organizations and Individuals		45.024		-	56,958
Total National Endowment for the Humanities				-	56,958
U.S. Environmental Protection Agency					
Direct Funding:					
Water Infrastructure Finance and Innovation Act (WIFIA)		66.958		-	273,287,574
Passed Through Kansas Department of Health and Environment:					
Air Pollution Control Program Support		66.001	00796212	-	17,451
Air Pollution Control Program Support		66.001	00796213	-	3,210
Total U.S. Environmental Protection Agency				-	273,308,235

(Continued)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

For the year ended December 31, 2023

Federal Grantor, Pass-Through Grantor, Program or Cluster Title	Cluster	Assistance Listing 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		$ 861,293	$ 884,850
Passed Through Kansas Department for Aging and Disability Services:					
COVID-19 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		93.043	23-02-1B (ARPA)	-	3,221
Passed Through Kansas Housing Resources Corporation:					
Community Services Block Grant		93.569	22 CSBG 01	-	725,869
Community Services Block Grant		93.569	23 CSBG 01	-	399,548
COVID-19 Community Services Block Grant		93.569	20 CARES 01	-	1,611
Passed Through Kansas Department of Health and Environment:					
Child Care and Development Block Grant	6	93.575	3028/2643450N	-	191,082
Child Care and Development Block Grant	6	93.575	3028/2643450P	-	80,508
COVID-19 Child Care and Development Block Grant	6	93.575	3028/2642731_ARPA	-	19,048
COVID-19 Child Care and Development Block Grant	6	93.575	3028/2642731_ARPA	-	89,710
Passed Through Kansas Department for Children and Families:					
COVID-19 Child Care and Development Block Grant	6	93.575	2101KSCCCS	-	15
COVID-19 Child Care and Development Block Grant	6	93.575	51743	-	922,984
COVID-19 Child Care and Development Block Grant	6	93.575	2101KSCDC6	-	18,921
Total U.S. Department of Health and Human Services				861,293	3,337,367
Executive Office of the President					
Passed Through Kansas Bureau of Investigation:					
High Intensity Drug Trafficking Areas Program		95.001	G22MW0003A	-	6,045
Total Executive Office of the President				-	6,045
U.S. Department of Homeland Security					
Direct Funding:					
Assistance to Firefighters Grant		97.044		-	539,729
Staffing for Adequate Fire and Emergency Response		97.083		-	2,596,759
Total U.S. Department of Homeland Security				-	3,136,488
Total Federal Financial Assistance				$ 7,159,471	$ 370,838,155

Federal Grant/Program Clusters

CDBG-Entitlement Grants Cluster	1	$ 2,606,783
Housing Voucher Cluster	2	23,218,013
Federal Transit Cluster	3	10,401,749
Transit Services Programs Cluster	4	393,341
Highway Safety Cluster	5	29,201
CCDF Cluster	6	1,322,268
Fish and Wildlife Cluster	7	17,077

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1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the City of Wichita under programs of the federal government for the year ended December 31, 2023 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 doesn't qualify for 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 2023 financial statements and for reimbursement of 2023 federal expenditures were approved by the cognizant agency.

3. FEDERAL FORFEITED PROPERTY PROGRAM

In 2023, the Narcotic Seizure program acquired $829,787 in federal forfeited property and expended $67,230 on the qualified program.

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, 2023 and September 30, 2024 are summarized in the following tables.

CSBG Grant Program Year Ended September 30, 2023					
	Budget	Actual			Variance
	Apr 1, 2022 to Sept 30, 2023	Apr 1, 2022 to Dec 31, 2022	Jan 1, 2023 to Sept 30, 2023	Total	
Revenue	**$ 990,623**	**$ 259,138**	**$ 731,485**	**$ 990,623**	**$ -**
Expenditures:					
Personnel	$ 490,976	$ 147,855	$ 308,235	$ 456,090	$ 34,886
Contractuals	454,433	107,600	370,944	478,544	(24,111)
Commodities	21,835	3,196	18,530	21,726	109
Other	23,379	6,104	28,159	34,263	(10,884)
Total expenditures	**$ 990,623**	**$ 264,755**	**$ 725,868**	**$ 990,623**	**$ -**

CSBG Grant Program Year Ending September 30, 2024		
	Budget	Actual
	Apr 1, 2023 to Sept 30, 2024	Apr 1, 2023 to Dec 31, 2023
Revenue	**$ 1,003,961**	**$ 375,278**
Expenditures:		
Personnel	$ 475,125	$ 259,653
Contractuals	471,987	122,240
Commodities	13,551	2,150
Other	43,298	15,504
Total	**$ 1,003,961**	**$ 399,547**

5. WIFIA BONDS (LOANS) PROGRAM

Expenditures reported in this schedule consist of the beginning year outstanding loan balances plus advances made on the loans during the year. The outstanding balance at December 31, 2023 was $273,287,574. For further information on the City's WIFIA Bonds (loans), see Note 10.F – Direct Borrowings and Placements: Bonds and Long-Term Loans.

Section I – Summary of Auditor's Results

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
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	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing
Eqqus Beds Division Acquifer Storage Recharge	15.539
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
Water Infrastructure Finance and Innovation Act (WIFIA)	66.958

Dollar threshold used to distinguish between type A and type B programs:	$2,960,429
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

2023-001 Material Journal Entry
Material Weakness

Criteria: A good system of internal control contemplates an adequate system for recording and processing entries material to the financial statements.

Condition: During the course of our engagement, we proposed a material audit adjustment to the trial balance.

Cause: The City did not value its investments properly and the software did not update with the correct amounts.

Effect: This control deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Recommendation: A thorough review and reconciliation of accounts in each fund should take place prior to the beginning of the audit. Investments should be reviewed closely to ensure all values are properly entered and tracked in the software.

Views of Responsible Officials: Management agrees with this finding. Steps have been implemented to correct the software issue and to develop a redundant method for valuation.

Section III – Federal Award Findings and Questioned Costs

None Reported

Year Ended December 31, 2022

Fiscal Year	Finding Number	Finding	Assistance Listing Number	Comments
No findings reported.				

Water Utilities Section

The Water Utilities Section contains schedules and exhibits that fulfill the requirements of the Water and Sewer Utility revenue bond covenants.



CITY OF WICHITA



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, 2024

To our Water and Sewer Bondholders:

Please review and accept this 2023 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, 62 sanitary sewer lift stations, four wastewater treatment plants, one drinking water treatment plant, one surface water treatment plant, approximately 150,000 water meters, and numerous other assets. Through efficient operations and strategic financial management, the Utility will continue to provide high value services to all customers.

The drought conditions experienced in 2022 continued throughout 2023. The Utility has been following its official Drought Response Plan (established in 2013) since entering Stage 1 in January 2023. Stage 1 calls for voluntary reductions in water consumption. The City leads by example in this effort by suspending the operation of all decorative fountains, washing fleet vehicles fewer times per week, and other such operational changes that have a minimal impact on service levels. While the state has received a fair amount of rain, providing drought relief in some areas, Wichita's conditions have not improved well enough to declare an end to the drought. The City is prepared for the expected continuation of these conditions in 2024.

The lack of precipitation again boosted revenues above projections, another welcomed offset to the impact of continued record cost inflation, particularly with commodities. Thanks to conservative budgeting practices, the Utility was again able to stay within forecasted expense levels despite the significant cost increases. However, financial models indicate the Utility may need to revisit its projected rate adjustments in the next 2-3 years. The Utility plans to re-engage an outside consultant for this second look at future rate plans.



The Utility's two largest projects are the construction of a new water treatment plant, called Wichita Water Works (WWW), and upgrades to wastewater treatment facilities that are needed to meet new regulatory standards regarding Biological Nutrient Removal (BNR). Construction of WWW is nearly 100% complete, with only testing and commissioning activities, and a peripheral project at the high service pump station remaining before becoming fully operational. Site demolition and

construction preparations were completed for the BNR project in 2023 and construction began in early 2024. The BNR project is on schedule and is still expected to be substantially complete by November 2027. Both projects are being financed almost entirely with Water Infrastructure Finance and Investment Act (WIFIA) and State Revolving Fund (SRF) loans, which provide significant cost savings and help 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 that 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 the excellent service levels that customers expect.



Gary Janzen, PE
Director of Public Works & Utilities
for the Water & Sewer Utilities
City of Wichita, Kansas

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WATER UTILITIES COMBINED STATEMENT OF NET POSITION

For the year ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 184,098,963	$ 145,678,258
Receivables, net:		
Accounts receivable	32,967,455	25,127,670
Due from other funds	81,873	85,846
Inventories	6,048,662	4,940,509
Prepaid items	621,598	651,560
Restricted assets:		
Cash and cash equivalents	41,667,740	44,601,784
Total current assets	265,486,291	221,085,627
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	161,456,114	142,006,622
Net pension asset	-	3,352,550
Capital assets:		
Land	21,461,464	21,449,516
Buildings	294,257,349	294,133,142
Improvements other than buildings	1,336,724,420	1,309,995,226
Machinery, equipment and other assets	205,446,277	201,411,244
Construction in progress	532,901,687	298,758,349
Less accumulated depreciation/amortization	(709,150,818)	(669,244,982)
Total capital assets, net	1,681,640,379	1,456,502,495
Total noncurrent assets	1,843,096,493	1,601,861,667
Total assets	2,108,582,784	1,822,947,294
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized refunding costs	9,116,599	9,881,523
Deferred outflows related to pensions	16,411,305	6,441,633
Deferred outflows related to OPEB	875,941	669,465
Total deferred outflows of resources	26,403,845	16,992,621

(Continued)

WATER UTILITIES COMBINED STATEMENT OF NET POSITION (CONTINUED)

For the year ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	2023	2022
Current liabilities:		
Accounts payable and other liabilities	$ 38,413,667	$ 32,488,536
Accrued interest payable	131,189	150,684
Deposits	3,555,335	3,256,781
Due to other agencies	38,382	74,056
Due to other funds	274,901	335,250
Current portion of long-term obligations:		
General obligation bonds payable	6,560,000	6,250,000
Compensated absences	815,891	669,376
Current liabilities payable from restricted assets:		
Accrued interest payable	3,672,740	3,731,784
Revenue bonds payable	31,435,000	34,620,000
Total current liabilities	84,897,105	81,576,467
Noncurrent liabilities:		
General obligation bonds payable	87,169,577	94,333,376
Revenue bonds payable	661,030,628	533,572,930
Loans payable	178,902,489	93,712,523
Net pension liability	22,342,808	-
Total other post-employment benefits (OPEB) liability	3,441,880	2,987,765
Compensated absences	186,015	197,597
Total noncurrent liabilities	953,073,397	724,804,191
Total liabilities	1,037,970,502	806,380,658
DEFERRED INFLOWS OF RESOURCES		
Unamortized refunding costs	790,425	899,381
Deferred inflows related to pensions	1,223,961	13,563,993
Deferred inflows related to OPEB	1,533,600	1,712,007
Total deferred inflows of resources	3,547,986	16,175,381
NET POSITION		
Net investment in capital assets	691,533,580	672,958,042
Restricted for:		
Revenue bond covenants	199,451,113	182,876,622
Unrestricted	202,483,448	161,549,212
Total net position	$ 1,093,468,141	$ 1,017,383,876

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COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the year ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	2023	2022
OPERATING REVENUES		
Charges for services and sales	$ 206,635,990	$ 199,804,763
Fees	1,889,772	1,945,194
Rentals	63,715	68,833
Other operating revenues	372,193	344,713
Total operating revenues	208,961,670	202,163,503
OPERATING EXPENSES		
Personnel services	28,377,157	21,426,681
Contractual services	27,386,170	27,302,401
Materials and supplies	13,672,907	11,045,539
Other operating expenses	8,963,745	7,802,406
Administrative charges	910,738	1,172,041
Payments in lieu of franchise taxes	9,990,239	9,269,742
Depreciation	40,065,636	41,087,257
Total operating expenses	129,366,592	119,106,067
Operating income	79,595,078	83,057,436
NON-OPERATING REVENUES (EXPENSES)		
Interest and investment earnings	580,814	93,586
Other expenses	(1,550,468)	(11,861,399)
Interest expense	(22,186,511)	(20,532,378)
Gain on sale of assets	102,690	6,407
Bond premium amortization	2,634,274	2,517,988
Total non-operating expenses	(20,419,201)	(29,775,796)
Income before capital contributions and transfers	59,175,877	53,281,640
Capital contributions and transfers		
Capital contributions	17,138,065	7,507,408
Transfers from other funds	-	142
Transfers to other funds	(229,677)	(229,677)
Total capital contributions and transfers	16,908,388	7,277,873
Change in net position	76,084,265	60,559,513
Net position - beginning	1,017,383,876	956,824,363
Net position - ending	$ 1,093,468,141	$ 1,017,383,876

COMBINED STATEMENT OF CASH FLOWS

For the year ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 209,196,794	$ 204,130,095
Cash payments to suppliers for goods and services	(49,474,015)	(47,917,962)
Cash payments to employees for services	(24,733,130)	(24,513,943)
Payments in lieu of franchise taxes	(9,990,239)	(9,269,742)
Other operating revenues	372,193	396,119
Other operating expenses	(1,506,313)	(11,912,805)
Net cash provided by operating activities	123,865,290	110,911,762
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interfund loans	(56,376)	26,167
Transfers from other funds	-	142
Transfers to other funds	(229,677)	(229,677)
Net cash used in noncapital financing activities	(286,053)	(203,368)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Issuance of capital debt	244,036,378	181,338,096
Premiums on issuance of capital debt	2,732,729	-
Accrued interest on issuance of capital debt	25,359	-
Debt issuance costs paid	(188,126)	-
Principal payments on long-term debt	(40,870,000)	(39,225,000)
Interest payments on long-term debt	(22,101,583)	(20,904,321)
Capital asset additions	(253,289,132)	(147,375,207)
Sale of capital assets	102,690	115,215
Capital contributions	601,189	482,439
Net cash used in capital and related financing activities	(68,950,496)	(25,568,778)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	307,412	93,586
Net cash provided by investing activities	307,412	93,586
Net increase in cash and temporary investments	54,936,153	85,233,202
Cash and temporary investments - beginning	332,286,664	247,053,462
Cash and temporary investments - ending	$ 387,222,817	$ 332,286,664

(Continued)

COMBINED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)

	2023	2022
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 79,595,078	$ 83,057,436
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	40,065,636	41,087,257
Other expenses	(1,506,313)	(11,867,006)
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
Decrease in accounts receivable	328,258	2,029,123
(Increase) in inventory	(1,108,153)	(778,240)
Decrease in prepaid items	29,962	29,680
(Increase) decrease in net pension asset	3,352,550	(3,352,550)
(Increase) in deferred outflows related to pensions	(9,969,672)	(809,693)
(Increase) decrease in deferred outflows related to OPEB	(206,476)	187,794
Increase in accounts payable	2,627,618	219,529
(Decrease) in accrued interest payable	(19,495)	(18,992)
Increase (decrease) in due to other agencies	(35,674)	10,695
Increase in deposits	298,554	301,174
Increase (decrease) in net pension liability	22,342,808	(2,523,771)
Increase (decrease) in total OPEB liability	454,115	(1,168,752)
Increase (decrease) in compensated absences	134,933	(136,986)
Increase in deferred inflows related to pensions	(12,340,032)	3,597,186
Increase (decrease) in deferred inflows related to OPEB	(178,407)	1,047,878
Total adjustments	44,270,212	27,854,326
Net cash provided by operating activities	$ 123,865,290	$ 110,911,762
SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Contribution of capital assets	$ 16,536,876	$ 7,024,969
Capital contribution receivables	7,920,000	-
Capital assets in accounts payable	33,335,279	30,037,766

1. 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 are 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.

	Estimated
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 $9,990,239 in 2023 and $9,269,742 in 2022. 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, 2023 and 2022, the Utilities had combined cash and temporary investments in the amounts of $387,222,817 and $332,286,664 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, 2023 and 2022, the Utilities had non-pooled investments of $12,320,000 and $13,753,609, respectively.

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. 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.

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On December 31, 2023, revenue bond proceeds for debt service reserve funds of the Water and Sewer Utility were invested as follows:

Water and Sewer Utility Investments As of December 31, 2023			
Investment Type	Fair Value	Modified Duration (years)	Percent of Bond Proceeds Investments
Federal Home Loan Bank (FHLB)	$ 12,320,000	0.079	100.0%
Total value	**$ 12,320,000**		**100.0%**
Total weighted average maturity		**0.079**	

The fair value measurements for the Water and Sewer Utilities revenue bond reserve investments on December 31, 2023 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 had advanced proceeds for two specific major sewer projects. As of December 31, 2023, $220 is being held in an individual account in the Kansas Municipal Investment Pool and all of the proceeds and related interest earnings on those proceeds have been spent and thus, are not restricted.

3. CAPITAL ASSETS

Capital asset activity of the Water Utility and Sewer Utility for the year ended December 31, 2023 is shown as follows:

Capital Assets Activity For the Year Ended December 31, 2023 (dollars in thousands)					
	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 21,449	$ 12	$ -	$ -	$ 21,461
Construction in progress	298,758	252,804	(18,660)	-	532,902
Total capital assets, not being	**320,207**	**252,816**	**(18,660)**	**-**	**554,363**
Capital assets, being depreciated:					
Buildings	294,133	101	-	23	294,257
Improvements other than buildings	1,309,995	19,247	-	7,483	1,336,725
Machinery, equipment and other assets	201,411	4,201	(160)	(6)	205,446
Total capital assets being depreciated	**1,805,539**	**23,549**	**(160)**	**7,500**	**1,836,428**
Less accumulated depreciation for:					
Buildings	(120,590)	(6,437)	-	-	(127,027)
Improvements other than buildings	(395,409)	(23,894)	-	-	(419,303)
Machinery, equipment and other assets	(153,245)	(9,736)	160	-	(162,821)
Total accumulated depreciation	**(669,244)**	**(40,067)**	**160**	**-**	**(709,151)**
Total capital assets, being depreciated,	**1,136,295**	**(16,518)**	**-**	**7,500**	**1,127,277**
Water and Sewer Utility capital assets,	**$ 1,456,502**	**$ 236,298**	**$ (18,660)**	**$ 7,500**	**$ 1,681,640**

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: https://www.wichita.gov/422/Pension-Documents.

The Utilities are required to contribute at an actuarially determined rate for WERS. The rate for 2023 and 2022 was 13% and 12.9% of annual covered-employee payroll, respectively. In 2023, the net pension liability changed to a net pension asset. The Utilities reported a net pension liability of $22,342,808 and a net pension asset of $3,352,550 as of December 31, 2023 and 2022, respectively. The Utilities have also recorded their proportionate share of the related deferred inflows and outflows of resources to the pension. See Note 7 - Retirement Funds of the Notes to the Financial Statements located in the Financial Section of this publication for more information.

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 of the Notes to the Financial Statements located in the Financial Section of this publication for more information.

As of December 31, 2023 and 2022, the Utilities reported a total OPEB liability of $3,441,880 and $2,987,765, 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 health and 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-11 of this publication.

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7. LONG-TERM DEBT

A. LONG-TERM OBLIGATIONS

Changes in the long-term obligations of the Water and Sewer Utility for the combined Utilities for the year ended December 31, 2023 are summarized in the following table:

Long-Term Obligations Activity
For the Year Ended December 31, 2023
(dollars in thousands)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
General obligation bonds	$ 93,690	$ -	$ (6,250)	$ 87,440	$ 6,560
Unamortized premium	6,893	-	(604)	6,289	-
Revenue bonds	394,725	28,060	(34,620)	388,165	31,435
Unamortized premium	30,967	2,733	(2,687)	31,013	-
Direct borrowing and placement:					
Revenue bonds*	142,501	130,787	-	273,288	-
Total bonds payable	**668,776**	**161,580**	**(44,161)**	**786,195**	**37,995**
Direct borrowing and placement:					
Loans payable**	93,713	85,189	-	178,902	-
Compensated absences	867	1,130	(995)	1,002	816
Net pension liability***	-	25,366	(3,023)	22,343	-
Total OPEB liability	2,988	625	(171)	3,442	-
Total long-term liabilities	**$ 766,344**	**$ 273,890**	**$ (48,350)**	**$ 991,884**	**$ 38,811**

* *Water Infrastructure Finance and Innovation Act (WIFIA) bonds.*

** *Kansas Public Water Supply Loan Fund (KPWSLF) loans.*

****Net Pension Asset switched to a Net Pension Liability in 2023, see Note 7 in the Financial Section for more information.*

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, 2023.

General Obligation Bonds
Outstanding on December 31, 2023
(dollars in thousands)

Outstanding issue	Interest Rate	Dated Date	Final Maturity Date	Amount Outstanding
Series 811	3.00% - 5.00%	10/01/2014	2034	$ 87,440
Total Water & Sewer Utility General Obligation				**$ 87,440**

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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
2024	$ 6,560	$ 3,038
2025	6,890	2,702
2026	7,235	2,421
2027	7,450	2,201
2028	7,675	1,974
2029 – 2033	42,220	5,839
2034	9,410	176
Totals	**$ 87,440**	**$ 18,351**

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, 2023.

Revenue Bonds Outstanding on December 31, 2023 (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	$ 13,050
2014B Water & Sewer	2.50% - 5.00%	12/1/2014	2034	8,165
2015B Water & Sewer Refunding	2.38% - 5.00%	4/1/2015	2031	18,205
2015C Water & Sewer	2.50% - 5.00%	11/1/2015	2035	15,595
2015D Water & Sewer Refunding	2.50% - 5.00%	11/1/2015	2032	14,195
2016A Water & Sewer	3.00% - 5.00%	8/1/2016	2036	17,280
2016B Water & Sewer Refunding	3.00% - 5.00%	8/1/2016	2039	72,420
2017A Water & Sewer	3.00% - 5.00%	6/1/2017	2037	50,985
2017B Water & Sewer Refunding	3.00% - 5.00%	12/1/2017	2030	13,500
2019A Water & Sewer	3.00% - 5.00%	3/1/2019	2039	38,040
2019B Water & Sewer Refunding	3.00%	12/1/2019	2030	28,975
2020A Water & Sewer	3.00%	5/1/2020	2039	28,045
2020C Water & Sewer Refunding	2.00% - 3.50%	10/1/2020	2032	8,125
2021A Water & Sewer	2.00% - 4.00%	6/1/2021	2040	33,525
2023A Water & Sewer	4.00% - 5.00%	3/1/2023	2042	28,060
Total Water and Sewer Utilities revenue bonds				**$ 388,165**
From Direct Borrowings and Placements:				
2020B (WIFIA) Taxable Water &	1.17%	10/1/2021	2059	$ 260,376
2023B (WIFIA) Taxable Water &	3.77%	5/3/2023	2061	12,912
Total Water Utility WIFIA revenue bonds				**$ 273,288**

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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
2024	$ 31,435	$ 13,624	$ -	$ -
2025	32,965	12,249	-	-
2026	32,315	10,892	-	-
2027	32,165	9,635	-	-
2028	33,200	8,413	-	-
2029 – 2033	127,750	27,344	38,599	16,503
2034 – 2038	78,845	10,036	42,072	15,932
2039 – 2043	19,490	1,183	44,857	13,147
2044 – 2048	-	-	47,863	10,142
2049 – 2053	-	-	51,113	6,891
2054 – 2058	-	-	54,636	3,368
2059 – 2061	-	-	13,207	329
Total debt service	**$ 388,165**	**$ 93,376**	**$ 292,347**	**$ 66,312**
	Less: interest rolled into principal*		(19,059)	
		Total	**$ 273,288**	

* Estimated interest rolled into principal during construction phase. See Note 7E on the following page.

Pledged Revenues: 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 revenues 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 Revenues for Revenue Bond Debt Service Requirements (dollars in thousands)					
Amount of Pledge	Type of Pledged Revenues	Term of Commitment	Percent of Revenues Pledged	2023 Principal and Interest	2023 Pledged Revenues Recognized
Water & Sewer Utility Revenue Bonds:*					
$ 821,141	Utility revenues	Through 2059	100%	$ 49,103	$ 208,962

** Includes direct borrowing and placement bonds.*

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D. LONG-TERM LOANS

The Water Utility has entered into two long-term loans, where income derived from the acquired or constructed assets is pledged to pay debt service. The table below presents the long-term loans outstanding as of December 31, 2023.

Long-term Loans
Outstanding on December 31, 2023
(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 & Sewer Utility:*						
$ 55,000	06/22/2020	2020 KPWSLF Loan-2979.1	1.48%	2045	$ 55,000	N/A
60,000	03/01/2022	2021 KPWSLF Loan-2979.2	1.34%	2045	60,000	N/A
75,000	02/17/2023	2023 KPWSLF Loan-2979.3	2.20%	2045	50,660	N/A
		Total Water Utility long-term loans			**165,660**	
64,000	4/10/2023	2023 KPWSLF Loan-3049.1	2.13%	2044	13,242	N/A
		Total Sewer Utility long-term loans			**13,242**	
		Total Water & Sewer Utility long-term loans			$ **178,902**	

* Kansas Public Water Supply Loan Fund (KPWSLF) loans. See Note 7E on the following page for further details.

Debt service requirements to maturity for the long-term loans 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
2024	$ -	$ -
2025	4,084	1,663
2026	7,722	2,944
2027	7,852	2,814
2028	7,985	2,680
2029 – 2033	41,988	11,338
2034 – 2038	45,667	7,663
2039 – 2043	49,683	3,645
2044 – 2045	15,329	256
Totals	**$ 180,310**	**$ 33,003**
Less: interest rolled into principal*	(1,408)	
	$ 178,902	

*Estimated interest rolled into principal during construction phase. See Note 7E below for further details.

Pledged Revenue: The City has pledged specific revenue streams to secure the repayment of its long-term loan. The table on the following page 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.

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Pledged Revenue for Long-term Loans Debt Service Requirements (dollars in thousands)					
Amount of Pledge	Type of Pledged Revenue	Term of Commitment	Percent of Revenue Pledged	2023 Principal and Interest	2023 Pledged Revenue Recognized
Water & Sewer Utility Long-term Loans:*					
$ 211,905	Utility revenues	Through 2045	100%	$ -	$ 208,962
** Loans are direct borrowing and placement loans and have a pledged revenue source.*					

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

***Water Infrastructure Finance and Innovation Act (WIFIA) Bonds*:**

***Northwest Water Treatment Facility Project (NWWTF Project)*:** 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 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 draws down 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, 2023, the City has a balance outstanding of $260,375,855, which includes $3,504,640 of interest rolled into that balance. The City has projected an additional $14,765,171 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

***Wastewater Reclamation Facilities Biological Nutrient Removal Improvements Program (BNR Project)*:** On April 13, 2023, the City entered into a Water Infrastructure Finance and Innovation Act (WIFIA) credit agreement, effective May 2, 2023, at 3.77% for up to $191,481,121 with the United States Environmental Protection Agency (EPA), a direct borrowing/placement, to fund part of the City's Wastewater Reclamation Facilities Biological Nutrient Removal Improvements Program (BNR), which is expected to cost approximately $390 million. The WIFIA Bond will be due in semi-annual installments of interest and annual payments of principal, with a final maturity date the earliest of (a) October 1, 2061, (2) the principal payment date immediately preceding the date that is 35 years following the substantial completion date of the Project or (c) the principal payment date immediately preceding the date that is 40 years following the effective date of the agreement. Interest only accrues as the City draws down 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 $250,000,000. As of December 31, 2023, the City has a balance outstanding of $12,911,719, which includes $90,227 of interest rolled into that balance. The City has projected an additional $4,293,574 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

***WIFIA Bonds*:** The Water and Sewer Utility has pledged the net revenues of the Water and Sewer Utility as security for the WIFIA Bonds 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):

***NWWTF* Project:** As of December 31, 2022, the City has three KPWSLF loans outstanding that are to fund a part of the City's new NWWTF Project, which is expected to cost approximately $550 million. On June 22, 2020, the City entered into its first (2020-2079.1) direct borrowing KPWSLF loan agreement with the Kansas Department of Health and Environment (KDHE) in an amount not to exceed $55,000,000 with an interest rate of 1.48%. On March 1, 2022, the City entered into its second (2021-2079.2) direct borrowing KPWSLF loan with KDHE in an amount not to exceed $60,000,000 at an interest rate of 1.34%. On February 17, 2023, the City entered into its third (2023-2979.3) direct borrowing KPWSLF loan with the KDHE in an amount not to exceed $76,000,000 at an interest rate of 2.20% with up to $1,000,000 in principal forgiveness, for a net principal of $75,000,000. The project will be awarded principal forgiveness because the municipality is designated as a Disadvantaged Community by KDHE. The principal forgiveness of $1,000,000 will be awarded on the date of the last disbursement of this loan. The Municipality will be responsible for paying interest and service fee costs semiannually for any accrual that is calculated before the forgiveness is awarded. The City and KDHE anticipate one additional loan will be executed for the Project up to an aggregate total loan amount of $267,342,000.

The loans are 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 loans 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 loans, except as may be consented in writing by KDHE in advance of such prepayment. As of December 31, 2023, the City has fully drawn down the 2020 and 2021 KPWSLF loans with an outstanding principal balance of $115,000,000. The 2023 KPWSLF Loan (2979.3), as of December 31, 2023, has a principal balance of $50,660,182, which includes $1,947,660 of interest rolled into that balance. The City has projected an additional $1,218,750 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

***BNR Project*:** As of December 31, 2023, the City has one KPWSLF loan outstanding that is to fund a part of the City's BNR Project, which is expected to cost approximately $390 million. On April 10, 2023, the City entered into its first (2023-3049.1) direct borrowing KPWSLF loan agreement with the Kansas Department of Health and Environment (KDHE) in an amount not to exceed $65,000,000 with an interest rate of 2.13 with up to $1,000,000 in principal forgiveness, for a net principal of $64,000,000. The project will be awarded principal forgiveness because the municipality is designated as a Disadvantaged Community by KDHE. The principal forgiveness of $1,000,000 will be awarded on the date of the last disbursement of this loan. The Municipality will be responsible for paying interest and service fee costs semiannually for any accrual that is calculated before the forgiveness is awarded. The City and KDHE anticipate two additional loans will be executed for the Project up to an aggregate total loan amount of $185,000,000.

The loans are 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 loans and no principal payments are due until the earlier of September 1, 2025 or one year after Project completion. The City may not prepay the outstanding principal of the loans, except as may be consented in writing by KDHE in advance of such prepayment and the final principal payment under the Loan shall be fully repaid no later than 21 years after the Project completion. As of December 31, 2023, the 2023 KPWSLF Loan (3049.1) has a principal balance of $13,242,307, which includes $49,336 of interest

rolled into that balance. The City has projected an additional $189,333 of interest would be rolled into the bond principal, based upon the principal balance outstanding as of yearend, before any debt service payments begin.

***KPWSLF Loans*:** The Water and Sewer Utility has pledged the net revenues of the Water and Sewer Utility as security for the KPWSLF loans for the duration of the loans 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, of which the cost can be included in the principal amount of the loans, as further security for repayment of the loans.

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) an 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 agreements) 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 these loans 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 loans (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 agreements, in its contractual obligations), KDHE may declare the outstanding balance of the loans 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 agreements.

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, 2023 and 2022, unrestricted cash available in accordance with the revenue requirements of the bond covenants was $203,123,854 and $186,608,406, respectively.

Water and Sewer Utility Restricted Cash		
	2023	2022
Principal and interest	$ 16,144,957	$ 16,898,183
Bond reserve	13,623,675	13,755,674
Depreciation and replacement	21,131,640	19,352,210
Payment to the City	874,389	810,771
Improvements	150,667,067	135,165,630
Public Safety Fees	682,126	625,938
Unspent bond proceeds	-	-
Total restricted cash	**$ 203,123,854**	**$ 186,608,406**

At December 31, 2023 and 2022, 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 lease for land, for which the Sewer Utility prepaid the net present value of the entire lease to the Airport Authority. Lease and interest expense for the 50-year lease will be recognized annually over the term of the lease. The Sewer Utility's prepaid lease is recognized as *prepaid items* in the *Statement of Net Position* and will be recognized as expense per the schedule below. (See note 12-C for further information)

Year Ending December 31,	Prepaid Lease Expense
2024	$ 28,810
2025	27,702
2026	26,636
2027	25,612
2028	25,861
2029 – 2033	116,189
2034 – 2038	100,256
2039 – 2043	86,514
2044 – 2048	74,666
2049 – 2053	64,430
2054 – 2058	44,922
Total	**$ 621,598**

9. SEGMENT INFORMATION

The Utility maintains separate funds for water and sewer services. Segment information for the year ended December 31, 2023 is located in the Financial Section of this publication.

10. SUBSEQUENT EVENTS

See Note 25 – Subsequent Events in the Notes to the Financial Statements in the Financial Section in this publication for information regarding the Utilities debt issued or drawn down subsequent to December 31, 2023, but before the date of this report.

NET REVENUES AVAILABLE FOR DEBT SERVICE AND CAPITAL EXPENDITURES MADE FROM OPERATING REVENUES (UNAUDITED)

For the year ended December 31, 2023

	Water Utility	Sewer Utility	Combined
GROSS EARNINGS			
Charges for services and sales	$ 129,663,106	$ 78,926,371	$ 208,589,477
Capital contributions - cash	235,142	366,047	601,189
Bond premium amortization	1,663,515	970,759	2,634,274
Other revenues	-	372,193	372,193
Gain on capital assets	70,605	32,085	102,690
Interest and investment earnings	331,936	248,878	580,814
Total gross earnings	131,964,304	80,916,333	212,880,637
OPERATIONS AND MAINTENANCE EXPENSES			
Personnel services	14,442,680	13,934,477	28,377,157
Contractual services	17,494,207	9,891,963	27,386,170
Materials and supplies	7,390,364	6,282,543	13,672,907
Other operating expenses	892,875	92,600	985,475
Administrative charges	567,983	342,755	910,738
Total operations and maintenance	40,788,109	30,544,338	71,332,447
Net revenues available for debt service	$ 91,176,195	$ 50,371,995	$ 141,548,190
BONDED DEBT SERVICE	$ 36,106,936	$ 22,578,578	$ 58,685,514
DEBT SERVICE COVERAGE RATIO	2.53	2.23	2.41
RECONCILIATION OF GROSS EARNINGS TO OPERATING REVENUES			
Gross earnings	$ 131,964,304	$ 80,916,333	$ 212,880,637
Less: capital contributions - cash	(235,142)	(366,047)	(601,189)
Less: bond premium amortization	(1,663,515)	(970,759)	(2,634,274)
Less: gain on capital assets	(70,605)	(32,085)	(102,690)
Less: interest and investment earnings	(331,936)	(248,878)	(580,814)
Operating revenues	$ 129,663,106	$ 79,298,564	$ 208,961,670
CAPITAL EXPENDITURES FROM OPERATING REVENUES	$ 5,219,196	$ 1,482,579	$ 6,701,775

PROPERTY INSURANCE

As of December 31, 2023

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; 2% TIV; Wind and Hail: $500,000	01-23 to 01-24
Zurich	Comprehensive coverage for steam boilers, air conditioners, and electric motors on a repair or replacement cost basis.*	Per occurrence - $250,000	01-23 to 01-24

* Property insurance for the Utilities is included in the City's coverage. Limits shown are for the entire City.

WATER UTILITY STATISTICS BY CUSTOMER CLASS (UNAUDITED)

For year ended December 31, 2023

(with comparative totals for the year ended December 31, 2022)

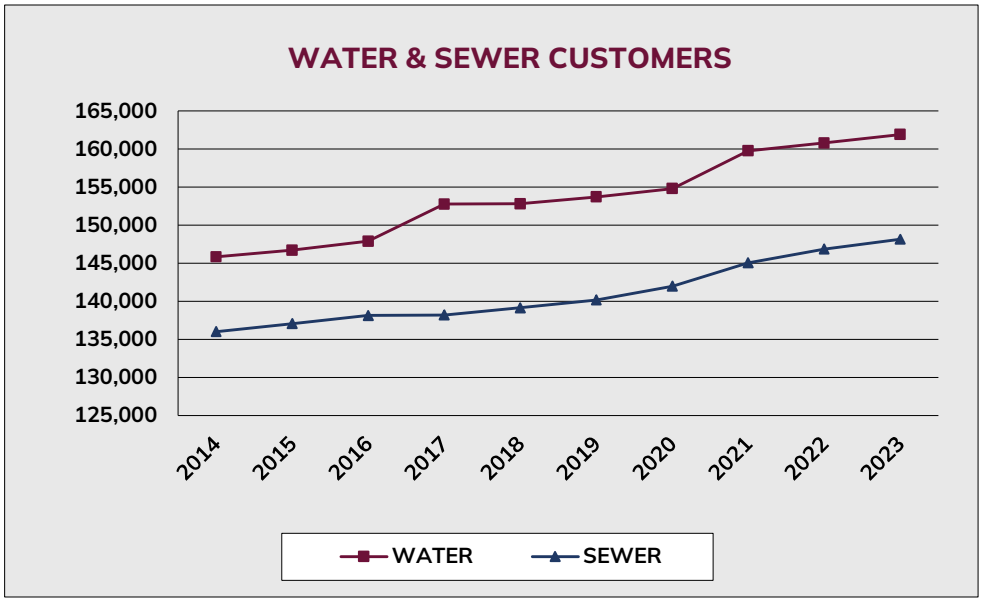
Customer Class	Number of Customers		Water Revenues		Water Consumed (Thousands of Gallons)	
	2023	2022	2023	2022	2023	2022
Residential	142,958	142,248	$ 72,979,325	$ 72,329,924	8,369	8,375
Commercial / Industrial	13,767	13,333	$36,328,699	$35,781,047	6,405	6,376
Wholesale	13	14	$8,310,792	$8,036,075	1,537	1,832
Lawn Services	3,069	3,070	N/A	N/A	N/A	N/A
Fire Protection	1,805	1,835	$1,057,283	$1,047,434	N/A	N/A
Contract	273	267	$1,322,074	$1,592,863	168	218
Backflow Charges	N/A	N/A	$233,147	$280,463	N/A	N/A
Other Sales	N/A	N/A	$544,763	$520,863	28	26
Estimated Leaks	N/A	N/A	N/A	N/A	501	23
Water Utility Uses	32	31	N/A	N/A	297	269
Unaccounted for Water	N/A	N/A	N/A	N/A	1,561	2,065
	161,917	160,798	$ 120,776,083	$ 119,588,669	18,866	19,184

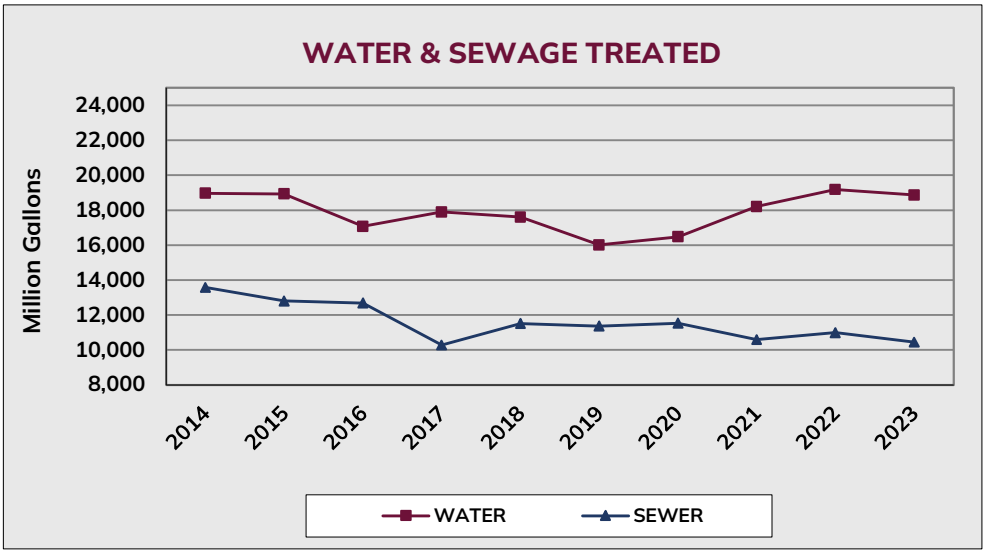
SEWER UTILITY STATISTICS BY CUSTOMER CLASS (UNAUDITED)

Customer Class	Number of Customers		Sewer Revenues	
	2023	2022	2023	2022
Residential	135,443	134,213	$ 41,315,105	$ 40,897,193
Commercial	11,903	11,871	28,139,584	27,801,169
Industrial	7	7	6,160,023	5,925,200
Institutional	762	759	1,246,692	1,206,177
Wholesale	3	3	375,902	364,460
Extra Strength	25	24	4,779,151	3,577,322
	148,143	146,877	$ 82,016,457	$ 79,771,521

WATER AND SEWER CUSTOMERS: 2014 - 2023 (UNAUDITED)

For year ended December 31, 2023
(with comparative totals for the year ended December 31, 2022)





REPORT IN BRIEF

	2023	2022	Change
Number of Water Customers	161,917	160,798	0.70%
Number of Sewer Customers	148,143	146,877	0.86%
Miles of Water Line	2,418	2,415	0.12%
Miles of Sanitary Sewer Line	2,130	2,105	1.19%
Water Produced (Million Gallons)	18,866	19,184	-1.66%
Wastewater Treated (Million Gallons)	10,446	10,998	-5.02%
Cost of Treated, Pressurized Water per 1000 gal.	$ 1.45	$ 1.52	-4.52%
Cost of Treated Wastewater per 1000 gal.	$ 2.03	$ 1.87	8.57%

WATER AND SEWER UTILITY RATES

For year ended December 31, 2023

Meter Size (inches)	Water				Sewer	
	Inside City Residential	Outside City Residential	Inside City Commercial	Outside City Commercial and Wholesale	Inside City	Outside City
5/8	$ 18.43	$ 29.51	$ 18.77	$ 30.07	$ 11.06	$ 17.73
3/4	18.43	29.51	18.77	30.07	11.06	17.73
1	18.43	29.51	18.77	30.07	11.06	17.73
1.5	23.97	38.34	24.43	39.06	17.87	28.59
2	30.51	48.84	31.09	49.77	26.75	42.64
3	51.37	82.23	52.33	83.78	77.33	123.73
4	68.23	109.23	69.52	111.29	98.36	157.36
6	103.31	165.38	105.26	168.50	186.05	297.69
8	138.11	221.09	140.71	225.26	265.18	424.24
10	176.70	282.90	180.03	288.24	408.96	654.33
12	245.36	392.78	249.99	400.19	596.88	955.01
16	-	-	-	905.22	-	-

Customers of the Utility are billed monthly with rates structured to encourage water conservation. The rates provided in the table above are those in effect on January 1, 2023.

The average monthly residential water and sewer bill in 2023 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 $86.52, excluding applicable fees.

VOLUME CHARGE RATES

Volume Charges	Inside City Residential	Outside City Residential	Inside City Commercial	Outside City Commercial	Wholesale
Water:					
< 110% of AWC*	$ 2.93	$ 4.69	$ 2.99	$ 4.78	$ 3.45
111% - 310% of AWC*	10.24	16.39	10.43	16.70	17.92
>310% of AWC*	14.98	23.97	15.26	24.43	26.84
Sewer	4.36	6.98	4.36	6.98	3.35

*Average Winter Consumption (AWC)

Rates for volume charges in 2023 per 1,000 gallons are in the table above.

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