

City of Wichita, Kansas

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

Comprehensive Annual Financial Report

For the Year Ended December 31, 2001



**CITY OF
WICHITA**

CITY COUNCIL

Robert G. Knight, Mayor
Joe Pisciotte, Vice Mayor (II)
Carl Brewer, Council Member (I)
Phil Lambke, Vice Mayor (III)
Bill Gale, Council Member (IV)
Robert Martz, Council Member (V)
Sharon Fearey, Council Member (VI)

City Manager

Chris Cherches

Department of Finance

Ray Trail, Director of Finance
Kelly Carpenter, Assistant Director of Finance

CITY OF WICHITA, KANSAS

Comprehensive Annual Financial Report Year ended December 31, 2001

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✿ INTRODUCTORY SECTION ✿



CITY OF
WICHITA

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



March 27, 2002

The Honorable Mayor, City Council and City Manager
City of Wichita, Kansas

Dear Mayor, Council and Manager:

The Comprehensive Annual Financial Report of the City of Wichita for the year ended December 31, 2001, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. 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 and account groups of the City and its component units. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes the report of the independent auditors, combined financial statements and related footnote disclosures, combining statements by fund type and individual fund, and additional information pertaining to the reporting entity.

The statistical section includes financial and demographic information, generally presented on a multi-year basis.

The City is required to undergo an annual single audit in conformity with the provisions of U.S. Office of Management and Budget Circular A-133. Information related to this single audit, including the schedule of expenditures from federal awards, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, are included in the single audit section of this report.

THE REPORTING ENTITY AND ITS SERVICES

The City of Wichita is the largest city in Kansas, population 347,956, and is the county seat of Sedgwick County. The City is located in south central Kansas, 161 miles southeast of the nation's geographic center and 124 miles from the North American geodetic center. The City's incorporated area is 152 square miles.

In 1917, the City became one of the first municipalities in the United States to adopt the Commission-Manager (also known as the Council-Manager) form of government. In 1987, the form of government was modified to a Council-Manager form with City Council members nominated by district and elected at large. One member of the Council was appointed annually to serve as Mayor. In 1989, the form of government was again modified to a Mayor-Council-Manager form with a Mayor elected at large and other City Council members elected by district. The City Council was expanded from five to seven members, including the Mayor. 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.

This report includes the financial statements of the funds and account groups of the City, also defined as the primary government. In accordance with Governmental Accounting Standards, the reporting entity includes the primary government, as well as component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Wichita Airport Authority is reported as an enterprise fund of the City. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position. The Wichita Public Building Commission is reported as a discretely presented component unit.

Based on the above criteria, activities for all municipal services and the pension trust funds are included in the City's 2001 financial statements. The City and its component units provide a full range of municipal services, including police and fire protection, parks and recreation programs, libraries, art museum, public housing, public health and social services, infrastructure improvements, bus transportation, airports, water and sewer utilities, planning and zoning, cemetery maintenance, internal support services, and general administration.

ECONOMIC ANALYSIS AND FORECAST

Overall, the Wichita economy in 2001 outperformed the national economy. The national economy entered the current recession in March, 2001; however, Wichita's economic growth peaked in June. Many of the effects of the national recession and the September 11 attacks have not yet shown up in the current economic indicators.

Total wage and salary employment in the Wichita MSA averaged 287,900 jobs in 2001.¹ The average unemployment rate for 2001 in the metro area was 4.1 percent, compared with 4.8 percent in the United States. Over the last six months, total employment in the Wichita region has fallen off and the unemployment rate has risen. But Wichita's unemployment rate, which climbed to 5.1 percent in January, 2002, is still below the national average of 6.3 percent. According to the Center for Economic Development and Business Research (CEDBR), total employment in the Wichita MSA is expected to decrease by 1.6 percent, losing about 4,550 jobs during 2002. The government and service sectors are the only industry sectors expected to see employment gains. The largest employment declines are expected in the manufacturing sector.

Among Wichita's three general aviation companies, Cessna Aircraft, Raytheon Aircraft and Learjet-Bombardier, shipments totaled 1,764 in 2001 with billings totaling \$7.9 billion.² Raytheon and Learjet both reduced employment levels during 2001. Raytheon has reduced its employment by 1,700, the majority of those jobs in Wichita, and has announced additional layoffs of 75 to be completed during first quarter 2002. Learjet reduced its Wichita employment by about 350 in 2001 and has announced layoffs of 250 during first quarter 2002. To date, Cessna Aircraft has not announced plans for any Wichita layoffs. However, the company has moved to reduce employment by 400 at its single-engine manufacturing plants in Independence, Kansas.

¹ The Wichita MSA (metropolitan statistical area) is comprised of Butler, Harvey and Sedgwick counties.

² Source: General Aviation Airplane Shipment Report, General Aviation Manufacturers Association, released 02/13/02. A complete copy of the report is available online at generalaviation.org. Note that numbers for the three Wichita-based companies include shipments and billings from all plant locations. In addition, these figures include data for the number and value of shipments for Boeing Business Jets.

During 2001, Boeing Airplanes received 335 orders with a backlog at the end of year totaling \$75.9 billion. Following September 11, the company moved to reduce employment by up to 30,000 people from September, 2001 through mid-2002. Locally during this period, approximately 5,000 to 5,200 layoffs are expected to occur at Boeing's Wichita operations. Boeing launched the 767 tanker program in 2001, with orders from Italy and Japan, and received Congressional authorization to negotiate the lease of 100 USAF tankers. The Boeing Company announced in late February it plans to use its Wichita plant and workers for the potential conversion of the Boeing 767 into tankers for the USAF. If chosen by the Air Force, Boeing would produce the aircraft at its plant in Everett, Washington. Tanker modification would be completed at the company's Wichita Development and Modification Center.³ The intermediate-term market outlook for commercial deliveries remains uncertain. Deliveries for 2002 are now expected to be about 380 airplanes. Deliveries for 2003 are expected to range between 275 and 300 airplanes. According to Boeing reports, the delivery forecast for 2002 is virtually sold out and more than 75 percent sold in 2003 at the lower end of the range.⁴

Despite the current layoffs, there is good news for Wichita's aviation sector, including:

- FlightSafety International Center is expanding its Wichita operations, adding 50 jobs and building a 28,000-square-foot expansion to its facilities and investing \$2.5 million in new plant and equipment.
- Airbus SAS is opening a wing design facility in Wichita. Initially, the company will employ 50 to 60 engineers and support staff to work on the design of the wing of Airbus' new passenger jet, the A380.
- Cessna Aircraft Co. plans to build a new \$61 million center in Wichita to service its Citation business jets, located at Mid-Continent Airport. The center is expected to support 500 jobs during its construction phase and create 500 new manufacturing jobs upon completion. Most of the newly created jobs will be for A&P mechanics and avionics technicians.

³ Source: Wichita-AP News View Wire Copy 02/27/02.

⁴ Source: Boeing's 4th Quarter 2001 Earnings Report. A complete copy of the report is available online at http://www.boeing.com/news/releases/2002/ql/nr_020123a.html.

The following activities represent expansion that is either occurring or has occurred over the past year:

- ✓ In March 2002, the nation's second largest discount air carrier, AirTran Airways, announced its intention to start service in Wichita in May. Initially, AirTran will offer three daily flights to Atlanta and two daily flights to Chicago's Midway Airport, with connecting flights available to 35 other destinations. This bodes well for future traffic growth at Mid-Continent Airport.
- ✓ Demonstrating potential strength for tourism in Wichita, Exploration Place drew 375,000 visitors during its first year of operation, 25 percent more than projected. Additionally, Exploration Place will be hosting the biennial meeting of the International Planetarium Society, a prestigious five-day gathering of nearly 400 scientists and related professionals next summer. The impressive attendance at Exploration Place also compliments the Wichita Art Museum, which started a \$10.5 million renovation that is expected to take two years.
- ✓ The City of Wichita acquired the Hyatt hotel from Stormont-Trice in order to keep a Hyatt presence in the downtown area. The Airport Hilton is starting the final phase of a long-term renovation by spending an additional \$1 million on its restaurant and club.
- ✓ Cox Communications is opening a 35,000-square-foot facility in the Comotara Industrial Park. The facility will serve the entire Cox cable and telecommunications system in Kansas. Over the first five years, the call center expects to staff 150 new jobs, in addition to retaining more than 100 jobs within the Wichita area. Cox Communications is building a 10,000-square-foot telecommunications center near Douglas and Rock Island, to offer a low-cost set of cable channels to Wichita subscribers in May 2002. Cox has also set up a new division, Cox Business Services, which is targeting businesses in Wichita and Kansas with broadband Internet service.

- ✓ Best Western International closed its call center in Wichita. The company laid off 210 employees.
- ✓ FedEx Ground expanded its Wichita operations by building a \$4 million distribution and delivery facility in the Regency Business Park at K-96 and Greenwich Road. FedEx Custom Critical, a subsidiary of FedEx Corp., opened a new office in Wichita.
- ✓ Plans continue for an \$18 million development of a movie theater and retail center in Old Town. A 35,000-square-foot theater, surrounded by 59,000 square feet of retail and office space, is proposed. Development efforts continue, despite changes in the original partnership.
- ✓ Wesley Medical Center received approval from HCA, the hospital's parent corporation, for a \$90 million expansion, including an expansion of the women's hospital and an intensive care facility. Construction is slated to begin in March 2002, and be completed by late 2003. Other phases are planned after 2003. The major acquisition story in Wichita healthcare is the acquisition of Riverside Health Systems by Via Christi, increasing their number of beds to 1,657, compared with Wesley's 760 beds.
- ✓ Gart Sports Co., the nation's second-largest sporting goods retailer, is planning to open two stores in Wichita. The first is slated to open in April in the old Jumbo Sports building in east Wichita. The second store is slated to open this fall in New Market Square on the west side of Wichita.
- ✓ Dick's Sporting Goods will be opening in 54,000 square feet of remodeled retail space formerly occupied by ShopKo. The construction work is slated to start in April with the store opening in October.
- ✓ Construction at One Kellogg Place is complete, with Lowe's and a Wal-Mart Super Center at the 71-acre development.
- ✓ VonMaur will open a 120,000-square-foot location at Towne East and will employ approximately 250 people.

BUSINESS PLAN - A CITY ACHIEVING THE EXTRAORDINARY

Theodore Roosevelt exclaimed, "*do what you can, with what you have, where you are*". His is no small challenge to achieve the most possible recognizing the constraints of resources.

The City of Wichita must always maintain and enhance its core services. Wichita must manage its resources to master challenges in basic service delivery into existing and annexed areas. It reaches beyond tradition to demonstrate the City's commitment to its customers. It looks to enhanced technology to strengthen our infrastructure. Finally, the City's entrepreneurial spirit is evidenced through new, innovative initiatives to serving its citizens as well as to provide the additional security and safety required without a mill levy increase in 2002.

The Public Safety initiative that previously added 149 police officers, now adds/redirects more officers (14) to expand police beats and community policing into newly annexed areas in east and west Wichita. In an effort to reduce accidents by City employees, a driving simulator was purchased. In addition to improving vehicle safety through training equipment, a new charge-back system for insurance claims will be initiated that is incentive-based.

The Public Safety initiative further provides initial funding for the phase-in of two new fire stations, and the plan includes a total of 44 new firefighters, expanding and enhancing public and firefighter safety. A fire station location/relocation study was recently completed and approved by the City Council. Five station sites have already been purchased and design of the new stations is underway. The Capital Budget currently includes nearly \$15 million through 2010 for fire station construction.

The Infrastructure Maintenance initiative, which began in 1999, is extended with a supplemental \$1.2 million annually for contract street maintenance, as well as maintenance crews and special maintenance efforts in newly annexed areas. The City will also increase funding for contracted building maintenance and renovation by \$1.2 million. The City also strives to enhance its investment in buildings and roadway improvements with an aesthetically pleasing

landscaping and beautification program. Additional crews will be added to ensure Wichita's public places are in premier condition.

The Environmental initiative begins with development of a Construction and Demolition (C&D) Landfill. The City of Wichita's responsibility for solid waste disposal services will end in 2002 and Sedgwick County will become responsible for this service. With the closure of Brooks Landfill in October, 2001, the City will have a thirty-year period of post-closure responsibility funded by the Landfill Post Closure Trust fund. In response to a growing demand for environmental management, an Environmental Compliance Manager position was created and funded in the 2001 Budget. Most recently, an aggressive tree-planting program, called the Greening of Wichita, was initiated in partnership with the Wichita Tree Trust. Wichita has been selected as one of three national sites for TreesAmerica.

The Culture and Tourism initiative increases City funding and support for the capital/operating costs of the new Art Museum expansion; two regional branch libraries; City Arts programs; innovative "at risk" youth programs; and a new tourism marketing effort. The \$10.5 million expansion of the Art Museum will be completed in 2002. The new regional libraries will be added to the library system beginning in 2002 and completed in 2003. In each case, the facilities will be coupled with other services.

The New Customer Service initiative invests in four mini-City Halls, neighborhood services staff, and employee customer service training. In January 2001, the City began a customer service program entitled "Above and Beyond", stressing the City's commitment to providing services in a friendly, courteous, and informative environment. Each employee will attend customer service training seminars throughout 2002 and 2003.

The Technology initiative invests in a high speed "wide area network" linking all major City facilities and expands the City's use of e-government to conduct commerce with businesses and citizens. Technology functions that are now scattered throughout the organization will continue to become centralized within the Information Technology area during 2002. The City will also complete the installation of a new public safety system that addresses the information management needs of its

Prosecutor, Police, and Municipal Court personnel. The system will integrate document imaging, bar code and driver's license scanning, and Internet technology. Other new systems under review for 2002 and 2003 are a human resource system and a fleet management system. The Intranet was introduced in 2001, allowing approximately 900 employees (without access to the Internet) direct access to Web-based information. The result is an organization that provides uniform information to all employees who use computers in their daily work environment. The Internet will become not only an information disbursement resource, but more importantly, an integrated business tool. The next steps for E-Government include the payment of fines and fees, submission of permit and license applications, and scheduling of inspections on-line.

The Safety and Security initiative exists to ensure the safety and security of all City resources. Not anticipated, were the sad events of September 11th that accelerated and intensified the general economic downturn. The overall safety and security of the community immediately came under review and resources were redirected for added security, as needed. An Assessment of State Homeland Security Expenditures has been performed to identify all one-time and recurring costs for providing sustained security and protection of critical infrastructure, including airport facilities, buildings, and water supplies, which represent only a few of the security risks throughout the City. Security at the Airport has greatly increased as a result of the September 11 tragedy and all points of entry to City facilities have been evaluated. Additionally, all City of Wichita employees have been issued identification badges to be displayed at all times, except in isolated situations.

FINANCIAL INFORMATION

The Department of Finance is responsible for providing all City financial services including data processing, financial accounting and reporting, accounts payable and receivable functions, cash management and investments, debt management, budgeting, purchasing, contract administration, retirement and benefit functions, risk management, golf course management, and special financial and policy analysis for City management. The Director of Finance, appointed by the City Manager, supervises the department operations.

Management is responsible for establishing and maintaining an internal control structure designed to ensure that assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of Federal and State financial assistance, the City of Wichita is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the City.

As a part of the City's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, and to evaluate the City's compliance with applicable laws and regulations. The audit for the year ended December 31, 2001, disclosed no findings, reportable conditions, material weaknesses or material violations of laws and regulations.

The City maintains budgetary controls, the objectives of which are to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council.

Activities of the General, Special Revenue, and Debt Service Funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at an individual fund level, but is monitored by function and activity within an individual fund. The government also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriations lapse at year-end, however, lawful encumbrances are reappropriated as part of the following year's budget. 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.

General Government Functions

The following schedule presents a summary of revenues for all governmental funds and expendable trust funds for the fiscal year ended December 31, 2001, and the amount and percentage of increases and decreases in relation to prior year revenues (expressed in thousands).

Revenues	Amount	% of Total	Increase (Decrease) from 2000	% of Increase (Decrease)
Taxes	\$ 81,586	26.0	\$ 5,923	7.8
Special assessments	26,295	8.4	418	1.6
Franchise fees	31,521	10.0	2,433	8.4
Sales tax	40,187	12.8	2,408	6.4
Intergovernmental	71,330	22.7	(2,352)	(3.2)
Licenses and permits	6,383	2.0	1,110	21.1
Fines and penalties	6,852	2.2	(548)	(7.4)
Rental income	4,331	1.4	184	4.4
Interest earnings	10,441	3.3	229	2.3
Charges for services	18,444	5.9	(1,332)	(6.7)
Other revenue	16,592	5.3	3,122	23.2
Totals	\$313,962	100.0	\$11,595	3.8

Taxes increased \$5.9 million from the prior year. Although property tax rates remained stable with no increase, revenues were impacted in the current year by annexation activity and increased collections from tax increment financing districts.

Licenses and permit revenues increased 21% over the prior year, mostly due to increased building activity in the current year.

Other revenues were \$3.1 million higher than last year, mostly due to revenues recognized by the Debt Service Fund related to the closing of capital projects.

The following schedule presents a summary of expenditures for all governmental funds and expendable trust funds for the fiscal year ended December 31, 2001, and the amounts and percentage of increases and decreases in relation to prior year amounts (expressed in thousands).

Expenditures	Amount	% of Total	Increase (Decrease) from 2000	% of Increase (Decrease)
Current:				
General government	\$ 25,496	6.8	\$ 1,516	6.3
Public safety	78,639	20.8	1,939	2.5
Highways and streets	17,685	4.7	317	1.8
Sanitation	6,814	1.8	2,165	46.6
Health and welfare	38,741	10.3	1,122	3.0
Culture and recreation	25,098	6.7	712	2.9
Debt service:				
Principal retirement	53,344	14.1	5,700	12.0
Interest/fiscal charges	15,650	4.1	436	2.9
Capital outlay	115,792	30.7	36,872	46.7
Totals	\$377,259	100.0	\$50,779	15.6

The City's municipal solid waste landfill closed operations in October, 2001. Consequently, sanitation expenditures rose \$2.2 million from the prior year, as a result of closure costs incurred in the current year.

Debt service expenditures were 12% higher than in 2000, mostly due to the \$8 million cash defeasance of older, higher interest bonds in 2001.

Capital outlay expenditures grew almost \$37 million from the prior year. This increase is attributable to activity related to several major capital projects, including acquisition of the Hyatt hotel, East Kellogg, West Kellogg and other public improvements.

Unreserved fund balances for the General, Special Revenue, and Debt Service Funds are presented in the following table (expressed in thousands):

Fund	Unreserved Fund Balance December 31, 2001	Unreserved Fund Balance December 31, 2000	Increase (Decrease)
General	\$23,397	\$18,894	\$ 4,503
Special revenue	22,268	15,519	6,749
Debt service	6,393	25,037	(18,644)

The unreserved fund balance of the Debt Service Fund decreased as budgeted by \$18.6 million in 2001, mostly due to transfers to Capital Projects funds for the repayment of temporary notes (pay-as-you-go financing).

Enterprise Operations

Water Utility – Operating revenues of almost \$32 million reflect an increase of five percent from 2000. This change primarily results from a five percent increase in water rates in 2001, combined with a slight increase in water usage.

Sewer Utility - Despite a five percent rate increase in 2001, operating revenues of the Sewer Utility did not change significantly from 2000 to 2001.

Storm Water Utility - The Storm Water Utility maintains the floodway, streams and drainage systems in the community and is funded from a combination of City and County tax funds and equivalent residential unit (ERU) charges on all properties in the City. To continue expansion of special "hot spot" efforts, where the critical needs in the storm water infrastructure can be targeted for rehabilitation, the ERU rate increased \$.05 to \$1.32 per ERU in 2001.

Golf Course System - The City of Wichita owns and operates five public golf courses, with the latest course (Auburn Hills) opening in May, 2001. Each course is operated by a PGA professional, four under contract and one as a City employee. System revenue was 33% higher in 2001, reflective of the opening of Auburn Hills, which added 23,842 rounds. Rounds at the other four courses were 175,975 in 2001, a 2.1% reduction from the prior year. Adverse weather has hampered play for the last two years; under normal conditions 210,000 rounds are expected per year. Operating expenses increased nearly 24% in 2001, mostly associated with the operation of Auburn Hills, including the addition of clubhouse staff.

Wichita Airport Authority (WAA) - A total of 1,129,381 passengers used Wichita Mid-Continent Airport in 2001, compared to 1,227,083 passengers in 2000, a decline in activity of eight percent. This decline in passenger traffic was attributed to the terrorist attacks on September 11, 2001.

Aircraft operations remained relatively stable in 2001, reflecting a total of 216,652 air carrier, military and general operations. Air cargo tonnage reflected a slight

decrease from the prior year, while mail tonnage declined by 23.3%, also from the effects of the attacks on September 11, 2001.

In 2001, the WAA received nearly \$1.7 million in passenger facility charges (PFCs) to fund FAA approved projects that enhance the safety, security or capacity of the national air transportation system. This represents a slight decrease from the prior year, however, total collections remain ahead of expenses on approved capital projects for airfield pavement reconstruction, airfield safety improvements, as well as terminal building and safety building modifications.

Wichita Transit - Fixed route buses provided over 2.1 million rides in 2001, a growth of 1.7 percent over 2000. Wichita Transit continued shuttle services to major public events in Wichita, including the River Festival, Coleman Classics, Buy.com Open, Museums a la Carte, and the newest shuttle – Wichita State University basketball games. Paratransit ridership grew 40% from last year, partially due to major decreases in funding support for other paratransit service agencies, and the typical double-digit increase in paratransit demand. Under a relatively new program funded by the Federal Transportation Administration (FTA), Access to Jobs finished its first full year of providing transportation service to low-income and welfare recipients, with almost 90,000 rides in 2001.

Wichita Transit also operates the trolley system, which primarily consists of Discover Historic Wichita Trolley Tours and charter services. Wichita Transit revamped its fleet of five trolleys in 2001, purchasing two new trolleys to replace two older vintage ones.

Internal Service Funds

Information Technology – This fund combines the former Data Center and Telecommunications activities. Functions include providing staff assistance to the Information Technology/Information Services (IT/IS) Advisory Board, assisting City staff with technology concerns and development, serving as liaison to Sedgwick County Data Processing, managing system applications, and providing a City-owned telephone system to the organization. Current applications managed by IT/IS include finance, budget preparation,

purchasing, human resource information, payroll, utility billing, public safety, permit tracking, geographic information systems, office automation and electronic government development. Revenues are based on user fees to client departments to cover the costs of operations, equipment replacement and debt service.

Fleet and Buildings – This operation includes Fleet Maintenance, Central Stores and the Central Maintenance Facility (CMF). Fleet Maintenance is responsible for the operation and maintenance of nearly 2,000 vehicles. Central Stores procures and maintains an inventory of parts and supplies for Fleet Maintenance and other City departments. The majority of vehicle work is performed at the CMF and other services include operation and maintenance of the complex, housing Fleet and Public Works Maintenance, Engineering, Flood Control, Storm Water Utility and Sewer Maintenance. Revenues are based on rent charges or other fees charged to user departments to cover the costs of operations and equipment replacement.

Stationery Stores - The Stationery Stores operation provides centralized services, including printing, micrographics, copier service and office supply procurement. Departments are charged accordingly for supplies and services. Office supplies and micrographic services are outsourced to private vendors.

Self Insurance - The City has established a Self Insurance Fund to account for self-insurance programs of health insurance, workers' compensation, group life insurance, employee liability, property damage and tort liability. Risk management staff are responsible for sound risk control and safety procedures and the financing of these risks consistent with financial resources.

Fiduciary Funds

These funds are separated into: Expendable Trust Funds, Pension Trust Funds, and Agency 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 Wichita Police and Fire Retirement System (WPFRS).

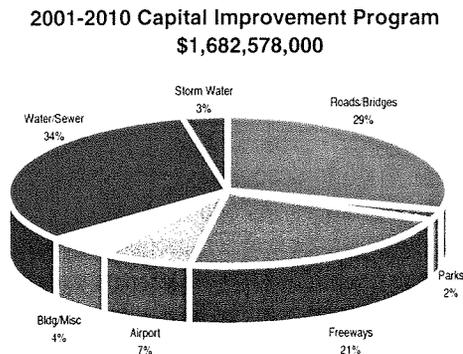
The single-employer defined contribution plan consists of the Wichita Employees' Retirement System Plan 3. In 2001, the City contributed 4.7 percent of salaries for employees under the Employees' Retirement System, 11.7 percent of salaries for employees in the Police and Fire Retirement System, and 4.7 percent of salaries for employees under Plan 3.

The following information represents the excess of the actuarial value of plan assets over the actuarial liability and the fund balance reserved for employees' pension benefits for all retirement systems to which the reporting entity contributes as of December 31, 2001:

	WERS	WPFRS
Funded ratio	121.2%	111.4%
Fund balance reserved for employees' pension benefits	\$421,691,673	\$351,100,148

Debt Administration

The City adopts a ten year Capital Improvement Program (CIP) and approves two years (2001 and 2002) as a capital budget for purposes of project initiation and the remaining period as a planning tool.



As shown in the chart above, the City's CIP is diverse in meeting capital needs for new and reconstructed roadways, bridges, freeways, parks, public facilities, railroad grade separations, infrastructure for new development, public transit, and City enterprises (water, sewer, storm water, airport and golf).

The City finances capital projects in a variety of ways: general obligation bonds/notes, revenue bonds, grants, and cash. The most significant of these are general

obligation bonds based on the full faith and credit of the City. The project types that rely primarily upon property taxes for GO bond repayment are arterial streets, bridges, storm water, parks, transit, core area projects, and public buildings. Other capital costs are funded through various enterprise, internal service and special revenue funds.

Established debt policies assist in administration of the City's debt financing requirements and provide a guide for the City to:

- Confine long-term borrowing (bonds) to capital improvements and self-insurance programs;
- Use short-term debt (notes) for bond anticipation purposes;
- Issue revenue bonds (when practical) for City enterprises to reduce the amount of the City's general obligation debt;
- Maintain an aggressive retirement program for existing debt (10 years for City at-large debt; 15 years for special assessment debt);
- Use GO debt to fund general purpose public improvements which cannot be financed from current (pay-as-you-go) revenues;
- Use special assessment GO debt to fund special benefit district improvements, consistent with existing policies;
- Maintain a Debt Service Fund reserve at year-end of \$3 million, approximately five percent of annual debt service requirements;
- Issue bonds callable at five years for 10-year bonds and seven years for 15-year bonds and evaluate call premiums based on market conditions at the time of each sale.

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are indicators of the City's debt position. Net bonded debt excludes general obligation bonds financed by special assessments and other offsetting revenues for City enterprises.

Debt statistics at year-end were as follows:

	GO Bonded Debt Payable From Ad Valorem Taxes	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1999	\$87,662,543	3.57%	\$235.24
2000	90,044,683	2.73	188.82
2001	77,396,273	2.82	204.06

Risk Management

The City's insurance, self-insurance, and safety programs are funded and administered through the Risk Management office. Funds for these programs are provided through allocations to all covered operations based upon their exposure and loss experience. These funds are maintained in a risk management reserve fund as authorized in Kansas Statutes. In addition, the City, Airport Authority, Art Museum, and Library maintain insurance policies and bonds as detailed in the Additional Information Section of this report.

Cash Management

Under a comprehensive, written investment policy, the City continues to manage a pooled funds investment program for all cash not otherwise restricted. This program allows the City to invest its cash in secured investments for larger amounts, for longer terms, with fewer total investment transactions and for generally higher yields on City investments. The banking services agreement for maintenance of the City's checking account is with Commerce Bank. The agreement allows for a perfected automatic repurchase agreement for the City's overnight cash in its checking account, at a rate equal to the preceding day's federal funds rate.

INDEPENDENT AUDIT

Kansas Statutes require an annual audit of all funds of the City by independent certified public accountants. The firm of Allen, Gibbs & Houlik L.C. has included their opinions in the report. In addition to meeting the requirements set forth in State Statutes, the audit was also designed to meet the requirements of OMB Circular A-133. The auditors' reports related specifically to the single audit are included in the Single Audit Section.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wichita, Kansas for its comprehensive annual financial report for the fiscal year ended December 31, 2000. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

OUTSTANDING BUDGET PRESENTATION AWARD

The City of Wichita has received GFOA's Outstanding Budget Presentation Award for its 2001 budget document. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by a government and its management.

In order to receive this award, a government must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications medium. The award is the budgetary counterpart to the Certificate of Achievement and is valid for one year only.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Controller's Office. We would like to express our appreciation to all members of the office who assisted and contributed to its preparation.

The City Manager and elected members of the City governing body continue their interest and support in planning and conducting the financial operations of the City in a professional, responsible and progressive manner.

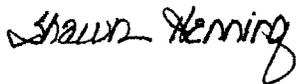
Respectfully Submitted,



Ray Trail
Director of Finance



Kelly Carpenter
Assistant Director of Finance



Shawn Henning
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wichita,
Kansas

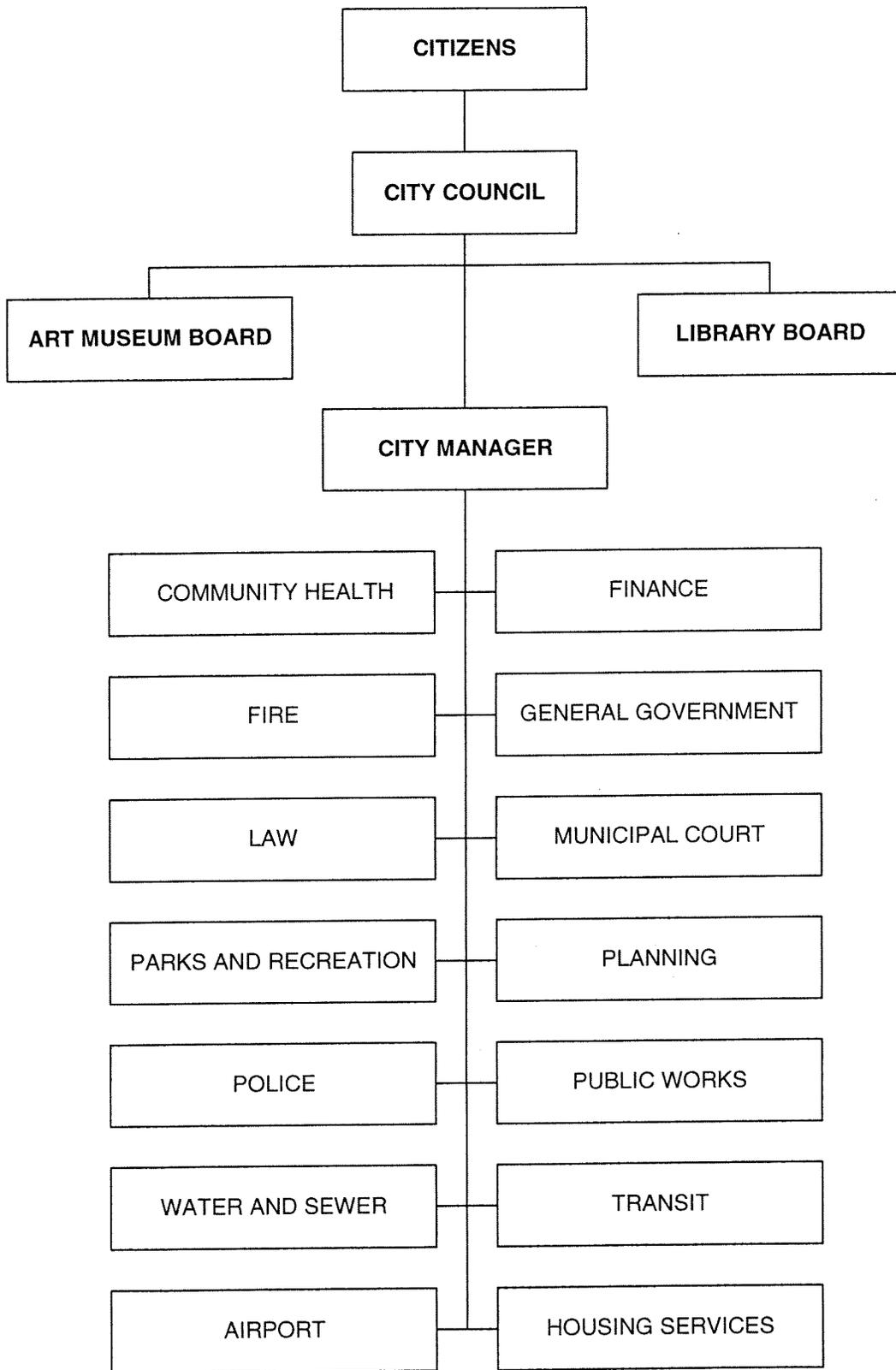
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Imelda Arave
President

Jeffrey L. Esser
Executive Director



✿ FINANCIAL SECTION ✿

The General Purpose Financial Statements provide a summary overview of the financial position of all funds and account groups and the operating results of all funds. They also serve as a condensed introduction to the more detailed statements that follow.

Epic Center • 301 N. Main, Suite 1700
Wichita, Kansas 67202-4868
(316) 267-7231 • FAX (316) 267-0339

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council Members
City of Wichita, Kansas

We have audited the accompanying general purpose financial statements of the City of Wichita, Kansas, as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States and the *Kansas Municipal Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Wichita, Kansas, at December 31, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2002, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City taken as a whole. The combining and individual fund and account group statements and schedules, introductory and statistical sections, Schedule of Expenditures of Federal Awards required by OMB *Circular A-133*, and Schedule of Passenger Facility Charges required by the *Passenger Facility Charge Audit Guide for Public Agencies* listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City. The combining and individual fund and account group financial statements and schedules, the Schedule of Expenditures of Federal Awards, and the Schedule of Passenger Facility Charges have been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, are fairly stated in all material respects in relation to the general purpose financial statements taken as a whole. The information included in the introductory and the statistical sections has not been subjected to the procedures applied in the audit of the general purpose financial statements, and accordingly, we express no opinion on such information.

Allen, Gibbs & Houlik, L.C.

March 22, 2002

CITY OF WICHITA, KANSAS

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT

December 31, 2001
(with comparative totals for December 31, 2000)

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
ASSETS AND OTHER DEBITS						
Assets						
Cash and temporary investments	\$ 28,763,846	\$ 22,791,590	\$ 6,393,067	\$ 51,318,523	\$ 16,263,985	\$ 38,256,383
Investments	-	750,000	-	-	-	1,317,581
Receivables, net:						
Property taxes	45,415,700	-	21,311,530	-	-	-
Due from other agencies	-	1,289,147	-	300,000	513,373	-
Special assessments	-	-	149,255,000	-	-	-
Accounts	634,242	5,315,778	-	2,326,303	8,905,449	560,154
Interest	-	53,250	-	-	-	7,955
Due from other funds	716,974	1,029,965	-	7,030,768	4,119,616	-
Notes receivable	-	2,032,140	-	-	1,331,292	618,241
Inventories	-	73,250	-	-	-	-
Prepaid items	-	56,792	-	-	51,689	3,589
Restricted assets:						
Cash and temporary investments	-	-	-	-	32,150,951	-
Investments	-	-	-	-	-	-
Receivables	-	-	-	-	327,308	-
Net investment in direct financing leases	-	-	-	-	31,093,322	-
Fixed assets	-	-	-	-	1,013,973,920	34,309,721
Accumulated depreciation	-	-	-	-	(278,560,589)	(25,836,338)
Other assets	-	-	-	-	1,915,809	-
Other Debits						
Amount available in debt service fund	-	-	-	-	-	-
Amount to be provided for accrued vacation	-	-	-	-	-	-
Amount to be provided for landfill closure and postclosure care	-	-	-	-	-	-
Amount to be provided for retirement of long-term debt	-	-	-	-	-	-
Total assets	\$ 75,530,762	\$ 33,391,912	\$ 176,959,597	\$ 60,975,594	\$ 832,086,125	\$ 49,237,286

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

Fiduciary Fund Types	Account Groups		Total Primary Government (Memorandum Only) 2001	Component Unit Public Building Commission	Total Reporting Entity (Memorandum Only)	
	Trust And Agency	General Fixed Assets	General Long- Term Debt		2001	2000
\$ 69,051,070	\$ -	\$ -	\$ 232,838,464	\$ -	\$ 232,838,464	\$ 223,828,756
830,000,369	-	-	832,067,950	-	832,067,950	869,280,564
-	-	-	66,727,230	-	66,727,230	63,170,170
-	-	-	2,102,520	-	2,102,520	1,044,144
-	-	-	149,255,000	-	149,255,000	158,375,000
7,432,461	-	-	25,174,387	-	25,174,387	30,220,513
1,954,864	-	-	2,016,069	-	2,016,069	2,277,436
-	-	-	12,897,323	-	12,897,323	4,976,384
-	-	-	2,032,140	-	2,032,140	2,062,273
-	-	-	2,022,783	-	2,022,783	2,238,207
-	-	-	112,070	-	112,070	191,094
-	-	-	32,150,951	942,019	33,092,970	53,874,967
-	-	-	-	973,305	973,305	973,305
-	-	-	327,308	538,420	865,728	1,280,158
-	-	-	31,093,322	42,125,981	73,219,303	82,268,126
-	307,519,503	-	1,355,803,144	-	1,355,803,144	1,248,152,416
-	-	-	(304,396,927)	-	(304,396,927)	(280,989,844)
-	-	-	1,915,809	-	1,915,809	1,790,334
-	-	6,393,033	6,393,033	-	6,393,033	25,036,511
-	-	6,873,237	6,873,237	-	6,873,237	6,437,781
-	-	25,250,000	25,250,000	-	25,250,000	27,465,000
-	-	312,725,504	312,725,504	-	312,725,504	276,536,539
<u>\$ 908,438,764</u>	<u>\$ 307,519,503</u>	<u>\$ 351,241,774</u>	<u>\$ 2,795,381,317</u>	<u>\$ 44,579,725</u>	<u>\$ 2,839,961,042</u>	<u>\$ 2,800,489,834</u>

(Continued)

CITY OF WICHITA, KANSAS

COMBINED BALANCE SHEET- ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

December 31, 2001
(with comparative totals for December 31, 2000)

	Governmental Fund Types			Proprietary Fund Types		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
LIABILITIES, EQUITY AND OTHER CREDITS						
Liabilities						
Accounts payable, accrued payroll and other liabilities	\$ 3,222,422	\$ 1,618,348	\$ -	\$ 2,733,080	\$ 4,696,438	\$ 14,637,764
Accrued interest payable	-	-	-	664,555	448,878	-
Temporary notes payable	-	-	-	18,941,701	250,000	-
Payable from restricted assets:						
Accounts payable/accrued payroll	-	-	-	-	173,022	-
Accrued interest	-	-	-	-	2,040,755	-
Revenue bonds	-	-	-	-	39,746,518	-
Deposits	1,175,270	197,252	-	-	1,600,684	1,094,200
Due to other agencies	-	343,046	-	-	-	-
Due to other funds	-	1,029,965	-	7,030,768	4,119,616	-
Securities lending obligations	-	-	-	-	-	-
Deferred revenue	45,457,111	4,387,615	170,566,564	-	-	-
Long-term debt	-	-	-	-	162,724,622	-
Accrued vacation	-	-	-	-	1,250,974	245,133
Landfill closure and postclosure care	-	-	-	-	-	-
Other liabilities	-	-	-	-	331,426	-
Total liabilities	49,854,803	7,576,226	170,566,564	29,370,104	217,382,933	15,977,097
Equity and Other Credits						
Contributed capital	-	-	-	-	301,193,330	5,478,463
Investment in general fixed assets	-	-	-	-	-	-
Retained earnings:						
Reserved	-	-	-	-	-	3,726,429
Unreserved	-	-	-	-	313,509,862	24,055,297
Fund balance:						
Reserved for encumbrances	2,278,851	3,417,708	-	54,615,040	-	-
Reserved for employees' pension benefits (A schedule of funding for each plan is presented on pages A-40 and A-42)	-	-	-	-	-	-
Reserved for prepaid items	-	56,792	-	-	-	-
Reserved for inventory	-	73,250	-	-	-	-
Unreserved:						
Designated	14,998,477	6,712,614	6,393,033	-	-	-
Undesignated	8,398,631	15,555,322	-	(23,009,550)	-	-
Total equity and other credits	25,675,959	25,815,686	6,393,033	31,605,490	614,703,192	33,260,189
Total liabilities, equity and other credits	\$ 75,530,762	\$ 33,391,912	\$ 176,959,597	\$ 60,975,594	\$ 832,086,125	\$ 49,237,286

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

Fiduciary Fund Types	Account Groups		Total Primary Government (Memorandum Only) 2001	Component Unit Public Building Commission	Total Reporting Entity (Memorandum Only)	
	General Fixed Assets	General Long- Term Debt	2001		2001	2000
\$ 11,200,654	\$ -	\$ -	\$ 38,108,706	\$ -	\$ 38,108,706	\$ 36,171,096
-	-	-	1,113,433	-	1,113,433	672,171
-	-	-	19,191,701	-	19,191,701	12,680,400
-	-	-	173,022	-	173,022	89,311
-	-	-	2,040,755	538,420	2,579,175	3,246,411
-	-	-	39,746,518	41,620,000	81,366,518	90,053,126
-	-	-	12,306,213	-	12,306,213	13,123,349
8,238,807	-	-	343,046	1,915,324	2,258,370	2,811,402
-	-	-	12,897,323	-	12,897,323	4,976,384
716,974	-	-	75,452,845	-	75,452,845	55,279,173
75,452,845	-	-	220,761,290	-	220,761,290	227,704,866
350,000	-	-	481,843,159	-	481,843,159	472,551,604
-	-	319,118,537	8,369,344	-	8,369,344	7,684,425
-	-	6,873,237	-	-	-	-
-	-	25,250,000	25,250,000	-	25,250,000	27,465,000
-	-	-	331,426	505,981	837,407	-
-	-	-	937,928,781	44,579,725	982,508,506	954,508,718
95,959,280	-	351,241,774	-	-	-	-
-	-	-	306,671,793	-	306,671,793	312,809,923
-	307,519,503	-	307,519,503	-	307,519,503	292,568,538
-	-	-	3,726,429	-	3,726,429	2,007,425
-	-	-	337,565,159	-	337,565,159	282,914,486
-	-	-	60,317,899	-	60,317,899	35,628,405
6,300	-	-	772,791,821	-	772,791,821	832,109,290
772,791,821	-	-	56,792	-	56,792	50,207
-	-	-	73,250	-	73,250	58,693
-	-	-	67,785,487	-	67,785,487	78,060,270
39,681,363	-	-	944,403	-	944,403	9,773,879
-	-	-	1,857,452,536	-	1,857,452,536	1,845,981,116
812,479,484	307,519,503	-	-	-	-	-
\$ 908,438,764	\$ 307,519,503	\$ 351,241,774	\$ 2,795,381,317	\$ 44,579,725	\$ 2,839,961,042	\$ 2,800,489,834

CITY OF WICHITA, KANSAS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

Year ended December 31, 2001
(with comparative totals for December 31, 2000)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	\$ 49,447,164	\$ 8,357,977	\$ 23,780,574	\$ -
Special assessments	12,293	-	25,597,856	684,600
Franchise fees	31,521,170	-	-	-
Local sales tax	20,093,593	-	-	-
Intergovernmental	22,189,657	31,028,738	-	15,321,384
Licenses and permits	1,636,531	4,745,947	-	-
Fines and penalties	6,851,819	-	-	-
Rentals	2,251,286	2,080,049	-	-
Interest earnings	3,833,930	1,438,641	2,005,927	1,090,097
Charges for services and sales	6,365,609	8,872,720	-	-
Other	4,112,623	5,443,086	2,573,156	3,684,800
Total revenues	<u>148,315,675</u>	<u>61,967,158</u>	<u>53,957,513</u>	<u>20,780,881</u>
Expenditures:				
Current:				
General government	19,938,036	2,880,782	-	-
Public safety	71,893,347	5,416,993	-	-
Highways and streets	17,160,911	524,559	-	-
Sanitation	1,881,291	4,933,070	-	-
Health and welfare	1,213,874	32,598,488	-	-
Culture and recreation	20,241,620	2,098,208	-	-
Debt service:				
Principal retirement	-	-	45,994,066	7,349,600
Interest and fiscal charges	-	-	14,312,200	1,337,452
Capital outlay	-	-	-	115,791,635
Total expenditures	<u>132,329,079</u>	<u>48,452,100</u>	<u>60,306,266</u>	<u>124,478,687</u>
Excess (deficiency) of revenues over (under) expenditures	<u>15,986,596</u>	<u>13,515,058</u>	<u>(6,348,753)</u>	<u>(103,697,806)</u>
Other financing sources (uses):				
Proceeds from bonds, notes and capital leases	-	-	-	70,553,299
Operating transfers in	2,658,390	45,580	12,233,440	45,644,073
Operating transfers out	(16,222,728)	(7,051,095)	(24,528,165)	-
Total other financing sources (uses)	<u>(13,564,338)</u>	<u>(7,005,515)</u>	<u>(12,294,725)</u>	<u>116,197,372</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>2,422,258</u>	<u>6,509,543</u>	<u>(18,643,478)</u>	<u>12,499,566</u>
Fund balances, January 1, as previously reported	21,943,022	19,457,673	25,036,511	19,105,924
Prior period adjustment	-	-	-	-
Fund balances, January 1, as restated	<u>21,943,022</u>	<u>19,457,673</u>	<u>25,036,511</u>	<u>19,105,924</u>
Residual equity transfer	<u>1,310,679</u>	<u>(151,530)</u>	<u>-</u>	<u>-</u>
Fund balances, December 31	<u>\$ 25,675,959</u>	<u>\$ 25,815,686</u>	<u>\$ 6,393,033</u>	<u>\$ 31,605,490</u>

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

Fiduciary Fund Types	Totals	
	(Memorandum Only)	
	2001	2000
Expendable Trust		
\$ -	\$ 81,585,715	\$ 75,663,130
-	26,294,749	25,876,797
-	31,521,170	29,088,392
20,093,593	40,187,186	37,778,881
2,789,795	71,329,574	73,681,578
-	6,382,478	5,272,042
-	6,851,819	7,399,707
-	4,331,335	4,147,772
2,072,742	10,441,337	10,211,981
3,205,433	18,443,762	19,775,297
778,718	16,592,383	13,470,521
<u>28,940,281</u>	<u>313,961,508</u>	<u>302,366,098</u>
2,677,435	25,496,253	23,979,859
1,328,820	78,639,160	76,700,135
-	17,685,470	17,368,273
-	6,814,361	4,649,402
4,928,207	38,740,569	37,618,452
2,758,596	25,098,424	24,386,160
-	53,343,666	47,643,966
-	15,649,652	15,213,894
-	115,791,635	78,919,861
<u>11,693,058</u>	<u>377,259,190</u>	<u>326,480,002</u>
<u>17,247,223</u>	<u>(63,297,682)</u>	<u>(24,113,904)</u>
-	70,553,299	45,465,800
6,587,300	67,168,783	52,866,002
<u>(21,016,035)</u>	<u>(68,818,023)</u>	<u>(55,557,584)</u>
<u>(14,428,735)</u>	<u>68,904,059</u>	<u>42,774,218</u>
<u>2,818,488</u>	<u>5,606,377</u>	<u>18,660,314</u>
38,028,324	123,571,454	104,840,706
-	-	70,434
<u>38,028,324</u>	<u>123,571,454</u>	<u>104,911,140</u>
<u>(1,159,149)</u>	<u>-</u>	<u>-</u>
<u>\$ 39,687,663</u>	<u>\$ 129,177,831</u>	<u>\$ 123,571,454</u>

CITY OF WICHITA, KANSAS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN UNENCUMBERED FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS

Year ended December 31, 2001

	General Fund			Budgeted Special Revenue Funds	
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual
Revenues and other sources:					
Taxes	\$ 49,996,400	\$ 49,447,164	\$ (549,236)	\$ 9,040,450	\$ 8,355,254
Special assessments	17,440	12,293	(5,147)	6,500	2,723
Franchise fees	31,762,780	31,521,170	(241,610)	-	-
Local sales tax	20,877,720	20,093,593	(784,127)	-	-
Intergovernmental	22,141,590	22,189,657	48,067	2,341,750	2,465,629
Licenses and permits	1,582,730	1,636,531	53,801	4,268,990	4,745,947
Fines and penalties	6,732,410	6,851,819	119,409	-	-
Rentals	2,149,590	2,251,286	101,696	2,036,020	2,080,049
Interest earnings	3,692,190	3,833,930	141,740	753,910	1,042,624
Charges for services and sales	6,064,160	6,365,609	301,449	9,428,910	8,872,720
Other	3,878,080	4,287,210	409,130	6,870,000	2,479,052
Revised budget adjustment	(3,465,700)	-	3,465,700	(462,520)	-
Operating transfers in	3,403,640	2,658,390	(745,250)	321,450	-
Total revenues and other sources	<u>148,833,030</u>	<u>151,148,652</u>	<u>2,315,622</u>	<u>34,605,460</u>	<u>30,043,998</u>
Expenditures and other uses:					
General government	27,438,775	19,376,306	8,062,469	3,646,200	2,372,214
Public safety	73,088,540	71,902,810	1,185,730	5,715,240	4,571,852
Highways and streets	17,245,670	16,776,247	469,423	-	-
Sanitation	1,881,780	1,876,392	5,388	7,966,490	4,716,758
Health and welfare	1,313,430	1,214,483	98,947	14,065,110	5,711,351
Culture and recreation	21,665,180	20,586,938	1,078,242	1,919,300	1,719,658
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Operating transfers out	17,146,600	16,222,728	923,872	7,269,810	6,593,918
Total expenditures and other uses	<u>159,779,975</u>	<u>147,955,904</u>	<u>11,824,071</u>	<u>40,582,150</u>	<u>25,685,751</u>
Revenues and other sources over (under) expenditures and other uses	(10,946,945)	3,192,748	14,139,693	(5,976,690)	4,358,247
Unencumbered fund balance, January 1	18,935,944	18,893,681	(42,263)	6,797,946	11,348,605
Residual equity transfer	-	1,310,679	1,310,679	-	(151,530)
Unencumbered fund balance, December 31	<u>\$ 7,988,999</u>	<u>\$ 23,397,108</u>	<u>\$ 15,408,109</u>	<u>\$ 821,256</u>	<u>\$ 15,555,322</u>

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

Budgeted Special Revenue Funds	Debt Service Fund			Totals (Memorandum Only)		
	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual
\$ (685,196)	\$ 23,585,900	\$ 23,780,574	\$ 194,674	\$ 82,622,750	\$ 81,582,992	\$ (1,039,758)
(3,777)	25,925,090	25,597,856	(327,234)	25,949,030	25,612,872	(336,158)
-	-	-	-	31,762,780	31,521,170	(241,610)
-	-	-	-	20,877,720	20,093,593	(784,127)
123,879	-	-	-	24,483,340	24,655,286	171,946
476,957	-	-	-	5,851,720	6,382,478	530,758
-	-	-	-	6,732,410	6,851,819	119,409
44,029	-	-	-	4,185,610	4,331,335	145,725
288,714	2,075,000	2,005,927	(69,073)	6,521,100	6,882,481	361,381
(556,190)	-	-	-	15,493,070	15,238,329	(254,741)
(4,390,948)	-	2,573,156	2,573,156	10,748,080	9,339,418	(1,408,662)
462,520	-	-	-	(3,928,220)	-	3,928,220
(321,450)	13,357,540	12,233,440	(1,124,100)	17,082,630	14,891,830	(2,190,800)
(4,561,462)	64,943,530	66,190,953	1,247,423	248,382,020	247,383,603	(998,417)
1,273,986	-	-	-	31,084,975	21,748,520	9,336,455
1,143,388	-	-	-	78,803,780	76,474,662	2,329,118
-	-	-	-	17,245,670	16,776,247	469,423
3,249,732	-	-	-	9,848,270	6,593,150	3,255,120
8,353,759	-	-	-	15,378,540	6,925,834	8,452,706
199,642	-	-	-	23,584,480	22,306,596	1,277,884
-	37,934,070	45,994,066	(8,059,996)	37,934,070	45,994,066	(8,059,996)
-	14,295,770	14,312,200	(16,430)	14,295,770	14,312,200	(16,430)
675,892	33,500,000	24,528,165	8,971,835	57,916,410	47,344,811	10,571,599
14,896,399	85,729,840	84,834,431	895,409	286,091,965	258,476,086	27,615,879
10,334,937	(20,786,310)	(18,643,478)	2,142,832	(37,709,945)	(11,092,483)	26,617,462
4,550,659	25,036,511	25,036,511	-	50,770,401	55,278,797	4,508,396
(151,530)	-	-	-	-	1,159,149	1,159,149
\$ 14,734,066	\$ 4,250,201	\$ 6,393,033	\$ 2,142,832	\$ 13,060,456	\$ 45,345,463	\$ 32,285,007

CITY OF WICHITA, KANSAS

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT

Year ended December 31, 2001
(with comparative totals for December 31, 2000)

	Proprietary Fund Types		Total Primary Government (Memorandum Only) 2001	Component Unit Public Building Commission	Total Reporting Entity (Memorandum Only) 2001 2000	
	Enterprise	Internal Service				
Operating revenues:						
Charges for services	\$ 65,834,311	\$ 7,316,969	\$ 73,151,280	\$ -	\$ 73,151,280	\$ 70,908,314
Fees	5,156,179	-	5,156,179	-	5,156,179	5,093,725
Rentals	9,413,490	8,019,127	17,432,617	-	17,432,617	17,558,926
Employer contributions	-	18,413,533	18,413,533	-	18,413,533	17,268,014
Employee contributions	-	4,434,444	4,434,444	-	4,434,444	4,287,944
Other	177,124	494,754	671,878	-	671,878	704,717
Total operating revenues	80,581,104	38,678,827	119,259,931	-	119,259,931	115,821,640
Operating expenses:						
Personal services	26,558,670	4,528,105	31,086,775	-	31,086,775	28,132,439
Contractual services	14,684,802	2,835,177	17,519,979	-	17,519,979	16,133,128
Materials and supplies	9,334,727	4,530,578	13,865,305	-	13,865,305	12,192,686
Administrative charges	1,546,780	216,410	1,763,190	-	1,763,190	1,886,930
Payments in lieu of franchise fees	3,424,400	-	3,424,400	-	3,424,400	3,429,830
Depreciation	18,901,902	2,364,197	21,266,099	-	21,266,099	21,332,933
Employee benefits and insurance claims	-	21,414,360	21,414,360	-	21,414,360	22,820,127
Other	-	2,876,430	2,876,430	-	2,876,430	-
Total operating expenses	74,451,281	38,765,257	113,216,538	-	113,216,538	105,928,073
Operating income (loss)	6,129,823	(86,430)	6,043,393	-	6,043,393	9,893,567

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

CITY OF WICHITA, KANSAS

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES, AND DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

Year ended December 31, 2001
(with comparative totals for December 31, 2000)

	Proprietary Fund Types		Total Primary Government	Component Unit	Total Reporting Entity	
	Enterprise	Internal Service	(Memorandum Only)	Public Building Commission	(Memorandum Only)	
			2001		2001	2000
Nonoperating revenues (expenses):						
Operating grants	\$ 2,809,790	\$ -	\$ 2,809,790	\$ -	\$ 2,809,790	\$ 2,090,079
Interest earnings	5,498,468	1,632,188	7,130,656	-	7,130,656	8,332,022
Interest expense	(6,318,945)	-	(6,318,945)	-	(6,318,945)	(6,931,606)
Proceeds from sale of assets	(270,025)	13,215	(256,810)	-	(256,810)	95,724
Other	(138,570)	-	(138,570)	-	(138,570)	(531,769)
Total nonoperating revenues (expenses)	1,580,718	1,645,403	3,226,121	-	3,226,121	3,054,450
Net income before operating transfers	7,710,541	1,558,973	9,269,514	-	9,269,514	12,948,017
Contributions and operating transfers:						
Capital contributions	39,083,737	229,056	39,312,793	-	39,312,793	-
Operating transfers in	4,149,580	453,130	4,602,710	-	4,602,710	4,232,030
Operating transfers out	(1,003,470)	(1,950,000)	(2,953,470)	-	(2,953,470)	(1,540,448)
Net income	49,940,388	291,159	50,231,547	-	50,231,547	15,639,599
Add depreciation on assets acquired through Federal contributions	6,138,130	-	6,138,130	-	6,138,130	6,237,961
Net increase to retained earnings	56,078,518	291,159	56,369,677	-	56,369,677	21,877,560
Retained earnings, January 1	257,431,344	27,490,567	284,921,911	-	284,921,911	263,044,351
Retained earnings, December 31	\$ 313,509,862	\$ 27,781,726	\$ 341,291,588	\$ -	\$ 341,291,588	\$ 284,921,911

CITY OF WICHITA, KANSAS

PENSION TRUST FUNDS COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS

Year ended December 31, 2001
(with comparative totals for December 31, 2000)

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3	Totals	
				2001	2000
Additions:					
Contributions:					
Employer	\$ 4,796,863	\$ 1,843,213	\$ 1,214,229	\$ 7,854,305	\$ 9,311,868
Employee	2,926,844	2,066,480	1,214,229	6,207,553	5,945,615
Total contributions	<u>7,723,707</u>	<u>3,909,693</u>	<u>2,428,458</u>	<u>14,061,858</u>	<u>15,257,483</u>
Investment income:					
Net (depreciation) in fair value of investments	(23,386,682)	(27,693,462)	(633,060)	(51,713,204)	(32,396,814)
Interest and dividends	6,508,309	7,709,022	212,371	14,429,702	15,138,484
Commission recapture	52,018	61,525	-	113,543	77,892
Total investment (loss)	<u>(16,826,355)</u>	<u>(19,922,915)</u>	<u>(420,689)</u>	<u>(37,169,959)</u>	<u>(17,180,438)</u>
Less investment expenses:					
Investment management fees	1,339,630	1,580,462	29,147	2,949,239	3,229,221
Other investment expenses	188,337	216,609	-	404,946	401,064
Total investment expenses	<u>1,527,967</u>	<u>1,797,071</u>	<u>29,147</u>	<u>3,354,185</u>	<u>3,630,285</u>
Net (loss) from investing activities	<u>(18,354,322)</u>	<u>(21,719,986)</u>	<u>(449,836)</u>	<u>(40,524,144)</u>	<u>(20,810,723)</u>
From securities lending activities:					
Securities lending income	1,151,517	1,361,676	-	2,513,193	3,924,853
Less securities lending expenses:					
Borrower rebates	995,665	1,177,505	-	2,173,170	3,674,738
Management fees	45,983	54,338	-	100,321	74,798
Total securities lending expenses	<u>1,041,648</u>	<u>1,231,843</u>	<u>-</u>	<u>2,273,491</u>	<u>3,749,536</u>
Net income from securities lending activities	<u>109,869</u>	<u>129,833</u>	<u>-</u>	<u>239,702</u>	<u>175,317</u>
Total net investment (loss)	<u>(18,244,453)</u>	<u>(21,590,153)</u>	<u>(449,836)</u>	<u>(40,284,442)</u>	<u>(20,635,406)</u>
Operating transfers in	-	1,024,442	560	1,025,002	-
Operating transfers out	<u>-</u>	<u>(560)</u>	<u>(1,024,442)</u>	<u>(1,025,002)</u>	<u>-</u>
Total additions	<u>(10,520,746)</u>	<u>(16,656,578)</u>	<u>954,740</u>	<u>(26,222,584)</u>	<u>(5,377,923)</u>
Deductions:					
Pension benefits	15,108,346	16,229,842	-	31,338,188	30,005,784
Pension administration	214,455	220,474	38,069	472,998	442,390
Employee contributions refunded	419,984	330,726	472,505	1,223,215	1,188,969
Other	26,347	26,637	7,500	60,484	66,260
Total deductions	<u>15,769,132</u>	<u>16,807,679</u>	<u>518,074</u>	<u>33,094,885</u>	<u>31,703,403</u>
Net increase (decrease)	<u>(26,289,878)</u>	<u>(33,464,257)</u>	<u>436,666</u>	<u>(59,317,469)</u>	<u>(37,081,326)</u>
Fund balance reserved for employees' pension benefits:					
Beginning of period	<u>377,390,026</u>	<u>447,346,792</u>	<u>7,372,472</u>	<u>832,109,290</u>	<u>869,190,616</u>
End of period	<u>\$ 351,100,148</u>	<u>\$ 413,882,535</u>	<u>\$ 7,809,138</u>	<u>\$ 772,791,821</u>	<u>\$ 832,109,290</u>

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



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CITY OF WICHITA, KANSAS

COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT

Year ended December 31, 2001

	Proprietary Fund Types		Total Primary Government (Memorandum Only) 2001	Component Unit Public Building Commission	Total Reporting Entity (Memorandum Only) 2001
	Enterprise	Internal Service			
Cash flows from operating activities:					
Cash received from customers	\$ 81,681,039	\$ 37,791,528	\$ 119,472,567	\$ -	\$ 119,472,567
Cash payments to suppliers for goods and services	(21,929,838)	(31,406,207)	(53,336,045)	-	(53,336,045)
Cash payments to employees for services	(26,334,371)	(4,504,324)	(30,838,695)	-	(30,838,695)
Payment in lieu of franchise fees	(3,424,400)	-	(3,424,400)	-	(3,424,400)
Other operating revenues	177,124	494,754	671,878	-	671,878
Net cash provided by operating activities	<u>30,169,554</u>	<u>2,375,751</u>	<u>32,545,305</u>	<u>-</u>	<u>32,545,305</u>
Cash flows from noncapital financing activities:					
Operating transfers in	4,149,580	453,130	4,602,710	-	4,602,710
Operating transfers out	(1,003,470)	(1,950,000)	(2,953,470)	-	(2,953,470)
Operating grants received	2,809,790	-	2,809,790	-	2,809,790
Interfund loan	(4,119,616)	-	(4,172,616)	-	(4,172,616)
Net cash provided by (used in) noncapital financing activities	<u>1,836,284</u>	<u>(1,496,870)</u>	<u>286,414</u>	<u>-</u>	<u>286,414</u>
Cash flows from capital and related financing activities:					
Proceeds from interfund loan	4,119,616	-	4,172,616	-	4,172,616
Proceeds from long-term debt and temporary notes	4,789,308	-	4,789,308	-	4,789,308
Bond issuance costs paid	(16,690)	-	(16,690)	-	(16,690)
Additions to property, plant and equipment	(51,398,519)	(2,041,394)	(53,439,913)	-	(53,439,913)
Debt service - principal	(13,718,225)	-	(13,718,225)	(4,195,000)	(17,913,225)
Debt service-refunding	225,023	-	225,023	-	225,023
Debt service - interest	(9,436,712)	-	(9,436,712)	(2,395,989)	(11,832,701)
Proceeds from insurance	-	(500,000)	(500,000)	-	(500,000)
Capital lease payments	(1,083)	-	(1,083)	-	(1,083)
Received on direct financing lease	-	-	-	4,195,000	4,195,000
Proceeds from sale of assets	(270,025)	97,065	(172,960)	-	(172,960)
Specified use proceeds	7,176	-	7,176	-	7,176
Tap fees in excess of connection costs	3,404,271	-	3,404,271	-	3,404,271
Cash received for capital purposes	89,377	-	89,377	-	89,377
Capital contributed by local government	196,770	-	196,770	-	196,770
Capital contributed by federal government	1,088,571	-	1,088,571	-	1,088,571
Capital grants received	935,816	-	935,816	-	935,816
Capital contributed by passenger facility charges	1,668,183	-	1,668,183	-	1,668,183
Net cash (used in) capital and related financing activities	<u>(58,317,143)</u>	<u>(2,444,329)</u>	<u>(60,708,472)</u>	<u>(2,395,989)</u>	<u>(63,104,461)</u>
Cash flows from investing activities:					
Purchase of investment securities	-	(1,000,000)	(1,000,000)	-	(1,000,000)
Proceeds from sale and maturity of investment securities	-	1,000,000	1,000,000	-	1,000,000
Interest on investments	3,043,418	1,638,661	4,682,079	1,739,454	6,421,533
Net cash provided by investing activities	<u>3,043,418</u>	<u>1,638,661</u>	<u>4,682,079</u>	<u>1,739,454</u>	<u>6,421,533</u>
Net increase (decrease) in cash and temporary investments	(23,267,887)	73,213	(23,194,674)	(656,535)	(23,851,209)
Cash and temporary investments, January 1	71,682,823	38,183,170	109,865,993	1,598,554	111,464,547
Cash and temporary investments, December 31	<u>\$ 48,414,936</u>	<u>\$ 38,256,383</u>	<u>\$ 86,671,319</u>	<u>\$ 942,019</u>	<u>\$ 87,613,338</u>

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

CITY OF WICHITA, KANSAS

**COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPES
AND DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES**

Year ended December 31, 2001

	Proprietary Fund Types		Total Primary Government (Memorandum Only) 2001	Component Unit Public Building Commission	Total Reporting Entity (Memorandum Only) 2001
	Enterprise	Internal Service			
Operating income	\$ 6,129,823	\$ (86,430)	\$ 6,043,393	\$ -	\$ 6,043,393
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	18,901,902	2,364,197	21,266,099	-	21,266,099
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	1,107,597	(392,545)	715,052	-	715,052
Decrease in inventory	185,931	44,050	229,981	-	229,981
Decrease in prepaid expenses	73,805	11,804	85,609	-	85,609
Increase in accounts payable/accrued payroll	3,376,735	409,511	3,786,246	-	3,786,246
Increase in deposits	169,462	-	169,462	-	169,462
Increase in accrued vacation	224,299	25,164	249,463	-	249,463
Total adjustments	24,039,731	2,462,181	26,501,912	-	26,501,912
Net cash provided by operating activities	\$ 30,169,554	\$ 2,375,751	\$ 32,545,305	\$ -	\$ 32,545,305

Supplemental Schedule of Non-Cash Investing and Financing Activities

	2001
<u>Enterprise Funds:</u>	
Assets contributed by benefit districts	\$ 6,591,118
Assets contributed by other government	25,107,423
Capital contributed by local government	2,208
Refunding resulting in defeasance of revenue bonds	160,000
Decrease in net investment in direct financing leases	5,474,804
(Decrease) in revenue bonds payable	(5,474,804)
Decrease in interest receivable on direct financing leases	64,233
(Decrease) in accrued interest payable on revenue bonds	(64,233)
Interest income on investment in direct financing leases	2,455,050
Interest expense on revenue bonds payable	(2,455,050)
<u>Internal Service Funds:</u>	
Capital contributed by local government	229,056
<u>Component Unit - Wichita Public Building Commission:</u>	
Refunding resulting in defeasance of revenue bonds	115,000

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



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CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

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CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies

The City of Wichita, Kansas (City) is defined as the primary government. The reporting entity includes the primary government as well as component units. The accounting policies of the reporting entity conform to generally accepted accounting principles (GAAP) as applicable to government units.

A. Basis of Presentation - Fund Accounting

The accounts of the reporting entity are organized on the basis of funds and account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The various funds are grouped by type into three broad categories in the financial statements. The types of funds maintained by the reporting entity are as follows:

GOVERNMENTAL FUNDS

General Fund

The general fund is the principal fund of the City which 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.

Special Revenue Funds

These funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are designated to finance particular functions or activities of the City. The City maintains a separate special revenue fund for each Federal or State grant program. Because of the large number of such funds, the financial statements have been prepared by combining those funds which are similar in nature or are funded by the same grantor agency.

Debt Service Fund

The debt service fund is used to account for the payment of principal and interest on the City's general obligation bonds which are recorded in the general long-term debt account group. Revenues for this purpose include ad valorem property taxes, special taxes, interest earnings, transfers from other funds, and City Hall parking lot revenues.

Capital Projects Funds

The capital projects funds account for capital improvements (except for those financed by proprietary funds) which are financed from the City's general obligation bond issues, special assessments, local sales tax, certain Federal grants and other specific receipts.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

A. Basis of Presentation - Fund Accounting (continued)

PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City is that the costs (expenses, including improvement of the physical plant facilities) required to provide these goods and services are financed from existing cash resources, the issuance of bonds (revenue or general obligation), Federal grants and other City funds.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis and to account for the City's self-insurance activities.

FIDUCIARY FUNDS

Trust and Agency Funds

Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units and other funds. These include expendable trust funds, pension trust funds, and agency funds.

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt. Following are the City's account groups:

General Fixed Assets Account Group

This group is established to account for all fixed assets (excluding infrastructure, for example, streets and bridges of the City) other than those accounted for in the proprietary funds.

General Long-Term Debt Account Group

This group is established to account for all long-term debt of the City, except that accounted for in the proprietary funds. Under the statutes of the State of Kansas, debt issued to finance special assessment projects constitutes a general obligation of the City. Therefore, this debt is recorded in the general long-term debt account group and is serviced through the debt service fund. The City does not issue special assessment bonds.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include the City of Wichita (the primary government) and its component units, entities for which the government is considered to be financially accountable. 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, on the other hand, is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the government.

Blended Component Unit - The Wichita Airport Authority (WAA) 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 Wichita Airport Authority is reported as an enterprise fund.

Discretely Presented Component Unit - The Wichita Public Building Commission (WPBC) acquires and finances buildings or facilities for the City of Wichita or other local, state and federal agencies, school districts, and the Wichita State University Board of Trustees. The nine-member board is appointed by the Mayor and City Council. Of the nine-members, one member is recommended for appointment by the County Commissioners of Sedgwick County, Kansas, and one by the President of Wichita State University. The Kansas Secretary of Administration and the Superintendent of Unified School District Number 259 serve as provisional members of the board of the WPBC. Members of the WPBC Board may only be removed for just cause. The City of Wichita provides staff support and legal representation by the Department of Law. Additionally, the City of Wichita is liable on a contingent basis and will make rental payments, if necessary, to supplement rental payments in connection with the City/County "wrap-around" obligation for the State Office Building. (Refer to Note 22.E. - Public Building Commission Lease, for further disclosure.) The WPBC is presented as a proprietary fund type.

Separate audited financial statements are not prepared by the Wichita Airport Authority or the Wichita Public Building Commission.

C. Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds, pension trust funds, and the component unit are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus (continued)

Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

D. Basis of Accounting

The accrual basis of accounting is used by the enterprise funds, internal service funds, pension trust funds, and the component unit of the reporting entity. Revenues are recognized when earned and expenses are recorded at the time liabilities are incurred. The City does not apply FASB pronouncements issued after November 30, 1989, in accounting and reporting for its proprietary operations. The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available to finance expenditures of the fiscal period). "Measurable" means the amount of the transaction can be determined and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (generally 60 days). Expenditures are generally recorded when a liability is incurred. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Interest on general long-term indebtedness is not accrued but is recorded as an expenditure on its due date.

The City reports deferred revenue on the combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period, or if resources are received prior to the incurrence of qualifying expenditures.

E. 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 and those of the Wichita Public Building Commission). The pool has the general characteristics of demand deposit accounts, in that each fund may deposit additional cash at any time and also, effectively, may withdraw cash at any time without prior notice or penalty. Investments of the pooled accounts consist primarily of certificates of deposits, repurchase agreements, and U.S. government securities, carried at amortized cost, which approximates fair value. Interest income earned is allocated to contributing funds based on average daily cash balances and in accordance with the adopted budget.

F. Investments

Investments of all funds (except the pension trust funds) and the component unit are recorded at amortized cost, which approximates fair value. For the pension trust funds, investments are reported at fair value. Investments traded on national or international exchanges are valued at the last trade price of the day. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar investments. Investments that do not have an established market are reported at their estimated fair value. The pension trust funds invest in Treasury strips and various asset backed securities, such as collateralized mortgage obligations and credit card trusts.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

G. Property Taxes and Other Receivables

In accordance with governing State statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed as of January 1 and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied, with the balance to be paid on or before June 20 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property and are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as deferred revenue on the balance sheet of the appropriate funds. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

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 grant aid is reported as revenue when the related reimbursable expenditures are incurred. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

Licenses, franchise fees, fines, penalties, charges for services and other revenues are generally not susceptible to accrual and are recorded when received in cash.

H. Revenue Recognition for Proprietary Funds

The proprietary funds follow the policy of recognizing revenue on sales when services are rendered. The Water, Sewer, and Storm Water 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) at December 31, net of amounts estimated to be uncollectible.

I. 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.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

I. Special Assessments (continued)

The prepayment amount is discounted for the estimated interest earnings realized from investing the prepayment amount. The amount of interest 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 receivable are accounted for within the debt service fund. Special assessments are levied over a ten to fifteen 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, they may be collected by foreclosure. At December 31, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the debt service fund with a corresponding amount recorded as deferred revenue.

J. Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods, other than those recorded in the proprietary fund types, are recorded as expenditures during the year of purchase. Inventories are stated at the lower of cost or market, cost being determined by the first-in, first-out method except for the Water Utility, Transit Fund, and Fleet/Building Fund, which are valued using an average unit cost method.

K. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and expendable trust funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balances (i.e., net current assets) are considered a measure of "available spendable resources". Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized because such assets are immovable and of value only to the City. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost, or estimated historical cost (if actual historical cost is not available). Donated fixed assets are valued at their estimated fair market value on the date donated. Depreciation (which includes depreciation of capital leased assets) of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation recognized on assets acquired through Federal capital grants in the Transit Fund, Water/Sewer Utility and Airport Authority prior to January 1, 2001, has been applied to the appropriate contributed capital account. Accumulated depreciation is reported on the balance sheets of the proprietary funds.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

K. Fixed Assets and Long-Term Liabilities (continued)

Depreciation has been provided for proprietary funds using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	1-42
Improvements other than buildings	1-50
Equipment	1-33
Vehicles	1-20
Water/Sewer mains and drainage	75-85
Airfields	5-40

Long-term liabilities expected to be financed from governmental funds are accounted for in the general long-term debt account group. Payments of principal and interest relating to bonds are recorded as expenditures in the debt service fund. Payments of principal and interest relating to capital lease agreements are recorded as expenditures in the related governmental fund type.

Long-term liabilities for revenue bond obligations, capitalized lease obligations and certain special assessment and general obligation bonds are recorded as liabilities by the enterprise funds, internal service funds, and component unit. Principal payments are deducted from the liability as made. Interest payments are recorded as expenses in the funds using the accrual basis of accounting.

L. Capitalization of Interest for Enterprise Funds

Interest costs incurred to bring certain assets to the condition and location necessary for their intended use are capitalized as part of the historical cost of acquiring the assets. Additionally, in situations involving the acquisition of certain assets financed with the proceeds of tax-exempt borrowing, any interest earned on related interest-bearing investments from such proceeds are offset against the related interest costs in determining either capitalization rates or limitations on the amount of interest costs to be capitalized.

M. Payments in Lieu of Franchise Fees

Annually, the Water Utility and Sewer Utility pay to the general fund of the City, in lieu of franchise fees, an amount not to exceed five percent of gross revenues for the preceding year, which is determined by the City and included in the annual budget.

N. Vacation and Sick Leave

All permanent full-time and permanent part-time employees of the reporting entity with six months of employment are eligible for vacation benefits in varying annual amounts. Effective January 1, 1991, the City implemented a pay plan identifying exempt and non-exempt employees. Exempt employees are allowed to accumulate and carry forward each year thirty days (or 15 shifts for exempt Fire Department personnel who work a 24-hour shift) of vacation leave. Non-exempt employees are allowed to accumulate and carry forward each year 240 hours of vacation leave (360 hours for commissioned fire personnel and WAA safety personnel who work a 24-hour shift). Non-exempt Police Lieutenants and Police Sergeants working an 86-hour work period are allowed to carry forward 255 hours of vacation. Vacation leave for non-exempt employees may be taken in thirty-minute increments.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

N. Vacation and Sick Leave (continued)

Vacation leave for exempt employees may be taken in increments of not less than one day, or one shift for 24-hour employees. Employees will be required to use or lose vacation earned in excess of the allowable carry forward amount before the end of the pay period in which their anniversary date occurs. In governmental fund types and expendable trust funds, the cost of vacation benefits is recognized when payments are made to employees. A long-term liability for accrued vacation benefits and salary-related payments at December 31, has been recorded in the general long-term debt account group, representing the City's commitment to fund such costs from future operations.

Proprietary fund types accrue vacation benefits and salary-related payments in the period they are earned. A liability has been recorded on the fund's balance sheet.

Sick leave benefits accrue to full-time employees with less than five years of continuous employment at one-half day per month. Beginning in the sixth year of continuous employment, full-time employees accrue sick leave at one day per month. Beginning in the sixteenth year of continuous employment, full-time employees accrue fourteen days of sick leave per year. Upon retirement, employees are permitted to apply unused sick leave benefits to increase the employees' retirement benefits. The estimated liability for unused sick leave benefits is considered in the actuarial calculation of the unfunded accrued liability and pension benefit obligation of the City's defined benefit retirement plans. Therefore, a liability has not been recorded.

O. 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).

P. Reclassifications

Certain reclassifications have been made to the 2000 comparative amounts to conform to the 2001 financial statement presentation. These reclassifications had no effect on previously reported results of operations for 2000.

Q. Estimates

Preparation of financial statements in conformity with GAAP requires making estimates and assumptions that affect: [1] the reported amounts of assets and liabilities, [2] disclosures such as contingencies, and [3] the reported amounts of revenues and expenditures or expenses included in the financial statements. Actual results could differ from those estimates.

R. Total Columns - Combined Statements

Total columns on the Combined Statements for the primary government and reporting entity are noted "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Interfund eliminations have not been made in the summarization of this data.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

S. Pending Governmental Accounting Standards Board Statements

As of December 31, 2001, the Governmental Accounting Standards Board (GASB) had issued statements not yet implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 34, "Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments", issued June 1999, will be effective for the City, based on its revenues for the fiscal year ending December 31, 2002. Earlier implementation is permitted. Statement No. 34, summarized below, imposes new standards for financial reporting. Management has not yet completed its assessment of this statement; however, it will have a material effect on the overall financial statement presentation for the City. The new financial statement guidelines in Statement 34 are the culmination of many years of study and deliberation by the GASB. For the first time, financial managers will be required to share their insights in a management's discussion and analysis (MD&A) that gives readers an analysis of the government's overall financial position and results of the previous year's operations.

Financial statements will be presented under the dual perspective – a government-wide perspective (new) and a fund level perspective. For the first time, the annual report will include government-wide financial statements using full accrual accounting for all of the government's activities, not just those that cover costs by charging a fee for services, as previously required. Governments will report all capital assets, including infrastructure, in a government-wide statement of net assets and will report depreciation expense, the cost of using up capital assets, in the statement of activities. Infrastructure assets will be reported, but may not be required to be depreciated, under certain circumstances.

The net assets of a government will be segregated into three categories: (1) invested in capital assets, net of related debt, (2) restricted, and (3) unrestricted. A statement of activities will be presented in at least the same level of detail provided in the governmental fund statements: generally, expenses and program revenues by function. Program expenses will include all direct expenses; governments that allocate overhead and other indirect expenses to individual programs show the allocation(s) in a separate column. Special and extraordinary items will be reported separately from other revenues and expenses. This way, users will see if the government's conventional, recurring revenues and expenses are balanced.

Statement No. 34 requires governments to continue to present fund level financial statements with information about funds. The focus of these fund-based statements has been sharpened, however, by requiring governments to report information about their most important or major funds (those whose revenues, expenditures/expenses, assets or liabilities are at least ten percent of the total for the fund category or type, governmental or enterprise, and at least five percent of the aggregate amount for all governmental and enterprise funds), including a government's general fund. Fund-based statements for governmental activities (generally, those supported by tax revenues) will continue to report the flow of current financial resources (generally, cash and other assets that can easily be converted to cash).

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

1. Summary of Significant Accounting Policies (continued)

S. Pending Governmental Accounting Standards Board Statements (continued)

To help users understand and assess the relationship between fund-based and government-wide financial statements, governments will present a summary reconciliation that will show the relationship between the two statements.

Governments will continue to provide budgetary comparison information in their annual reports – as required supplementary information. An important change, however, is a requirement to add the government's original budget to the current comparison of final budget and actual results.

Interpretation No. 6 of the GASB, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements", issued in March 2000, clarifies the application of existing standards for distinguishing the respective portions of certain types of liabilities that should be reported as governmental fund liabilities and expenditures and general long-term liabilities of the government. The effective date of this Interpretation coincides with the effective date of Statement 34, or fiscal year ended December 31, 2002.

GASB Statement No. 37, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus", was issued in June 2001 and amends Statement No 34, described above. The amendments to GASB 34 were made to clarify certain provisions, including the requirements of the Management's Discussion and Analysis, adoption of the modified approach for infrastructure assets, program revenue classifications and major fund criteria. Statement No. 37 also eliminates the requirement to capitalize construction-period interest for governmental activities and changes the minimum level of detail required for business-type activities in the statement of activities from segments to different identifiable activities. The provisions of Statement No. 37 will be simultaneously implemented with Statement 34, effective for fiscal year ended December 31, 2002.

GASB Statement No. 38, "Certain Financial Statement Disclosures", was also issued in June 2001. This Statement establishes and modifies disclosure requirements related to the summary of significant accounting policies, actions taken to address violations of significant finance-related legal and contractual provisions, debt and lease obligations, short-term debt, disaggregation of receivable and payable balances, and interfund balances and transfers. The provisions of this Statement are generally effective when the provisions of GASB Statement No. 34 are required to be implemented, except that requirements related to short-term debt, receivable and payable balances, interfund balances, and interfund transfers may be implemented one year later, or fiscal year ended December 31, 2003.

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 all Federal and State assistance funds, all capital projects funds (including capital projects of proprietary funds), the Wichita Airport Authority, Golf Course System, Transit, Self Insurance, and all trust and agency funds.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

2. Budgetary Control (continued)

The component unit (Wichita Public Building Commission) is also exempt from legally adopted budgets. Controls over spending in funds and the component unit which are not subject to legal budgets are maintained by the use of internal spending limits established by management. K.S.A. 79-2926 et seq provides the following sequence and timetable for adoption of budgets:

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

K.S.A. 79-2927 requires that all money to be raised by taxation and from all other sources for the ensuing budget year must be appropriated. The law does not permit an appropriation for sundry or miscellaneous purposes in excess of ten percent of the total. The budget for each fund may include a non-appropriated balance not to exceed five percent 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.

Kansas statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. In accordance with Kansas statutes, the legal level of control for the City is established at the individual fund level, also permitting the transfer of budgeted amounts from one object or purpose to another within the same fund. All annual appropriations lapse at the end of the year, except for outstanding encumbrances, which are reappropriated in the following fiscal year. Kansas statutes permit 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 and the governing body may amend the budget at that time.

Budgetary data presented in the financial statements represents the revised budgeted amounts and includes the following expenditure revisions for increases in revenue other than ad valorem property taxes.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

2. Budgetary Control (continued)

	<u>Original Budget</u>	<u>Increase</u>	<u>Amended Budget</u>
Special Revenue Funds:			
Tourism and Convention	\$ 4,337,650	\$ 375,370	\$ 4,713,020
Special Alcohol and Drugs Program	1,147,940	552,070	1,700,010
Gilbert & Mosley TIF District	6,112,080	5,359,480	11,471,560
North Industrial Corridor TIF District	1,256,580	183,250	1,439,830
East Bank TIF District	405,930	13,650	419,580
Old Town TIF District	198,650	67,190	265,840
21st & Grove TIF District	<u>129,660</u>	<u>4,360</u>	<u>134,020</u>
Subtotal	<u>13,588,490</u>	<u>6,555,370</u>	<u>20,143,860</u>
Debt Service Fund	<u>61,481,410</u>	<u>24,248,430</u>	<u>85,729,840</u>
Enterprise Funds:			
Water Utility	30,708,840	1,184,060	31,892,900
Sewer Utility	<u>23,712,880</u>	<u>2,463,090</u>	<u>26,175,970</u>
Subtotal	<u>54,421,720</u>	<u>3,647,150</u>	<u>58,068,870</u>
Internal Service Funds:			
Information Technology	5,009,450	1,967,780	6,977,230
Fleet and Buildings	8,787,580	4,964,640	13,752,220
Stationery Stores	<u>1,571,410</u>	<u>182,230</u>	<u>1,753,640</u>
Subtotal	<u>15,368,440</u>	<u>7,114,650</u>	<u>22,483,090</u>
Totals	<u>\$144,860,060</u>	<u>\$41,565,600</u>	<u>\$186,425,660</u>

Actual operations compared to budgeted operations for all proprietary funds (except the Golf Course System, Transit, Wichita Airport Authority and Self Insurance funds which are specifically exempted under K.S.A. 79-2925 and 12-2615) are as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Enterprise Funds			
Revenues and other sources:			
Charges for services	\$62,588,090	\$64,517,083	\$1,928,993
Interest earnings	3,134,330	2,501,119	(633,211)
Other	<u>346,630</u>	<u>1,044,059</u>	<u>697,429</u>
Total revenues and other sources	<u>66,069,050</u>	<u>68,062,261</u>	<u>1,993,211</u>
Expenditures, encumbrances and other uses:			
Personal services	15,569,070	15,518,128	50,942
Contractual services	10,475,200	9,938,217	536,983
Materials and supplies	5,644,850	4,663,173	981,677
Capital outlay	4,437,410	4,631,896	(194,486)
Administrative charges	979,110	979,110	-
Debt service	20,841,320	17,956,096	2,885,224
Bond discount amortization	130,100	111,151	18,949
Payments in lieu of franchise fees	2,941,000	2,888,000	53,000
Operating transfers out	3,176,750	3,464,699	(287,949)
Contingency	<u>310,000</u>	<u>-</u>	<u>310,000</u>
Total expenditures, encumbrances and other uses	<u>64,504,810</u>	<u>60,150,470</u>	<u>4,354,340</u>
Revenues and other sources over expenditures, encumbrances and other uses	<u>\$ 1,564,240</u>	<u>\$ 7,911,791</u>	<u>\$6,347,551</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

2. Budgetary Control (continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Internal Service Funds			
Revenues and other sources:			
Charges for services	\$ 8,221,840	\$ 7,434,933	\$ (786,907)
Rent	7,640,930	8,019,127	378,197
Sale of property	-	97,065	97,065
Other	100,000	124,990	24,990
Operating transfers in	<u>152,820</u>	<u>101,880</u>	<u>(50,940)</u>
Total revenues and other sources	<u>16,115,590</u>	<u>15,777,995</u>	<u>(337,595)</u>
Expenditures, encumbrances and other uses:			
Personal services	4,550,140	4,504,323	45,817
Contractual services	4,105,980	3,085,365	1,020,615
Materials and supplies	2,898,140	2,776,751	121,389
Capital outlay	2,523,860	2,240,735	283,125
Cost of materials used	1,748,000	1,723,370	24,630
Other	4,706,970	-	4,706,970
Operating transfers out	<u>1,950,000</u>	<u>1,950,000</u>	<u>-</u>
Total expenditures, encumbrances and other uses	<u>22,483,090</u>	<u>16,280,544</u>	<u>6,202,546</u>
Revenues and other sources over (under) expenditures, encumbrances and other uses	<u>\$(6,367,500)</u>	<u>\$ (502,549)</u>	<u>\$5,864,951</u>

3. Budgetary Basis of Accounting

Budgets are prepared on a basis (budgetary basis) different from generally accepted accounting principles (GAAP basis). For budgeting, revenues 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 the cash basis. The major difference between GAAP and budgetary basis is the reporting of encumbrances (purchase orders, contracts, and other commitments) as a reservation of fund balance (GAAP) as opposed to the equivalent of expenditures (budgetary). Adjustments necessary to convert the excess of revenues and other sources over expenditures and other uses on GAAP basis to budgetary basis for the general fund and special revenue funds are provided as follows:

	<u>Excess of revenues and other sources over expenditures and other uses</u>	<u>Fund balances at end of year</u>
General Fund		
GAAP Basis	\$ 2,422,258	\$25,675,959
Increase (decrease):		
Due to prior year encumbrances	3,049,341	-
Due to current year encumbrances	<u>(2,278,851)</u>	<u>(2,278,851)</u>
Budgetary Basis	<u>\$ 3,192,748</u>	<u>\$23,397,108</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

3. Budgetary Basis of Accounting (continued)

	Excess of revenues and other sources over expenditures and other uses	Fund balances at end of year
Special Revenue Funds		
GAAP Basis	\$ 6,509,543	\$25,815,686
Increase (decrease):		
Due to prior year encumbrances	3,839,249	-
Due to current year encumbrances	(3,417,708)	(3,417,708)
Due to Federal and State Assistance Funds:		
Not budgeted	(1,770,494)	(6,842,656)
Change in encumbrances	<u>(802,343)</u>	<u>-</u>
 Budgetary Basis	 <u>\$ 4,358,247</u>	 <u>\$15,555,322</u>

The major difference between GAAP and budgetary basis for proprietary type funds is the recording of capital outlay as an asset and bond principal payments as a reduction to liabilities (GAAP) as opposed to the equivalent of expenditures (budgetary). Adjustments needed to convert net income/loss (GAAP) to revenues and other sources over expenditures, encumbrances and other uses - budgetary basis for the enterprise and internal service funds are as follows:

	Enterprise Funds	Internal Service Funds
Net income GAAP basis	\$49,940,388	\$ 291,159
Add:		
Depreciation expense	10,270,683	2,354,512
Increase in accrued vacation	73,208	23,781
Decrease in inventory	152,459	-
Decrease in accounts receivable	635,794	44,050
Prior year encumbrances	256,345	1,290,131
Other	-	83,307
Net loss of funds not budgeted	41,282	-
Deduct:		
Capital outlay	6,234,965	2,031,650
Debt service - principal	9,551,943	-
Capitalized interest	5,420,385	-
Current year encumbrances	430,351	1,405,664
Increase in accounts receivable	185,406	25,531
Increase in inventory	12,155	-
Decrease in accrued expenses	154,625	-
Non-cash capital contributions	31,468,538	229,056
Net income of funds not budgeted	<u>-</u>	<u>897,588</u>
 Revenue and other sources over (under) expenditures, encumbrances and other uses - budgetary basis	 <u>\$ 7,911,791</u>	 <u>\$ (502,549)</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

4. Fund Balance Deficits

At December 31, 2001, fund balance deficits were as follows:

<u>Primary Government</u>	<u>Fund Balance Deficit</u>
Special Revenue Funds:	
Federal and State Assistance Funds:	
HOME Program Subfund	\$ <u>34,131</u>
Capital Projects Funds:	
Water Main Extension	\$ 4,015,792
Park Bond Construction	763,084
Sewer Construction	<u>6,509,402</u>
Total Capital Projects Funds	<u>\$11,288,278</u>

The fund deficits of the Federal and State Assistance funds will be recovered from Federal contributions. The capital projects fund deficits will be financed through the sale of bonds authorized by the City Council but not yet sold at December 31, 2001.

5. Cash, Investments, and Securities Lending

Cash

Generally accepted accounting principles require the reporting entity to categorize their cash deposits at year-end according to three credit risk categories. Category 1 includes cash deposits that are insured under a federal depository insurance fund or are collateralized with securities held by the City or the City's agent in the City's name. Category 2 includes cash deposits collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. Category 3 includes cash deposits that are uncollateralized or collateralized with securities which are held by the pledging financial institution or its trust department or agent but not in the City's name.

As of December 31, 2001, the reporting entity's cash deposits were categorized as follows:

	Category 1	Category 2	Category 3	Total
Bank Deposits	\$14,473,452	\$ -	\$ -	\$14,473,452
Reconciling Items				<u>(5,011,213)</u>
Book Balance				<u>\$ 9,462,239</u>

Reconciling items primarily include outstanding checks and deposits which were in transit at year-end.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

5. Cash, Investments and Securities Lending (continued)

Investments

State law (K.S.A. 9-1402) requires that collateral be pledged equal to or greater than 100 percent of the market value of the reporting entity's deposits. As of December 31, 2001, the reporting entity had deposits in eight banks totaling \$14,473,452 with assets pledged to the reporting entity by the banks as collateral with a market value of \$20,153,735.

State law (K.S.A. 12-1675 - 12-1677) allows monies, not otherwise regulated by statute, to be invested in:

1. Temporary notes of the City of Wichita;
2. Time deposits, open accounts or certificates of deposits with maturities of not more than four years;
3. Repurchase agreements with commercial banks, state or federally chartered savings and loan associations, which have offices located in Wichita;
4. United States treasury bills or notes with maturities not exceeding four years;
5. U.S. Government-Agency securities with a maturity of not more than four years that do not have any more interest rate risk than U.S. Government obligations or similar maturities;
6. The municipal investment pool fund operated by the State Treasurer;
7. A municipal investment pool established through the trust department of commercial banks, which have offices located in Wichita.

State law (K.S.A. 10-131) allows investment of the proceeds of bonds and temporary notes in the following, in addition to those stated above:

1. U.S. Government and agency obligations;
2. Time deposits with banks and trust companies in Sedgwick County;
3. FNMA, FHLB and FHLMC obligations;
4. Collateralized repurchase agreements;
5. Investment agreements with financial institutions including broker/dealers whose obligations are rated in one of the three highest rating categories by either Moody's or Standard & Poors;
6. Mutual funds with portfolios consisting entirely of obligations of the U.S. Government, U.S. Government agencies, FNMA, FHLB and FHLMC;
7. Certain Kansas municipal bonds.

City ordinance (34-671; section 2.52.100) authorizes the Group Life Insurance Reserve Fund to hold investments comprised of:

1. U.S. Government securities;
2. Corporate bonds of A quality or better, as listed in Moody's or Standard & Poors;
3. Not more than 50 percent may be invested in equity mutual funds.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

5. Cash, Investments and Securities Lending (continued)

Investments (continued)

Highland Cemetery Fund investments are authorized to be prudently invested at the discretion of the City's Director of Finance.

Deposits and investments for the Wichita Public Building Commission are invested by trustees and are held under trust indentures.

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. City ordinance (44-812; section 2.28.090) authorizes the Wichita Employees' Retirement System and City ordinance (Charter Ordinance 176) authorizes the Police and Fire Retirement System to invest in:

1. Common stock (not more than 70 percent);
2. Direct or indirect obligations of the U.S. Government;
3. Corporate bonds rated A or better;
4. Commercial paper of high quality;
5. Foreign securities (not more than 25 percent);
6. Real estate (pooled) (not more than 10 percent).

The pension funds follow an overall strategic allocation policy that includes investments in four asset types: domestic equities, international equities, domestic fixed income, and international fixed income. Additionally, the pension funds invest in various asset-backed securities such as collateralized mortgage obligations (CMO's) 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, CMO's 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. The pension funds utilize a combination of asset backed securities which vary in their degree of volatility.

The City's investments are categorized to give an indication of the level of credit risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the financial institution's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker, dealer, or financial institution, or financial institution's trust department or safekeeping department, or agent but not in the City's name.

The pension funds own approximately 63 percent of the investments that are in category 1.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

5. Cash, Investments and Securities Lending (continued)

Investments (continued)

At year-end, investments of the primary government were as follows:

	Category <u>1</u>	Category <u>2</u>	Category <u>3</u>	Carrying <u>Amount</u>	Fair <u>Value</u>
Investments - categorized:					
Repurchase agreements	\$ 15,192,736	\$ -	\$ -	\$ 15,192,736	\$ 15,192,736
U.S. government and agencies:					
Not on securities loan ¹	223,898,499	-	-	223,898,499	226,457,767
Stocks:					
Not on securities loan	302,902,996	-	-	302,902,996	303,309,077
On securities loan for securities collateral	640,165	-	-	640,165	640,165
Corporate bonds:					
Not on securities loan	63,766,481	-	-	63,766,481	63,768,167
Mortgage and asset backed securities	<u>32,643,870</u>	-	-	<u>32,643,870</u>	<u>32,643,870</u>
Subtotal	<u>\$639,044,747</u>	<u>\$ -</u>	<u>\$ -</u>	<u>639,044,747</u>	<u>642,011,782</u>
Investments - not categorized:					
Investments held by broker-dealers under securities loans:					
U.S. government and agency securities				15,478,630	15,478,630
Domestic equities				52,936,717	52,936,717
Corporate bonds				4,425,141	4,425,141
Securities lending short-term collateral investment pool				75,452,845	75,452,845
Mutual/pooled funds				<u>276,788,555</u>	<u>276,788,555</u>
Total investments				<u>\$1,064,126,635</u>	<u>\$1,067,093,670</u>

At year-end, investments of the Wichita Public Building Commission were as follows:

	Carrying <u>Amount</u>	Fair <u>Value</u>
Investments-not categorized:		
Guaranteed investment contract	\$ 973,305	\$ 973,305
Mutual/pooled funds	<u>942,019</u>	<u>942,019</u>
Total investments	<u>\$1,915,324</u>	<u>\$1,915,324</u>

¹ Includes derivatives totaling \$7 million with rates tied to the 90-day Treasury bill rate.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

5. Cash, Investments and Securities Lending (continued)

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 custodian of the City's pension plans is an agent in lending the plans' domestic securities for collateral of 102 percent and international securities for collateral of 105 percent. Collateral may consist of cash, securities issued or guaranteed by the U.S. Government or its agencies, or irrevocable letters of credit issued by a bank (including an affiliate of the agent), other than the securities borrower or affiliate, which is either insured by the Federal Deposit Insurance Corporation or a foreign bank that has complied with applicable requirements of the Federal Reserve Board. The collateral securities cannot be pledged or sold by the City unless the borrower defaults. The 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 the required value of the loaned securities. Contracts with the lending agent require them to indemnify the Systems, if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the Systems for income distributions by the securities' issuers while the securities are on loan. All securities loans can be terminated on demand either by the Systems or the borrower.

At year-end, all loans were secured with cash collateral or securities and involved domestic equities and fixed income securities. For all loans, the term to maturity of securities loans is matched with the term to maturity of the investment of the cash collateral. Such matching existed at year-end. However, in lending domestic securities, a portion of the cash collateral is invested in the lending agent's short-term investment pool, which at year-end had a weighted-average maturity of 40 days. The relationship between the maturities of the investment pool and the Systems' loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the System cannot determine. Securities on loan at year-end are presented as unclassified in the preceding schedule of custodial credit risk. At year-end, the Systems had no credit risk exposure to borrowers because the amounts the Systems owe the borrowers exceed the amounts the borrowers owe the Systems.

6. Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance			Balance
	<u>January 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31</u>
Land	\$ 46,083,308	\$ 11,632,471	\$ 7,786,829	\$ 49,928,950
Buildings and improvements	178,492,846	34,714,240	49,936,578	163,270,508
Improvements other than buildings	16,325,513	1,035,472	592,913	16,768,072
Equipment	30,999,565	4,952,373	5,319,849	30,632,089
Construction in progress	<u>20,667,306</u>	<u>35,728,914</u>	<u>9,476,336</u>	<u>46,919,884</u>
Totals	<u>\$292,568,538</u>	<u>\$88,063,470</u>	<u>\$ 73,112,505</u>	<u>\$307,519,503</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

6. Changes in General Fixed Assets (continued)

Construction in progress of general fixed assets is comprised of the following:

<u>Project</u>	<u>Project Authorization</u>	<u>Expended December 31, 2001</u>
Art Museum	\$ 10,651,911	\$ 2,882,297
City Council	1,525,000	189,879
Community Facilities	22,243,430	20,993,396
Community Health	12,122,282	2,625,437
Finance	8,200,542	4,502,955
Fire	4,597,874	2,025,937
General Government	12,446,900	3,274,588
Municipal Court	3,995,279	2,258,159
Park	8,787,681	2,632,138
Police	2,441,580	1,635,717
Public Works	4,352,080	309,586
Recreation	3,467,306	3,070,123
Street Maintenance	40,000	-
Trolley System	<u>519,672</u>	<u>519,672</u>
Totals	<u>\$95,391,537</u>	<u>\$46,919,884</u>

7. Fixed Assets for Proprietary Fund Types

A summary of proprietary fund types fixed assets at December 31, 2001 follows:

	<u>Primary Government</u>	
	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 22,534,498	\$ 71,340
Airfield	105,699,750	-
Buildings	160,142,819	3,288,150
Improvements:		
Water Utility	262,979,703	-
Sewer Utility	177,968,899	-
Storm Water Utility	54,172,489	-
Golf Course System	13,755,721	-
Wichita Airport Authority	22,383,358	-
Transit	480,779	-
Fleet and Buildings	-	29,800
Total improvements	<u>531,740,949</u>	<u>29,800</u>
Machinery, equipment and other assets	68,994,312	30,920,431
Construction in progress	<u>124,861,592</u>	-
Total fixed assets	1,013,973,920	34,309,721
Less accumulated depreciation	<u>278,560,589</u>	<u>25,836,338</u>
Net fixed assets	<u>\$ 735,413,331</u>	<u>\$ 8,473,383</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

8. 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 Wichita Police and Fire Retirement System (WPFRS). Each system is administered by a separate Board of Trustees. The single-employer defined contribution plan consists of the Wichita Employees' Retirement System Plan 3 that is also governed by the Wichita Employees' Retirement System Board of Trustees.

The Wichita Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for WERS and WPFRS. The financial report may be obtained by writing to the Wichita Retirement System, City Hall, 12th Floor, 455 N. Main, Wichita, KS 67202 or by calling (316) 268-4544.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The Wichita Employees' Retirement System, Wichita Police and Fire Retirement System, and the Wichita Employees' Retirement System Plan 3 are reported as pension trust funds in the City's financial statements and use 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 market or 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. Investments that do not have an established market are reported at their estimated fair value.

Management of Plan Assets

The Board of Trustees of all Systems have contractual arrangements with independent investment counselors for management 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. The Board of Trustees of the pension systems also have contractual arrangements with independent firms which monitor the investment decisions of the Systems' investment counselors.

Reserves and Concentrations

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan. The plans held no individual investments (other than U.S. Government and U.S. Government guaranteed obligations) where the market value exceeded five percent or more of net assets available for benefits. There are no long-term contracts for contributions.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

8. Retirement Funds (continued)

A. 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 also closed to new entrants with the establishment of Plan 3, effective January 1, 1994. However, upon completion of seven years of service, employees participating in Plan 3 may convert to participation in Plan 2. Establishment of and amendments to the benefit provisions for the WERS are authorized by the City Council.

Funding Policy

The contribution requirements of plan members and the reporting entity are established by City ordinance and may be amended by the governing body. Members of Plan 1 and 2 are required to contribute 6.4 and 4.7 percent of covered salaries, respectively. The City is required to contribute at an actuarially determined rate; the rate for 2001 was 4.7 percent of annual covered payroll for both Plans 1 and 2. The City provides 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.

Annual Pension Cost and Net Pension Obligation

The net pension obligation (NPO) is defined as the cumulative difference between the employer's annual pension cost and the employer's annual required contributions to the plan. For 2001, the City's annual pension cost of \$1,843,213 was equal to the required and actual contributions.

The employer's annual required contribution for the current year was determined as part of the December 31, 1999 actuarial valuation using the individual entry age actuarial cost method. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.75 percent per year compounded annually, (b) projected salary increases of 4.75 percent per year compounded annually (4.5 percent attributable to inflation and .25 percent attributable to productivity), (c) additional projected salary increases ranging from 0 percent to 3.8 percent per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will increase 3.0 percent per year (non-compounded) after retirement for Plan 1 and 2.0 percent per year (non-compounded) for Plan 2.

The actuarial accrued liability, as determined by the individual entry age actuarial cost method, is the portion of the actuarial present value of pension plan benefits and expenses not provided for by future normal costs. The actuarial value of assets belonging to the plan was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

8. Retirement Funds (continued)

A. Wichita Employees' Retirement System (continued)

The remaining amortization period at December 31, 1999 was 20 years and the unfunded actuarial accrued liability is amortized as a level percentage of projected payroll on an open basis. At December 31, 2001, the amortization period was 20 years.

Three Year Trend Information

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year <u>Ending</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/99	\$4,134,826	100	\$0
12/31/00	2,751,084	100	0
12/31/01	1,843,213	100	0

Required Supplementary Information

SCHEDULE OF FUNDING PROGRESS

(Dollar amounts in thousands)

Actuarial Valuation <u>Date</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) Entry Age <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Annual Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>(b-a/c)</u>
12/31/99	\$383,338	\$319,289	\$(64,049)	120.1	\$57,562	(111.3)
12/31/00	414,643	329,390	(85,253)	125.9	61,112	(139.5)
12/31/01	428,204	353,158	(75,046)	121.2	65,347	(114.8)

B. Police and Fire Retirement System

Plan Description

The WPFERS is divided into three plans - Plan A, Plan B, and Plan C-79. The plans were established to provide retirement and survivor annuities, 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 WPFERS are authorized by the City Council.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

8. Retirement Funds (continued)

B. Police and Fire Retirement System (continued)

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. WPFERS members are required to contribute six to eight percent of covered salaries. The City is required to contribute at an actuarially determined rate; the rate for 2001 was 11.7 percent of annual covered payroll. The City provides for pension expenses by levying ad valorem property taxes each year in the amount necessary to meet its obligation as determined by the consulting actuary.

Annual Pension Cost and Net Pension Obligation

The net pension obligation (NPO) is defined as the cumulative difference between the employer's annual pension cost and the employer's annual required contributions to the plan. For 2001, the City's annual pension cost of \$4,796,863 was equal to the required and actual contributions.

The employer's annual required contribution was determined as part of the December 31, 1999 actuarial valuation using the individual entry age actuarial cost method. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.75 percent per year compounded annually, (b) projected salary increases of 4.75 percent per year compounded annually (4.5 percent inflation rate and .25 percent productivity), (c) additional projected salary increases ranging from 0 percent to 3.0 percent per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will increase 2.0 percent per year (non-compounded) commencing 36 months after retirement.

The actuarial accrued liability, as determined by the individual entry age actuarial cost method, is the portion of the actuarial present value of pension plan benefits and expenses not provided for by future normal costs. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 1999 was 18 years. At December 31, 2001, the remaining amortization period was 16 years.

Three Year Trend Information

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year	Annual Required	Percentage	Net Pension
<u>Ending</u>	<u>Contribution</u>	<u>Contributed</u>	<u>Obligation</u>
12/31/99	\$6,043,455	100	\$0
12/31/00	5,540,575	100	0
12/31/01	4,796,863	100	0

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

8. Retirement Funds (continued)

B. Police and Fire Retirement System (continued)

Required Supplementary Information

SCHEDULE OF FUNDING PROGRESS

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/99	\$330,072	\$291,633	\$(38,439)	113.2	\$37,969	(101.2)
12/31/00	354,044	308,894	(45,150)	114.6	38,613	(116.9)
12/31/01	362,493	325,335	(37,158)	111.4	42,286	(87.9)

C. Wichita Employees' Retirement System Plan 3

The reporting entity provides pension benefits for all of its full-time civilian employees hired or rehired on or after January 1, 1994. This is a defined contribution plan; therefore, benefits depend solely on amounts contributed to the plan plus investment earnings. At December 31, 2001, current membership totaled 851.

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 percent of salary (base pay plus longevity) each pay period. The reporting entity's contributions and earnings for each employee are 25 percent vested after three years of service, 50 percent vested after five years and are fully vested after seven years of continuous service.

Upon completion of seven years of service, employees participating in this plan may, within 90 days thereafter, advise the Board of the employee's decision to convert to participation in the Wichita Employees' Retirement System Plan 2, a defined benefit plan. If an employee elects to convert to Plan 2, the employee's account on the date of election shall become part of Plan 2. Fully vested employees who elect to continue participation in Plan 3 beyond seven years, 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. Contributions of the reporting entity and earnings forfeited by employees who leave employment before seven years of service are used to reduce the reporting entity's contribution requirements.

For the year ending December 31, 2001, employee and employer contributions to Plan 3 totaled \$1,214,229 and \$1,214,229, respectively.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

9. Self-Insurance Fund

The City established a self-insurance fund in 1987 to account for self-insurance programs of workers' compensation, group life insurance, employee liability, property damage, auto liability and general liability for the reporting entity. Beginning in 1996, the City chose a fully insured health plan, Premier Blue, to replace the self-insured plan previously offered. The contributions and premiums for this plan are also accounted for through this fund. For those funds paying insurance costs, the contributions are recorded as expenditures/expenses in the 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. These claims are reflected under accounts payable and accrued liabilities in the internal service funds.

<u>Fund</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>
Workers' Compensation				
1999-2000	\$7,908,000	\$7,110,857	\$(5,103,857)	\$9,915,000
2000-2001	9,915,000	1,970,087	(2,325,087)	9,560,000
General Liability				
1999-2000	4,270,000	1,157,045	(1,593,045)	3,834,000
2000-2001	3,834,000	2,980,432	(2,498,432)	4,316,000

- A. The employee health insurance program became fully insured beginning January 1, 1996. Prior to this date, the plan was primarily self-insured. Health insurance is offered to substantially all full-time employees of the reporting entity. The employee health insurance is provided through Preferred Health Systems and Preferred Plus of Kansas HMO, with a self-referral option and out of area benefits. A monthly premium is paid to the insurance company which is responsible for all medical and administrative costs. At December 31, 2001, the City had \$3,401,068 of retained earnings available for future health insurance premiums. These funds are being retained to stabilize future premium increases and provide a reserve, if the City should choose to self-insure this exposure again in the future. The City continues to self-insure the prescription drug portion of the health plan, utilizing National Medical Health Card as the plan administrator.
- B. 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, maintaining a 90 percent confidence level. The City has reinsured for liabilities exceeding \$300,000 per occurrence through the Employer's Reinsurance Corporation. The City transferred this coverage to Midwest Employers Casualty effective 01/01/02 with a \$500,000 per occurrence deductible. The increased deductible was taken into account for 2002 actuarial projections. The City maintains a reserve to meet State and actuarial requirements and to provide contingency funding. At December 31, 2001, the City recorded a liability of \$9,560,000 for estimated probable claims pending. Retained earnings at December 31, 2001 were \$3,417,577.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

9. Self-Insurance Fund (continued)

- C. The City maintains a cost plus life insurance program administered by Minnesota Mutual Life Insurance Company which provides life, accidental death and dismemberment, and conversion privileges to participants and life insurance to designated dependents. Benefit levels are based on employee compensation. The City offers additional voluntary accidental death and dismemberment insurance for both 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. All full-time employees of the reporting entity are eligible to participate in the plans. 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 option, or if the plan is terminated.

The Board of Trustees retained consulting actuaries in 1995 to perform a study of the City's group life insurance program, consisting of an analysis of the current financial status of the program with emphasis on the adequacy of the current reserve and premium levels. The group life insurance consulting actuaries stated that the fund balance was \$1.9 million in excess of that required to meet a 99.9 percent confidence level (the probability that actual annual claims will not exceed the amount of the reserve). The Board of Trustees believe this reserve level to be adequate. At December 31, 2001, retained earnings totaled \$3,289,424.

- D. The City's general liability program provides for legal defense and claims against employees of the reporting entity when an incident occurs during the course of employment. This program also includes vehicle liability and building and content insurance. The deductible portion of the building and content insurance coverage is paid from the self-insurance fund. The deductible is \$100,000 per occurrence. The City is self-insured for tort liability claims against the reporting entity. There is a \$500,000 per occurrence limitation based on the Kansas Tort Claims Act. Effective November 1, 1996, the City purchased an excess policy of insurance for federal and out of state actions, since limitations under the State's Tort Claims Act do not apply to these claims. This policy provides coverage of \$10 million with a \$1 million self-insured retention. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. At December 31, 2001, the City recorded a \$4,316,000 liability for pending claims (maintaining a 90 percent confidence level) and to provide for the loss of excess liability coverage and potential environmental liability exposure. At December 31, 2001, retained earnings totaled \$5,987,151.

10. Long-Term Debt

A. Long-Term Debt Transactions

During the year ended December 31, 2001, the following changes occurred in the general long-term debt account group (in thousands of dollars):

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

10. Long-Term Debt (continued)

A. Long-Term Debt Transactions (continued)

	General Obligation Bonds	HUD Section 108 loan	Bond Anticipation Notes	Accreted Interest	Accrued Vacation	Landfill Closure	Total
Outstanding at January 1, 2001	\$ 289,623	\$ 3,290	\$ 7,350	\$ 1,310	\$ 6,438	\$27,465	\$335,476
New Debt Issued or Acquired:							
Series 764, 766	14,745	-	-	-	-	-	14,745
Bond Anticipation Notes Series 203	-	-	55,808	-	-	-	55,808
Net change in accrued vacation	-	-	-	-	435	-	435
Net change in landfill closure/postclosure care	-	-	-	336	-	(2,215)	(2,215)
Net change in accreted interest	-	-	-	-	-	-	336
Debt Retired:							
Serial bonds	(45,819)	-	-	-	-	-	(45,819)
HUD Section 108 loan	-	(175)	-	-	-	-	(175)
Bond Anticipation Notes Series 201	-	-	(7,350)	-	-	-	(7,350)
Outstanding at December 31, 2001	<u>\$ 258,549</u>	<u>\$ 3,115</u>	<u>\$ 55,808</u>	<u>\$ 1,646</u>	<u>\$ 6,873</u>	<u>\$ 25,250</u>	<u>\$351,241</u>

The following is an allocation of long-term debt to the proprietary funds, general long-term debt account group and the component unit (in thousands of dollars).

	General Obligation Bonds	Revenue Bonds	HUD Section 108	Bond Anticipation Notes	Accreted Interest	Contract Payable	Accrued Vacation	Landfill Closure	Total
Primary Government:									
Enterprise Funds	\$ 21,278	\$181,253	\$ -	\$ -	\$ -	\$ 1,069	\$ 1,251	\$ -	\$204,851
Internal Service Funds	-	-	-	-	-	-	245	-	245
General Long-Term Debt Account Group	<u>258,549</u>	<u>-</u>	<u>3,115</u>	<u>55,808</u>	<u>1,646</u>	<u>-</u>	<u>6,873</u>	<u>25,250</u>	<u>351,241</u>
Total Primary Government	279,827	181,253	3,115	55,808	1,646	1,069	8,369	25,250	556,337
Component Unit: WPBC	-	41,620	-	-	-	-	-	-	41,620
Total Reporting Entity	<u>\$279,827</u>	<u>\$222,873</u>	<u>\$ 3,115</u>	<u>\$ 55,808</u>	<u>\$ 1,646</u>	<u>\$ 1,069</u>	<u>\$ 8,369</u>	<u>\$ 25,250</u>	<u>\$597,957</u>

Reconciliation to combined balance sheet (in thousands of dollars):

Bonds included in liabilities payable from restricted assets	\$ 81,367
Long-term debt	516,590
Deferred refunding	(1,131)
Special assessments payable	<u>2</u>
Total long-term debt outstanding	<u>\$596,828</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

10. Long-Term Debt (continued)

B. General Obligation Bonds Payable

General obligation (GO) bonds payable at December 31, 2001 are comprised of the following issues (in thousands of dollars):

	<u>Interest Rates</u>	<u>Final Maturity Date</u>	<u>Principal Payments 2002</u>	<u>December 31, 2001 Outstanding</u>
<u>Primary Government</u>				
Ad Valorem Property Taxes	3.70-6.75%	2014	\$12,342	\$ 77,396
Guest Tax	4.00-6.87%	2014	1,878	14,398
Special Assessments	3.80-7.00%	2016	15,695	149,255
Storm Water Utility	4.25-4.60%	2006	1,320	7,365
Golf Course System	4.45-6.50%	2015	648	8,330
Transit	5.00-5.30%	2004	106	203
Wichita Airport Authority	4.50-8.80%	2011	515	5,380
Local Sales Tax	4.25-5.00%	2006	<u>7,500</u>	<u>17,500</u>
Totals			<u>\$40,004</u>	<u>\$279,827</u>

C. Revenue Bonds Payable

Revenue bonds payable at December 31, 2001 are comprised of the following issues (in thousands of dollars):

	<u>Interest Rates</u>	<u>Final Maturity Date</u>	<u>Principal Payments 2002</u>	<u>December 31, 2001 Outstanding</u>
<u>Primary Government</u>				
<u>Enterprise Funds:</u>				
<u>Water and Sewer:</u>				
1997-Water & Sewer	4.50-7.875%	2016	\$ 2,360	\$ 54,990
1998-Water & Sewer	3.95-4.70%	2012	2,550	27,335
1999-Water & Sewer	4.00-6.00%	2018	1,710	44,290
2000A-Water	4.69%	2021	82	2,640
2000B-Water	4.69%	2021	176	4,580
2001-Water & Sewer	3.00-5.00%	2009	1,775	16,325
<u>Wichita Airport Authority:</u>				
Airborne Freight Corp, Series A, 1994	6.10-6.75%	2009	75	770
Wichita Airport Hotel Associates, L.P.-Series 1992	7.00%	2005	850	4,920
Learjet, Inc.-Series A, 1995	7.00%	2005	265	1,166
Federal Express-Series A&B, 1997	6.45%	2013	80	1,190
Executive Aircraft Corp.-Series 1997	5.40-6.25%	2008	155	1,285
Learjet, Inc.-Series A, 1997	7.00%	2007	758	5,439
Ballard Aviation-Series 1998	5.00-6.25%	2018	40	1,095
Executive Aircraft Corp.-Series 1999	5.00-6.75%	2014	55	2,725
Cessna Aircraft Company-Series 2000	8.00%	2009	-	11,203
Yingling Aircraft-Series 2001	7.50%	2021	-	1,300
Total Primary Government			<u>\$10,931</u>	<u>\$181,253</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

10. Long-Term Debt (continued)

C. Revenue Bonds Payable (continued)

<u>Component Unit</u>	<u>Interest Rates</u>	<u>Final Maturity Date</u>	<u>Principal Payments 2002</u>	<u>December 31, 2001 Outstanding</u>
Wichita Public Building Commission:				
State Office Building, Series H, 1993	4.90-5.50%	2014	\$ 580	\$15,900
USD 259, Series I, 1996	4.80-4.90%	2003	2,650	5,425
Wichita State University, Series K, 1999	5.00%	2012	700	3,000
Wichita State University, Series L, 2001	3.00-5.00%	2017	220	17,295
Total Component Unit – Wichita Public Building Commission			<u>\$4,150</u>	<u>\$41,620</u>

D. Contract Payable

The Water Utility maintains a contract payable to the U.S. Department of Interior for construction of Cheney Reservoir, which was issued for \$5,754,025 in January, 1961. This liability is payable in annual installments on October 1, increasing from \$256,845 to \$277,803 through 2005 plus interest at 2.625 percent and has a balance of \$1,068,743 as of December 31, 2001.

E. Amortization of Long-Term Debt

The annual requirements to amortize all long-term debt outstanding as of December 31, 2001, including interest payments are as follows (in thousands of dollars):

Primary Government

<u>Year Ending December 31</u>	<u>Bond Anticipation Notes and GO Bonds</u>	<u>Revenue Bonds</u>	<u>HUD Section 108</u>	<u>Contract Payable</u>	<u>Accrued Vacation</u>	<u>Landfill Closure</u>	<u>Total</u>
2002	\$ 109,070	\$20,136	\$ 369	\$ 285	\$ -	\$ 2,279	\$ 132,139
2003	44,813	20,131	369	285	8,369	785	74,752
2004	40,955	20,093	369	285	-	785	62,487
2005	37,752	21,177	372	285	-	785	60,371
2006	33,373	18,627	375	-	-	786	53,161
2007-2011	107,433	87,998	1,870	-	-	3,927	201,228
2012-2016	39,328	54,046	745	-	-	3,927	98,046
Thereafter	-	12,539	-	-	-	11,976	24,515
	<u>412,724</u>	<u>254,747</u>	<u>4,469</u>	<u>1,140</u>	<u>8,369</u>	<u>25,250</u>	<u>706,699</u>
Amounts representing interest	<u>(77,089)</u>	<u>(73,494)</u>	<u>(1,354)</u>	<u>(71)</u>	<u>-</u>	<u>-</u>	<u>(152,008)</u>
Total Primary Government	<u>\$335,635</u>	<u>\$181,253</u>	<u>\$3,115</u>	<u>\$1,069</u>	<u>\$8,369</u>	<u>\$25,250</u>	<u>\$554,691</u>

CITY OF WICHITA, KANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

10. Long-Term Debt (continued)

E. Amortization of Long-Term Debt (continued)

Component Unit – Wichita Public Building Commission

<u>Year Ending</u> <u>December 31</u>	<u>Revenue</u> <u>Bonds</u>
2002	\$ 5,959
2003	6,577
2004	3,756
2005	3,870
2006	3,872
2007-2011	17,155
2012-2016	14,191
Thereafter	<u>1,572</u>
	56,952
Amount representing interest	<u>(15,332)</u>
Total Component Unit	<u>\$41,620</u>

F. Current Refunding of Long-Term Debt

On November 1, 2001, the City issued \$16,325,000 in Water and Sewer Utility Refunding Revenue bonds with an average interest rate of 4.07 percent to refund \$16,485,000 of outstanding Series A, 1993 Water and Sewer Utility Refunding Revenue bonds with an average interest rate of 5.63 percent. As a result, the Series A, 1993 bonds are considered to be defeased and the liability for the bonds has been removed from the long-term debt of the Water and Sewer Utility. The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$82,425. This difference is reported in the accompanying financial statements as a deduction from bonds payable and is being charged to operations through the year 2009 using the straight-line interest method. The Utility completed the refunding to reduce total debt service payments over the next eight years by \$1,745,248.

On November 1, 2001, the Wichita Public Building Commission issued \$17,295,000 in revenue refunding bonds (Series L) with an average interest rate of 4.7 percent to refund \$17,180,000 of outstanding revenue bonds as follows: Series G-1, 1992 with an average interest rate of 5.75 percent; Series G-2, 1992, with an average interest rate of 5.75 percent; and, Series J, 1997, with an average interest rate of 5.57 percent. As a result of the current refunding, the refunded bonds are considered to be defeased and have been removed from the long-term debt of the Wichita Public Building Commission. The WPBC completed the current refunding to reduce total debt service payments over the next 15 years by \$1,596,671.

G. Revenue Bond Ordinance Provisions and Reserve Requirements

Revenue bond ordinances related to the issuance of revenue bonds of the respective enterprise funds provides for specific deposits to debt service and other related bond reserve and maintenance accounts. At December 31, 2001, the City was in compliance with all significant reserve requirements of the respective Water and Sewer Utility revenue bond ordinances.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

10. Long-Term Debt (continued)

H. Section 108 Loan

In April 1999, the City entered into a loan agreement with the U.S. Department of Housing and Urban Development (HUD) for funding of \$3,610,000 for the construction of a manufacturing, training, and employment center on 21st Street. The City entered into an operating lease with Cessna Aircraft Company for rental of the facility, with rental payments designed to cover principal and interest owed by the City on the loan. See footnote 13.A. – Operating Leases, for further disclosure.

11. Prior-Year Defeasance of Debt

In prior years, the City and the Wichita Public Building Commission defeased certain general obligation, revenue, and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the financial statements of the reporting entity. At December 31, 2001, bonds outstanding of \$1,770,000 from the general long-term debt account group, \$16,485,000 from Water and Sewer Utility funds, and \$29,045,000 from the Wichita Public Building Commission are considered defeased.

12. Temporary Notes Payable

Kansas Statutes permit the issuance of temporary notes to finance certain capital improvement projects which will be refinanced with general obligation bonds. Prior to the issuance of the temporary notes, the governing body must take the 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. Temporary notes outstanding at December 31, 2001 are payable as follows:

<u>Primary Government</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Maturity Date</u>
Capital Projects Funds:			
Street Improvements - Series 203	3.5 %	\$15,243,300	02/21/02
Freeway Improvements - Series 203	3.5 %	46,000,000	02/21/02
Sewer Improvements - Series 203	3.5 %	2,923,000	02/21/02
Water Improvements - Series 203	3.5 %	3,330,000	02/21/02
Public Improvements - Series 203	3.5 %	6,203,000	02/21/02
Park Improvements - Series 203	3.5 %	1,050,700	02/21/02
Enterprise Funds:			
Storm Water Improvements - Series 203	3.5%	<u>250,000</u>	02/21/02
Total Reporting Entity		<u>\$75,000,000</u>	

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

12. Temporary Notes Payable (continued)

During 2001, the City issued \$124,890,000, retired \$69,920,000 and reclassified \$55,808,299 of temporary notes for various capital improvement projects to the general long-term debt account group.

13. Leases

A. Rentals Under Operating Leases

The City and the Airport Authority lease facilities and land to various airlines, concessionaires, commercial entities and others. These leases are for varying periods, from one month to 29 years, and require the payment of minimum annual rentals. The following are future minimum rentals of non-cancelable operating leases:

Year ending December 31	
2002	\$ 4,588,599
2003	1,879,835
2004	1,807,011
2005	2,013,179
2006	2,057,729
Thereafter	<u>29,653,440</u>
Total minimum future rentals	<u>\$41,999,793</u>

The above amounts do not include contingent rentals which may be received under certain leases; such contingent rentals total \$1,576,096 in 2001.

B. Direct Financing Leases

The Wichita Airport Authority (WAA) has authorized the construction of buildings on Authority-owned land by 21 tenants. These tenants lease the land from the WAA for periods ranging from five to 29 years with renewal options ranging from five to 25 years. The WAA has assisted in the financing of certain of these buildings through the issuance of Airport Facility Revenue Bonds.

The Wichita Public Building Commission (WPBC) has assisted in the financing of buildings and facilities for The Wichita State University, the State of Kansas and Unified School District (USD) No. 259 through the issuance of revenue bonds and by entering into lease agreements with the Board of Trustees of the University, the State of Kansas, and USD No. 259. These bonds are payable from lease payments which are made directly to a trustee for the purpose of retiring the principal and interest of the related bonds as they mature.

Additionally, lease payments for The Wichita State University are secured by a pledge of the surplus on an ad valorem tax levy in amounts sufficient to guarantee the rentals under the leases. Such surplus consists of the proceeds of one and one-half (1½) mill tax levy on all tangible property within the City of Wichita which is not needed to guarantee the rentals due under certain leases from the WPBC to the Board of Trustees of The Wichita State University.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

13. Leases (continued)

B. Direct Financing Leases (continued)

Pursuant to lease agreements for the financing of the Finney State Office Building, the City of Wichita and Sedgwick County are contingently liable and will make rental payments, as necessary, to supplement the rental payments to be paid by the State of Kansas so that the total shall be sufficient to pay the debt service on the revenue bonds.

The financing of these facilities by the WAA and the WPBC represent direct financing leases and accordingly, the net investments of such leases are recorded on the respective enterprise fund and component unit balance sheets as restricted assets. The following lists the components of the net investment in direct financing leases as of December 31, 2001:

	WAA	WPBC	Total
Total minimum lease payments to be received	\$45,956,754	\$56,951,715	\$102,908,469
Less: unearned income	14,863,432	15,331,715	30,195,147
Net investment in direct financing leases	\$31,093,322	\$41,620,000	\$ 72,713,322

The future minimum lease rentals to be received under direct financing leases are as follows:

Year ending	Airport Authority	WPBC	Total
<u>December 31</u>			
2002	\$ 4,476,466	\$ 5,959,361	\$ 10,435,827
2003	4,476,437	6,577,295	11,053,732
2004	4,474,828	3,756,132	8,230,960
2005	5,565,547	3,869,982	9,435,529
2006	2,973,316	3,871,464	6,844,780
Thereafter	23,990,160	32,917,481	56,907,641
Total minimum future rentals	\$45,956,754	\$56,951,715	\$102,908,469

14. Conduit Debt Obligations

From time to time the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. These 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, 2001, there were 135 series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$4,594,570,924.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

14. Conduit Debt Obligations (continued)

Special Facility Revenue Bonds have been issued by the Wichita Airport Authority to provide for the construction of buildings on Authority-owned land. These 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, 2001, ten series of Special Facility Revenue Bonds were outstanding totaling \$31,093,322. See Note 13.B., Direct Financing Leases, for further disclosure.

To assist in the financing of buildings, facilities, and equipment for other governmental units, the Wichita Public Building Commission has issued four series of revenue bonds. These bonds are secured by the property financed and are payable from payments received based on underlying lease agreements. As of December 31, 2001, the aggregate principal amount payable was \$41,620,000. See Note 13.B., Direct Financing Leases, for further disclosure.

15. Interfund Transfers

A summary of interfund transfers by fund type is as follows:

	Transfers from						Totals
	General	Special Revenue	Debt Service	Enterprise	Internal Service	Expendable Trust	
<u>Transfers to</u>							
Primary Government:							
General	\$ -	\$ 1,649,530	\$ -	\$ 815,700	\$ -	\$ 193,160	\$ 2,658,390
Special Revenue	45,580	-	-	-	-	-	45,580
Debt Service	-	3,626,565	-	-	-	8,606,875	12,233,440
Capital Projects	6,675,160	475,000	24,368,165	-	1,950,000	12,175,748	45,644,073
Enterprise	3,989,580	-	160,000	-	-	-	4,149,580
Internal Service	300,000	-	-	153,130	-	-	453,130
Expendable Trust	5,212,408	1,300,000	-	34,640	-	40,252	6,587,300
Total Reporting Entity	<u>\$16,222,728</u>	<u>\$ 7,051,095</u>	<u>\$24,528,165</u>	<u>\$1,003,470</u>	<u>\$1,950,000</u>	<u>\$ 21,016,035</u>	<u>\$71,771,493</u>

CITY OF WICHITA, KANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

16. Interfund Receivables/Payables

Individual fund receivable/payable balances at December 31, 2001 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 716,974	\$ -
Special Revenue:		
Federal and State Assistance Funds:		
Community Services Block Grant Subfund	-	69,675
Unified Work Program Subfund	-	96,935
Workforce Investment Act Subfund	-	124,276
Welfare to Work Subfund	-	152,538
Emergency Shelter HUD Subfund	-	38,970
Federal Health Projects Subfund	-	399,084
HOME Program Subfund	-	148,487
Police Federal Grants Subfund	<u>1,029,965</u>	-
Subtotal	<u>1,029,965</u>	<u>1,029,965</u>
Capital Projects:		
Local Sales Tax CIP Fund	7,030,768	-
Water Main Extension Fund	-	1,855,217
Park Bond Construction Fund	-	48,412
Sewer Construction Fund	<u>-</u>	<u>5,127,139</u>
Subtotal	<u>7,030,768</u>	<u>7,030,768</u>
Enterprise Funds:		
Water Utility	4,119,616	-
Sewer Utility	<u>-</u>	<u>4,119,616</u>
Subtotal	<u>4,119,616</u>	<u>4,119,616</u>
Trust and Agency:		
SSMID Fund	-	100,000
Pension Buy Out	<u>-</u>	<u>616,974</u>
Subtotal	<u>-</u>	<u>716,974</u>
Total	<u>\$12,897,323</u>	<u>\$12,897,323</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

17. Reserves and Designations of Fund Balances and Retained Earnings

The City records two general types of reserves. One type is to indicate that a portion of the fund balance or retained earnings is legally segregated for a specific future use. The second type of reserve is to indicate that a portion of the fund balance is not appropriable for expenditures.

A significant portion of the unencumbered fund balance designated for subsequent year appropriation is the amount appropriated as a fund balance reserve. The following reservations of fund balance and retained earnings are used by the City:

Reserved for Encumbrances -

Used to segregate a portion of fund balance for expenditures upon vendor performance.

Reserved for Employees' Pension Benefits -

Used to segregate that portion of the retirement funds to be used for administration and payment of retirement benefits.

Reserved for Employer Contribution Fluctuations -

Used to segregate that portion of retained earnings to be used for potential future fluctuations in employer contributions related to employer-provided benefits.

Reserved for Inventory -

Used to segregate a portion of fund balance or retained earnings to indicate that inventories do not represent available or spendable resources.

Reserved for Prepaid items -

Used to segregate a portion of fund balance to indicate that prepaid items do not represent available or spendable resources.

Designations of fund balances are not legally required segregations but are segregated for a specific purpose. The City has made the following designations:

Designated For	Funds				Totals
	General Fund	Special Revenue	Debt Service	Expendable Trust	
Federal and State programs	\$ -	\$6,712,614	\$ -	\$ -	\$ 6,712,614
Special programs	-	-	-	39,681,363	39,681,363
Debt service	-	-	6,393,033	-	6,393,033
Subsequent year's appropriation	<u>14,998,477</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,998,477</u>
Total designations	<u>\$14,998,477</u>	<u>\$6,712,614</u>	<u>\$ 6,393,033</u>	<u>\$39,681,363</u>	<u>\$67,785,487</u>

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

18. Segment Information for Enterprise Funds

The City maintains six enterprise funds which provide water, sewer, storm water, golf recreation, airport and transit services. Segment information for the year ended December 31, 2001 is as follows:

	Water Utility	Sewer Utility	Storm Water Utility	Golf Course System	Airport Authority	Transit	Total Enterprise Funds
Operating revenues	\$ 31,993,518	\$ 23,779,778	\$ 4,988,772	\$ 3,334,006	\$14,750,348	\$1,734,682	\$ 80,581,104
Operating expenses							
before depreciation	17,194,925	14,768,401	2,945,968	2,624,062	10,230,383	7,785,640	55,549,379
Depreciation	5,954,291	3,391,694	924,698	630,599	7,135,927	864,693	18,901,902
Operating income (loss)	8,844,302	5,619,683	1,118,106	79,345	(2,615,962)	(6,915,651)	6,129,823
Operating grants	-	-	-	-	-	2,809,790	2,809,790
Capital contributions	5,762,024	28,353,411	1,280,711	-	2,519,564	1,168,027	39,083,737
Operating transfers in	-	-	674,500	-	-	3,475,080	4,149,580
Operating transfers out	(693,410)	(285,060)	-	-	-	(25,000)	(1,003,470)
Net income (loss)	13,311,925	33,861,748	2,807,997	(346,507)	(264,729)	569,954	49,940,388
Current capital contributions	(1,934)	(471,825)	-	-	(4,985,152)	(679,219)	(6,138,130)
Property, plant & equipment:							
Additions	30,907,375	43,026,054	2,053,042	10,093,894	5,576,098	-	91,656,463
Deletions	(185,396)	(1,543,246)	(63,670)	(59,336)	(3,274,316)	(16,061)	(5,142,025)
Net working capital	11,444,335	(3,474,648)	(1,005,384)	(717,552)	8,797,268	2,177,486	17,221,505
Bonds and other long-term liabilities payable from operating revenues	87,704,851	54,519,568	6,116,917	7,757,377	5,102,096	257,930	161,458,739
Total equity	243,381,030	198,999,814	56,755,145	6,010,781	93,154,738	16,401,684	614,703,192
Total assets	340,567,809	264,507,875	64,734,072	14,606,271	130,702,838	16,967,260	832,086,125

19. Passenger Facility Charges

In 1994, the Wichita 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 Wichita Mid-Continent Airport, effective December 1, 1994. The first funds were received by the Wichita Airport Authority in January 1995. The charge is collected by all carriers and remitted to the Airport Authority, less an \$.08 per passenger handling fee. The proceeds from the PFC are restricted to use for certain FAA approved capital improvement projects. As of December 31, 2001, the Airport Authority has submitted and received approval on three applications with a total amended authorized amount of \$16,266,309 of which \$12,499,342 has been collected.

CITY OF WICHITA, KANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

20. Contributed Capital

During the year, contributed capital changed by the following amounts:

	<u>Balance</u>	<u>Depreciation-</u>	<u>Balance</u>
	<u>January 1</u>	<u>Federal</u>	<u>December 31</u>
		<u>Assets</u>	
Primary Government:			
Enterprise Funds:			
Water Utility	\$ 95,542,087	\$ (1,934)	\$ 95,540,153
Sewer Utility	83,688,951	(471,825)	83,217,126
Storm Water Utility	34,623,816	-	34,623,816
Golf Course System	3,122,925	-	3,122,925
Wichita Airport Authority	75,421,278	(4,985,152)	70,436,126
Transit	14,932,403	(679,219)	14,253,184
Internal Service Funds:			
Information Technology	13,313	-	13,313
Fleet and Buildings	5,409,518	-	5,409,518
Stationery Stores	39,655	-	39,655
Self Insurance	<u>15,977</u>	<u>-</u>	<u>15,977</u>
Total Reporting Entity	<u>\$312,809,923</u>	<u>\$(6,138,130)</u>	<u>\$306,671,793</u>

21. Landfill Closure and Postclosure Care

Applicable Kansas and federal laws and regulations require the City to place a final cover on the municipal solid waste facility, Brooks Landfill, when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as a liability in each period based on landfill capacity used as of each balance sheet date. The \$25,250,000 reported in the general long-term debt account group as landfill closure and postclosure care liability at December 31, 2001, represents the cumulative amount reported to date based on the use of 100 percent of the estimated capacity of the solid waste landfill, which closed operations October 9, 2001. All closure activities are to be complete within six months, or by April 9, 2002.

During 2001, the City was granted permission to operate a construction and demolition (C&D) landfill at the existing Brooks Landfill site. The C&D landfill began operation October 10, 2001. Applicable Kansas and federal laws and regulations require the City to place a final cover when it closes. The City is required to report a portion of the closure costs as a liability in each period based on the landfill capacity used as of each balance sheet date. No liability for closure costs of the C&D landfill has been recorded as of December 31, 2001, since only .2% of the estimated capacity had been used as of the balance sheet date. The City will recognize the remaining closure costs of \$310,634 as the remaining capacity is filled.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

21. Landfill Closure and Postclosure Care (continued)

Financial assurance for closure and post-closure care costs of the landfill 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 Environmental Management Trust fund and landfill tipping fees will provide the primary source of funding for the landfill's closure and postclosure costs. Additional financing needs beyond those met by the trust fund and user fees will potentially require the sale of bonds.

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 workmen's compensation claims), property damages, civil rights complaints, and other miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. In the opinion of management and its legal counsel, the probability of material aggregate liabilities resulting from these claims will not have an adverse material effect on the reporting entity's general purpose financial statements.

Under Kansas Statutes, should the courts sustain any of the litigation against the reporting entity, the City may issue no-fund warrants to cover any resulting overexpenditures 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 and any disallowed costs resulting from such 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 general purpose financial statements of the City at December 31, 2001.

C. Environmental Matters

An area near the City's downtown has been designated by the Kansas Department of Health and Environment (KDHE) as the Gilbert and Mosley groundwater contamination site. In order to address this site, the City entered into an agreement with KDHE to conduct a Remediation Investigation and Feasibility Study (RI/FS) to investigate the contamination and protect human health and the environment, develop a clean-up plan, and avert property value decline within the site. Through this agreement the City has undertaken the obligation to perform the RI/FS and to perform such corrective measures as may be indicated by the RI/FS. The City has entered into an agreement with one potentially responsible party (PRP) to reimburse the City for costs of the RI/FS and certain other future costs, subject to a later reallocation. The City has also undertaken a CERCLA response cost proceeding in federal court against 26 defendants to share in the cost of clean-up. A tax increment financing district (TIF) was established to raise funds for obligations the City may incur under the agreement with KDHE.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

22. Contingencies and Commitments (continued)

C. Environmental Matters (continued)

In January 1994, the KDHE completed its review of the RI portion of the report and made it available for review by the public. The RI report describes the nature and extent of contamination at the site. The FS portion of the report was approved by the State in 1994 and the Corrective Action Decision for Interim Groundwater Remediation was issued by the Kansas Department of Health and Environment for the site. The FS outlines the methods that are to be used for clean-up of the site and the Interim Corrective Action Decision specifies the conditions the City must meet in terms of clean-up levels and containment of the downgradient contamination. The Gilbert and Mosley Site Final Design Report, Final Interim Groundwater Remediation Plumes ABE, was approved by KDHE on October 5, 2000, and the Remedial Action Work Plan was approved by KDHE on March 1, 2001.

At this time, construction of the remediation system for the plumes, ABE, has begun and cleanup of the groundwater is slated to start in the spring of 2002. In 1998, the City filed a lawsuit to recover its costs to cleanup and protect the groundwater. This action was filed against 26 defendants that owned or operated businesses at 16 locations within the site. To date, settlements with a value of \$8.9 million have been made from about twenty entities. In addition to these settlements and pending civil action against the remaining parties, the City of Wichita is seeking contribution from Coleman, Inc., who committed to paying their share to the cleanup cost through a joint agreement with the City of Wichita; an agreement which contains a cost allocation formula. The amount that Coleman owes is currently in arbitration as called for in the agreement. Given the current status of these actions, it is not possible to describe with certainty the City's share of the total cost of the cleanup.

The net present value of the proposed down gradient plume cleanup plan is estimated to total approximately \$16.4 million. These costs, along with the costs of the investigation and design, are being sought from potentially responsible parties in the cost recovery lawsuit. The cost recovery efforts are intended to seek recovery from the parties responsible for the contamination and minimize the use of the tax increment financing district.

In 1995, the City took action to apply the Gilbert and Mosley model to another portion of the community, known as the North Industrial Corridor (NIC). This effort is in the initial stages. To date, the City has created a tax increment financing district and has signed an agreement with the Kansas Department of Health and Environment to conduct a RI/FS with conditions similar to those identified in the Gilbert and Mosley site. In addition, the City has entered into a participant agreement with over 20 businesses in the area that are providing funding for the RI/FS for the NIC site. The NIC RI/FS was initiated in 1997 and the field investigation phase was completed in the latter part of 2001. Completion of the RE/FS is expected during 2002.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

22. Contingencies and Commitments (continued)

C. Environmental Matters (continued)

In 1996, groundwater contamination was identified at the City-owned Brooks Landfill. As a result of this finding, the City has entered into the appropriate agreements and permitting conditions regarding the investigation and cleanup of the contamination. The City has installed and is operating cleanup facilities at the site to address the contamination. A related liability of \$8.25 million is included in the total landfill closure and postclosure costs reflected in the general long-term debt account group, as of December 31, 2001. See Note 21 - Landfill Closure and Postclosure Care, for further disclosure regarding the future funding of landfill liabilities.

D. Construction Commitments

The City has outstanding construction commitments for freeway and arterial street construction of \$54,615,040 at December 31, 2001. This amount is reflected as reserve for encumbrances in capital projects funds.

E. Public Building Commission Lease

The City of Wichita, in cooperation with Sedgwick County, entered into a lease agreement dated March 1, 1993 with the Wichita Public Building Commission in conjunction with the issuance of \$18,620,000 Revenue Bonds, Series H, 1993, to finance the acquisition, renovation, construction, and certain other improvements of a State Office Building and related parking facilities in downtown Wichita.

The Wichita Public Building Commission previously entered into a lease agreement for the project with the State of Kansas regarding the acquisition and renovation of the former "Dillard's" building to provide rentable office space. Agencies of the State, including the Department of Social and Rehabilitation Services, lease office space in the State Office Building. The City/County lease is intended to be a "wrap-around" obligation wherein the City and County are contingently liable and will make rental payments, if necessary, to supplement the rental payments to be paid by the State pursuant to the State lease so that the total shall be sufficient to pay the principal of, premium, if any, and interest on the bonds. In 2001, no such payments were required. The City of Wichita also serves as the Property Manager for the State Office Building and related parking facilities for the term of the lease.

F. Convention Hotel Project

In 1996, the City of Wichita entered into a series of agreements with its preferred developer, Stormont Trice Corporation of Atlanta, GA, regarding the development and leasing of a City-owned 300-room Hyatt Regency convention hotel located adjacent to the Century II Convention Center. The hotel opened for business in late 1997. The total development cost of the hotel was \$28.6 million, of which the City's contribution was \$10.7 million. The contribution of Stormont-Trice totaled \$18 million, of which \$15.9 million was borrowed from a consortium of 16 local lending institutions. In addition, the City paid the cost of constructing a 20,000 square-foot conference center connecting the Hyatt Hotel to Century II at a cost of \$6.5 million and a 500-car parking garage at a cost of \$4.2 million. Together with the hotel, the conference center and parking garage comprise the Convention Hotel Project (the "Project").

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

22. Contingencies and Commitments (continued)

F. Convention Hotel Project (continued)

The City is financing its contribution to the project through the issuance of taxable general obligation bonds, notes ("City Bonds") and cash. The \$10.7 million bonded amount of the City's contribution is based on the principal amount of City Bonds that can be retired over 15 years with the property tax and transient guest tax revenues that are anticipated from the hotel, based on pro forma cash flow projections, and certain City-at-large transient guest taxes becoming available starting in 2001 with the retirement of certain previously issued City Bonds. In order to capture the additional property taxes generated by the hotel for use by the City in paying project costs, including debt service on the City Bonds, the City established a tax increment financing district encompassing the area surrounding the hotel. The contingent liability of the City, in relation to this project, consists of its responsibility to make debt service payments on the City Bonds issued to finance the City's \$10.7 million bonded contribution from general City revenue sources, in the event the property and guest tax revenues generated by the hotel are not sufficient for that purpose. If other revenue sources are not available, under State Law, the City would be required to levy an additional property tax on all taxable tangible property in the City. If the occupancy rates and/or room rates of the hotel were to fall significantly below pro forma rates, or if the hotel were to cease to operate, the City would be required to rely on sources other than the hotel's tax revenue for payment of debt service on City Bonds.

In November 2001, the City purchased the leasehold interest of the Hyatt Hotel from Stormont-Trice for \$2.5 million and the outstanding bank loan of \$15.7 million. The City has contracted with the Hyatt Hotel Corporation to directly manage the hotel complex, effective January 8, 2002. In accordance with contract terms, Working Capital and Furniture, Fixture and Equipment (FFE) reserve funds have been established to provide adequate coverage for operating costs and future capital replacement costs. The City is obligated to provide sufficient funds to be on hand in the operating funds to meet hotel obligations in the event revenues are not sufficient to meet such needs.

G. Economic Development Activities

The City has established tax increment financing districts to support economic development activities, including the East Bank, 21st and Grove, and Old Town Redevelopment Districts. The City's contributions to these projects include streets, a waterwalk, meeting rooms for Expo Hall (adjacent to the downtown convention hotel), and a parking garage adjacent to the Hotel at Old Town, which are financed through the issuance of bonds in 1999 totaling \$14.97 million to date. Additional guest tax revenues generated by the Hotel at Old Town will also be used to retire bonds issued for improvements to the hotel.

In the event property and guest tax revenues generated by the tax increment financing districts and the Hotel at Old Town are not sufficient and other revenue sources are not available, under 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.

CITY OF WICHITA, KANSAS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2001

23. Subsequent Events

A. Temporary Notes

On February 1, 2002, the City issued \$6,390,000 of general obligation bonds (Series 768) and \$9,670,000 (Series 769) in general obligation bonds with an average interest rate of 4.4% and 3.8% respectively. The City also issued \$46,000,000 (Series 2002) in general obligation sales tax bonds with an average interest rate of 4.4%. Further, the City issued \$53,355,000 general obligation renewal and improvement temporary notes (Series 205) with an average interest rate of 1.4% on February 21, 2002.

Accordingly, temporary notes payable totaling \$55,808,299 were reclassified as bond anticipation notes and are recorded in the general long-term debt account group, as of December 31, 2001, as these notes were refinanced through the issuance of general obligation bonds (Series 768) on February 1, 2002.

B. AirTran Airways

In an effort to introduce more competition in the air service market and to reduce fares, the governing body authorized approval of a two-year contract in February 2002, with AirTran Airways, a low-fare carrier, to provide direct daily flights to and from Atlanta and Chicago. This initiative included pledged ticket sales of \$4.7 million from regional and local business support. In addition to the pledges, the City agreed to provide other incentives, including marketing funds of \$600,000 over the two-year contract period and a revenue guarantee to underwrite any (monthly) losses capped at \$3 million in the first twelve months and \$1.5 million in the second twelve months.

C. Health Department

Based on actions authorized by the governing body in 2001, all personal (clinical) health functions of the Health Department were transferred to Sedgwick County, effective January 1, 2002, subject to final legal review. This action resulted in the transfer of personnel and certain assets and liabilities associated with these activities. The City has retained responsibility for all environmental health and child care licensing functions.



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☀ GENERAL FUND ☀

The primary purpose of the General Fund is to account for all the City's operating revenues and other financial resources and their uses in conducting the general operations of the City, except for those resources required to be accounted for in another fund.

CITY OF WICHITA, KANSAS

GENERAL FUND
COMPARATIVE BALANCE SHEETS

December 31, 2001 and 2000

<u>ASSETS</u>	<u>2001</u>	<u>2000</u>
Cash and temporary investments	\$ 28,763,846	\$ 24,836,949
Property taxes receivable	45,415,700	42,891,420
Accounts receivable	634,242	809,064
Due from other funds	716,974	-
Total assets	<u>\$ 75,530,762</u>	<u>\$ 68,537,433</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable and accrued payroll	\$ 3,222,422	\$ 2,493,619
Deposits	1,175,270	1,191,664
Deferred revenue	45,457,111	42,909,128
Total liabilities	<u>49,854,803</u>	<u>46,594,411</u>
Fund balance:		
Reserved for encumbrances	2,278,851	3,049,341
Unreserved:		
Designated for subsequent year's appropriation	14,998,477	10,904,682
Undesignated	8,398,631	7,988,999
Total fund balance	<u>25,675,959</u>	<u>21,943,022</u>
Total liabilities and fund balance	<u>\$ 75,530,762</u>	<u>\$ 68,537,433</u>

CITY OF WICHITA, KANSAS

**GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues and other sources:				
Local government taxes:				
Tangible property	\$ 42,104,240	\$ 41,339,710 ✓	\$ (764,530)	\$ 38,530,315 ✓
Delinquent tangible property	787,180	770,272 ✓	(16,908)	712,706 ✓
IRB's in lieu of taxes	45,000	36,574 ✓	(8,426)	46,406 ✓
WHA in lieu of taxes	76,090	43,867 ✓	(32,223)	40,049 ✓
Special assessments	17,440	12,293	(5,147)	26,409
Franchise fees	31,762,780	31,521,170	(241,610)	29,088,392
Motor vehicle tax	6,983,890	7,256,741	272,851	7,635,280
Local sales tax	20,877,720	20,093,593	(784,127)	18,889,441
Total local government taxes	102,654,340	101,074,220	(1,580,120)	94,968,998
Intergovernmental:				
State revenue sharing	2,328,710	2,318,175	(10,535)	2,296,253
Private club liquor tax	1,140,740	1,197,133	56,393	1,105,961
Bingo tax	101,600	-	(101,600)	98,641
Local ad valorem tax reduction	3,510,290	3,299,940	(210,350)	3,510,292
Gas tax - state	10,301,480	10,211,578	(89,902)	10,523,484
Gas tax - county	4,628,200	4,838,395	210,195	4,999,192
Gas tax - highway maintenance	130,570	324,436	193,866	511,628
Total intergovernmental	22,141,590	22,189,657	48,067	23,045,451
Licenses:				
Liquor	98,980	76,432	(22,548)	92,650
Cereal malt beverages	28,010	23,869	(4,141)	27,157
Amusements	38,590	42,566	3,976	39,483
Alarm	384,700	457,752	73,052	384,538
Communication and transportation	30,860	25,456	(5,404)	29,395
Health:				
Dogs	391,710	427,547	35,837	450,038
Other	121,470	121,049	(421)	120,474
Merchandising	32,210	31,988	(222)	30,807
Personal	42,000	37,284	(4,716)	40,621
Total licenses	1,168,530	1,243,943	75,413	1,215,163
Permits:				
Firearms	15,430	14,166	(1,264)	14,835
Hazardous material	2,250	40	(2,210)	2,160
Streets and street cut repair	396,520	378,382	(18,138)	399,507
Total permits	414,200	392,588	(21,612)	416,502
Fines and penalties:				
Library	162,570	308,405	145,835	298,170
Municipal court	3,670,980	3,932,504	261,524	4,037,022
Traffic bureau	2,898,860	2,610,910	(287,950)	3,064,515
Total fines and penalties	6,732,410	6,851,819	119,409	7,399,707

CITY OF WICHITA, KANSAS

**GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Rental income and reimbursements:				
City hall, cafeteria and library	\$ 198,560	\$ 195,767	\$ (2,793)	\$ 185,356
Park	486,780	520,808	34,028	460,845
Century II:				
Parking	3,000	5,391	2,391	3,810
Meeting rooms	30,000	56,643	26,643	43,638
Office space	14,000	14,272	272	13,848
Exhibition hall	130,000	143,984	13,984	111,146
Convention hall	150,000	153,940	3,940	139,822
Theater	45,000	41,167	(3,833)	55,925
Concert hall	140,000	149,532	9,532	169,442
Equipment rental	18,000	24,641	6,641	18,351
Concessions	90,000	76,852	(13,148)	84,498
Reimbursement - utility	35,000	27,312	(7,688)	35,387
Other	7,600	8,414	814	6,546
Boathouse	107,720	129,643	21,923	96,834
Expo hall	693,720	702,705	8,985	779,365
Omnisphere	210	215	5	7,402
Total rental income and reimbursements	<u>2,149,590</u>	<u>2,251,286</u>	<u>101,696</u>	<u>2,212,215</u>
Interest earnings	<u>3,692,190</u>	<u>3,833,930</u>	<u>141,740</u>	<u>3,655,835</u>
Charges for services and sales:				
General government	7,290	14,931	7,641	20,253
County contribution - police spider	55,750	88,531	32,781	40,119
Safety	296,460	306,960	10,500	290,651
Parking meters and permits	-	2,296	2,296	4,352
Public health	194,840	182,432	(12,408)	170,039
Sale of property	-	69,340	69,340	245,889
Other	25,930	17,569	(8,361)	29,104
Library and Park	1,702,750	1,659,375	(43,375)	1,663,947
Gas tax - miscellaneous	3,781,140	4,024,175	243,035	3,912,422
Total charges for services and sales	<u>6,064,160</u>	<u>6,365,609</u>	<u>301,449</u>	<u>6,376,776</u>
Reimbursed expenditures	<u>1,058,810</u>	<u>1,618,748</u>	<u>559,938</u>	<u>1,550,004</u>
Administrative charges	<u>2,819,270</u>	<u>2,668,462</u>	<u>(150,808)</u>	<u>2,695,602</u>
Revised budget adjustment	<u>(3,465,700)</u>	<u>-</u>	<u>3,465,700</u>	<u>-</u>
Operating transfers in	<u>3,403,640</u>	<u>2,658,390</u>	<u>(745,250)</u>	<u>2,400,180</u>
Total revenues and other sources	<u>148,833,030</u>	<u>151,148,652</u>	<u>2,315,622</u>	<u>145,936,433</u>

(Continued)

CITY OF WICHITA, KANSAS

**GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS (CONTINUED)
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Expenditures and other uses:				
City Council:				
Personal services	\$ 295,840	\$ 270,872	\$ 24,968	\$ 236,432
Contractual services	92,210	91,839	371	91,243
Materials and supplies	21,690	20,588	1,102	25,263
Capital outlay	3,200	-	3,200	-
Total City Council	412,940	383,299	29,641	352,938
City Manager:				
Personal services	477,370	477,369	1	416,107
Contractual services	60,780	59,438	1,342	55,075
Materials and supplies	5,100	5,047	53	6,940
Capital outlay	-	-	-	5,075
Total City Manager	543,250	541,854	1,396	483,197
Finance:				
Director of Finance:				
Personal services	610,960	587,445	23,515	534,785
Contractual services	108,910	108,417	493	90,520
Materials and supplies	4,380	3,585	795	4,377
Capital outlay	2,500	-	2,500	-
Total Director of Finance	726,750	699,447	27,303	629,682
Controller:				
Personal services	726,890	689,483	37,407	632,986
Contractual services	187,280	177,206	10,074	175,163
Materials and supplies	6,740	4,555	2,185	5,288
Total Controller	920,910	871,244	49,666	813,437
Treasury:				
Personal services	704,020	642,675	61,345	648,183
Contractual services	317,530	275,468	42,062	268,101
Materials and supplies	16,320	11,707	4,613	16,729
Capital outlay	12,250	11,445	805	-
Total Treasury	1,050,120	941,295	108,825	933,013
Special Assessments:				
Personal services	255,110	237,761	17,349	222,952
Contractual services	48,290	39,788	8,502	40,118
Materials and supplies	3,290	1,447	1,843	1,870
Total Special Assessments	306,690	278,996	27,694	264,940
Purchasing:				
Personal services	505,750	505,479	271	425,126
Contractual services	72,650	61,881	10,769	62,724
Materials and supplies	6,940	6,168	772	5,321
Total Purchasing	585,340	573,528	11,812	493,171

CITY OF WICHITA, KANSAS

**GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	<u>2001</u>		<u>Variance Favorable (Unfavorable)</u>	<u>2000</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Finance (continued):				
Citizen Rights and Services:				
Personal services	\$ 76,400	\$ 76,391	\$ 9	\$ 132,959
Contractual services	6,720	4,119	2,601	5,935
Total Citizen Rights and Services	<u>83,120</u>	<u>80,510</u>	<u>2,610</u>	<u>138,894</u>
Total Finance Department	<u>3,672,930</u>	<u>3,445,020</u>	<u>227,910</u>	<u>3,273,137</u>
Law:				
Personal services	1,477,658	1,477,576	82	1,397,372
Contractual services	271,072	267,177	3,895	173,686
Materials and supplies	8,510	7,070	1,440	7,963
Total Law Department	<u>1,757,240</u>	<u>1,751,823</u>	<u>5,417</u>	<u>1,579,021</u>
Municipal Court:				
Court:				
Personal services	2,130,210	2,085,311	44,899	2,139,155
Contractual services	1,116,020	1,106,515	9,505	1,056,726
Materials and supplies	51,890	49,463	2,427	49,024
Capital outlay	2,150	-	2,150	-
Total Court	<u>3,300,270</u>	<u>3,241,289</u>	<u>58,981</u>	<u>3,244,905</u>
Probation and Parole:				
Personal services	601,090	567,495	33,595	515,993
Contractual services	361,290	350,665	10,625	341,273
Materials and supplies	18,310	15,978	2,332	11,780
Total Probation and Parole	<u>980,690</u>	<u>934,138</u>	<u>46,552</u>	<u>869,046</u>
Total Municipal Court Department	<u>4,280,960</u>	<u>4,175,427</u>	<u>105,533</u>	<u>4,113,951</u>
Fire:				
Administration:				
Personal services	1,149,860	1,160,701	(10,841)	1,091,992
Contractual services	665,060	657,127	7,933	586,511
Materials and supplies	76,950	76,540	410	96,648
Total Administration	<u>1,891,870</u>	<u>1,894,368</u>	<u>(2,498)</u>	<u>1,775,151</u>
Operations:				
Personal services	20,415,920	20,258,962	156,958	19,735,360
Contractual services	376,170	371,883	4,287	363,133
Materials and supplies	519,830	519,544	286	492,357
Capital outlay	45,720	38,854	6,866	38,416
Total Operations	<u>21,357,640</u>	<u>21,189,243</u>	<u>168,397</u>	<u>20,629,266</u>

(Continued)

CITY OF WICHITA, KANSAS

GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS (CONTINUED)
BUDGET AND ACTUAL - BUDGETARY BASIS

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Prevention:				
Personal services	\$ 640,230	\$ 645,031	\$ (4,801)	\$ 541,036
Contractual services	3,270	1,088	2,182	1,732
Materials and supplies	930	360	570	886
Total Prevention	644,430	646,479	(2,049)	543,654
Total Fire Department	23,893,940	23,730,090	163,850	22,948,071
Police:				
Field Services Bureau:				
Personal services	24,861,450	24,284,611	576,839	21,834,574
Contractual services	3,082,660	2,848,676	233,984	2,556,407
Materials and supplies	37,180	30,007	7,173	23,221
Total Field Services Bureau	27,981,290	27,163,294	817,996	24,414,202
Investigations:				
Personal services	9,456,410	9,430,117	26,293	8,877,378
Contractual services	765,360	701,046	64,314	570,077
Materials and supplies	112,110	97,063	15,047	105,186
Total Investigations	10,333,880	10,228,226	105,654	9,552,641
Staff and Support Services:				
Personal services	6,607,140	6,603,831	3,309	7,799,495
Contractual services	866,940	862,572	4,368	1,058,930
Materials and supplies	540,090	534,511	5,579	503,871
Capital outlay	-	-	-	5,190
Total Staff and Support Services	8,014,170	8,000,914	13,256	9,367,486
Air Section:				
Personal services	194,440	194,438	2	194,658
Contractual services	87,760	76,816	10,944	38,852
Materials and supplies	21,420	17,183	4,237	13,419
Total Air Section	303,620	288,437	15,183	246,929
Total Police Department	46,632,960	45,680,871	952,089	43,581,258

CITY OF WICHITA, KANSAS

GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Housing Services:				
Personal services	\$ 105,220	\$ 105,213	\$ 7	\$ 98,477
Contractual services	58,720	16,756	41,964	16,986
Materials and supplies	110	-	110	-
Total Housing Services	<u>164,050</u>	<u>121,969</u>	<u>42,081</u>	<u>115,463</u>
Public Works:				
Administration:				
Personal services	211,310	206,122	5,188	193,413
Contractual services	393,510	322,027	71,483	171,654
Materials and supplies	13,200	2,673	10,527	6,694
Total Administration	<u>618,020</u>	<u>530,822</u>	<u>87,198</u>	<u>371,761</u>
Engineering:				
Contractual services	10,000	9,952	48	10,000
Total Engineering	<u>10,000</u>	<u>9,952</u>	<u>48</u>	<u>10,000</u>
Fleet and Buildings:				
Building Services:				
Personal services	1,250,620	1,336,795	(86,175)	1,204,048
Contractual services	1,030,790	844,534	186,256	803,083
Materials and supplies	120,600	105,390	15,210	112,872
Capital outlay	49,000	42,861	6,139	1,757
Total Building Services	<u>2,451,010</u>	<u>2,329,580</u>	<u>121,430</u>	<u>2,121,760</u>
Mid-America All Indian Center:				
Personal services	81,910	60,827	21,083	74,836
Contractual services	37,760	33,475	4,285	42,209
Materials and supplies	7,200	13,361	(6,161)	13,712
Total Mid-America All Indian Center	<u>126,870</u>	<u>107,663</u>	<u>19,207</u>	<u>130,757</u>
Art Museum:				
Personal services	67,500	24,155	43,345	23,340
Contractual services	33,190	27,413	5,777	31,875
Materials and supplies	11,290	3,207	8,083	17,006
Total Art Museum	<u>111,980</u>	<u>54,775</u>	<u>57,205</u>	<u>72,221</u>
Library:				
Personal services	185,650	177,894	7,756	161,114
Contractual services	40,160	40,339	(179)	41,760
Materials and supplies	18,000	23,015	(5,015)	25,374
Total Library	<u>243,810</u>	<u>241,248</u>	<u>2,562</u>	<u>228,248</u>

(Continued)

CITY OF WICHITA, KANSAS

**GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS (CONTINUED)
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Public Works (continued):				
Fleet and Buildings (continued):				
Historic Museum:				
Personal services	\$ 11,660	\$ 1,801	\$ 9,859	\$ 10,164
Contractual services	8,370	7,860	510	7,965
Materials and supplies	2,050	2,377	(327)	4,934
Capital outlay	-	-	-	1,600
Total Historic Museum	<u>22,080</u>	<u>12,038</u>	<u>10,042</u>	<u>24,663</u>
Century II:				
Personal services	309,000	305,023	3,977	332,716
Contractual services	80,820	74,479	6,341	78,106
Materials and supplies	6,470	(1,419)	7,889	-
Capital outlay	15,500	15,440	60	4,767
Total Century II	<u>411,790</u>	<u>393,523</u>	<u>18,267</u>	<u>415,589</u>
Lawrence-Dumont Stadium:				
Personal services	12,230	8,006	4,224	11,808
Contractual services	11,900	12,661	(761)	23,245
Materials and supplies	11,500	8,868	2,632	8,359
Capital outlay	3,700	3,694	6	-
Total Lawrence-Dumont Stadium	<u>39,330</u>	<u>33,229</u>	<u>6,101</u>	<u>43,412</u>
Expo Hall:				
Personal services	103,650	85,179	18,471	85,975
Contractual services	4,480	8,207	(3,727)	18,040
Materials and supplies	12,000	22,241	(10,241)	35,277
Total Expo Hall	<u>120,130</u>	<u>115,627</u>	<u>4,503</u>	<u>139,292</u>
Health Department:				
Personal services	171,440	138,316	33,124	134,960
Contractual services	3,800	3,116	684	2,338
Materials and supplies	20,550	10,564	9,986	13,906
Total Health	<u>195,790</u>	<u>151,996</u>	<u>43,794</u>	<u>151,204</u>
Park Department:				
Personal services	610,460	656,825	(46,365)	614,289
Contractual services	110,320	81,548	28,772	111,342
Materials and supplies	118,350	113,793	4,557	100,514
Capital outlay	22,000	16,887	5,113	4,716
Total Park	<u>861,130</u>	<u>869,053</u>	<u>(7,923)</u>	<u>830,861</u>
Capital Investment Maintenance:				
Contractual services	197,600	196,166	1,434	183,762
Materials and supplies	40,000	36,448	3,552	51,895
Total Capital Investment Maintenance	<u>237,600</u>	<u>232,614</u>	<u>4,986</u>	<u>235,657</u>

CITY OF WICHITA, KANSAS

**GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Public Works (continued):				
Fleet and Buildings (continued):				
Boathouse:				
Personal services	\$ -	\$ -	\$ -	\$ 9,718
Contractual services	23,620	7,986	15,634	3,711
Materials and supplies	5,000	8,745	(3,745)	9,910
Total Boathouse	28,620	16,731	11,889	23,339
Wellington Place:				
Personal services	-	444	(444)	1,382
Contractual services	18,010	14,511	3,499	14,530
Materials and supplies	3,200	3,046	154	2,151
Total Wellington Place	21,210	18,001	3,209	18,063
Fire Building Maintenance:				
Personal services	43,580	48,372	(4,792)	-
Contractual services	39,330	5,340	33,990	-
Materials and supplies	26,740	2,593	24,147	-
Total Fire Building Maintenance	109,650	56,305	53,345	-
Cooperative Labor:				
Personal services	41,270	42,288	(1,018)	38,092
Contractual services	78,470	36,106	42,364	29,541
Materials and supplies	2,350	1,050	1,300	1,700
Total Cooperative Labor	122,090	79,444	42,646	69,333
Wichita Work:				
Personal services	45,370	50,577	(5,207)	38,652
Contractual services	21,770	1,086	20,684	2,475
Materials and supplies	21,250	10,916	10,334	11,712
Total Wichita Work	88,390	62,579	25,811	52,839
Total Fleet and Buildings	5,191,480	4,774,406	417,074	4,557,238
Street Lighting:				
Contractual services	3,193,410	3,035,032	158,378	3,015,230
Materials and supplies	18,770	18,727	43	17,303
Total Street Lighting	3,212,180	3,053,759	158,421	3,032,533
Total Public Works Department	9,031,680	8,368,939	662,741	7,971,532
Community Health Department:				
Swimming Pool Inspection:				
Personal services	10,966	10,966	-	9,212
Contractual services	1,800	1,720	80	1,590
Materials and supplies	244	243	1	137
Total Swimming Pool Inspection	13,010	12,929	81	10,939

(Continued)

CITY OF WICHITA, KANSAS

GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS (CONTINUED)
BUDGET AND ACTUAL - BUDGETARY BASIS

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Community Health (continued):				
Tobacco Sales Regulation:				
Personal services	\$ 37,160	\$ 37,024	\$ 136	\$ 18,107
Contractual services	6,040	6,029	11	3,950
Materials and supplies	-	-	-	486
Total Tobacco Sales Regulation	<u>43,200</u>	<u>43,053</u>	<u>147</u>	<u>22,543</u>
Animal Control:				
Field Services:				
Personal services	491,680	478,528	13,152	439,476
Contractual services	67,220	62,600	4,620	60,282
Materials and supplies	21,680	18,834	2,846	22,756
Capital outlay	-	-	-	50
Total Field Services	<u>580,580</u>	<u>559,962</u>	<u>20,618</u>	<u>522,564</u>
Shelter Services:				
Personal services	215,790	203,502	12,288	204,536
Contractual services	118,090	115,633	2,457	81,343
Materials and supplies	15,930	15,771	159	15,395
Total Shelter Services	<u>349,810</u>	<u>334,906</u>	<u>14,904</u>	<u>301,274</u>
Total Animal Control	<u>930,390</u>	<u>894,868</u>	<u>35,522</u>	<u>823,838</u>
Private Lot Activities:				
Personal services	71,110	69,009	2,101	73,180
Contractual services	203,710	203,050	660	185,302
Materials and supplies	20	-	20	1,026
Capital outlay	-	-	-	2,087
Total Private Lot Activities	<u>274,840</u>	<u>272,059</u>	<u>2,781</u>	<u>261,595</u>
Environmental Maintenance:				
Personal services	162,780	141,664	21,116	-
Total Environmental Maintenance	<u>162,780</u>	<u>141,664</u>	<u>21,116</u>	<u>-</u>
Total Community Health	<u>1,424,220</u>	<u>1,364,573</u>	<u>59,647</u>	<u>1,118,915</u>
General Government:				
Personnel:				
Personal services	957,090	944,005	13,085	877,880
Contractual services	121,930	116,839	5,091	117,648
Materials and supplies	30,720	29,822	898	35,619
Total Personnel	<u>1,109,740</u>	<u>1,090,666</u>	<u>19,074</u>	<u>1,031,147</u>
Administrative Services:				
Personal services	441,400	414,306	27,094	428,778
Contractual services	217,360	215,661	1,699	203,401
Materials and supplies	2,500	2,420	80	1,420
Capital outlay	10,400	8,495	1,905	-
Total Administrative Services	<u>671,660</u>	<u>640,882</u>	<u>30,778</u>	<u>633,599</u>

CITY OF WICHITA, KANSAS

**GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Public Information:				
Personal services	\$ 79,030	\$ 62,054	\$ 16,976	\$ 73,923
Contractual services	14,940	14,833	107	11,447
Materials and supplies	220	171	49	22
Total Public Information	<u>94,190</u>	<u>77,058</u>	<u>17,132</u>	<u>85,392</u>
Intergovernmental Affairs:				
Personal services	107,590	107,589	1	100,552
Contractual services	19,290	18,209	1,081	17,892
Materials and supplies	620	562	58	329
Total Intergovernmental Affairs	<u>127,500</u>	<u>126,360</u>	<u>1,140</u>	<u>118,773</u>
City Clerk:				
Personal services	124,080	124,074	6	118,828
Contractual services	17,260	12,505	4,755	14,485
Materials and supplies	1,480	1,078	402	1,877
Total City Clerk	<u>142,820</u>	<u>137,657</u>	<u>5,163</u>	<u>135,190</u>
Legislative Services:				
Contractual services	12,000	10,930	1,070	11,651
Materials and supplies	8,000	5,262	2,738	4,428
Total Legislative Services	<u>20,000</u>	<u>16,192</u>	<u>3,808</u>	<u>16,079</u>
Neighborhood Initiative/Centers:				
Personal services	172,300	171,214	1,086	95,797
Contractual services	25,350	20,043	5,307	10,095
Materials and supplies	2,100	1,862	238	2,391
Total Neighborhood Init/Centers	<u>199,750</u>	<u>193,119</u>	<u>6,631</u>	<u>108,283</u>
Total General Government	<u>2,365,660</u>	<u>2,281,934</u>	<u>83,726</u>	<u>2,128,463</u>
Library and Park:				
Library:				
Personal services	3,949,900	3,780,998	168,902	3,627,751
Contractual services	793,510	763,798	29,712	724,309
Materials and supplies	818,040	802,266	15,774	770,492
Contingency	1,920	-	1,920	-
Total Library	<u>5,563,370</u>	<u>5,347,062</u>	<u>216,308</u>	<u>5,122,552</u>
Park:				
Personal services	10,775,120	10,375,106	400,014	10,096,459
Contractual services	4,190,850	3,981,251	209,599	3,490,768
Materials and supplies	741,370	769,391	(28,021)	699,626
Capital outlay	192,180	111,628	80,552	109,910
Contingency	199,790	-	199,790	-
Total Park	<u>16,099,310</u>	<u>15,237,376</u>	<u>861,934</u>	<u>14,396,763</u>
Total Library and Park	<u>21,662,680</u>	<u>20,584,438</u>	<u>1,078,242</u>	<u>19,519,315</u>

(Continued)

CITY OF WICHITA, KANSAS

**GENERAL FUND
SCHEDULE OF BUDGETARY ACCOUNTS (CONTINUED)
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Gas Tax:				
Personal services	\$ 7,664,710	\$ 7,644,308	\$ 20,402	\$ 7,230,507
Contractual services	8,406,550	8,216,250	190,300	8,541,783
Materials and supplies	1,759,400	1,674,801	84,599	1,468,952
Capital outlay	341,420	283,310	58,110	284,922
Total Gas Tax	18,172,080	17,818,669	353,411	17,526,164
Nondepartmental:				
Contributions and donations	166,700	163,713	2,987	315,860
Other	8,452,085	1,320,557	7,131,528	1,517,496
Total Nondepartmental	8,618,785	1,484,270	7,134,515	1,833,356
Operating transfers out:				
Wichita Transit	3,475,080	3,475,080	-	3,279,140
City-County	3,885,670	3,499,698	385,972	3,483,137
Parking Services	162,500	-	162,500	151,530
Employee Training	240,000	240,000	-	240,000
Art Museum	1,172,710	1,172,710	-	1,172,710
Tort Liability	300,000	300,000	-	300,000
Storm Water	514,500	514,500	-	514,500
Capital Projects	7,003,060	6,675,160	327,900	8,766,020
Contributions to federal programs	45,580	45,580	-	687,930
Other	347,500	300,000	47,500	839,170
Total operating transfers out	17,146,600	16,222,728	923,872	19,434,137
Total expenditures and other uses	159,779,975	147,955,904	11,824,071	145,978,918
Revenues and other sources over (under) expenditures and other uses	(10,946,945)	3,192,748	14,139,693	(42,485)
Unencumbered fund balance, January 1	18,935,944	18,893,681	(42,263)	18,935,944
Residual equity transfer in	-	1,310,679	1,310,679	222
Unencumbered fund balance, December 31	\$ 7,988,999	\$ 23,397,108	\$ 15,408,109	\$ 18,893,681

☀ SPECIAL REVENUE FUNDS ☀

The primary purpose of the Special Revenue Funds is to account for the proceeds of designated revenue sources that are used to finance specified activities as required by law or administrative regulation.

Tourism and Convention Promotion – receives and makes disbursements of monies collected through the Transient Guest Tax.

Special Alcohol Program - receives state shared alcohol liquor tax revenues to be expended only for the purchase, establishment, maintenance or expansion of services or programs of alcoholism and drug abuse prevention and education.

Special Parks and Recreation - receives state shared alcohol liquor tax revenues to be expended only for the purchase, establishment, maintenance, or expansion of park and recreational services, programs and facilities.

Landfill - receives income based on a lease agreement with a private contractor to support activities at the refuse disposal sites.

Central Inspection - monitors and regulates compliance with City codes on building construction, housing maintenance, zoning, and licensing.

Property Management Operations - provides real estate management including acquisition, maintenance and operation of City-held properties.

State Office Building - receives rental revenue associated with the State Office Building and provides for custodial, maintenance and utility expenses of the facility.

Parking Services – receives parking meter and parking facility revenues to provide quality and economical parking opportunities in the downtown area.

TIF Districts – receives revenue from tax increment financing and other sources to fund the cleanup of environmentally contaminated areas (Gilbert/Mosley and North Industrial Corridor TIFs) and costs related to economic development of “blighted” areas (East Bank, Old Town and 21st & Grove TIFs).

Federal and State Assistance - provides assistance which benefits the community through Federal, State and other funding sources.



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CITY OF WICHITA, KANSAS

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET**

December 31, 2001
(with comparative totals for December 31, 2000)

	<u>Tourism and Convention</u>	<u>Special Alcohol Program</u>	<u>Special Parks and Recreation</u>	<u>Landfill</u>	<u>Central Inspection</u>
ASSETS					
Cash and temporary investments	\$ 508,539	\$ 981,141	\$ 113,290	\$ 9,191,725	\$ 1,987,745
Investments	-	-	-	-	-
Due from other agencies	-	-	-	-	-
Accounts receivable	-	-	-	-	22,663
Interest receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Notes receivable	-	-	-	-	-
Inventories	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	<u>\$ 508,539</u>	<u>\$ 981,141</u>	<u>\$ 113,290</u>	<u>\$ 9,191,725</u>	<u>\$ 2,010,408</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable and accrued payroll	\$ 8,333	\$ 6,385	\$ -	\$ 975,551	\$ 114,744
Deposits	-	-	-	-	60,500
Due to other agencies	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	<u>8,333</u>	<u>6,385</u>	<u>-</u>	<u>975,551</u>	<u>175,244</u>
Fund balance:					
Reserved for encumbrances	129,166	78,583	-	770,213	9,987
Reserved for inventory	-	-	-	-	-
Reserved for prepaid items	-	-	-	-	-
Unreserved:					
Designated for Federal/State programs	-	-	-	-	-
Undesignated	<u>371,040</u>	<u>896,173</u>	<u>113,290</u>	<u>7,445,961</u>	<u>1,825,177</u>
Total fund balance	<u>500,206</u>	<u>974,756</u>	<u>113,290</u>	<u>8,216,174</u>	<u>1,835,164</u>
Total liabilities and fund balance	<u>\$ 508,539</u>	<u>\$ 981,141</u>	<u>\$ 113,290</u>	<u>\$ 9,191,725</u>	<u>\$ 2,010,408</u>

Property Management Operations	State Office Building	Parking Services	TIF Districts	Federal and State Assistance	Totals	
					2001	2000
\$ 1,403,675	\$ 567,657	\$ -	\$ 1,941,963	\$ 6,095,855	\$ 22,791,590	\$ 17,807,585
-	-	-	-	750,000	750,000	1,250,000
3,500	71,637	-	-	1,214,010	1,289,147	372,966
-	-	-	2,340,689	2,952,426	5,315,778	5,661,393
-	-	-	-	53,250	53,250	8,075
-	-	-	-	1,029,965	1,029,965	959,079
-	-	-	-	2,032,140	2,032,140	2,062,273
-	-	-	-	73,250	73,250	58,693
-	-	-	-	56,792	56,792	50,207
<u>\$ 1,407,175</u>	<u>\$ 639,294</u>	<u>\$ -</u>	<u>\$ 4,282,652</u>	<u>\$ 14,257,688</u>	<u>\$ 33,391,912</u>	<u>\$ 28,230,271</u>
\$ 65,323	\$ 34,330	\$ -	\$ 1,892	\$ 411,790	\$ 1,618,348	\$ 1,216,224
7,223	-	-	-	129,529	197,252	215,797
-	-	-	-	343,046	343,046	239,543
-	-	-	-	1,029,965	1,029,965	959,079
-	-	-	-	4,387,615	4,387,615	6,141,955
<u>72,546</u>	<u>34,330</u>	<u>-</u>	<u>1,892</u>	<u>6,301,945</u>	<u>7,576,226</u>	<u>8,772,598</u>
-	40,487	-	1,276,185	1,113,087	3,417,708	3,839,249
-	-	-	-	73,250	73,250	58,693
-	-	-	-	56,792	56,792	50,207
-	-	-	-	6,712,614	6,712,614	4,160,919
<u>1,334,629</u>	<u>564,477</u>	<u>-</u>	<u>3,004,575</u>	<u>-</u>	<u>15,555,322</u>	<u>11,348,605</u>
<u>1,334,629</u>	<u>604,964</u>	<u>-</u>	<u>4,280,760</u>	<u>7,955,743</u>	<u>25,815,686</u>	<u>19,457,673</u>
<u>\$ 1,407,175</u>	<u>\$ 639,294</u>	<u>\$ -</u>	<u>\$ 4,282,652</u>	<u>\$ 14,257,688</u>	<u>\$ 33,391,912</u>	<u>\$ 28,230,271</u>

CITY OF WICHITA, KANSAS

**SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Tourism and Convention</u>	<u>Special Alcohol Program</u>	<u>Special Parks and Recreation</u>	<u>Landfill</u>	<u>Central Inspection</u>
Revenues:					
Taxes	\$ 4,474,335	\$ -	\$ -	\$ -	\$ 2,723
Intergovernmental	-	1,197,133	1,197,133	-	-
Licenses and permits	-	-	-	-	4,745,947
Rentals	-	-	-	45,572	-
Interest earnings	96,525	41,720	5,050	526,292	82,851
Charges for services and sales	-	-	-	7,810,437	767,980
Other	75,319	-	-	13,710	28,888
	<u>4,646,179</u>	<u>1,238,853</u>	<u>1,202,183</u>	<u>8,396,011</u>	<u>5,628,389</u>
Total revenues					
Expenditures:					
General government	-	-	-	-	-
Public safety	-	-	-	-	4,594,409
Highways and streets	-	-	-	-	-
Sanitation	-	-	-	4,933,070	-
Health and welfare	-	886,692	-	-	-
Culture and recreation	1,590,492	-	-	-	-
	<u>1,590,492</u>	<u>886,692</u>	<u>-</u>	<u>4,933,070</u>	<u>4,594,409</u>
Total expenditures					
Excess of revenues over expenditures	<u>3,055,687</u>	<u>352,161</u>	<u>1,202,183</u>	<u>3,462,941</u>	<u>1,033,980</u>
Other financing sources (uses):					
Operating transfers in	-	-	-	-	-
Operating transfers out	(2,793,720)	-	(1,142,500)	(1,629,500)	(163,580)
	<u>(2,793,720)</u>	<u>-</u>	<u>(1,142,500)</u>	<u>(1,629,500)</u>	<u>(163,580)</u>
Total other financing sources (uses)					
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>261,967</u>	<u>352,161</u>	<u>59,683</u>	<u>1,833,441</u>	<u>870,400</u>
Fund balances, January 1	238,239	622,595	53,607	6,382,733	964,764
Prior period adjustment	-	-	-	-	-
Fund balances, January 1, as restated	238,239	622,595	53,607	6,382,733	964,764
Residual equity transfer out	-	-	-	-	-
Fund balances, December 31	<u>\$ 500,206</u>	<u>\$ 974,756</u>	<u>\$ 113,290</u>	<u>\$ 8,216,174</u>	<u>\$ 1,835,164</u>

Property Management Operations	State Office Building	Parking Services	TIF Districts	Federal and State Assistance	Totals	
					2001	2000
\$ -	\$ -	\$ -	\$ 3,880,919 ✓	\$ -	\$ 8,357,977	\$ 6,318,456
-	-	-	71,363	28,563,109	31,028,738	31,661,280
-	-	-	-	-	4,745,947	3,640,377
1,066,552	967,925	-	-	-	2,080,049	1,935,557
72,640	31,820	-	185,726	396,017	1,438,641	1,535,565
271,276	23,027	-	-	-	8,872,720	10,263,148
35,317	93,067	-	1,818,248	3,378,537	5,443,086	4,623,877
<u>1,445,785</u>	<u>1,115,839</u>	<u>-</u>	<u>5,956,256</u>	<u>32,337,663</u>	<u>61,967,158</u>	<u>59,978,260</u>
1,189,816	1,165,233	-	-	525,733	2,880,782	2,900,741
-	-	-	-	822,584	5,416,993	6,487,616
-	-	-	-	524,559	524,559	396,019
-	-	-	-	-	4,933,070	2,780,898
-	-	-	3,936,816	27,774,980	32,598,488	31,875,191
-	-	-	-	507,716	2,098,208	2,117,061
<u>1,189,816</u>	<u>1,165,233</u>	<u>-</u>	<u>3,936,816</u>	<u>30,155,572</u>	<u>48,452,100</u>	<u>46,557,526</u>
255,969	(49,394)	-	2,019,440	2,182,091	13,515,058	13,420,734
-	-	-	-	45,580	45,580	902,793
(23,250)	-	-	(841,368)	(457,177)	(7,051,095)	(16,719,481)
(23,250)	-	-	(841,368)	(411,597)	(7,005,515)	(15,816,688)
232,719	(49,394)	-	1,178,072	1,770,494	6,509,543	(2,395,954)
1,101,910	654,358	151,530	3,102,688	6,185,249	19,457,673	21,783,193
-	-	-	-	-	-	70,434
1,101,910	654,358	151,530	3,102,688	6,185,249	19,457,673	21,853,627
-	-	(151,530)	-	-	(151,530)	-
<u>\$ 1,334,629</u>	<u>\$ 604,964</u>	<u>\$ -</u>	<u>\$ 4,280,760</u>	<u>\$ 7,955,743</u>	<u>\$ 25,815,686</u>	<u>\$ 19,457,673</u>

CITY OF WICHITA, KANSAS

**TOURISM AND CONVENTION FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Taxes	\$ 4,618,280	\$ 4,474,335	\$ (143,945)	\$ 4,125,596
Interest earnings	89,540	96,525	6,985	90,442
Other	-	75,319	75,319	1,973
Total revenues and other sources	<u>4,707,820</u>	<u>4,646,179</u>	<u>(61,641)</u>	<u>4,218,011</u>
Expenditures and other uses:				
Contractual services	1,919,300	1,719,658	199,642	1,485,060
Operating transfers out	2,793,720	2,793,720	-	2,786,570
Total expenditures and other uses	<u>4,713,020</u>	<u>4,513,378</u>	<u>199,642</u>	<u>4,271,630</u>
Revenues and other sources (under) expenditures and other uses	(5,200)	132,801	138,001	(53,619)
Unencumbered fund balance, January 1	<u>238,239</u>	<u>238,239</u>	-	<u>291,858</u>
Unencumbered fund balance, December 31	<u>\$ 233,039</u>	<u>\$ 371,040</u>	<u>\$ 138,001</u>	<u>\$ 238,239</u>

CITY OF WICHITA, KANSAS

**SPECIAL ALCOHOL PROGRAM FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Intergovernmental-				
private club liquor tax	\$ 1,128,080	\$ 1,197,133	\$ 69,053	\$ 1,105,961
Interest earnings	33,480	41,720	8,240	26,542
Other	-	-	-	345
Total revenues and other sources	<u>1,161,560</u>	<u>1,238,853</u>	<u>77,293</u>	<u>1,132,848</u>
Expenditures and other uses:				
Personal services	655,863	655,942	(79)	638,955
Contractual services	843,753	283,939	559,814	222,331
Materials and supplies	25,394	25,394	-	25,279
Other	175,000	-	175,000	-
Total expenditures and other uses	<u>1,700,010</u>	<u>965,275</u>	<u>734,735</u>	<u>886,565</u>
Revenues and other sources over (under) expenditures and other uses	(538,450)	273,578	812,028	246,283
Unencumbered fund balance, January 1	<u>622,595</u>	<u>622,595</u>	-	<u>376,312</u>
Unencumbered fund balance, December 31	<u>\$ 84,145</u>	<u>\$ 896,173</u>	<u>\$ 812,028</u>	<u>\$ 622,595</u>

CITY OF WICHITA, KANSAS

**SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues and other sources:				
Intergovernmental-				
private club liquor tax	\$ 1,128,080	\$ 1,197,133	\$ 69,053	\$ 1,105,961
Interest earnings	5,030	5,050	20	2,897
Revised budget adjustment	(8,870)	-	8,870	-
Total revenues and other sources	<u>1,124,240</u>	<u>1,202,183</u>	<u>77,943</u>	<u>1,108,858</u>
Expenditures and other uses:				
Operating transfer out	<u>1,142,500</u>	<u>1,142,500</u>	<u>-</u>	<u>1,137,530</u>
Total expenditures and other uses	<u>1,142,500</u>	<u>1,142,500</u>	<u>-</u>	<u>1,137,530</u>
Revenues and other sources (under)				
expenditures and other uses	(18,260)	59,683	77,943	(28,672)
Unencumbered fund balance, January 1	<u>48,669</u>	<u>53,607</u>	<u>4,938</u>	<u>82,279</u>
Unencumbered fund balance, December 31	<u>\$ 30,409</u>	<u>\$ 113,290</u>	<u>\$ 82,881</u>	<u>\$ 53,607</u>

CITY OF WICHITA, KANSAS

**LANDFILL FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Rentals	\$ 35,000	\$ 45,572	\$ 10,572	\$ 44,032
Interest earnings	295,090	526,292	231,202	791,155
Charges for services and sales	7,844,750	7,810,437	(34,313)	9,095,188
Revised budget adjustment	78,100	-	(78,100)	-
Other	-	44,617	44,617	9,040
Total revenues and other sources	8,252,940	8,426,918	173,978	9,939,415
Expenditures and other uses:				
Personal services	279,200	212,020	67,180	237,157
Contractual services	6,573,420	4,305,054	2,268,366	2,436,444
Materials and supplies	35,120	16,780	18,340	24,985
Capital outlay	183,000	182,904	96	-
Operating transfer to General Fund	329,500	329,500	-	221,150
Operating transfer to Post Closure Trust	1,300,000	1,300,000	-	11,000,000
Other	895,750	-	895,750	-
Total expenditures and other uses	9,595,990	6,346,258	3,249,732	13,919,736
Revenues and other sources over (under) expenditures and other uses	(1,343,050)	2,080,660	3,423,710	(3,980,321)
Unencumbered fund balance, January 1	1,556,562	5,365,301	3,808,739	9,345,622
Unencumbered fund balance, December 31	\$ 213,512	\$ 7,445,961	\$ 7,232,449	\$ 5,365,301

CITY OF WICHITA, KANSAS

**CENTRAL INSPECTION FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Special assessments	\$ 6,500	\$ 2,723	\$ (3,777)	\$ 6,307
Licenses and permits	4,268,990	4,745,947	476,957	3,640,377
Rentals	-	-	-	714
Interest earnings	60,000	82,851	22,851	59,327
Charges for services and sales	920,020	767,980	(152,040)	659,153
Revised budget adjustment	(310,870)	-	310,870	-
Other	-	28,888	28,888	35,723
Total revenues and other sources	4,944,640	5,628,389	683,749	4,401,601
Expenditures and other uses:				
Personal services	3,656,990	3,652,612	4,378	3,462,172
Contractual services	923,080	880,999	42,081	848,071
Materials and supplies	39,400	38,241	1,159	29,810
Capital outlay	390	-	390	33,171
Operating transfers out	163,580	163,580	-	92,650
Other	1,095,380	-	1,095,380	-
Total expenditures and other uses	5,878,820	4,735,432	1,143,388	4,465,874
Revenues and other sources over (under) expenditures and other uses	(934,180)	892,957	1,827,137	(64,273)
Unencumbered fund balance, January 1	996,493	932,220	(64,273)	996,493
Unencumbered fund balance, December 31	<u>\$ 62,313</u>	<u>\$ 1,825,177</u>	<u>\$ 1,762,864</u>	<u>\$ 932,220</u>

CITY OF WICHITA, KANSAS

**PROPERTY MANAGEMENT OPERATIONS FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Rentals	\$ 912,460	\$ 1,066,552	\$ 154,092	\$ 915,075
Interest earnings	81,300	72,640	(8,660)	67,195
Charges for services and sales	341,400	271,276	(70,124)	289,708
Revised budget adjustment	(242,240)	-	242,240	-
Other	20,000	45,126	25,126	57,074
Total revenues and other sources	<u>1,112,920</u>	<u>1,455,594</u>	<u>342,674</u>	<u>1,329,052</u>
Expenditures and other uses:				
Personal services	278,110	278,099	11	221,861
Contractual services	956,740	884,628	72,112	806,635
Materials and supplies	30,410	26,858	3,552	29,642
Capital outlay	438,710	-	438,710	133,257
Operating transfer out	23,250	23,250	-	85,027
Total expenditures and other uses	<u>1,727,220</u>	<u>1,212,835</u>	<u>514,385</u>	<u>1,276,422</u>
Revenues and other sources over (under) expenditures and other uses	(614,300)	242,759	857,059	52,630
Unencumbered fund balance, January 1	<u>702,680</u>	<u>1,091,870</u>	<u>389,190</u>	<u>1,039,240</u>
Unencumbered fund balance, December 31	<u>\$ 88,380</u>	<u>\$ 1,334,629</u>	<u>\$ 1,246,249</u>	<u>\$ 1,091,870</u>

CITY OF WICHITA, KANSAS

**STATE OFFICE BUILDING FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues and other sources:				
Intergovernmental	\$ -	\$ -	\$ -	\$ 18,508
Rentals	1,085,960	967,925	(118,035)	975,736
Interest earnings	37,880	31,820	(6,060)	34,262
Charges for services and sales	50,000	23,027	(26,973)	27,776
Revised budget adjustment	21,360	-	(21,360)	-
Other	-	93,067	93,067	1,855
Total revenues and other sources	1,195,200	1,115,839	(79,361)	1,058,137
Expenditures and other uses:				
Personal services	159,960	143,277	16,683	146,310
Contractual services	1,163,030	915,721	247,309	778,131
Materials and supplies	80,700	37,505	43,195	36,735
Capital outlay	5,000	5,000	-	-
Other	88,280	81,126	7,154	52,075
Total expenditures and other uses	1,496,970	1,182,629	314,341	1,013,251
Revenues and other sources over (under) expenditures and other uses	(301,770)	(66,790)	234,980	44,886
Unencumbered fund balance, January 1	370,731	631,267	260,536	586,381
Unencumbered fund balance, December 31	<u>\$ 68,961</u>	<u>\$ 564,477</u>	<u>\$ 495,516</u>	<u>\$ 631,267</u>

CITY OF WICHITA, KANSAS

**PARKING SERVICES FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Rentals	\$ 2,600	\$ -	\$ (2,600)	\$ -
Charges for services and sales	272,740	-	(272,740)	191,323
Interest earnings	-	-	-	16,822
Operating transfers in	321,450	-	(321,450)	151,530
Total revenues and other sources	596,790	-	(596,790)	359,675
Expenditures and other uses:				
Other	445,260	-	445,260	-
Operating transfer out	151,530	-	151,530	208,145
Total expenditures and other uses	596,790	-	596,790	208,145
Revenues and other sources over expenditures and other uses	-	-	-	151,530
Unencumbered fund balance, January 1	-	151,530	151,530	-
Residual equity transfer out	-	(151,530)	(151,530)	-
Unencumbered fund balance, December 31	\$ -	\$ -	\$ -	\$ 151,530

CITY OF WICHITA, KANSAS

**GILBERT/MOSLEY TIF DISTRICT FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues and other sources:				
Taxes	\$ 2,600,000	\$ 2,480,535	\$ (119,465)	\$ 1,152,985
Interest earnings	146,170	105,478	(40,692)	87,650
Other	6,700,000	1,829,635	(4,870,365)	2,516,500
Total revenues and other sources	<u>9,446,170</u>	<u>4,415,648</u>	<u>(5,030,522)</u>	<u>3,757,135</u>
Expenditures and other uses:				
Personal services	34,170	22,877	11,293	35,336
Contractual services	7,990,190	3,786,659	4,203,531	3,152,082
Materials and supplies	1,500	1,053	447	1,137
Capital outlay	2,899,410	-	2,899,410	-
Operating transfers out	546,290	546,290	-	623,280
Total expenditures and other uses	<u>11,471,560</u>	<u>4,356,879</u>	<u>7,114,681</u>	<u>3,811,835</u>
Revenues and other sources over (under) expenditures and other uses	(2,025,390)	58,769	2,084,159	(54,700)
Unencumbered fund balance, January 1	<u>2,037,902</u>	<u>2,037,902</u>	-	<u>2,092,602</u>
Unencumbered fund balance, December 31	<u>\$ 12,512</u>	<u>\$ 2,096,671</u>	<u>\$ 2,084,159</u>	<u>\$ 2,037,902</u>

CITY OF WICHITA, KANSAS

**NORTH INDUSTRIAL CORRIDOR TIF DISTRICT FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues and other sources:				
Taxes	\$ 1,150,000	\$ 1,108,821	\$ (41,179)	\$ 825,502
Interest earnings	5,420	62,590	57,170	40,548
Other	150,000	362,400	212,400	15,000
Total revenues and other sources	<u>1,305,420</u>	<u>1,533,811</u>	<u>228,391</u>	<u>881,050</u>
Expenditures and other uses:				
Contractual services	1,161,830	934,072	227,758	84,523
Materials and supplies	3,000	1,415	1,585	1,440
Capital outlay	25,000	-	25,000	3,810
Other	250,000	-	250,000	-
Total expenditures and other uses	<u>1,439,830</u>	<u>935,487</u>	<u>504,343</u>	<u>89,773</u>
Revenues and other sources over (under) expenditures and other uses	(134,410)	598,324	732,734	791,277
Unencumbered fund balance, January 1	<u>162,395</u>	<u>162,395</u>	-	<u>(628,882)</u>
Unencumbered fund balance, December 31	<u>\$ 27,985</u>	<u>\$ 760,719</u>	<u>\$ 732,734</u>	<u>\$ 162,395</u>

CITY OF WICHITA, KANSAS

**EAST BANK TIF DISTRICT FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues and other sources:				
Taxes	\$ 390,080	\$ 3,755	\$ (386,325)	\$ -
Intergovernmental	29,500	1,189	(28,311)	-
Interest earnings	-	1,624	1,624	-
Total revenues and other sources	<u>419,580</u>	<u>6,568</u>	<u>(413,012)</u>	<u>-</u>
Expenditures and other uses:				
Operating transfers out	<u>419,580</u>	<u>6,568</u>	<u>413,012</u>	<u>-</u>
Total expenditures and other uses	<u>419,580</u>	<u>6,568</u>	<u>413,012</u>	<u>-</u>
Revenues and other sources over expenditures and other uses	-	-	-	-
Unencumbered fund balance, January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WICHITA, KANSAS

**OLD TOWN TIF DISTRICT FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues and other sources:				
Taxes	\$ 157,490	\$ 272,368	\$ 114,878	\$ 208,066
Intergovernmental	46,670	63,821	17,151	36,700
Interest earnings	-	15,154	15,154	9,723
Other	-	-	-	60
Total revenues and other sources	<u>204,160</u>	<u>351,343</u>	<u>147,183</u>	<u>254,549</u>
Expenditures and other uses:				
Operating transfers out	<u>265,840</u>	<u>265,840</u>	<u>-</u>	<u>192,870</u>
Total expenditures and other uses	<u>265,840</u>	<u>265,840</u>	<u>-</u>	<u>192,870</u>
Revenues and other sources over (under) expenditures and other uses	(61,680)	85,503	147,183	61,679
Unencumbered fund balance, January 1	<u>61,680</u>	<u>61,679</u>	<u>(1)</u>	<u>-</u>
Unencumbered fund balance, December 31	<u>\$ -</u>	<u>\$ 147,182</u>	<u>\$ 147,182</u>	<u>\$ 61,679</u>

CITY OF WICHITA, KANSAS

**21ST & GROVE TIF DISTRICT FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues and other sources:				
Taxes	\$ 124,600	\$ 15,440	\$ (109,160)	\$ -
Intergovernmental	9,420	6,353	(3,067)	5,198
Interest earnings	-	880	880	-
Total revenues and other sources	<u>134,020</u>	<u>22,673</u>	<u>(111,347)</u>	<u>5,198</u>
Expenditures and other uses:				
Operating transfers out	<u>134,020</u>	<u>22,670</u>	<u>111,350</u>	<u>5,198</u>
Total expenditures and other uses	<u>134,020</u>	<u>22,670</u>	<u>111,350</u>	<u>5,198</u>
Revenues and other sources over expenditures and other uses	-	3	3	-
Unencumbered fund balance, January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered fund balance, December 31	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -</u>

✿ DEBT SERVICE FUND ✿

The primary purpose of the Debt Service Fund is to provide for the payment of interest and principal on long-term general obligation debt. Funding sources include property taxes, special assessments, interest earnings, transfers from other funds and other miscellaneous sources.

CITY OF WICHITA, KANSAS

DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS

December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and temporary investments	\$ 6,393,067	\$ 25,014,585
Tangible property taxes receivable	21,311,530	20,278,750
Special assessments receivable	149,255,000	158,375,000
Due from other funds	<u>-</u>	<u>21,959</u>
Total assets	<u>\$ 176,959,597</u>	<u>\$ 203,690,294</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Deferred revenue	<u>\$ 170,566,564</u>	<u>\$ 178,653,783</u>
Total liabilities	<u>170,566,564</u>	<u>178,653,783</u>
Fund balance:		
Unreserved:		
Designated	<u>6,393,033</u>	<u>25,036,511</u>
Total liabilities and fund balance	<u>\$ 176,959,597</u>	<u>\$ 203,690,294</u>

CITY OF WICHITA, KANSAS

**DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

Years ended December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
Revenues:		
Taxes	\$ 23,780,574	\$ 22,379,918
Special assessments	25,597,856	24,575,626
Interest earnings	2,005,927	1,760,282
Other	<u>2,573,156</u>	<u>700,275</u>
Total revenues	<u>53,957,513</u>	<u>49,416,101</u>
Expenditures:		
Debt service:		
Principal retirement	45,994,066	35,464,048
Interest and fiscal charges	<u>14,312,200</u>	<u>14,305,994</u>
Total expenditures	<u>60,306,266</u>	<u>49,770,042</u>
Deficiency of revenues under expenditures	<u>(6,348,753)</u>	<u>(353,941)</u>
Other financing sources (uses):		
Operating transfers in	12,233,440	12,796,761
Operating transfers out - retirement of temporary notes	<u>(24,528,165)</u>	<u>(2,896,418)</u>
Total other financing sources (uses)	<u>(12,294,725)</u>	<u>9,900,343</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(18,643,478)	9,546,402
Fund balance, January 1	<u>25,036,511</u>	<u>15,490,109</u>
Fund balance, December 31	<u>\$ 6,393,033</u>	<u>\$ 25,036,511</u>

CITY OF WICHITA, KANSAS

**DEBT SERVICE FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Taxes:				
Property taxes	\$ 19,891,560	\$ 19,996,873	\$ 105,313	\$ 18,448,293
Delinquent property taxes	407,260	368,336	(38,924)	337,420
Special assessments	24,456,240	24,309,999	(146,241)	23,202,051
Delinquent special assessments	1,468,850	1,287,857	(180,993)	1,373,575
Motor vehicle tax	3,287,080	3,415,365	128,285	3,594,205
Total taxes	49,510,990	49,378,430	(132,560)	46,955,544
Interest earnings:				
Interest income	2,075,000	2,005,927	(69,073)	1,760,282
Accrued interest on bonds sold	-	39,538	39,538	75,859
Total interest earnings	2,075,000	2,045,465	(29,535)	1,836,141
Other revenues:				
Operating transfers in	13,357,540	12,233,440	(1,124,100)	12,796,761
Other	-	2,533,618	2,533,618	624,416
Total other revenues	13,357,540	14,767,058	1,409,518	13,421,177
Total revenues and other sources	64,943,530	66,190,953	1,247,423	62,212,862
Expenditures and other uses:				
Interest on general obligation bonds	5,369,290	4,990,178	379,112	5,737,614
Interest on special assessment bonds	8,667,950	9,047,924	(379,974)	8,357,085
Interest on HUD Section 108 loan	193,500	193,498	2	202,061
Commission, postage and refunds	65,030	80,600	(15,570)	9,234
Retirement of general obligation bonds	21,954,070	21,954,066	4	19,834,048
Retirement of special assessment bonds	15,805,000	23,865,000	(8,060,000)	15,465,000
Retirement of HUD Section 108 loan	175,000	175,000	-	165,000
Operating transfer out - retirement of temporary notes	33,500,000	24,528,165	8,971,835	2,896,418
Total expenditures and other uses	85,729,840	84,834,431	895,409	52,666,460
Revenues and other sources over (under) expenditures and other uses	(20,786,310)	(18,643,478)	2,142,832	9,546,402
Unencumbered fund balance, January 1	25,036,511	25,036,511	-	15,490,109
Unencumbered fund balance, December 31	\$ 4,250,201	\$ 6,393,033	\$ 2,142,832	\$ 25,036,511



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☀ CAPITAL PROJECTS FUNDS ☀

The purpose of the Capital Projects Funds is to account for capital improvements (except for those financed by proprietary funds) that are financed from the City's general obligation bond issues, special assessments, local sales tax, certain Federal grants and other City funds.

Water Main Extension

Park Bond Construction

Public Improvement Construction

Sewer Construction

Street Improvement

Local Sales Tax CIP



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CITY OF WICHITA, KANSAS

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET**

December 31, 2001
(with comparative totals for December 31, 2000)

	<u>Water Main Extension</u>	<u>Park Bond Construction</u>	<u>Public Improvement Construction</u>
<u>ASSETS</u>			
Cash and temporary investments	\$ -	\$ -	\$ 16,709,810
Due from other agencies	-	-	300,000
Accounts receivable	-	500	204,884
Due from other funds	-	-	-
 Total assets	 <u>\$ -</u>	 <u>\$ 500</u>	 <u>\$ 17,214,694</u>
 <u>LIABILITIES AND FUND BALANCES (DEFICITS)</u>			
Liabilities:			
Accounts payable and accrued payroll	\$ 5,901	\$ 149,231	\$ 863,304
Accrued interest payable	29,605	9,341	55,147
Temporary notes payable	2,125,069	556,600	3,310,900
Due to other funds	<u>1,855,217</u>	<u>48,412</u>	<u>-</u>
 Total liabilities	 <u>4,015,792</u>	 <u>763,584</u>	 <u>4,229,351</u>
Fund balances (deficits):			
Reserved for encumbrances	248,001	1,591,046	27,860,115
Unreserved - undesignated	<u>(4,263,793)</u>	<u>(2,354,130)</u>	<u>(14,874,772)</u>
 Total fund balances (deficits)	 <u>(4,015,792)</u>	 <u>(763,084)</u>	 <u>12,985,343</u>
 Total liabilities and fund balances	 <u>\$ -</u>	 <u>\$ 500</u>	 <u>\$ 17,214,694</u>

Sewer Construction	Street Improvement	Local Sales Tax CIP	Totals	
			2001	2000
\$ -	\$ 31,155,624	\$ 3,453,089	\$ 51,318,523	\$ 28,948,988
-	-	-	300,000	369,254
-	2,120,919	-	2,326,303	2,019,607
-	-	7,030,768	7,030,768	4,017,305
<u>\$ -</u>	<u>\$ 33,276,543</u>	<u>\$ 10,483,857</u>	<u>\$ 60,975,594</u>	<u>\$ 35,355,154</u>
\$ 95,845	\$ 1,618,799	\$ -	\$ 2,733,080	\$ 931,547
25,986	544,476	-	664,555	249,978
1,260,432	11,688,700	-	18,941,701	11,050,400
5,127,139	-	-	7,030,768	4,017,305
<u>6,509,402</u>	<u>13,851,975</u>	<u>-</u>	<u>29,370,104</u>	<u>16,249,230</u>
633,692	24,282,186	-	54,615,040	28,669,649
<u>(7,143,094)</u>	<u>(4,857,618)</u>	<u>10,483,857</u>	<u>(23,009,550)</u>	<u>(9,563,725)</u>
<u>(6,509,402)</u>	<u>19,424,568</u>	<u>10,483,857</u>	<u>31,605,490</u>	<u>19,105,924</u>
<u>\$ -</u>	<u>\$ 33,276,543</u>	<u>\$ 10,483,857</u>	<u>\$ 60,975,594</u>	<u>\$ 35,355,154</u>

CITY OF WICHITA, KANSAS

**CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICITS)**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Water Main Extension</u>	<u>Park Bond Construction</u>	<u>Public Improvement Construction</u>
Revenues:			
Special assessments	\$ 512,978	\$ -	\$ -
Intergovernmental	24,834	184,482	38,450
Interest earnings	-	-	162,763
Other	<u>296,768</u>	<u>-</u>	<u>3,123,672</u>
Total revenues	<u>834,580</u>	<u>184,482</u>	<u>3,324,885</u>
Expenditures:			
Retirement of bond anticipation notes	1,299,400	-	-
Temporary note interest	115,561	49,072	125,412
Project costs	<u>4,141,609</u>	<u>2,904,914</u>	<u>37,621,847</u>
Total expenditures	<u>5,556,570</u>	<u>2,953,986</u>	<u>37,747,259</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,721,990)</u>	<u>(2,769,504)</u>	<u>(34,422,374)</u>
Other financing sources (uses):			
Proceeds from sale of bonds	2,631,596	-	-
Proceeds from bond anticipation notes	1,204,931	494,100	2,892,100
Operating transfers in - retirement of temporary notes	-	1,730,593	20,013,875
Operating transfers in - other	-	-	7,488,160
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>3,836,527</u>	<u>2,224,693</u>	<u>30,394,135</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(885,463)	(544,811)	(4,028,239)
Fund balances (deficits), January 1	<u>(3,130,329)</u>	<u>(218,273)</u>	<u>17,013,582</u>
Fund balances (deficits), December 31	<u>\$ (4,015,792)</u>	<u>\$ (763,084)</u>	<u>\$ 12,985,343</u>

Sewer Construction	Street Improvement	Local Sales Tax CIP	Totals	
			2001	2000
\$ 30,978	\$ 140,644	\$ -	\$ 684,600	\$ 1,274,762
58	15,073,560	-	15,321,384	16,172,834
-	532,084	395,250	1,090,097	1,694,258
-	162,677	101,683	3,684,800	3,135,913
<u>31,036</u>	<u>15,908,965</u>	<u>496,933</u>	<u>20,780,881</u>	<u>22,277,767</u>
1,590,000	4,460,200	-	7,349,600	9,283,500
107,117	940,290	-	1,337,452	907,900
<u>7,747,494</u>	<u>63,375,771</u>	<u>-</u>	<u>115,791,635</u>	<u>78,919,861</u>
<u>9,444,611</u>	<u>68,776,261</u>	<u>-</u>	<u>124,478,687</u>	<u>89,111,261</u>
<u>(9,413,575)</u>	<u>(52,867,296)</u>	<u>496,933</u>	<u>(103,697,806)</u>	<u>(66,833,494)</u>
3,788,523	8,324,881	-	14,745,000	38,116,200
1,662,568	49,554,600	-	55,808,299	7,349,600
-	2,623,697	-	24,368,165	-
-	1,963,729	11,824,019	21,275,908	20,002,291
-	14,632,154	(14,632,154)	-	-
<u>5,451,091</u>	<u>77,099,061</u>	<u>(2,808,135)</u>	<u>116,197,372</u>	<u>65,468,091</u>
<u>(3,962,484)</u>	<u>24,231,765</u>	<u>(2,311,202)</u>	<u>12,499,566</u>	<u>(1,365,403)</u>
<u>(2,546,918)</u>	<u>(4,807,197)</u>	<u>12,795,059</u>	<u>19,105,924</u>	<u>20,471,327</u>
<u>\$ (6,509,402)</u>	<u>\$ 19,424,568</u>	<u>\$ 10,483,857</u>	<u>\$ 31,605,490</u>	<u>\$ 19,105,924</u>



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☀ ENTERPRISE FUNDS ☀

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The fund measurement focus is upon determination of net income, financial position and change in financial position.

Water Utility - operates and maintains the water component of the combined utility, providing an adequate, quality supply of water, and an adequate, sanitary means of wastewater disposal.

Sewer Utility - operates and maintains the sewer component of the combined utility, including wastewater treatment plants and maintains more than 1,200 miles of sewer laterals and mains.

Storm Water Utility - administers the acquisition, design, construction, maintenance and operation of the City's drainage system. The Storm Water Utility also maintains and operates the Wichita-Valley Center Flood Control Project under the guidance of the Corps of Engineers.

Golf Course System - provides the public four suitable golf facilities on a self-sustaining basis.

Wichita Airport Authority – provides facilities for air transportation services for the public, business and industry while maintaining the safe operation of assets.

Wichita Transit - provides economical bus service through regular route services and special charter services.



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CITY OF WICHITA, KANSAS

**ENTERPRISE FUNDS
COMBINING BALANCE SHEET**

December 31, 2001
(with comparative totals for December 31, 2000)

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Water Utility</u>
<u>ASSETS</u>			
Current assets:			
Cash and temporary investments	\$ 3,178,953	\$ 2,542,307	\$ 661,197
Receivables:			
Due from other agencies	-	-	-
Accounts	6,632,753	617,385	158,950
Due from other funds	4,119,616	-	-
Inventories	957,529	24,922	36,479
Prepaid expenses	-	-	-
Total current assets	<u>14,888,851</u>	<u>3,184,614</u>	<u>856,626</u>
Restricted assets:			
Cash and temporary investments	28,675,675	-	-
Receivables	-	-	-
Net investment in direct financing leases	-	-	-
Total restricted assets	<u>28,675,675</u>	<u>-</u>	<u>-</u>
Fixed assets:			
Land	7,869,566	2,265,210	1,512,830
Airfield	-	-	-
Buildings	56,005,292	54,214,366	2,428,303
Improvements other than buildings	262,979,703	177,968,899	54,172,489
Machinery, equipment and other assets	28,166,375	8,929,921	2,612,096
	355,020,936	243,378,396	60,725,718
Less accumulated depreciation	<u>98,449,564</u>	<u>52,057,054</u>	<u>5,172,434</u>
	256,571,372	191,321,342	55,553,284
Construction in progress	<u>39,239,243</u>	<u>69,278,778</u>	<u>8,324,162</u>
Net fixed assets	<u>295,810,615</u>	<u>260,600,120</u>	<u>63,877,446</u>
Other assets	<u>1,192,668</u>	<u>723,141</u>	<u>-</u>
Total assets	<u>\$ 340,567,809</u>	<u>\$ 264,507,875</u>	<u>\$ 64,734,072</u>

Golf Course System	Wichita Airport Authority	Wichita Transit	Totals	
			2001	2000
\$ 120,561	\$ 8,241,744	\$ 1,519,223	\$ 16,263,985	\$ 19,406,410
-	-	513,373	513,373	279,965
-	1,356,187	140,174	8,905,449	10,013,046
-	-	-	4,119,616	-
-	-	312,362	1,331,292	1,517,223
-	51,689	-	51,689	125,494
<u>120,561</u>	<u>9,649,620</u>	<u>2,485,132</u>	<u>31,185,404</u>	<u>31,342,138</u>
-	3,475,276	-	32,150,951	52,276,413
-	327,308	-	327,308	391,541
-	31,093,322	-	31,093,322	36,568,126
-	<u>34,895,906</u>	-	<u>63,571,581</u>	<u>89,236,080</u>
631,534	8,298,942	1,956,416	22,534,498	21,529,159
-	105,699,750	-	105,699,750	105,911,964
2,237,272	36,023,260	9,234,326	160,142,819	147,720,093
13,755,721	22,383,358	480,779	531,740,949	460,698,672
<u>1,638,984</u>	<u>14,897,037</u>	<u>12,749,899</u>	<u>68,994,312</u>	<u>66,738,002</u>
18,263,511	187,302,347	24,421,420	889,112,328	802,597,890
<u>4,085,544</u>	<u>106,625,397</u>	<u>12,170,596</u>	<u>278,560,589</u>	<u>256,410,508</u>
14,177,967	80,676,950	12,250,824	610,551,739	546,187,382
<u>307,743</u>	<u>5,480,362</u>	<u>2,231,304</u>	<u>124,861,592</u>	<u>119,755,672</u>
<u>14,485,710</u>	<u>86,157,312</u>	<u>14,482,128</u>	<u>735,413,331</u>	<u>665,943,054</u>
-	-	-	1,915,809	1,790,334
<u>\$ 14,606,271</u>	<u>\$ 130,702,838</u>	<u>\$ 16,967,260</u>	<u>\$ 832,086,125</u>	<u>\$ 788,311,606</u>

(Continued)

CITY OF WICHITA, KANSAS

**ENTERPRISE FUNDS
COMBINING BALANCE SHEET (CONTINUED)**

December 31, 2001
(with comparative totals for December 31, 2000)

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Water Utility</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Current liabilities:			
Accounts payable and accrued payroll	\$ 1,321,697	\$ 2,539,646	\$ 262,480
Accrued interest payable	281,232	-	29,530
Temporary notes payable	-	-	250,000
Deposits	1,584,742	-	-
Due to other funds	-	4,119,616	-
Current installments:			
Long-term debt	-	-	1,320,000
Contracts payable	256,845	-	-
Capital lease obligations	-	-	-
Total current liabilities	<u>3,444,516</u>	<u>6,659,262</u>	<u>1,862,010</u>
Liabilities payable from restricted assets:			
Accounts payable and accrued payroll	-	-	-
Accrued interest payable	1,090,521	622,926	-
Current installment of long-term debt	4,946,891	3,706,305	-
Revenue bonds	-	-	-
Total liabilities payable from restricted assets	<u>6,037,412</u>	<u>4,329,231</u>	<u>-</u>
Long-term liabilities:			
Revenue bonds	86,921,485	54,585,319	-
Unamortized deferred refunding	(611,370)	(520,481)	-
Unamortized revenue bond premium	129,256	202,170	-
General obligation bonds	-	-	6,045,000
Contracts payable	811,898	-	-
Special assessments	-	-	-
Accrued vacation	453,582	252,560	71,917
Total long-term liabilities	<u>87,704,851</u>	<u>54,519,568</u>	<u>6,116,917</u>
Total liabilities	<u>97,186,779</u>	<u>65,508,061</u>	<u>7,978,927</u>
Fund equity:			
Contributed capital	95,540,153	83,217,126	34,623,816
Retained earnings - unreserved	147,840,877	115,782,688	22,131,329
Total fund equity	<u>243,381,030</u>	<u>198,999,814</u>	<u>56,755,145</u>
Total liabilities and fund equity	<u>\$ 340,567,809</u>	<u>\$ 264,507,875</u>	<u>\$ 64,734,072</u>

Golf Course System	Wichita Airport Authority	Wichita Transit	Totals	
			2001	2000
\$ 153,298	\$ 218,528	\$ 200,789	\$ 4,696,438	\$ 1,285,108
36,311	100,958	847	448,878	422,193
-	-	-	250,000	1,630,000
522	15,420	-	1,600,684	1,406,041
-	-	-	4,119,616	-
647,982	517,446	106,010	2,591,438	3,786,283
-	-	-	256,845	250,276
-	-	-	-	1,083
<u>838,113</u>	<u>852,352</u>	<u>307,646</u>	<u>13,963,899</u>	<u>8,780,984</u>
-	173,022	-	173,022	89,311
-	327,308	-	2,040,755	2,357,794
-	-	-	8,653,196	7,785,000
-	31,093,322	-	31,093,322	36,568,126
-	<u>31,593,652</u>	-	<u>41,960,295</u>	<u>46,800,231</u>
-	-	-	141,506,804	145,740,000
-	-	-	(1,131,851)	(1,148,756)
-	-	-	331,426	-
7,682,468	4,865,000	97,020	18,689,488	21,278,480
-	-	-	811,898	1,068,743
-	-	-	-	2,445
74,909	237,096	160,910	1,250,974	1,026,675
<u>7,757,377</u>	<u>5,102,096</u>	<u>257,930</u>	<u>161,458,739</u>	<u>167,967,587</u>
<u>8,595,490</u>	<u>37,548,100</u>	<u>565,576</u>	<u>217,382,933</u>	<u>223,548,802</u>
3,122,925	70,436,126	14,253,184	301,193,330	307,331,460
2,887,856	22,718,612	2,148,500	313,509,862	257,431,344
<u>6,010,781</u>	<u>93,154,738</u>	<u>16,401,684</u>	<u>614,703,192</u>	<u>564,762,804</u>
<u>\$ 14,606,271</u>	<u>\$ 130,702,838</u>	<u>\$ 16,967,260</u>	<u>\$ 832,086,125</u>	<u>\$ 788,311,606</u>

CITY OF WICHITA, KANSAS

**ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Water Utility</u>
Operating revenues:			
Charges for services	\$ 31,945,983	\$ 23,725,881	\$ 4,982,021
Fees	-	-	-
Rentals	1,788	-	-
Other	45,747	53,897	6,751
Total operating revenues	<u>31,993,518</u>	<u>23,779,778</u>	<u>4,988,772</u>
Operating expenses:			
Personal services	6,689,533	7,353,116	1,548,686
Contractual services	5,653,740	3,607,304	976,349
Materials and supplies	2,317,402	2,153,781	205,873
Administrative charges	747,950	182,450	48,710
Payments in lieu of franchise fees	1,786,300	1,471,750	166,350
Depreciation	5,954,291	3,391,694	924,698
Total operating expenses	<u>23,149,216</u>	<u>18,160,095</u>	<u>3,870,666</u>
Operating income (loss)	<u>8,844,302</u>	<u>5,619,683</u>	<u>1,118,106</u>
Nonoperating revenues (expenses):			
Operating grants	-	-	-
Interest on investments	1,865,693	551,456	83,970
Other revenues (expenses)	(34,595)	-	-
Interest expense	(2,379,799)	(303,953)	(349,290)
Proceeds from sale of assets	17,768	(32,696)	-
Bond discount amortization	(70,058)	(41,093)	-
Total nonoperating revenues (expenses)	<u>(600,991)</u>	<u>173,714</u>	<u>(265,320)</u>
Net income (loss) before operating transfers	8,243,311	5,793,397	852,786
Capital contributions and operating transfers:			
Capital contributions - tap fees	2,582,291	821,980	-
Capital contributions - cash received for capital purposes	-	89,377	-
Capital contributions - local government	32,193	-	166,785
Capital contributions - federal government	237,190	-	-
Capital contributions - capital grants	-	-	-
Capital contributions - passenger facility charges	-	-	-
Capital contributions - benefit districts	2,910,350	2,566,842	1,113,926
Capital contributions - other government	-	24,875,212	-
Transfers from other funds	-	-	674,500
Transfers to other funds	(693,410)	(285,060)	-
Net income (loss)	13,311,925	33,861,748	2,807,997
Add depreciation on assets acquired through contributed capital	1,934	471,825	-
Increase (decrease) in retained earnings	13,313,859	34,333,573	2,807,997
Retained earnings, January 1	134,527,018	81,449,115	19,323,332
Retained earnings, December 31	<u>\$ 147,840,877</u>	<u>\$ 115,782,688</u>	<u>\$ 22,131,329</u>

Golf Course System	Wichita Airport Authority	Wichita Transit	Totals	
			2001	2000
\$ 124,253	\$ 3,383,316	\$ 1,672,857	\$ 65,834,311	\$ 63,764,509
2,994,441	2,161,738	-	5,156,179	5,093,725
211,734	9,171,476	28,492	9,413,490	9,703,404
3,578	33,818	33,333	177,124	157,009
<u>3,334,006</u>	<u>14,750,348</u>	<u>1,734,682</u>	<u>80,581,104</u>	<u>78,718,647</u>
1,364,680	4,701,902	4,900,753	26,558,670	24,294,916
670,063	2,120,212	1,657,134	14,684,802	13,575,038
525,799	3,115,459	1,016,413	9,334,727	7,604,257
63,520	292,810	211,340	1,546,780	1,596,000
-	-	-	3,424,400	3,429,830
630,599	7,135,927	864,693	18,901,902	18,933,695
<u>3,254,661</u>	<u>17,366,310</u>	<u>8,650,333</u>	<u>74,451,281</u>	<u>69,433,736</u>
<u>79,345</u>	<u>(2,615,962)</u>	<u>(6,915,651)</u>	<u>6,129,823</u>	<u>9,284,911</u>
-	-	2,809,790	2,809,790	2,090,079
60,377	2,869,587	67,385	5,498,468	6,749,004
-	7,176	-	(27,419)	(421,207)
(484,656)	(2,788,933)	(12,314)	(6,318,945)	(6,931,606)
(1,573)	(256,161)	2,637	(270,025)	(42,790)
-	-	-	(111,151)	(110,562)
<u>(425,852)</u>	<u>(168,331)</u>	<u>2,867,498</u>	<u>1,580,718</u>	<u>1,332,918</u>
<u>(346,507)</u>	<u>(2,784,293)</u>	<u>(4,048,153)</u>	<u>7,710,541</u>	<u>10,617,829</u>
-	-	-	3,404,271	-
-	-	-	89,377	-
-	-	-	198,978	-
-	851,381	-	1,088,571	-
-	-	935,816	935,816	-
-	1,668,183	-	1,668,183	-
-	-	-	6,591,118	-
-	-	232,211	25,107,423	-
-	-	3,475,080	4,149,580	3,793,640
-	-	(25,000)	(1,003,470)	(1,040,448)
<u>(346,507)</u>	<u>(264,729)</u>	<u>569,954</u>	<u>49,940,388</u>	<u>13,371,021</u>
-	4,985,152	679,219	6,138,130	6,237,961
<u>(346,507)</u>	<u>4,720,423</u>	<u>1,249,173</u>	<u>56,078,518</u>	<u>19,608,982</u>
<u>3,234,363</u>	<u>17,998,189</u>	<u>899,327</u>	<u>257,431,344</u>	<u>237,822,362</u>
<u>\$ 2,887,856</u>	<u>\$ 22,718,612</u>	<u>\$ 2,148,500</u>	<u>\$ 313,509,862</u>	<u>\$ 257,431,344</u>

CITY OF WICHITA, KANSAS

**ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Water Utility</u>
Cash flows from operating activities:			
Cash received from customers	\$ 32,400,002	\$ 24,132,586	\$ 4,923,318
Cash payments to suppliers for goods and services	(7,687,143)	(3,685,202)	(1,184,845)
Cash payments to employees for services	(6,647,578)	(7,333,499)	(1,537,049)
Payment in lieu of franchise fees	(1,786,300)	(1,471,750)	(166,350)
Other operating revenues	<u>45,747</u>	<u>53,897</u>	<u>6,751</u>
Net cash provided by (used in) operating activities	<u>16,324,728</u>	<u>11,696,032</u>	<u>2,041,825</u>
Cash flows from noncapital financing activities:			
Operating grants received	-	-	-
Interfund loan	(4,119,616)	-	-
Operating transfers in	-	-	674,500
Operating transfers out	(693,410)	(285,060)	-
Negative cash balance implicitly financed	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) noncapital financing activities	<u>(4,813,026)</u>	<u>(285,060)</u>	<u>674,500</u>
Cash flows from capital and related financing activities:			
Proceeds from interfund loan	-	4,119,616	-
Proceeds from long-term debt and temporary notes	4,539,308	-	250,000
Bond issuance costs paid	(16,690)	-	-
Additions to property, plant and equipment (net)	(17,155,754)	(26,309,798)	(3,428,332)
Debt service - principal	(4,607,284)	(3,694,659)	(1,250,000)
Debt service - refunding	120,749	104,274	-
Debt service - interest	(4,744,694)	(3,305,846)	(353,613)
Capital lease payments	-	-	-
Proceeds from sale of assets	17,768	(32,696)	-
Specified use proceeds	-	-	-
Tap fees in excess of connection costs	2,582,291	821,980	-
Cash received for capital purposes	-	89,377	-
Capital contributed by local government	30,645	-	166,125
Capital refunded to local government	-	-	-
Capital contributed by federal government	237,190	-	-
Capital grants received	-	-	-
Capital contributed by passenger facility charges	<u>-</u>	<u>-</u>	<u>-</u>
Net cash (used in) capital and related financing activities	<u>(18,996,471)</u>	<u>(28,207,752)</u>	<u>(4,615,820)</u>
Cash flows from investing activities:			
Interest on investments	<u>1,865,693</u>	<u>551,456</u>	<u>83,970</u>
Net cash provided by investing activities	<u>1,865,693</u>	<u>551,456</u>	<u>83,970</u>
Net increase (decrease) in cash and temporary investments	(5,619,076)	(16,245,324)	(1,815,525)
Cash and temporary investments, January 1	<u>37,473,704</u>	<u>18,787,631</u>	<u>2,476,722</u>
Cash and temporary investments, December 31	<u>\$ 31,854,628</u>	<u>\$ 2,542,307</u>	<u>\$ 661,197</u>

Golf Course System	Wichita Airport Authority	Wichita Transit	Totals	
			2001	2000
\$ 3,331,130	\$ 15,133,975	\$ 1,760,028	\$ 81,681,039	\$ 76,641,823
(1,227,114)	(5,395,205)	(2,750,329)	(21,929,838)	(23,767,346)
(1,352,787)	(4,673,716)	(4,789,742)	(26,334,371)	(24,262,528)
-	-	-	(3,424,400)	(3,429,830)
3,578	33,818	33,333	177,124	157,009
<u>754,807</u>	<u>5,098,872</u>	<u>(5,746,710)</u>	<u>30,169,554</u>	<u>25,339,128</u>
-	-	2,809,790	2,809,790	2,090,079
-	-	-	(4,119,616)	-
-	-	3,475,080	4,149,580	3,793,640
-	-	(25,000)	(1,003,470)	(1,040,448)
-	-	-	-	(6,497,561)
<u>-</u>	<u>-</u>	<u>6,259,870</u>	<u>1,836,284</u>	<u>(1,654,290)</u>
-	-	-	4,119,616	-
-	-	-	4,789,308	15,090,834
-	-	-	(16,690)	(22,957)
(565,891)	(2,767,167)	(1,171,577)	(51,398,519)	(38,831,477)
(632,982)	(3,427,290)	(106,010)	(13,718,225)	(16,756,532)
-	-	-	225,023	28
(599,477)	(420,338)	(12,744)	(9,436,712)	(9,029,421)
-	(1,083)	-	(1,083)	(1,469)
(1,573)	(256,161)	2,637	(270,025)	(42,790)
-	7,176	-	7,176	6,589
-	-	-	3,404,271	3,085,143
-	-	-	89,377	24
-	-	-	196,770	2,233,097
-	-	-	-	(161,712)
-	851,381	-	1,088,571	3,510,971
-	-	935,816	935,816	446,784
-	1,668,183	-	1,668,183	1,758,500
<u>(1,799,923)</u>	<u>(4,345,299)</u>	<u>(351,878)</u>	<u>(58,317,143)</u>	<u>(38,714,388)</u>
<u>60,377</u>	<u>414,537</u>	<u>67,385</u>	<u>3,043,418</u>	<u>4,294,537</u>
<u>60,377</u>	<u>414,537</u>	<u>67,385</u>	<u>3,043,418</u>	<u>4,294,537</u>
(984,739)	1,168,110	228,667	(23,267,887)	(10,735,013)
<u>1,105,300</u>	<u>10,548,910</u>	<u>1,290,556</u>	<u>71,682,823</u>	<u>82,417,836</u>
<u>\$ 120,561</u>	<u>\$ 11,717,020</u>	<u>\$ 1,519,223</u>	<u>\$ 48,414,936</u>	<u>\$ 71,682,823</u>

(Continued)

CITY OF WICHITA, KANSAS

**ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY (USED IN) OPERATING ACTIVITIES**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Water Utility</u>
Operating income (loss)	\$ 8,844,302	\$ 5,619,683	\$ 1,118,106
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	5,954,291	3,391,694	924,698
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	264,899	406,705	(58,703)
(Increase) decrease in inventory	152,459	-	(12,245)
Decrease in prepaid expenses	-	-	-
Increase (decrease) in accounts payable/accrued payroll	879,490	2,258,333	58,332
Increase (decrease) in deposits	187,332	-	-
Increase in accrued vacation	41,955	19,617	11,637
Total adjustments	<u>7,480,426</u>	<u>6,076,349</u>	<u>923,719</u>
Net cash provided by (used in) operating activities	<u>\$ 16,324,728</u>	<u>\$ 11,696,032</u>	<u>\$ 2,041,825</u>

SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES

Assets contributed by benefit districts	\$ 2,910,350	\$ 2,566,842	\$ 1,113,926
Assets contributed by other government	-	24,875,212	-
Refunding resulting in defeasance of revenue bonds	62,400	97,600	-
Capital contributed by local government	1,548	-	660
Decrease in net investment in direct financing leases	-	-	-
(Decrease) in revenue bonds payable	-	-	-
Decrease in interest receivable on direct financing leases	-	-	-
(Decrease) in accrued interest payable on revenue bonds	-	-	-
Interest income on investment in direct financing leases	-	-	-
Interest expense on revenue bonds payable	-	-	-

Golf Course System	Wichita Airport Authority	Wichita Transit	Totals	
			2001	2000
\$ 79,345	\$ (2,615,962)	\$ (6,915,651)	\$ 6,129,823	\$ 9,284,911
630,599	7,135,927	864,693	18,901,902	18,933,695
180	435,837	58,679	1,107,597	(1,786,210)
-	-	45,717	185,931	(75,795)
-	73,805	-	73,805	-
32,268	59,471	88,841	3,376,735	(916,256)
522	(18,392)	-	169,462	(133,605)
11,893	28,186	111,011	224,299	32,388
675,462	7,714,834	1,168,941	24,039,731	16,054,217
\$ 754,807	\$ 5,098,872	\$ (5,746,710)	\$ 30,169,554	\$ 25,339,128

\$ -	\$ -	\$ -	\$ 6,591,118	\$ 13,183,753
-	-	232,211	25,107,423	-
-	-	-	160,000	-
-	-	-	2,208	-
-	5,474,804	-	5,474,804	(9,001,125)
-	(5,474,804)	-	(5,474,804)	9,001,125
-	64,233	-	64,233	4,644
-	(64,233)	-	(64,233)	(4,644)
-	2,455,050	-	2,455,050	2,454,467
-	(2,455,050)	-	(2,455,050)	(2,454,467)

CITY OF WICHITA, KANSAS

**WATER UTILITY FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Charges for services	\$ 31,500,010	\$ 34,636,353	\$ 3,136,343	\$ 31,885,282
Interest earnings	1,800,000	1,865,693	65,693	2,336,705
Other	-	92,856	92,856	1,679,193
Total revenues and other sources	33,300,010	36,594,902	3,294,892	35,901,180
Expenditures, encumbrances and other uses:				
Personal services	6,639,230	6,647,580	(8,350)	6,295,273
Contractual services	5,827,360	5,574,221	253,139	5,236,154
Materials and supplies	3,233,510	2,362,200	871,310	1,898,693
Capital outlay	2,847,770	3,099,851	(252,081)	2,409,028
Administrative charges	747,950	747,950	-	913,640
Debt service	9,842,750	9,351,978	490,772	8,864,146
Bond discount amortization	88,040	70,058	17,982	-
Payments in lieu of franchise fees	1,638,000	1,638,000	-	1,600,500
Operating transfers out	1,028,290	1,028,290	-	947,210
Total expenditures, encumbrances and other uses	31,892,900	30,520,128	1,372,772	28,164,644
Revenues and other sources over expenditures, encumbrances and other uses	1,407,110	6,074,774	4,667,664	7,736,536
Unencumbered cash balance, January 1	35,576,733	35,576,733	-	39,388,170
Proceeds/expenditures in anticipation of bond sales	(12,710,839)	(12,710,839)	-	(11,547,973)
Unencumbered cash balance, December 31	\$ 24,273,004	\$ 28,940,668	\$ 4,667,664	\$ 35,576,733

CITY OF WICHITA, KANSAS

**SEWER UTILITY FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Charges for services	\$ 25,705,000	\$ 25,077,364	\$ (627,636)	\$ 23,968,507
Interest earnings	1,000,000	551,456	(448,544)	1,203,687
Other	-	110,578	110,578	19,098
Total revenues and other sources	26,705,000	25,739,398	(965,602)	25,191,292
Expenditures, encumbrances and other uses:				
Personal services	7,379,180	7,333,499	45,681	6,916,760
Contractual services	3,598,080	3,442,101	155,979	3,225,851
Materials and supplies	2,198,000	2,120,890	77,110	1,779,281
Capital outlay	1,311,640	1,264,631	47,009	452,237
Administrative charges	182,450	182,450	-	242,360
Debt service	9,394,570	7,000,505	2,394,065	6,778,935
Bond discount amortization	42,060	41,093	967	-
Payments in lieu of franchise fees	1,303,000	1,250,000	53,000	1,213,950
Operating transfers out	666,990	666,990	-	677,340
Contingency	100,000	-	100,000	-
Total expenditures, encumbrances and other uses	26,175,970	23,302,159	2,873,811	21,286,714
Revenues and other sources over expenditures, encumbrances and other uses	529,030	2,437,239	1,908,209	3,904,578
Unencumbered cash balance, January 1	18,007,929	18,007,929	-	23,115,485
Proceeds/expenditures in anticipation of bond sales	(14,133,609)	(14,133,609)	-	(9,012,134)
Unencumbered cash balance, December 31	\$ 4,403,350	\$ 6,311,559	\$ 1,908,209	\$ 18,007,929

CITY OF WICHITA, KANSAS

**STORM WATER UTILITY FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Charges for services	\$ 5,383,080	\$ 4,803,366	\$ (579,714)	\$ 5,053,950
Interest earnings	334,330	83,970	(250,360)	269,651
Other	346,630	840,625	493,995	91,601
Total revenues and other sources	<u>6,064,040</u>	<u>5,727,961</u>	<u>(336,079)</u>	<u>5,415,202</u>
Expenditures, encumbrances and other uses:				
Personal services	1,550,660	1,537,049	13,611	1,455,568
Contractual services	1,049,760	921,895	127,865	815,763
Materials and supplies	213,340	180,083	33,257	145,512
Capital outlay	278,000	267,414	10,586	170,311
Administrative charges	48,710	48,710	-	67,940
Debt service	1,604,000	1,603,613	387	1,591,805
Operating transfers out	1,481,470	1,769,419	(287,949)	5,338,400
Contingency	210,000	-	210,000	-
Total expenditures, encumbrances and other uses	<u>6,435,940</u>	<u>6,328,183</u>	<u>107,757</u>	<u>9,585,299</u>
Revenues and other sources under expenditures, encumbrances and other uses	(371,900)	(600,222)	(228,322)	(4,170,097)
Unencumbered cash balance, January 1	2,353,041	2,353,041	-	6,048,827
Proceeds/expenditures in excess (anticipation) of bond sales	(200,184)	(200,184)	-	474,311
Unencumbered cash balance, December 31	<u>\$ 1,780,957</u>	<u>\$ 1,552,635</u>	<u>\$ (228,322)</u>	<u>\$ 2,353,041</u>

☀ 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.

Data Center - responsible for coordination of the City's total computer automation.

Fleet and Buildings - purchases, repairs, and maintains vehicles and equipment used by City departments.

Telecommunications - centralized management of the large digital switch, long distance usage, smaller telephone systems, and miscellaneous telecommunications.

Stationery Stores - provides all departments with office supplies, printing services, mail room service, photocopying and microfilming services at the most economical cost.

Self Insurance - accounts for self insurance programs of health insurance, workers' compensation, group life insurance, auto liability and general liability.



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CITY OF WICHITA, KANSAS

**INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET**

December 31, 2001
(with comparative totals for December 31, 2000)

	<u>Information Technology</u>	<u>Fleet and Buildings</u>
<u>ASSETS</u>		
Current assets:		
Cash and temporary investments	\$ 1,451,288	\$ 6,817,633
Investments	-	-
Accounts receivable	3,092	85,822
Interest receivable	-	-
Inventories	-	618,241
Prepaid items	-	-
	<hr/>	<hr/>
Total current assets	1,454,380	7,521,696
Fixed assets:		
Land	-	71,340
Buildings	9,077	3,279,073
Improvements	-	29,800
Equipment	9,045,259	21,245,607
	<hr/>	<hr/>
	9,054,336	24,625,820
Less accumulated depreciation	8,106,523	17,306,712
	<hr/>	<hr/>
Net fixed assets	947,813	7,319,108
	<hr/>	<hr/>
Total assets	\$ 2,402,193	\$ 14,840,804
<u>LIABILITIES AND FUND EQUITY</u>		
Current liabilities:		
Accounts payable, accrued payroll and liabilities	\$ 138,726	\$ 185,060
Deposits	-	-
	<hr/>	<hr/>
Total current liabilities	138,726	185,060
Long-term liabilities:		
Accrued vacation	88,240	126,205
Total long-term liabilities	88,240	126,205
	<hr/>	<hr/>
Total liabilities	226,966	311,265
Fund equity:		
Contributions:		
From other funds	13,313	2,445,178
From general obligation bonds	-	2,964,340
Total contributions	13,313	5,409,518
Retained earnings:		
Reserved for employer contribution fluctuations	-	-
Unreserved	2,161,914	9,120,021
	<hr/>	<hr/>
Total fund equity	2,175,227	14,529,539
	<hr/>	<hr/>
Total liabilities and fund equity	\$ 2,402,193	\$ 14,840,804
	<hr/>	<hr/>

Stationery Stores	Self Insurance	Totals	
		2001	2000
\$ 330,169	\$ 29,657,293	\$ 38,256,383	\$ 38,183,170
-	1,317,581	1,317,581	1,320,322
3,330	467,910	560,154	167,609
-	7,955	7,955	11,687
-	-	618,241	662,291
3,589	-	3,589	15,393
<u>337,088</u>	<u>31,450,739</u>	<u>40,763,903</u>	<u>40,360,472</u>
-	-	71,340	71,340
-	-	3,288,150	3,288,150
-	-	29,800	29,800
530,322	99,243	30,920,431	29,841,026
<u>530,322</u>	<u>99,243</u>	<u>34,309,721</u>	<u>33,230,316</u>
364,581	58,522	25,836,338	24,579,336
<u>165,741</u>	<u>40,721</u>	<u>8,473,383</u>	<u>8,650,980</u>
<u>\$ 502,829</u>	<u>\$ 31,491,460</u>	<u>\$ 49,237,286</u>	<u>\$ 49,011,452</u>
\$ 46,721	\$ 14,267,257	\$ 14,637,764	\$ 14,228,253
-	1,094,200	1,094,200	1,594,200
<u>46,721</u>	<u>15,361,457</u>	<u>15,731,964</u>	<u>15,822,453</u>
11,882	18,806	245,133	219,969
<u>11,882</u>	<u>18,806</u>	<u>245,133</u>	<u>219,969</u>
58,603	15,380,263	15,977,097	16,042,422
39,655	15,977	2,514,123	2,514,123
-	-	2,964,340	2,964,340
<u>39,655</u>	<u>15,977</u>	<u>5,478,463</u>	<u>5,478,463</u>
-	3,726,429	3,726,429	2,007,425
404,571	12,368,791	24,055,297	25,483,142
<u>444,226</u>	<u>16,111,197</u>	<u>33,260,189</u>	<u>32,969,030</u>
<u>\$ 502,829</u>	<u>\$ 31,491,460</u>	<u>\$ 49,237,286</u>	<u>\$ 49,011,452</u>

CITY OF WICHITA, KANSAS

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Information Technology</u>	<u>Fleet and Buildings</u>
Operating revenues:		
Charges for services	\$ 4,794,520	\$ 1,140,761
Rentals	-	8,019,127
Employer contributions	-	-
Employee contributions	-	-
Other	<u>218</u>	<u>127,309</u>
 Total operating revenues	 <u>4,794,738</u>	 <u>9,287,197</u>
Operating expenses:		
Personal services	1,820,412	2,521,679
Contractual services	1,464,717	900,705
Materials and supplies	338,772	2,309,976
Cost of materials used	-	1,023,232
Administrative charges	41,370	117,550
Depreciation	180,975	2,103,390
Employee benefits	-	-
Insurance claims	-	-
Other	<u>-</u>	<u>-</u>
 Total operating expenses	 <u>3,846,246</u>	 <u>8,976,532</u>
 Operating income (loss)	 <u>948,492</u>	 <u>310,665</u>
Nonoperating revenues (expenses)		
Interest earnings	-	-
Proceeds from sale of assets	<u>(10,111)</u>	<u>24,069</u>
 Total nonoperating revenues (expenses)	 <u>(10,111)</u>	 <u>24,069</u>
 Net income (loss) before contributions and operating transfers	 938,381	 334,734
Capital contributions and operating transfers:		
Capital contributions	229,056	-
Operating transfers in	101,880	-
Operating transfers out	<u>(1,950,000)</u>	<u>-</u>
 Net income (loss)	 (680,683)	 334,734
 Retained earnings, January 1	 <u>2,842,597</u>	 <u>8,785,287</u>
 Retained earnings, December 31	 <u>\$ 2,161,914</u>	 <u>\$ 9,120,021</u>

Stationery Stores	Self Insurance	Totals	
		2001	2000
\$ 1,381,688	\$ -	\$ 7,316,969	\$ 7,143,805
-	-	8,019,127	7,855,522
-	18,413,533	18,413,533	17,268,014
-	4,434,444	4,434,444	4,287,944
36	367,191	494,754	547,708
<u>1,381,724</u>	<u>23,215,168</u>	<u>38,678,827</u>	<u>37,102,993</u>
186,014	-	4,528,105	3,837,523
469,755	-	2,835,177	2,558,090
112,270	-	2,761,018	2,763,592
746,328	-	1,769,560	1,824,837
57,490	-	216,410	290,930
70,147	9,685	2,364,197	2,399,238
-	16,590,841	16,590,841	16,123,225
-	4,823,519	4,823,519	6,696,902
-	2,876,430	2,876,430	-
<u>1,642,004</u>	<u>24,300,475</u>	<u>38,765,257</u>	<u>36,494,337</u>
<u>(260,280)</u>	<u>(1,085,307)</u>	<u>(86,430)</u>	<u>608,656</u>
-	1,632,188	1,632,188	1,583,018
(200)	(543)	13,215	138,514
<u>(200)</u>	<u>1,631,645</u>	<u>1,645,403</u>	<u>1,721,532</u>
(260,480)	546,338	1,558,973	2,330,188
-	-	229,056	-
-	351,250	453,130	438,390
-	-	(1,950,000)	(500,000)
<u>(260,480)</u>	<u>897,588</u>	<u>291,159</u>	<u>2,268,578</u>
665,051	15,197,632	27,490,567	25,221,989
<u>\$ 404,571</u>	<u>\$ 16,095,220</u>	<u>\$ 27,781,726</u>	<u>\$ 27,490,567</u>

CITY OF WICHITA, KANSAS

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Information Technology</u>	<u>Fleet and Buildings</u>
Cash flows from operating activities:		
Cash received from customers	\$ 4,793,012	\$ 9,137,183
Cash payments to suppliers for goods and services	(1,771,340)	(4,215,077)
Cash payments to employees for services	(1,803,709)	(2,516,843)
Other operating revenues	<u>218</u>	<u>127,309</u>
Net cash provided by (used in) operating activities	<u>1,218,181</u>	<u>2,532,572</u>
Cash flows from noncapital financing activities:		
Operating transfers in	101,880	-
Operating transfers out	<u>(1,950,000)</u>	<u>-</u>
Net cash provided by (used in) noncapital financing activities	<u>(1,848,120)</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Additions to property, plant and equipment	(108,448)	(1,923,202)
Proceeds from insurance	-	-
Proceeds from sale of assets	<u>-</u>	<u>97,065</u>
Net cash used in capital and related financing activities	<u>(108,448)</u>	<u>(1,826,137)</u>
Cash flows from investing activities:		
Purchase of investment securities	-	-
Proceeds from sale and maturity of investment securities	-	-
Interest on investments	<u>-</u>	<u>-</u>
Net cash provided by investing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and temporary investments	(738,387)	706,435
Cash and temporary investments, January 1	<u>2,189,675</u>	<u>6,111,198</u>
Cash and temporary investments, December 31	<u>\$ 1,451,288</u>	<u>\$ 6,817,633</u>

Stationery Stores	Self Insurance	Totals	
		2001	2000
\$ 1,380,370	\$ 22,480,963	\$ 37,791,528	\$ 36,490,823
(1,338,652)	(24,081,138)	(31,406,207)	(28,455,464)
(183,772)	-	(4,504,324)	(3,817,211)
<u>36</u>	<u>367,191</u>	<u>494,754</u>	<u>547,708</u>
<u>(142,018)</u>	<u>(1,232,984)</u>	<u>2,375,751</u>	<u>4,765,856</u>
-	351,250	453,130	438,390
-	-	(1,950,000)	(500,000)
-	351,250	(1,496,870)	(61,610)
-	(9,744)	(2,041,394)	(2,128,839)
-	(500,000)	(500,000)	358,820
-	-	97,065	<u>222,390</u>
-	(509,744)	(2,444,329)	(1,547,629)
-	(1,000,000)	(1,000,000)	(2,000,000)
-	1,000,000	1,000,000	1,000,000
-	1,638,661	1,638,661	<u>1,591,787</u>
-	1,638,661	1,638,661	<u>591,787</u>
(142,018)	247,183	73,213	3,748,404
<u>472,187</u>	<u>29,410,110</u>	<u>38,183,170</u>	<u>34,434,766</u>
<u>\$ 330,169</u>	<u>\$ 29,657,293</u>	<u>\$ 38,256,383</u>	<u>\$ 38,183,170</u>

(Continued)

CITY OF WICHITA, KANSAS

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY (USED IN) OPERATING ACTIVITIES**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Information Technology</u>	<u>Fleet and Buildings</u>
Operating income (loss)	\$ 948,492	\$ 310,665
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	180,975	2,103,390
Changes in assets and liabilities:		
(Increase) in accounts receivable	(1,508)	(22,705)
(Increase) decrease in inventory	-	44,050
(Increase) decrease in prepaid items	7,960	-
Increase in accounts payable and accrued liabilities	65,559	92,336
Increase in accrued vacation	<u>16,703</u>	<u>4,836</u>
Total adjustments	<u>269,689</u>	<u>2,221,907</u>
Net cash provided by (used in) operating activities	<u>\$ 1,218,181</u>	<u>\$ 2,532,572</u>

SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES

Capital contributed by local government	\$ 229,056	\$ -
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Stationery Stores	Self Insurance	Totals	
		2001	2000
<u>\$ (260,280)</u>	<u>\$ (1,085,307)</u>	<u>\$ (86,430)</u>	<u>\$ 608,656</u>
70,147	9,685	2,364,197	2,399,238
(1,318)	(367,014)	(392,545)	(64,462)
-	-	44,050	(10,441)
3,844	-	11,804	(6,579)
43,347	208,269	409,511	1,814,409
<u>2,242</u>	<u>1,383</u>	<u>25,164</u>	<u>25,035</u>
<u>118,262</u>	<u>(147,677)</u>	<u>2,462,181</u>	<u>4,157,200</u>
<u>\$ (142,018)</u>	<u>\$ (1,232,984)</u>	<u>\$ 2,375,751</u>	<u>\$ 4,765,856</u>
\$ -	\$ -	\$ 229,056	\$ -

CITY OF WICHITA, KANSAS
INFORMATION TECHNOLOGY FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Charges for services	\$ 5,213,130	\$ 4,913,802	\$ (299,328)	\$ 4,397,368
Other	-	218	218	10,018
Operating transfers in	152,820	101,880	(50,940)	51,560
Total revenues and other sources	5,365,950	5,015,900	(350,050)	4,458,946
Expenditures, encumbrances and other uses:				
Personal services	1,837,710	1,803,708	34,002	1,347,655
Contractual services	2,469,970	1,571,888	898,082	1,402,070
Materials and supplies	390,690	355,314	35,376	422,984
Capital outlay	53,860	20,836	33,024	212,101
Other	275,000	-	275,000	-
Operating transfers out	1,950,000	1,950,000	-	250,000
Total expenditures, encumbrances and other uses	6,977,230	5,701,746	1,275,484	3,634,810
Revenues and other sources over (under) expenditures, encumbrances and other uses	(1,611,280)	(685,846)	925,434	824,136
Unencumbered cash balance, January 1	1,791,096	1,791,096	-	966,960
Unencumbered cash balance, December 31	<u>\$ 179,816</u>	<u>\$ 1,105,250</u>	<u>\$ 925,434</u>	<u>\$ 1,791,096</u>

CITY OF WICHITA, KANSAS

FLEET AND BUILDINGS FUND
 SCHEDULE OF BUDGETARY ACCOUNTS
 BUDGET AND ACTUAL - BUDGETARY BASIS

Year ended December 31, 2001
 (with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Charges for services	\$ 1,345,500	\$ 1,140,761	\$ (204,739)	\$ 1,252,566
Rent	7,640,930	8,019,127	378,197	7,855,522
Sale of property	-	97,065	97,065	222,390
Other	100,000	124,736	24,736	130,804
Total revenues and other sources	9,086,430	9,381,689	295,259	9,461,282
Expenditures, encumbrances and other uses:				
Personal services	2,525,740	2,516,843	8,897	2,292,729
Contractual services	1,012,190	984,732	27,458	1,037,854
Materials and supplies	2,312,320	2,307,635	4,685	2,290,533
Capital outlay	2,470,000	2,219,899	250,101	2,286,294
Cost of materials used	1,000,000	977,042	22,958	1,130,692
Other	4,431,970	-	4,431,970	-
Total expenditures, encumbrances and other uses	13,752,220	9,006,151	4,746,069	9,038,102
Revenues and other sources over (under) expenditures, encumbrances and other uses	(4,665,790)	375,538	5,041,328	423,180
Unencumbered cash balance, January 1	5,063,215	5,063,215	-	4,640,035
Unencumbered cash balance, December 31	\$ 397,425	\$ 5,438,753	\$ 5,041,328	\$ 5,063,215

CITY OF WICHITA, KANSAS

**STATIONERY STORES FUND
SCHEDULE OF BUDGETARY ACCOUNTS
BUDGET AND ACTUAL - BUDGETARY BASIS**

Year ended December 31, 2001
(with comparative actual for the year ended December 31, 2000)

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
Revenues and other sources:				
Charges for services	\$ 1,663,210	\$ 1,380,370	\$ (282,840)	\$ 1,493,871
Other	-	36	36	4,320
Total revenues and other sources	<u>1,663,210</u>	<u>1,380,406</u>	<u>(282,804)</u>	<u>1,498,191</u>
Expenditures, encumbrances and other uses:				
Personal services	186,690	183,772	2,918	176,826
Contractual services	623,820	528,745	95,075	469,579
Materials and supplies	195,130	113,802	81,328	107,664
Capital outlay	-	-	-	3,725
Cost of materials used	<u>748,000</u>	<u>746,328</u>	<u>1,672</u>	<u>733,518</u>
Total expenditures, encumbrances and other uses	<u>1,753,640</u>	<u>1,572,647</u>	<u>180,993</u>	<u>1,491,312</u>
Revenues and other sources over (under) expenditures, encumbrances and other uses	(90,430)	(192,241)	(101,811)	6,879
Unencumbered cash balance, January 1	<u>474,746</u>	<u>474,746</u>	-	<u>467,867</u>
Unencumbered cash balance, December 31	<u>\$ 384,316</u>	<u>\$ 282,505</u>	<u>\$ (101,811)</u>	<u>\$ 474,746</u>

☀ FIDUCIARY FUNDS ☀

Expendable Trust - accounts for resources received and held by the City as trustee that are to be expended in accordance with the conditions of the respective trust.

Cable Television
City/County
Downtown Trolley System
WSU Management Trainee Program
Employee Training
Art Museum Board
Cemetery
Landfill Post Closure Trust
Pension Buy-Out
Ice Rink Management
Sales Tax Trust
Economic Development
Unemployment Claims

Pension Trust - accounts for the receipt, investment and distribution of retirement contributions made for the benefit of police, fire and other City employees.

Police and Fire Retirement System
Employees' Retirement
Employees' Retirement Plan 3

Agency - accounts for resources received and held by the City as agent which are to be expended as directed by the party for which the City is acting as agent.

Payroll Liability
Special Assessment Advance Payments
Community Donations
Performance Deposits



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CITY OF WICHITA, KANSAS

**FIDUCIARY FUNDS
COMBINING BALANCE SHEET**

December 31, 2001
(with comparative totals for December 31, 2000)

	Expendable Trust Funds					
	Cable Television	City- County	SSMID- Self Support. Municipal Improve. Dist.	Downtown Trolley System	WSU Management Trainee Program	Employee Training Fund
ASSETS						
Cash and temporary investments	\$ -	\$ 1,752,218	\$ 899	\$ 9,358	\$ -	\$ 4,492
Investments	-	-	-	-	-	-
Accounts receivable	-	6,675	100,000	26,060	-	-
Interest receivable	-	-	-	-	-	-
Total assets	\$ -	\$ 1,758,893	\$ 100,899	\$ 35,418	\$ -	\$ 4,492
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued payroll	\$ -	\$ 491,842	\$ -	\$ 4,844	\$ -	\$ 4,492
Deposits	-	38,613	-	-	-	-
Due to other funds	-	-	100,000	-	-	-
Securities lending obligations	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	-	530,455	100,000	4,844	-	4,492
Fund balances:						
Reserved for:						
Encumbrances	-	6,300	-	-	-	-
Employees' pension benefits	-	-	-	-	-	-
Unreserved-designated for special programs	-	1,222,138	899	30,574	-	-
Total fund balances	-	1,228,438	899	30,574	-	-
Total liabilities and fund balances	\$ -	\$ 1,758,893	\$ 100,899	\$ 35,418	\$ -	\$ 4,492

Expendable Trust Funds

Art Museum Board	Cemetery	Landfill Post Closure Trust	NAITCP- N. Amer. Intl. Trade Corridor Partners	Pension Buy-Out	Ice Rink Management	Sales Tax Trust
\$ 154,771	\$ 524,705	\$ 32,404,305	\$ 35,014	\$ 17,202	\$ 308,230	\$ 3,567,528
-	258,432	-	-	598,260	-	-
-	-	-	-	-	100,000	-
-	2,792	-	-	1,512	-	-
<u>\$ 154,771</u>	<u>\$ 785,929</u>	<u>\$ 32,404,305</u>	<u>\$ 35,014</u>	<u>\$ 616,974</u>	<u>\$ 408,230</u>	<u>\$ 3,567,528</u>
\$ 71,170	\$ 1,251	\$ -	\$ 74	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	616,974	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>71,170</u>	<u>1,251</u>	<u>-</u>	<u>74</u>	<u>616,974</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>83,601</u>	<u>784,678</u>	<u>32,404,305</u>	<u>34,940</u>	<u>-</u>	<u>408,230</u>	<u>3,567,528</u>
<u>83,601</u>	<u>784,678</u>	<u>32,404,305</u>	<u>34,940</u>	<u>-</u>	<u>408,230</u>	<u>3,567,528</u>
<u>\$ 154,771</u>	<u>\$ 785,929</u>	<u>\$ 32,404,305</u>	<u>\$ 35,014</u>	<u>\$ 616,974</u>	<u>\$ 408,230</u>	<u>\$ 3,567,528</u>

(Continued)

CITY OF WICHITA, KANSAS

FIDUCIARY FUNDS
COMBINING BALANCE SHEET (CONTINUED)

December 31, 2001
(with comparative totals for December 31, 2000)

	<u>Expendable Trust Funds</u>		<u>Pension Trust Funds</u>		
	<u>Economic Development</u>	<u>Unemploy- ment Claims</u>	<u>Police and Fire Retirement System</u>	<u>Employees' Retirement</u>	<u>Employees' Retirement Plan 3</u>
ASSETS					
Cash and temporary investments	\$ 830,307	\$ 53,916	\$ 9,883,943	\$ 11,901,026	\$ 32,632
Investments	-	-	376,569,506	443,690,250	7,729,424
Accounts receivable	610,900	3,836	2,685,155	3,009,627	58,728
Interest receivable	-	-	886,099	1,052,104	5,160
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 1,441,207</u>	<u>\$ 57,752</u>	<u>\$ 390,024,703</u>	<u>\$ 459,653,007</u>	<u>\$ 7,825,944</u>
 LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued payroll	\$ 4,489	\$ -	\$ 4,285,855	\$ 4,956,327	\$ 16,806
Deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Securities lending obligations	-	-	34,638,700	40,814,145	-
Deferred revenue	350,000	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>354,489</u>	<u>-</u>	<u>38,924,555</u>	<u>45,770,472</u>	<u>16,806</u>
 Fund balances:					
Reserved for:					
Encumbrances	-	-	-	-	-
Employees' pension benefits	-	-	351,100,148	413,882,535	7,809,138
Unreserved-designated for special programs	1,086,718	57,752	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>1,086,718</u>	<u>57,752</u>	<u>351,100,148</u>	<u>413,882,535</u>	<u>7,809,138</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 1,441,207</u>	<u>\$ 57,752</u>	<u>\$ 390,024,703</u>	<u>\$ 459,653,007</u>	<u>\$ 7,825,944</u>

Agency Funds

Payroll Liability	Special Assessment Advance Payments	Neighborhood Revitalization	Community Donations	Performance Deposits	Totals	
					2001	2000
\$ 268,044	\$ 4,473,959	\$ 268	\$ 391,676	\$ 2,436,577	\$ 69,051,070	\$ 69,631,069
-	1,154,497	-	-	-	830,000,369	866,710,242
815,554	2,180	-	-	13,746	7,432,461	11,549,794
-	7,197	-	-	-	1,954,864	2,257,674
<u>\$ 1,083,598</u>	<u>\$ 5,637,833</u>	<u>\$ 268</u>	<u>\$ 391,676</u>	<u>\$ 2,450,323</u>	<u>\$ 908,438,764</u>	<u>\$ 950,148,779</u>
\$ 1,083,598	\$ -	\$ -	\$ 6,500	\$ 273,406	\$ 11,200,654	\$ 16,016,345
-	5,637,833	268	385,176	2,176,917	8,238,807	8,715,647
-	-	-	-	-	716,974	-
-	-	-	-	-	75,452,845	55,279,173
-	-	-	-	-	350,000	-
<u>1,083,598</u>	<u>5,637,833</u>	<u>268</u>	<u>391,676</u>	<u>2,450,323</u>	<u>95,959,280</u>	<u>80,011,165</u>
-	-	-	-	-	6,300	70,166
-	-	-	-	-	772,791,821	832,109,290
-	-	-	-	-	39,681,363	37,958,158
-	-	-	-	-	812,479,484	870,137,614
<u>\$ 1,083,598</u>	<u>\$ 5,637,833</u>	<u>\$ 268</u>	<u>\$ 391,676</u>	<u>\$ 2,450,323</u>	<u>\$ 908,438,764</u>	<u>\$ 950,148,779</u>

CITY OF WICHITA, KANSAS

**EXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	<u>Cable Television</u>	<u>City County</u>	<u>SSMID- Self Support. Municipal Improve. Dist.</u>	<u>Downtown Trolley System</u>	<u>WSU Management Trainee Program</u>	<u>Employee Training Fund</u>
Revenues:						
Local sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	2,762,295	-	-	27,500	-
Interest earnings	517	32,814	899	1,880	-	-
Charges for services and sales	320	1,637,443	-	98,795	-	-
Other	-	192,497	-	-	-	-
Total revenues	<u>837</u>	<u>4,625,049</u>	<u>899</u>	<u>100,675</u>	<u>27,500</u>	<u>-</u>
Expenditures:						
General government	-	1,349,898	-	-	41,486	242,395
Public safety	-	1,328,820	-	-	-	-
Health and welfare	-	4,928,207	-	-	-	-
Culture and recreation	-	-	-	128,900	-	-
Total expenditures	<u>-</u>	<u>7,606,925</u>	<u>-</u>	<u>128,900</u>	<u>41,486</u>	<u>242,395</u>
Excess (deficiency) of revenues over (under) expenditures	<u>837</u>	<u>(2,981,876)</u>	<u>899</u>	<u>(28,225)</u>	<u>(13,986)</u>	<u>(242,395)</u>
Other financing sources (uses):						
Operating transfers in	-	3,499,698	-	-	34,640	240,000
Operating transfers out	-	(193,160)	-	-	-	(88,000)
Total other financing sources (uses)	<u>-</u>	<u>3,306,538</u>	<u>-</u>	<u>-</u>	<u>34,640</u>	<u>152,000</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>837</u>	<u>324,662</u>	<u>899</u>	<u>(28,225)</u>	<u>20,654</u>	<u>(90,395)</u>
Fund balances, January 1, Residual equity transfer out	9,176 <u>(10,013)</u>	903,776 <u>-</u>	- <u>-</u>	58,799 <u>-</u>	37,322 <u>(57,976)</u>	564,581 <u>(474,186)</u>
Fund balances, December 31	<u>\$ -</u>	<u>\$ 1,228,438</u>	<u>\$ 899</u>	<u>\$ 30,574</u>	<u>\$ -</u>	<u>\$ -</u>

Art Museum Board	Cemetery	Landfill Post Closure Trust	NAITCP- N. Amer. Intl. Trade Corridor Partners	Pension Buy-Out	Ice Rink Management	Sales Tax Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,093,593
-	-	-	-	-	-	-
18,251	64,090	1,625,409	-	-	14,607	251,354
-	-	-	-	-	1,468,875	-
20	-	-	-	-	-	-
<u>18,271</u>	<u>64,090</u>	<u>1,625,409</u>	<u>-</u>	<u>-</u>	<u>1,483,482</u>	<u>20,344,947</u>
-	16,452	-	5,312	35,513	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,260,250	-	-	-	-	1,369,446	-
<u>1,260,250</u>	<u>16,452</u>	<u>-</u>	<u>5,312</u>	<u>35,513</u>	<u>1,369,446</u>	<u>-</u>
<u>(1,241,979)</u>	<u>47,638</u>	<u>1,625,409</u>	<u>(5,312)</u>	<u>(35,513)</u>	<u>114,036</u>	<u>20,344,947</u>
1,172,710	-	1,300,000	40,252	-	-	-
-	-	-	-	-	-	(20,430,894)
<u>1,172,710</u>	<u>-</u>	<u>1,300,000</u>	<u>40,252</u>	<u>-</u>	<u>-</u>	<u>(20,430,894)</u>
(69,269)	47,638	2,925,409	34,940	(35,513)	114,036	(85,947)
152,870	737,040	29,478,896	-	652,487	294,194	3,653,475
-	-	-	-	(616,974)	-	-
<u>\$ 83,601</u>	<u>\$ 784,678</u>	<u>\$ 32,404,305</u>	<u>\$ 34,940</u>	<u>\$ -</u>	<u>\$ 408,230</u>	<u>\$ 3,567,528</u>

(Continued)

CITY OF WICHITA, KANSAS

**EXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	Economic Development	Unemploy- ment Claims	Totals	
			2001	2000
Revenues:				
Local sales tax	\$ -	\$ -	\$ 20,093,593	\$ 18,889,440
Intergovernmental	-	-	2,789,795	2,802,013
Interest earnings	61,349	1,572	2,072,742	1,566,041
Charges for services and sales	-	-	3,205,433	3,175,492
Other	428,106	158,095	778,718	943,968
Total revenues	<u>489,455</u>	<u>159,667</u>	<u>28,940,281</u>	<u>27,376,954</u>
Expenditures:				
General government	841,795	144,584	2,677,435	2,408,641
Public safety	-	-	1,328,820	1,378,155
Health and welfare	-	-	4,928,207	4,766,308
Culture and recreation	-	-	2,758,596	2,767,312
Total expenditures	<u>841,795</u>	<u>144,584</u>	<u>11,693,058</u>	<u>11,320,416</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(352,340)</u>	<u>15,083</u>	<u>17,247,223</u>	<u>16,056,538</u>
Other financing sources (uses):				
Operating transfers in	300,000	-	6,587,300	16,763,977
Operating transfers out	<u>(303,981)</u>	<u>-</u>	<u>(21,016,035)</u>	<u>(19,403,966)</u>
Total other financing sources (uses)	<u>(3,981)</u>	<u>-</u>	<u>(14,428,735)</u>	<u>(2,639,989)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(356,321)</u>	<u>15,083</u>	<u>2,818,488</u>	<u>13,416,549</u>
Fund balances, January 1,	1,443,039	42,669	38,028,324	24,611,997
Residual equity transfer out	-	-	<u>(1,159,149)</u>	<u>(222)</u>
Fund balances, December 31	<u>\$ 1,086,718</u>	<u>\$ 57,752</u>	<u>\$ 39,687,663</u>	<u>\$ 38,028,324</u>

CITY OF WICHITA, KANSAS
PENSION TRUST FUNDS
COMBINING STATEMENT OF PLAN NET ASSETS

December 31, 2001
(with comparative totals for December 31, 2000)

	Police and Fire Retirement System	Employees' Retirement System	Employees' Retirement Plan 3	Totals	
				2001	2000
ASSETS					
Cash and cash equivalents	\$ 9,883,943	\$ 11,901,026	\$ 32,632	\$ 21,817,601	\$ 24,670,692
Receivables:					
Investment sales pending	2,459,793	2,900,017	-	5,359,810	10,482,102
Interest and dividends	886,099	1,052,104	5,160	1,943,363	2,231,891
Other	225,362	109,610	58,728	393,700	338,076
Total receivables	<u>3,571,254</u>	<u>4,061,731</u>	<u>63,888</u>	<u>7,696,873</u>	<u>13,052,069</u>
Investments, at fair value:					
Government securities: long-term	16,127,779	19,002,438	-	35,130,217	44,586,637
Corporate debt instruments: long-term	33,346,349	39,290,090	-	72,636,439	83,993,002
Value of interest in pooled funds	123,521,194	145,537,937	7,729,424	276,788,555	300,636,168
Corporate stocks: domestic common	149,641,080	176,313,501	-	325,954,581	314,841,488
Corporate stocks: international common	38,405,519	45,251,021	-	83,656,540	73,892,832
Corporate stocks: preferred	541,252	637,726	-	1,178,978	1,008,469
Mortgage backed securities	14,986,333	17,657,537	-	32,643,870	44,430,085
Total investments	<u>376,569,506</u>	<u>443,690,250</u>	<u>7,729,424</u>	<u>827,989,180</u>	<u>863,388,681</u>
Total assets	<u>390,024,703</u>	<u>459,653,007</u>	<u>7,825,944</u>	<u>857,503,654</u>	<u>901,111,442</u>
LIABILITIES					
Accounts payable and accrued payroll	1,706,509	1,915,363	16,806	3,638,678	3,619,573
Investment purchases pending	2,579,346	3,040,964	-	5,620,310	10,103,406
Securities lending obligations	34,638,700	40,814,145	-	75,452,845	55,279,173
Total liabilities	<u>38,924,555</u>	<u>45,770,472</u>	<u>16,806</u>	<u>84,711,833</u>	<u>69,002,152</u>
NET ASSETS					
Fund balance reserved for employees' pension benefits	<u>\$ 351,100,148</u>	<u>\$ 413,882,535</u>	<u>\$ 7,809,138</u>	<u>\$ 772,791,821</u>	<u>\$ 832,109,290</u>

CITY OF WICHITA, KANSAS

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year ended December 31, 2001

	<u>Balance</u> <u>January 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2001</u>
<u>Payroll Liability</u>				
ASSETS				
Cash and temporary investments	\$ 1,258,392	\$ 80,795,145	\$ 81,785,493	\$ 268,044
Accounts receivable	421,517	394,037	-	815,554
Total assets	<u>\$ 1,679,909</u>	<u>\$ 81,189,182</u>	<u>\$ 81,785,493</u>	<u>\$ 1,083,598</u>
LIABILITIES				
Accounts payable	<u>\$ 1,679,909</u>	<u>\$ 131,592,362</u>	<u>\$ 132,188,673</u>	<u>\$ 1,083,598</u>
<u>Special Assessment Advance Payments</u>				
ASSETS				
Cash and temporary investments	\$ 3,115,360	\$ 2,920,316	\$ 1,561,717	\$ 4,473,959
Investments	2,376,974	34,989	1,257,466	1,154,497
Accounts receivable	-	2,180	-	2,180
Interest receivable	21,071	104,364	118,238	7,197
Total assets	<u>\$ 5,513,405</u>	<u>\$ 3,061,849</u>	<u>\$ 2,937,421</u>	<u>\$ 5,637,833</u>
LIABILITIES				
Accounts payable	\$ -	\$ 15,420	\$ 15,420	\$ -
Deposits	5,513,405	1,182,929	1,058,501	5,637,833
Total liabilities	<u>\$ 5,513,405</u>	<u>\$ 1,198,349</u>	<u>\$ 1,073,921</u>	<u>\$ 5,637,833</u>
<u>Neighborhood Revitalization</u>				
ASSETS				
Cash and temporary investments	\$ -	\$ 9,958	\$ 9,690	\$ 268
LIABILITIES				
Deposits	\$ -	\$ 9,958	\$ 9,690	\$ 268

(Continued)

CITY OF WICHITA, KANSAS

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)

Year ended December 31, 2001

	<u>Balance</u> <u>January 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2001</u>
<u>Community Donations</u>				
ASSETS				
Cash and temporary investments	\$ 387,867	\$ 189,692	\$ 185,883	\$ 391,676
LIABILITIES				
Accounts payable	\$ 1,826	\$ 81,626	\$ 76,952	\$ 6,500
Deposits	386,041	187,106	187,971	385,176
Total liabilities	\$ 387,867	\$ 268,732	\$ 264,923	\$ 391,676
 <u>Performance Deposits</u>				
ASSETS				
Cash and temporary investments	\$ 3,025,929	\$ 2,248,914	\$ 2,838,266	\$ 2,436,577
Accounts receivable	10,319	148,004	144,577	13,746
Total assets	\$ 3,036,248	\$ 2,396,918	\$ 2,982,843	\$ 2,450,323
LIABILITIES				
Accounts payable and accrued payroll	\$ 261,384	\$ 1,713,421	\$ 1,701,399	\$ 273,406
Deposits	2,774,864	2,179,649	2,777,596	2,176,917
Total liabilities	\$ 3,036,248	\$ 3,893,070	\$ 4,478,995	\$ 2,450,323
 <u>Totals - All Agency Funds</u>				
ASSETS				
Cash and temporary investments	\$ 7,787,548	\$ 86,164,025	\$ 86,381,049	\$ 7,570,524
Investments	2,376,974	34,989	1,257,466	1,154,497
Accounts receivable	431,836	544,221	144,577	831,480
Interest receivable	21,071	104,364	118,238	7,197
Total assets	\$ 10,617,429	\$ 86,847,599	\$ 87,901,330	\$ 9,563,698
LIABILITIES				
Accounts payable and accrued payroll	\$ 1,943,119	\$ 133,402,829	\$ 133,982,444	\$ 1,363,504
Deposits	8,674,310	3,559,642	4,033,758	8,200,194
Total liabilities	\$ 10,617,429	\$ 136,962,471	\$ 138,016,202	\$ 9,563,698



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☀ GENERAL FIXED ASSETS ☀

General fixed assets are those fixed assets that have been acquired for general governmental purposes or are not required to be capitalized in other funds. Assets purchased are recorded at cost in the General Fixed Assets Group of Accounts. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized because such assets are immovable and of value only to the City. No depreciation has been provided on general fixed assets.

CITY OF WICHITA, KANSAS

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS

December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
<u>ASSETS</u>		
Land	\$ 49,928,950	\$ 46,083,308
Buildings and improvements	163,270,508	178,492,846
Improvements other than buildings	16,768,072	16,325,513
Equipment	30,632,089	30,999,565
Construction in progress	<u>46,919,884</u>	<u>20,667,306</u>
Total assets	<u>\$ 307,519,503</u>	<u>\$ 292,568,538</u>
 <u>INVESTMENT IN GENERAL FIXED ASSETS</u>		
From general fund	\$ 30,304,043	\$ 35,822,623
From special revenue funds	14,322,371	12,675,897
From capital projects funds	204,334,831	175,096,879
From gifts and donations	5,774,560	22,553,585
From proprietary funds	6,394,213	1,322,978
From trust funds	5,420,108	5,416,751
From federal grants	40,253,067	39,111,722
From state grants	635,932	487,725
From county contributions	<u>80,378</u>	<u>80,378</u>
Total investment in general fixed assets	<u>\$ 307,519,503</u>	<u>\$ 292,568,538</u>

CITY OF WICHITA, KANSAS

**SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY**

December 31, 2001

Function and Activity	<u>Land</u>	<u>Buildings and Improvements</u>
General government:		
City Council	\$ -	\$ 12,805
City Manager	-	-
Finance	1,368,810	5,800,799
Law	-	-
Municipal Court	-	571,144
Metropolitan Planning Cemetery	-	-
General Government	18,412,571	18,094,871
Public Works-Administrative	-	-
Public Works-Building Services	<u>1,532,358</u>	<u>16,994,665</u>
Total general government	<u>21,313,739</u>	<u>41,474,284</u>
Public safety:		
Fire	1,158,544	6,564,077
Police	289,782	2,515,883
Public Works-Traffic Control	-	-
Central Inspection	-	-
Flood Control	-	-
Total public safety	<u>1,448,326</u>	<u>9,079,960</u>
Highways and streets:		
Engineering	-	-
Street Maintenance	<u>1,032,023</u>	<u>4,360,381</u>
Total highways and streets	<u>1,032,023</u>	<u>4,360,381</u>
Sanitation:		
Weed Control	-	-
Landfill	5,753,048	424,950
Street Cleaning	-	-
Total sanitation	<u>5,753,048</u>	<u>424,950</u>
Health and welfare:		
Community Development	783,618	-
Housing Services	3,354,608	18,967,716
Human Services	-	-
Community Health	139,134	1,741,975
Career Development	-	5,830
Alcohol and Drug Programs	-	10,929
Total health and welfare	<u>4,277,360</u>	<u>20,726,450</u>
Culture and recreation:		
Tourism and Convention	-	2,975,225
Library	428,504	4,742,607
Art Museum	-	6,027,425
Trolley System	-	-
Park	4,495,336	4,139,451
Recreation	2,395,390	8,839,936
Community Facilities	<u>8,785,224</u>	<u>60,479,839</u>
Total culture and recreation	<u>16,104,454</u>	<u>87,204,483</u>
Total general fixed assets allocated to functions:	<u>\$ 49,928,950</u>	<u>\$ 163,270,508</u>
Construction in progress		
Total general fixed assets		

Improvements Other Than Buildings	Equipment	Total
\$ -	\$ 10,122	\$ 22,927
-	105,363	105,363
-	578,794	7,748,403
-	66,666	66,666
-	246,726	817,870
-	115,636	115,636
95,496	8,340	103,836
2,157,801	477,019	39,142,262
-	73,203	73,203
4,149,479	298,838	22,975,340
<u>6,402,776</u>	<u>1,980,707</u>	<u>71,171,506</u>
190,393	9,472,332	17,385,346
-	4,820,172	7,625,837
-	247,729	247,729
-	442,859	442,859
-	1,082,664	1,082,664
<u>190,393</u>	<u>16,065,756</u>	<u>26,784,435</u>
-	266,161	266,161
-	2,153,530	7,545,934
<u>-</u>	<u>2,419,691</u>	<u>7,812,095</u>
-	2,086	2,086
-	969,439	7,147,437
-	326,952	326,952
<u>-</u>	<u>1,298,477</u>	<u>7,476,475</u>
-	740,177	1,523,795
-	681,130	23,003,454
-	-	-
134,535	2,055,898	4,071,542
-	38,073	43,903
-	218,925	229,854
<u>134,535</u>	<u>3,734,203</u>	<u>28,872,548</u>
445,688	137,314	3,558,227
306,856	955,928	6,433,895
-	122,878	6,150,303
-	630,436	630,436
3,059,866	1,616,265	13,310,918
5,052,633	747,875	17,035,834
1,175,325	922,559	71,362,947
<u>10,040,368</u>	<u>5,133,255</u>	<u>118,482,560</u>
<u>\$ 16,768,072</u>	<u>\$ 30,632,089</u>	260,599,619
		<u>46,919,884</u>
		<u>\$ 307,519,503</u>

CITY OF WICHITA, KANSAS

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY**

Year ended December 31, 2001

<u>Function and Activity</u>	<u>January 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2001</u>
General government:				
City Council	\$ 22,056	\$ 2,614	\$ 1,743	\$ 22,927
City Manager	114,343	-	8,980	105,363
Finance	42,736,846	6,099,521	41,087,964	7,748,403
Law	38,775	50,031	22,140	66,666
Municipal Court	744,872	336,782	263,784	817,870
Metropolitan Planning	349,672	11,930	245,966	115,636
Cemetery	95,496	8,340	-	103,836
General Government	38,664,516	7,582,505	7,104,759	39,142,262
Public Works-Administrative	31,111	45,585	3,493	73,203
Public Works-Building Services	22,766,576	383,572	174,808	22,975,340
Total general government	105,564,263	14,520,880	48,913,637	71,171,506
Public safety:				
Fire	18,249,322	115,582	979,558	17,385,346
Police	8,071,742	1,825,818	2,271,723	7,625,837
Public Works-Traffic Control	206,069	43,360	1,700	247,729
Central Inspection	656,043	3,200	216,384	442,859
Flood Control	1,076,727	7,787	1,850	1,082,664
Total public safety	28,259,903	1,995,747	3,471,215	26,784,435
Highways and streets:				
Engineering	259,710	31,472	25,021	266,161
Street Maintenance	7,340,026	208,053	2,145	7,545,934
Total highways and streets	7,599,736	239,525	27,166	7,812,095
Sanitation:				
Weed Control	-	2,086	-	2,086
Landfill	6,964,533	184,904	2,000	7,147,437
Street Cleaning	318,609	8,343	-	326,952
Total sanitation	7,283,142	195,333	2,000	7,476,475
Health and welfare:				
Community Development	7,330,850	-	5,807,055	1,523,795
Housing Services	22,715,917	452,786	165,249	23,003,454
Human Services	-	10,560	10,560	-
Community Health	4,045,082	158,202	131,742	4,071,542
Career Development	29,403	20,889	6,389	43,903
Alcohol and Drug Programs	245,816	5,718	21,680	229,854
Total health and welfare	34,367,068	648,155	6,142,675	28,872,548
Culture and recreation:				
Tourism and Convention	3,562,389	-	4,162	3,558,227
Library	6,440,823	141,809	148,737	6,433,895
Art Museum	6,157,693	-	7,390	6,150,303
Trolley System	630,436	-	-	630,436
Park	14,406,417	257,708	1,353,207	13,310,918
Recreation	14,652,259	3,771,122	1,387,547	17,035,834
Community Facilities	42,977,103	30,564,277	2,178,433	71,362,947
Total culture and recreation	88,827,120	34,734,916	5,079,476	118,482,560
Construction in progress	20,667,306	35,728,914	9,476,336	46,919,884
Total general fixed assets	\$ 292,568,538	\$ 88,063,470	\$ 73,112,505	\$ 307,519,503

☀ GENERAL LONG-TERM DEBT ☀

This group of accounts is used to account for the general obligation and special assessment indebtedness of the City. Under the statutes of the State of Kansas, special assessment debt incurred constitutes a general obligation of the City. Therefore, this debt is recorded in the general long-term debt group of accounts and is serviced through the Debt Service Fund.

CITY OF WICHITA, KANSAS

STATEMENT OF GENERAL LONG-TERM DEBT

December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
<u>OTHER DEBITS</u>		
Amount available in debt service fund	\$ 6,393,033	\$ 25,036,511
Amount to be provided for accrued vacation	6,873,237	6,437,781
Amount to be provided for landfill closure and postclosure care	25,250,000	27,465,000
Amount to be provided for retirement of long-term debt	<u>312,725,504</u>	<u>276,536,539</u>
Total other debits	<u>\$ 351,241,774</u>	<u>\$ 335,475,831</u>
<u>GENERAL LONG-TERM DEBT</u>		
Serial bonds payable from:		
Ad valorem taxes	\$ 77,396,273	\$ 90,044,683
Special assessments	149,255,000	158,375,000
Transient guest tax	14,397,547	16,203,203
Local sales tax	17,500,000	25,000,000
HUD Section 108 loan	3,115,000	3,290,000
Bond anticipation notes	55,808,299	7,349,600
Accreted interest	<u>1,646,418</u>	<u>1,310,564</u>
	319,118,537	301,573,050
Accrued vacation	6,873,237	6,437,781
Landfill closure and postclosure care	<u>25,250,000</u>	<u>27,465,000</u>
Total general long-term debt	<u>\$ 351,241,774</u>	<u>\$ 335,475,831</u>



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✿ ADDITIONAL INFORMATION ✿

Additional schedules represent various financial schedules of the City. Included are supplementary pension and investment schedules as well as detailed schedules pertaining to long-term debt obligations.



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CITY OF WICHITA, KANSAS

COMBINED SCHEDULE OF INVESTMENTS - ALL FUNDS

December 31, 2001

	Interest Rates		Maturity Dates		Carrying Amount	Fair Value
	From	To	From	To		
Special Revenue Funds						
Wichita Housing Authority: Certificates of Deposits	1.770	3.650	03/02	06/02	\$ 750,000	\$ 750,000
Total Special Revenue Funds					<u>750,000</u>	<u>750,000</u>
Internal Service Funds						
Self Insurance Fund:						
Group Life Insurance Fund:						
Certificates of Deposits	-	1.990	-	06/02	1,000,000	1,000,000
U.S. Government Obligations	-	13.875	-	05/11	203,292	240,680
Corporate Bonds and Debentures	5.875	6.125	01/03	01/06	<u>114,289</u>	<u>115,975</u>
Total Internal Service Funds					<u>1,317,581</u>	<u>1,356,655</u>
Trust and Agency Funds						
Police and Fire Retirement System:						
U.S. Government and Agency Securities	3.933	6.272	07/03	05/16	8,825,977	8,825,977
Corporate Bonds and Debentures	5.431	8.336	01/02	11/29	31,253,366	31,253,366
Common Stocks	-	-	-	-	163,343,936	163,343,936
Mortgage and Asset Backed Securities	5.727	10.202	07/05	09/29	14,986,333	14,986,333
Securities Lending Collateral Pool	-	-	-	-	34,638,700	34,638,700
Mutual/Pooled Funds	-	-	-	-	<u>123,521,194</u>	<u>123,521,194</u>
Total Police and Fire Retirement					<u>376,569,506</u>	<u>376,569,506</u>
Wichita Employees' Retirement System: ¹						
U.S. Government and Agency Securities	3.933	6.272	07/03	05/16	10,398,857	10,398,857
Corporate Bonds and Debentures	5.431	8.336	01/02	11/29	36,823,967	36,823,967
Common Stocks	-	-	-	-	192,457,806	192,457,806
Mortgage and Asset Backed Securities	5.727	10.202	07/05	09/29	17,657,537	17,657,537
Securities Lending Collateral Pool	-	-	-	-	40,814,145	40,814,145
Mutual/Pooled Funds	-	-	-	-	<u>153,267,361</u>	<u>153,267,361</u>
Total Wichita Employees' Retirement					<u>451,419,673</u>	<u>451,419,673</u>

¹ The investments for the Wichita Employees' Retirement System include investments held by the Employees' Retirement Plan 3.

(Continued)

CITY OF WICHITA, KANSAS

COMBINED SCHEDULE OF INVESTMENTS - ALL FUNDS (CONTINUED)

December 31, 2001

	Interest Rates		Maturity Dates		Carrying Amount	Fair Value
	From	To	From	To		
Special Assessment Prepay:						
U.S. Government Obligations	6.750	9.375	08/02	11/16	\$ 1,154,497	\$ 1,176,328
Total Special Assessment Prepay					<u>1,154,497</u>	<u>1,176,328</u>
Cemetery:						
U.S. Government Obligations	-	13.875	-	05/11	178,556	213,173
Common Stocks	-	-	-	-	<u>79,876</u>	<u>485,957</u>
Total Cemetery					<u>258,432</u>	<u>699,130</u>
Pension Buy Out:						
Common Stocks	-	-	-	-	<u>598,260</u>	<u>598,260</u>
Total Pension Buy Out					<u>598,260</u>	<u>598,260</u>
Total Trust and Agency Funds					<u>830,000,368</u>	<u>830,462,897</u>
<u>Component Unit</u>						
Wichita Public Building Commission:						
Guaranteed Investment Contract	-	5.470	-	08/14	973,305	973,305
Mutual/Pooled Funds	-	-	-	-	<u>942,019</u>	<u>942,019</u>
Total Public Building Commission					<u>1,915,324</u>	<u>1,915,324</u>
<u>Treasurer's Pooled Cash</u>						
Repurchase Agreements	-	1.250	-	01/02	15,192,736	15,192,736
Certificates of Deposits	1.380	7.050	02/02	07/02	8,300,000	8,300,000
U.S. Government Obligations	2.375	7.050	01/02	09/05	<u>218,615,950</u>	<u>221,081,382</u>
Total Treasurer's Pooled Cash					<u>242,108,686</u>	<u>244,574,118</u>
Total Investments - All Funds					<u>\$ 1,076,091,959</u>	<u>\$ 1,079,058,994</u>

CITY OF WICHITA, KANSAS

COMBINED SCHEDULE OF CHANGES IN BONDS PAYABLE
Year ended December 31, 2001

	Balance January 1, 2001	Issued	Retired	Balance December 31, 2001
General obligation bonds payable from:				
Ad valorem property taxes	\$ 90,044,683	\$ -	\$ 12,648,410	\$ 77,396,273
Special assessments	158,375,000	14,745,000	23,865,000	149,255,000
Transient guest tax	16,203,203	-	1,805,656	14,397,547
Airport Authority	7,175,000	-	1,795,000	5,380,000
Golf Course	8,963,432	-	632,982	8,330,450
Transit	309,040	-	106,010	203,030
Local Sales Tax	25,000,000	-	7,500,000	17,500,000
Storm Water Drainage	8,615,000	-	1,250,000	7,365,000
Revenue bonds payable from:				
Water Utility	91,603,784	10,946,750	10,682,158	91,868,376
Sewer Utility	61,921,216	9,958,250	13,587,842	58,291,624
Airport Special Facilities	36,568,126	1,300,000	6,774,804	31,093,322
Wichita Public Building Commission	45,700,000	17,295,000	21,375,000	41,620,000
	<u>\$ 550,478,484</u>	<u>\$ 54,245,000</u>	<u>\$ 102,022,862</u>	<u>\$ 502,700,622</u>

RECONCILIATION OF BONDS PAYABLE
December 31, 2001

General obligation bonds	\$ 279,827,300
Revenue bonds	<u>222,873,322</u>
Total bonds payable	<u>\$ 502,700,622</u>
Serial bonds payable exclusive of bond anticipation notes	\$ 258,548,820
Bonds payable from component unit	41,620,000
Bonds payable from proprietary funds	<u>202,531,802</u>
Total bonds payable	<u>\$ 502,700,622</u>

RECONCILIATION OF PROPRIETARY FUND TYPE LONG-TERM DEBT
December 31, 2001

Bonds payable from proprietary funds	\$ 202,531,802
Unamortized deferred refunding	(1,131,851)
Water Utility Fund contract payable	1,068,743
Future sewer assessment to WAA	<u>2,446</u>
Total proprietary fund type long-term debt per combined balance sheet	<u>\$ 202,471,140</u>



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CITY OF WICHITA, KANSAS

**SUMMARY OF GENERAL OBLIGATION DEBT SERVICE CHARGES
BASED ON BONDED DEBT AS OF DECEMBER 31, 2001**

Year	PAYABLE FROM TAXES AND SPECIAL ASSESSMENTS			PAYABLE FROM LOCAL SALES TAX		
	Principal	Interest	Debt Service Charges	Principal	Interest	Debt Service Charges
2002	\$ 28,036,999	\$ 10,883,759	\$ 38,920,758	\$ 7,500,000	\$ 751,875	\$ 8,251,875
2003	26,543,618	9,277,324	35,820,942	2,500,000	394,375	2,894,375
2004	24,799,237	8,023,704	32,822,941	2,500,000	283,750	2,783,750
2005	22,813,837	6,936,980	29,750,817	2,500,000	171,250	2,671,250
2006	19,641,366	5,889,656	25,531,022	2,500,000	57,500	2,557,500
2007	18,381,091	4,984,838	23,365,929	-	-	-
2008	17,090,847	4,145,216	21,236,063	-	-	-
2009	15,605,026	3,339,566	18,944,592	-	-	-
2010	13,150,685	2,619,229	15,769,914	-	-	-
2011	11,062,394	1,990,212	13,052,606	-	-	-
2012	9,920,633	1,449,431	11,370,064	-	-	-
2013	8,813,871	964,365	9,778,236	-	-	-
2014	5,796,669	536,308	6,332,977	-	-	-
2015	3,635,000	249,275	3,884,275	-	-	-
2016	1,360,000	65,560	1,425,560	-	-	-
	<u>\$ 226,651,273</u>	<u>\$ 61,355,423</u>	<u>\$ 288,006,696</u>	<u>\$ 17,500,000</u>	<u>\$ 1,658,750</u>	<u>\$ 19,158,750</u>

Year	PAYABLE FROM TRANSIENT GUEST TAX		
	Principal	Interest	Debt Service Charges
2002	\$ 1,877,672	\$ 608,726	\$ 2,486,398
2003	1,967,668	536,473	2,504,141
2004	1,377,633	506,398	1,884,031
2005	1,219,967	685,652	1,905,619
2006	1,194,659	709,817	1,904,476
2007	1,168,294	733,464	1,901,758
2008	919,625	753,450	1,673,075
2009	905,417	779,978	1,685,395
2010	895,820	798,829	1,694,649
2011	897,463	813,594	1,711,057
2012	897,172	826,367	1,723,539
2013	902,824	830,974	1,733,798
2014	173,333	8,927	182,260
	<u>\$ 14,397,547</u>	<u>\$ 8,592,649</u>	<u>\$ 22,990,196</u>

CITY OF WICHITA, KANSAS

**SUMMARY OF GENERAL OBLIGATION DEBT SERVICE CHARGES
PAYABLE FROM PROPRIETARY FUND REVENUES
BASED ON BONDED DEBT AS OF DECEMBER 31, 2001**

PROPRIETARY FUNDS						
Year	Transit Fund		Golf Course System		Storm Water Utility	
	Principal	Interest	Principal	Interest	Principal	Interest
2002	\$ 106,010	\$ 7,533	\$ 647,982	\$ 412,329	\$ 1,320,000	\$ 299,625
2003	81,010	2,874	667,982	397,821	1,390,000	241,342
2004	16,010	424	633,982	361,215	1,470,000	178,035
2005	-	-	653,982	324,486	1,550,000	110,085
2006	-	-	632,602	286,254	1,635,000	37,605
2007	-	-	464,026	254,256	-	-
2008	-	-	479,947	232,213	-	-
2009	-	-	504,947	208,958	-	-
2010	-	-	525,000	184,243	-	-
2011	-	-	555,000	158,255	-	-
2012	-	-	590,000	130,228	-	-
2013	-	-	620,000	99,990	-	-
2014	-	-	660,000	67,750	-	-
2015	-	-	695,000	34,750	-	-
	<u>\$ 203,030</u>	<u>\$ 10,831</u>	<u>\$ 8,330,450</u>	<u>\$ 3,152,748</u>	<u>\$ 7,365,000</u>	<u>\$ 866,692</u>

PROPRIETARY FUNDS						
Year	Airport Authority		Totals		Debt Service Charges	
	Principal	Interest	Principal	Interest		
2002	\$ 515,000	\$ 293,740	\$ 2,588,992	\$ 1,013,227	\$ 3,602,219	
2003	550,000	262,375	2,688,992	904,412	3,593,404	
2004	575,000	229,283	2,694,992	768,957	3,463,949	
2005	590,000	196,305	2,793,982	630,876	3,424,858	
2006	625,000	163,900	2,892,602	487,759	3,380,361	
2007	605,000	129,149	1,069,026	383,405	1,452,431	
2008	640,000	94,933	1,119,947	327,146	1,447,093	
2009	675,000	58,306	1,179,947	267,264	1,447,211	
2010	525,000	19,563	1,050,000	203,806	1,253,806	
2011	80,000	4,240	635,000	162,495	797,495	
2012	-	-	590,000	130,228	720,228	
2013	-	-	620,000	99,990	719,990	
2014	-	-	660,000	67,750	727,750	
2015	-	-	695,000	34,750	729,750	
	<u>\$ 5,380,000</u>	<u>\$ 1,451,794</u>	<u>\$ 21,278,480</u>	<u>\$ 5,482,065</u>	<u>\$ 26,760,545</u>	

CITY OF WICHITA, KANSAS

**SUMMARY OF REVENUE BOND DEBT SERVICE CHARGES
PAYABLE FROM PROPRIETARY FUND AND COMPONENT UNIT REVENUES
BASED ON BONDED DEBT AS OF DECEMBER 31, 2001**

PROPRIETARY FUNDS

Year	Water Utility		Sewer Utility		Wichita Airport Authority	
	Principal	Interest	Principal	Interest	Principal	Interest
2002	\$ 4,946,891	\$ 4,342,975	\$ 3,706,305	\$ 2,663,265	\$ 2,277,810	\$ 2,198,656
2003	5,122,515	4,153,451	3,836,292	2,541,940	2,435,660	2,040,777
2004	5,381,628	3,868,328	4,028,274	2,339,807	2,603,699	1,871,129
2005	5,675,624	3,559,933	4,260,898	2,115,172	3,916,173	1,649,374
2006	5,957,088	3,296,142	4,466,606	1,934,276	1,513,218	1,460,098
2007	6,268,507	3,014,606	4,702,936	1,738,556	1,614,317	1,356,722
2008	6,142,820	2,714,520	4,606,978	1,524,080	575,000	1,265,896
2009	5,990,900	2,439,175	4,477,887	1,318,498	11,802,445	1,229,366
2010	5,321,760	2,166,508	3,171,678	1,123,785	510,000	294,803
2011	5,604,459	1,903,824	3,344,327	967,205	545,000	262,126
2012	5,902,734	1,617,595	3,527,127	798,436	575,000	227,005
2013	5,001,905	1,352,197	2,774,793	644,536	545,000	188,973
2014	5,273,164	1,115,624	2,931,172	515,622	515,000	154,675
2015	5,563,719	866,277	3,099,091	379,470	80,000	120,312
2016	5,917,708	603,249	3,314,452	235,548	90,000	115,312
2017	3,018,392	323,665	984,036	81,712	95,000	109,687
2018	3,234,887	199,596	1,058,772	42,350	100,000	103,750
2019	490,897	66,709	-	-	-	97,500
2020	514,190	43,416	-	-	-	97,500
2021	538,588	19,019	-	-	1,300,000	19,771
	<u>\$ 91,868,376</u>	<u>\$ 37,666,809</u>	<u>\$ 58,291,624</u>	<u>\$ 20,964,258</u>	<u>\$ 31,093,322</u>	<u>\$ 14,863,432</u>

COMONENT UNIT		Totals		
Wichita Public Building Commission				
Principal	Interest	Principal	Interest	Debt Service Charges
\$ 4,150,000	\$ 1,809,361	\$ 15,081,006	\$ 11,014,257	\$ 26,095,263
4,785,000	1,792,295	16,179,467	10,528,463	26,707,930
2,150,000	1,606,132	14,163,601	9,685,396	23,848,997
2,355,000	1,514,982	16,207,695	8,839,461	25,047,156
2,460,000	1,411,464	14,396,912	8,101,980	22,498,892
2,370,000	1,293,509	14,955,760	7,403,393	22,359,153
2,175,000	1,169,597	13,499,798	6,674,093	20,173,891
2,305,000	1,055,228	24,576,232	6,042,267	30,618,499
2,430,000	932,378	11,433,438	4,517,474	15,950,912
2,615,000	808,778	12,108,786	3,941,933	16,050,719
2,745,000	680,995	12,749,861	3,324,031	16,073,892
2,885,000	540,313	11,206,698	2,726,019	13,932,717
3,800,000	386,338	12,519,336	2,172,259	14,691,595
1,395,000	182,363	10,137,810	1,548,422	11,686,232
1,465,000	110,863	10,787,160	1,064,972	11,852,132
1,535,000	37,119	5,632,428	552,183	6,184,611
-	-	4,393,659	345,696	4,739,355
-	-	490,897	164,209	655,106
-	-	514,190	140,916	655,106
-	-	1,838,588	38,790	1,877,378
<u>\$ 41,620,000</u>	<u>\$ 15,331,715</u>	<u>\$ 222,873,322</u>	<u>\$ 88,826,214</u>	<u>\$ 311,699,536</u>

CITY OF WICHITA, KANSAS

**SPECIAL REVENUE FUNDS
FEDERAL AND STATE ASSISTANCE FUNDS
COMBINING BALANCE SHEET**

December 31, 2001
(with comparative totals for December 31, 2000)

ASSETS

	<u>Cash including time deposits</u>	<u>Investments</u>	<u>Due from other agencies</u>	<u>Accounts/ interest/notes receivable</u>	<u>Due from other funds</u>	<u>Other</u>	<u>Total assets</u>
Community Development Block Grant Funds	\$ 1,252,951	\$ -	\$ -	\$ 3,975,121	\$ -	\$ -	\$ 5,228,072
Community Services Block Grant Funds	-	-	76,249	-	-	-	76,249
Unified Work Program Funds	-	-	105,441	-	-	-	105,441
Workforce Investment Act Fund	-	-	135,605	-	-	-	135,605
Welfare to Work Fund	-	-	167,237	-	-	-	167,237
Emergency Shelter HUD Fund	-	-	39,097	-	-	-	39,097
Federal Health Projects Fund	-	-	442,058	198	-	-	442,256
Library Special Projects Fund	437,933	-	-	-	-	-	437,933
Police Federal Grants Fund	2,203,988	-	-	-	1,029,965	-	3,233,953
Redevelopment and Rehabilitation Grant Fund	59,085	-	-	-	-	-	59,085
Federal and State Projects Fund	425,226	-	-	1,670	-	-	426,896
Emergency Shelter SRS Fund	338	-	-	-	-	-	338
HOME Program Fund	-	-	155,198	873,890	-	-	1,029,088
Wichita Housing Authority Funds	1,716,334	750,000	93,125	186,937	-	130,042	2,876,438
Total 2001	<u>\$ 6,095,855</u>	<u>\$ 750,000</u>	<u>\$ 1,214,010</u>	<u>\$ 5,037,816</u>	<u>\$ 1,029,965</u>	<u>\$ 130,042</u>	<u>\$ 14,257,688</u>
Total 2000	<u>\$ 6,414,245</u>	<u>\$ 1,250,000</u>	<u>\$ 273,058</u>	<u>\$ 5,250,863</u>	<u>\$ 959,079</u>	<u>\$ 108,900</u>	<u>\$ 14,256,145</u>

LIABILITIES AND FUND BALANCES (DEFICITS)

Accounts payable and accrued payroll	Due to other agencies	Due to other funds	Deferred revenue/ deposits	Reserved for encumbrances/ inventory/prepaid	Unreserved fund balance (deficits)	Total liabilities and fund balances
\$ 19,141	\$ -	\$ -	\$ 3,407,190	\$ 75,085	\$ 1,726,656	\$ 5,228,072
6,574	-	69,675	-	13,968	(13,968)	76,249
8,506	-	96,935	-	86,752	(86,752)	105,441
11,329	-	124,276	-	4,118	(4,118)	135,605
14,699	-	152,538	-	6,836	(6,836)	167,237
127	-	38,970	-	200	(200)	39,097
43,172	-	399,084	-	80,200	(80,200)	442,256
14,850	-	-	-	13,146	409,937	437,933
21,729	-	-	-	65,074	3,147,150	3,233,953
-	-	-	-	-	59,085	59,085
28,183	-	-	-	51,030	347,683	426,896
-	-	-	-	-	338	338
6,711	-	148,487	908,021	45,420	(79,551)	1,029,088
236,769	343,046	-	201,933	801,300	1,293,390	2,876,438
<u>\$ 411,790</u>	<u>\$ 343,046</u>	<u>\$ 1,029,965</u>	<u>\$ 4,517,144</u>	<u>\$ 1,243,129</u>	<u>\$ 6,712,614</u>	<u>\$ 14,257,688</u>
<u>\$ 582,610</u>	<u>\$ 239,543</u>	<u>\$ 959,079</u>	<u>\$ 6,289,664</u>	<u>\$ 1,915,430</u>	<u>\$ 4,269,819</u>	<u>\$ 14,256,145</u>

CITY OF WICHITA, KANSAS

**SPECIAL REVENUE FUNDS
FEDERAL AND STATE ASSISTANCE FUNDS
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	Revenues			Expenditures		
	Intergovern- mental	Other	Total	Personal services	Contractual services	Commodities
Community Development Block Grant Funds	\$ 4,288,823	\$ 1,404,201	\$ 5,693,024	\$ 1,276,929	\$ 3,193,968	\$ 57,956
Community Services Block Grant Funds	888,248	-	888,248	226,197	514,773	329,127
Unified Work Program Funds	440,789	83,770	524,559	310,285	115,264	6,380
Workforce Investment Act Fund	880,760	-	880,760	377,246	437,254	66,260
Welfare to Work Fund	794,919	-	794,919	458,823	267,501	58,035
Emergency Shelter HUD Fund	136,300	-	136,300	37,739	95,666	2,728
Federal Health Projects Fund	5,395,221	(148,844)	5,246,377	3,065,345	1,089,073	246,338
Library Special Projects Fund	576,392	-	576,392	344,483	13,495	147,110
Police Federal Grants Fund	1,181,092	231,074	1,412,166	459,353	185,694	158,057
Redevelopment and Rehabilitation Grant Fund	-	3,084	3,084	-	-	-
Federal and State Projects Fund	172,955	205,258	378,213	275,976	204,641	39,407
Emergency Shelter SRS Fund	60,553	-	60,553	15,087	38,455	6,673
HOME Program Fund	902,082	793,800	1,695,882	222,752	1,421,289	1,380
Wichita Housing Authority Funds	12,844,975	1,202,211	14,047,186	2,226,491	11,320,917	272,943
 Total 2001	<u>\$ 28,563,109</u>	<u>\$ 3,774,554</u>	<u>\$ 32,337,663</u>	<u>\$ 9,296,706</u>	<u>\$ 18,897,990</u>	<u>\$ 1,392,394</u>
 Total 2000	<u>\$ 29,388,952</u>	<u>\$ 2,303,758</u>	<u>\$ 31,692,710</u>	<u>\$ 9,374,435</u>	<u>\$ 18,463,036</u>	<u>\$ 1,363,988</u>

Capital outlay	Other	Total	Other financing sources (uses) Operating transfers	Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	Fund balances (deficits), January 1	Prior period adjustment	Fund balances (deficits), January 1, as restated	Fund balances (deficits), December 31
\$ 87,580	\$ 67,334	\$ 4,683,767	\$ (368,227)	\$ 641,030	\$ 1,160,711	\$ -	\$ 1,160,711	\$ 1,801,741
194,123	-	1,264,220	-	(375,972)	375,972	-	375,972	-
8,860	83,770	524,559	-	-	-	-	-	-
-	-	880,760	-	-	-	-	-	-
10,560	-	794,919	-	-	-	-	-	-
-	-	136,133	-	167	(167)	-	(167)	-
24,668	-	4,425,424	-	820,953	(820,953)	-	(820,953)	-
2,628	-	507,716	-	68,676	354,407	-	354,407	423,083
19,480	-	822,584	-	589,582	2,622,642	-	2,622,642	3,212,224
-	-	-	-	3,084	56,001	-	56,001	59,085
5,709	-	525,733	(43,370)	(190,890)	589,603	-	589,603	398,713
-	-	60,215	-	338	-	-	-	338
60,104	-	1,705,525	-	(9,643)	(24,488)	-	(24,488)	(34,131)
3,330	336	13,824,017	-	223,169	1,871,521	-	1,871,521	2,094,690
<u>\$ 417,042</u>	<u>\$ 151,440</u>	<u>\$ 30,155,572</u>	<u>\$ (411,597)</u>	<u>\$ 1,770,494</u>	<u>\$ 6,185,249</u>	<u>\$ -</u>	<u>\$ 6,185,249</u>	<u>\$ 7,955,743</u>
<u>\$ 1,290,267</u>	<u>\$ 90,614</u>	<u>\$ 30,582,340</u>	<u>\$ 384,202</u>	<u>\$ 1,494,572</u>	<u>\$ 4,620,243</u>	<u>\$ 70,434</u>	<u>\$ 4,690,677</u>	<u>\$ 6,185,249</u>

CITY OF WICHITA, KANSAS

**SPECIAL REVENUE FUNDS
FEDERAL AND STATE ASSISTANCE FUNDS
DETAILED SCHEDULE OF REVENUES AND TRANSFERS**

Year ended December 31, 2001
(with comparative totals for the year ended December 31, 2000)

	Intergovernmental		
	Federal	Federal to State	State
Community Development Block Grant Funds	\$ 4,288,823	\$ -	\$ -
Community Services Block Grant Funds	-	888,248	-
Unified Work Program Funds	-	440,789	-
Workforce Investment Act Fund	-	880,760	-
Welfare to Work Fund	-	794,919	-
Emergency Shelter HUD Fund	136,300	-	-
Federal Health Projects Fund	1,332,319	1,966,115	2,096,787
Library Special Projects Fund	-	-	576,392
Police Federal Grants Fund	1,111,798	-	69,294
Redevelopment and Rehabilitation Grant Fund	-	-	-
Federal and State Projects Fund	96,973	54,648	21,334
Emergency Shelter SRS Fund	-	60,553	-
HOME Program Fund	902,082	-	-
Wichita Housing Authority Funds	12,844,975	-	-
	<u>\$ 20,713,270</u>	<u>\$ 5,086,032</u>	<u>\$ 2,763,807</u>
 Total 2001			
	<u>\$ 20,713,270</u>	<u>\$ 5,086,032</u>	<u>\$ 2,763,807</u>
 Total 2000			
	<u>\$ 22,099,877</u>	<u>\$ 5,031,054</u>	<u>\$ 2,258,021</u>

<u>Other</u>	<u>Transfers</u>	<u>Total revenues and other financing sources</u>
\$ 1,404,201	\$ -	\$ 5,693,024
-	-	888,248
83,770	-	524,559
-	-	880,760
-	-	794,919
-	-	136,300
(148,844)	-	5,246,377
-	-	576,392
231,074	-	1,412,166
3,084	-	3,084
205,258	45,580	423,793
-	-	60,553
793,800	-	1,695,882
1,202,211	-	14,047,186
<u>\$ 3,774,554</u>	<u>\$ 45,580</u>	<u>\$ 32,383,243</u>
<u>\$ 2,303,758</u>	<u>\$ 1,118,948</u>	<u>\$ 32,811,658</u>

CITY OF WICHITA, KANSAS

**SELF INSURANCE FUNDS
SCHEDULE OF OPERATIONS AND
CHANGES IN RETAINED EARNINGS**

Year ended December 31, 2001

	<u>Life Insurance</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Totals 2001</u>
Operating revenues:					
Employer contributions	\$ 194,008	\$ 12,158,949	\$ 3,240,058	\$ 2,820,518	\$ 18,413,533
Employee contributions	336,218	4,098,226	-	-	4,434,444
Other	-	-	364,160	3,031	367,191
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total operating revenues	530,226	16,257,175	3,604,218	2,823,549	23,215,168
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating expenses:					
Depreciation	-	-	583	9,102	9,685
Employee benefits	814,369	15,776,472	-	-	16,590,841
Insurance claims	-	-	2,325,087	2,498,432	4,823,519
Other	-	-	-	2,876,430	2,876,430
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total operating expenses	814,369	15,776,472	2,325,670	5,383,964	24,300,475
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating income (loss)	(284,143)	480,703	1,278,548	(2,560,415)	(1,085,307)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Nonoperating revenues:					
Interest earnings	193,900	131,135	644,130	663,023	1,632,188
Proceeds from sale of assets	-	-	-	(543)	(543)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total nonoperating revenues	193,900	131,135	644,130	662,480	1,631,645
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income (loss) before operating transfers	(90,243)	611,838	1,922,678	(1,897,935)	546,338
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating transfers:					
Operating transfers in	-	-	-	351,250	351,250
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income (loss)	(90,243)	611,838	1,922,678	(1,546,685)	897,588
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Retained earnings, January 1	3,379,667	2,789,230	1,494,899	7,533,836	15,197,632
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Retained earnings, December 31	<u>\$ 3,289,424</u>	<u>\$ 3,401,068</u>	<u>\$ 3,417,577</u>	<u>\$ 5,987,151</u>	<u>\$ 16,095,220</u>

CITY OF WICHITA, KANSAS

**SELF INSURANCE FUNDS
SCHEDULE OF OPERATIONS AND
CHANGES IN RETAINED EARNINGS**

Year ended December 31, 2000

	<u>Life Insurance</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Totals 2000</u>
Operating revenues:					
Employer contributions	\$ 179,122	\$ 11,116,173	\$ 2,860,974	\$ 3,111,745	\$ 17,268,014
Employee contributions	324,962	3,962,982	-	-	4,287,944
Other	-	-	7,773	438,066	445,839
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total operating revenues	504,084	15,079,155	2,868,747	3,549,811	22,001,797
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating expenses:					
Depreciation	-	-	-	9,505	9,505
Employee benefits	636,753	15,486,472	-	-	16,123,225
Insurance claims	-	-	5,103,857	1,593,045	6,696,902
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total operating expenses	636,753	15,486,472	5,103,857	1,602,550	22,829,632
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating income (loss)	(132,669)	(407,317)	(2,235,110)	1,947,261	(827,835)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Nonoperating revenues:					
Interest earnings	205,688	127,747	650,064	599,519	1,583,018
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total nonoperating revenues	205,688	127,747	650,064	599,519	1,583,018
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income (loss) before operating transfers	73,019	(279,570)	(1,585,046)	2,546,780	755,183
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating transfers:					
Operating transfers in	-	-	-	386,830	386,830
Operating transfers out	-	-	-	(250,000)	(250,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income (loss)	73,019	(279,570)	(1,585,046)	2,683,610	892,013
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Retained earnings, January 1	3,306,648	3,068,800	3,079,945	4,850,226	14,305,619
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Retained earnings, December 31	\$ 3,379,667	\$ 2,789,230	\$ 1,494,899	\$ 7,533,836	\$ 15,197,632
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

CITY OF WICHITA, KANSAS

SCHEDULE OF INSURANCE IN FORCE

December 31, 2001

Company	Policy Number	Policy Period		Details of Coverage
		From	To	
Allianz	CLP1034114	01-01	01-02	Property Insurance - All risk coverage on real and personal property in the City and property for others for which the City is legally liable. Values I.A.W. Statement of values on replacement cost basis
Allianz	CLP1034114	01-01	01-02	Property Insurance - Comprehensive coverage for steam boilers, air conditioning and electric motors. Property coverage of repair or replacement cost basis
Hartford Fire	37BPEAI5991	01-01	01-02	Burglary and/or theft coverage for monies and securities
Employer Reinsurance Corporation	0006636	01-01	01-02	Excess Workers' Compensation coverage-all City employees
Allianz	CLP1034114	01-01	01-02	Data Processing Property Protection
CNA	HMA1028644023-6	01-01	12-01	Health Dept. - General Commercial and Professional Liability
Zurich	SRX05646	01-01	01-02	Travel Accident Insurance
Housing Authority Risk Retention Group, Inc.	17-0055-2002-00 000-0	06-01	06-02	WHA General Liability
A/G Aviation	AV3220772-06	01-01	01-02	Helicopter Liability Coverage - property damage and bodily injury
Hartford Fire	37BPEAI5991	01-01	01-02	Blanket Position Bond - coverage per dishonest acts of employees
Travelers Indemnity Co.	42/KTCM199D 292-8-99	06-01	06-02	WHA Fire Insurance on all owned units
Travelers Indemnity Co.	42/KTCM199D 292-8-99	06-01	06-02	WHA Flood Insurance on 30 units
Lexington Insurance Co.	8539654	11-01	10-02	Excess liability for federal and out of state actions

<u>Terms</u>	<u>Deductible</u>	<u>Liability Limits</u>	<u>Annual Premium</u>
Per occurrence	\$ 100,000	\$ 277,918,000	\$ 226,100
Per occurrence	10,000	55,000,000	(included in property)
Per occurrence	10,000	500,000	16,058
Per occurrence - liability imposed by law	300,000	Unlimited	37,995
Hardware	100,000	10,000,000	(included in property)
Each event	-	500,000	31,388
Per occurrence	-	100,000 500,000	1,197
Per occurrence	25,000	5,000,000	23,854
Per occurrence	-	500,000	4,750
Per loss/per employee	5,000	1,000,000	(included in burglary)
Per occurrence	2,500	27,755,049	89,742
Per occurrence	5,000	904,700	2,351
Per occurrence	1,000,000	10,000,000 occur. 20,000,000 agg.	130,910

(Continued)

CITY OF WICHITA, KANSAS

SCHEDULE OF INSURANCE IN FORCE (CONTINUED)

December 31, 2001

Company	Policy Number	Policy Period		Details of Coverage
		From	To	
<u>LIBRARY BOARD</u>				
CHUBB	0005-39-99KCO	03-01	03-02	Property Insurance Institutional All Risk Coverage for building, personal and scheduled property
<u>WICHITA AIRPORT AUTHORITY</u>				
Ace USA	APN679608	07-01	07-02	Comprehensive general liability and property damage
Great American Alliance Insurance Company	KST773174141-08	04-01	04-02	Underground storage tank liability
<u>WICHITA ART MUSEUM</u>				
Signa Fire Underwriters Insurance Company	MVPI20008374	01-01	01-02	All risk coverage for fine arts collections, on premises, worldwide transit coverage, and other locations

<u>Terms</u>	<u>Deductible</u>	<u>Liability Limits</u>	<u>Annual Premium</u>
Building and Contents Scheduled Property	\$ 1,000 1,000	\$ 19,828,945 as scheduled	\$ 22,005
	10,000	100,000,000	33,744
	10,000	1,000,000	4,125
Per occurrence Permanent Collection and Loan Collection	1,000	40,000,000 @ insured's premises; 10,000,000 @ any other location; 10,000,000 in transit; 40,000,000 any one loss/disaster	<u>25,000</u>
		TOTAL	<u>\$ 649,219</u>



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✿ STATISTICAL SECTION ✿

The Statistical Section includes schedules showing ten-year financial trends as extracted from current and prior years' financial reports and other supplemental information relevant to the City. The statistical schedules reflect social and economic data, financial trends and the fiscal capacity of the City.



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CITY OF WICHITA, KANSAS

GENERAL GOVERNMENT REVENUES BY SOURCE ¹
1992 TO 2001

<u>Year</u>	<u>Taxes</u>	<u>Special Assessments</u>	<u>Franchise Fees</u>	<u>Local Sales Tax</u>	<u>Intergovernmental</u>	<u>Licenses and Permits</u>
1992	\$ 53,690,449	\$ 24,178,497	\$ 22,197,414	\$ 24,978,593	\$ 45,445,639	\$ 4,482,503
1993	56,161,996	24,911,257	23,737,490	31,627,265	43,410,317	4,135,793
1994	58,672,110	26,853,776	24,276,855	32,691,620	45,127,486	3,914,580
1995	59,109,590	28,338,380	24,093,937	33,183,589	48,580,678	3,601,599
1996	59,962,122	28,529,206	26,138,340	33,492,240	58,069,696	3,451,183
1997	63,692,486	26,894,346	26,455,348	35,359,410	59,292,126	4,484,107
1998	66,415,469	24,778,035	27,208,461	39,129,814	58,699,654	4,657,614
1999	68,046,858	23,915,289	27,636,037	38,237,574	75,954,075	4,714,786
2000	75,663,130	25,876,797	29,088,392	37,778,881	73,681,578	5,272,042
2001	81,585,715	26,294,749	31,521,170	40,187,186	71,329,574	6,382,478

¹ All Governmental Fund types including Expendable Trust Funds.

GENERAL GOVERNMENT EXPENDITURES BY FUNCTION ¹
1992 TO 2001

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets</u>	<u>Sanitation</u>	<u>Health and Welfare</u>
1992	\$ 18,468,546	\$ 56,412,195	\$ 12,742,941	\$ 2,852,632	\$ 23,035,996
1993	20,660,500	56,638,764	13,247,354	2,173,131	25,136,605
1994	20,285,269	58,339,106	12,701,232	2,306,356	25,366,165
1995	22,833,395	62,162,833	17,098,696	2,296,627	29,159,834
1996	21,660,305	66,256,654	15,528,097	2,528,351	29,722,211
1997	21,952,110	68,125,546	14,784,097	4,261,661	32,923,765
1998	23,021,931	71,029,077	16,706,548	4,618,925	29,287,476
1999	24,452,917	72,930,754	15,960,318	5,407,763	31,573,314
2000	23,979,859	76,700,135	17,368,273	4,649,402	37,618,452
2001	25,496,253	78,639,160	17,685,470	6,814,361	38,740,569

¹ All Governmental Fund types including Expendable Trust Funds.

<u>Fines and Penalties</u>	<u>Rentals</u>	<u>Interest Earnings</u>	<u>Charges for Services and Sales</u>	<u>Other Revenues</u>	<u>Total</u>
\$ 3,106,673	\$ 1,954,116	\$ 4,272,231	\$ 7,869,896	\$ 7,586,220	\$ 199,762,231
4,063,100	2,442,341	3,905,569	8,885,239	9,082,021	212,362,388
4,063,191	2,315,069	4,495,055	10,415,973	8,183,223	221,008,938
4,679,451	3,188,435	7,217,020	11,042,673	13,560,612	236,595,964
5,695,209	3,008,191	6,700,032	12,015,048	9,113,406	246,174,673
6,515,083	2,815,832	7,101,566	18,936,042	12,028,020	263,574,366
8,998,905	3,245,227	7,881,271	21,238,172	22,486,769	284,739,391
9,181,475	3,949,500	8,489,135	18,722,159	17,038,890	295,885,778
7,399,707	4,147,772	10,211,981	19,775,297	13,470,521	302,366,098
6,851,819	4,331,335	10,441,337	18,443,762	16,592,383	313,961,508

<u>Culture and Recreation</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total</u>
\$ 19,280,494	\$ 43,298,804	\$ 76,959,613	\$ 253,051,221
19,595,201	49,546,550	69,684,618	256,682,723
20,202,191	48,705,664	71,308,304	259,214,287
20,620,601	56,365,121	48,540,879	259,077,986
21,535,199	58,782,974	78,466,561	294,480,352
22,821,354	74,909,826	71,485,686	311,264,045
23,796,658	71,406,993	73,175,976	313,043,584
23,723,105	65,056,260	94,253,708	333,358,139
24,386,160	62,857,860	78,919,861	326,480,002
25,098,424	68,993,318	115,791,635	377,259,190

CITY OF WICHITA, KANSAS

**TAXES LEVIES AND COLLECTIONS
GENERAL AND DEBT SERVICE FUNDS
1992 to 2001 INCLUSIVE
(Includes Tangible Property Taxes Only)**

Year ¹	Total Tax Levy	Current Tax Collections	Percentage Current Tax Collected	Prior Years Delinquent Tax Collections	Total Tax Collections	Ratio of Total Collections to Current Tax Levy
1992	\$ 43,870,799	\$ 41,232,963	93.99	\$ 1,635,314	\$ 42,868,277	97.71
1993	44,760,320	42,437,430	94.81	2,020,872	44,458,302	99.33
1994	46,870,890	44,900,615	95.80	1,408,243	46,308,858	98.80
1995	47,839,850	44,721,966	93.48	1,548,661	46,270,627	96.72
1996	48,606,040	45,891,724	94.42	1,071,021	46,962,745	96.62
1997	50,127,520	48,453,454	96.66	1,059,780	49,513,234	98.77
1998	52,357,401	50,552,832	96.55	892,780	51,445,612	98.26
1999	54,978,750	52,894,709	96.21	1,118,586	54,013,295	98.24
2000	59,640,740	56,956,649	95.50	1,050,126	58,006,775	98.19
2001	65,180,140	61,319,251	94.08	1,138,608	62,457,859	95.82

**TAX LEVIES AND COLLECTIONS
TAX INCREMENT FINANCE DISTRICTS
1992 TO 2001 INCLUSIVE
(Includes Tangible Property Taxes Only)**

Year ¹	Total Tax Levy	Current Tax Collections	Percentage Current Tax Collected	Prior Years Delinquent Tax Collections	Total Tax Collections	Ratio of Total Collections to Current Tax Levy
1992	\$ 503,975	\$ 503,975	100.00	\$ -	\$ 503,975	100.00
1993	455,810	414,391	90.91	-	414,391	90.91
1994	450,000	449,080	99.80	5,058	454,138	100.92
1995	463,000	348,300	75.23	14,410	362,710	78.34
1996	472,000	419,174	88.81	10,118	429,292	90.95
1997	925,770	883,832	95.47	16,777	900,609	97.28
1998	800,000	750,460	93.81	21,604	772,064	96.51
1999	1,895,880	1,376,153	72.59	21,726	1,397,879	73.73
2000	2,655,850	2,148,679	80.90	33,870	2,182,549	82.18
2001	4,422,170	3,823,155	86.45	52,416	3,875,571	87.64

**SPECIAL ASSESSMENT LEVIES AND COLLECTIONS
1992 to 2001 INCLUSIVE**

Year ¹	Assessments Certified to County	Current Assessment Collections ²	Percentage Current Assessments Collected	Prior Years Assessments Collected	Total Assessment Collections	Ratio of Total Collections to Current Assessment
1992	\$ 22,613,711	\$ 22,686,903	100.32	\$ 1,136,938	\$ 23,823,841	105.35
1993	23,767,662	23,670,224	99.59	1,098,127	24,768,351	104.21
1994	24,408,596	25,523,004	104.57	1,236,376	26,759,380	109.63
1995	25,351,548	24,017,851	94.74	1,098,876	25,116,727	99.07
1996	25,662,300	24,371,950	94.97	900,252	25,272,202	98.48
1997	25,263,304	24,094,281	95.37	900,990	24,995,271	98.94
1998	22,134,813	21,152,108	95.56	822,551	21,974,659	99.28
1999	21,625,243	20,758,882	96.00	989,461	21,748,343	100.57
2000	22,964,692	21,960,411	95.63	758,196	22,718,607	98.93
2001	24,537,934	23,275,284	94.85	751,457	24,026,741	97.92

¹ The year shown is the year in which collections were received. The levy or assessment is certified to the county the previous year.

² Special assessments to proprietary funds and any advance payments not included.

CITY OF WICHITA, KANSAS

**ASSESSED VALUE AND ESTIMATED TRUE VALUE OF
ALL TAXABLE TANGIBLE PROPERTY
1992 TO 2001 INCLUSIVE**

Year	Real Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1992	\$ 1,251,747,236	\$ 7,681,727,399	\$ 158,940,078	\$ 767,704,184
1993	1,165,919,146	7,451,747,243	207,858,086	766,267,254
1994	1,190,205,786	7,661,038,390	215,289,469	859,795,357
1995	1,208,721,313	7,923,388,216	218,194,371	877,170,530
1996	1,260,063,412	8,689,848,424	226,437,965	914,773,380
1997	1,322,922,200	9,116,262,709	233,093,559	943,477,660
1998	1,398,595,181	9,660,784,011	240,784,909	987,508,010
1999	1,521,203,304	10,572,931,388	258,933,472	1,067,548,300
2000	1,666,014,499	11,620,282,660	291,867,085	1,214,677,550
2001	1,787,594,359	12,475,184,748	273,783,041	1,153,727,190

Year	Property Assessed by State		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1992	\$ 101,792,231	\$ 339,307,437	\$ 1,512,479,545	\$ 8,788,739,020
1993	115,520,302	350,061,521	1,489,297,534	8,568,076,018
1994	123,423,836	374,011,624	1,528,919,091	8,894,845,371
1995	118,913,895	360,345,136	1,545,829,579	9,160,903,882
1996	117,722,543	356,734,979	1,604,223,920	9,961,356,783
1997	120,750,610	365,910,939	1,676,766,369	10,425,651,308
1998	119,767,969	362,933,239	1,759,148,059	11,011,225,260
1999	118,859,506	360,180,322	1,898,996,282	12,000,660,010
2000	120,686,046	365,715,291	2,078,567,630	13,200,675,501
2001	128,885,519	390,562,179	2,190,262,919 ¹	14,019,474,117

¹ The total assessed valuation for 2000 times the tax rate for 2001 produces revenue for 2002 operations.
Source: Sedgwick County Clerk and Sedgwick County Appraiser.

**TAX RATES
(PER \$1,000 ASSESSED VALUATION)
1992 TO 2001 INCLUSIVE**

Year ²	General	Debt and Interest	Total	State	Sedgwick County	Board of Education USD 259	Wichita State University	Total
1992	21.998	7.596	29.594	1.500	24.235	49.590	1.501	106.420
1993	22.935	8.537	31.472	1.500	26.666	51.143	1.500	112.281
1994	21.932	9.358	31.290	1.500	26.622	52.508	1.500	113.420
1995	21.394	10.049	31.443	1.500	26.660	53.609	1.500	114.712
1996	21.261	9.986	31.247	1.500	26.561	51.874	1.500	112.682
1997	21.232	9.993	31.225	1.500	28.717	44.383	1.479	107.304
1998	21.251	10.002	31.253	1.500	28.138	37.636	1.500	100.027
1999	21.355	10.051	31.406	1.500	27.199	37.526	1.500	99.131
2000	21.323	10.036	31.359	1.500	27.057	46.163	1.543	107.622
2001	21.437	10.037	31.474	1.500	27.154	54.926	1.500	116.554

² Represents year taxes were levied to provide support for ensuing budget year.

CITY OF WICHITA, KANSAS

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENT EXPENDITURES
1992 to 2001 INCLUSIVE**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service¹</u>	<u>Total General Government Expenditures²</u>	<u>Ratio of Debt Service to General Government Expenditures</u>
1992	\$ 29,856,346	\$ 13,033,076	\$ 42,889,422	\$ 253,051,221	16.95%
1993	33,903,274	15,295,250	49,198,524	256,682,723	19.17
1994	35,113,362	12,910,898	48,024,260	259,214,287	18.53
1995	38,048,794	12,713,137	50,761,931	259,077,986	19.59
1996	40,824,242	12,562,333	53,386,575	294,480,352	18.13
1997	45,123,160	14,084,625	59,207,785	311,264,045	19.02
1998	30,964,711	12,624,084	43,588,795	313,043,584	13.92
1999	32,731,124	13,191,494	45,922,618	333,358,139	13.78
2000	35,299,048	14,103,933	49,402,981	326,480,002	15.13
2001	45,819,066	14,118,702	59,937,768	377,259,190	15.89

¹ Excludes debt service related to Section 108 loan.

² Includes expenditures of all governmental fund types.

CITY OF WICHITA, KANSAS

SCHEDULE OF LEGAL DEBT
Year ended December 31, 2001

Equalized assessed valuation of taxable tangible property	\$ 2,190,262,919
Estimated tangible valuation of motor vehicles	<u>324,708,562</u>
 Equalized tangible valuation for computation of bonded indebtedness limitations	 <u>\$ 2,514,971,481</u>
 Debt limit (30.0% of equalized tangible valuation)	 <u>\$ 754,491,444</u>
 Total bonded indebtedness	 502,700,622
Temporary notes (1)	<u>75,000,000</u>
 Total debt	 577,700,622

Less: Assets in Debt service fund available for payment for principal	\$ 6,393,033
Water Utility revenue bonds	91,868,376
Sewer Utility revenue bonds	58,291,624
Airport facilities revenue bonds	31,093,322
Public Building Commission revenue bonds	41,620,000
Other deductions allowed by law (2)	
Airport (3)	5,380,000
Sewer improvements (3)	52,834,292
Park improvements (4)	6,506,590
Local Sales Tax (5)	<u>17,500,000</u>
 Total deductions	 <u>311,487,237</u>
 Legal debt applicable to debt limit	 <u>266,213,385</u>
 Legal debt margin	 <u>\$ 488,278,059</u>

(1) G.O. series 203 dated 08/23/0, due 02/21/02	<u>\$ 75,000,000</u>
 Total temporary notes	 <u>\$ 75,000,000</u>
 Amount reclassified as bond anticipation notes	 \$ 55,808,299
Remaining temporary notes	<u>19,191,701</u>
 Total temporary notes	 <u>\$ 75,000,000</u>

(2) Kansas Statutes Annotated 79-5037

(3) Bonds and notes issued for any improvement to airport and sewer system including those payable from special assessments.

(4) Exempted from debt limitation as of July 1, 1975

(5) Kansas Statutes Annotated 12-195b

CITY OF WICHITA, KANSAS

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA 1992 to 2001 INCLUSIVE

Fiscal Year	Population	Assessed Value	Gross Bonded Debt ¹	Debt Service Monies Available	Debt Payable From Local Sales Tax
1992	320,037	\$ 1,771,714,364	\$ 288,725,000	\$ 5,378,538	\$ 50,000,000
1993	322,873	1,746,399,714	281,200,000	5,655,992	45,000,000
1994	323,342	1,813,383,741	279,065,000	9,150,868	40,000,000
1995	323,192	1,803,873,557	271,645,000	8,758,360	35,000,000
1996	324,991	1,932,627,650	298,825,000	6,449,650	55,000,000
1997	328,576	2,015,713,886	279,215,000	2,525,891	47,500,000
1998	333,680	2,079,605,936	293,130,366	10,598,695	40,000,000
1999	335,562	2,213,539,119	305,885,369	15,490,109	32,500,000
2000	344,284	2,384,870,895	314,685,358	25,036,511	25,000,000
2001	347,956	2,514,971,481	279,827,300	6,393,033	17,500,000

¹ Includes all long-term general obligation debt.

<u>Debt Payable From Transient Guest Tax</u>	<u>Debt Payable From Proprietary And Component Unit Revenues</u>	<u>Debt Payable From Special Assessments</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
\$ 9,370,000	\$ 36,768,055	\$ 135,257,303	\$ 51,951,104	2.93	\$ 162.33
8,860,000	31,397,123	132,906,126	57,380,759	3.29	177.72
8,305,000	30,799,300	134,508,288	56,301,544	3.1	174.12
7,700,000	26,421,566	131,972,087	61,792,987	3.43	191.20
7,040,000	37,599,496	131,445,100	61,290,754	3.17	188.59
8,650,000	31,522,790	132,085,952	56,930,367	2.94	180.34
17,407,988	25,267,501	140,993,973	58,862,209	3.25	205.67
17,509,400	19,098,427	149,115,000	72,172,433	3.57	235.24
16,203,204	25,062,472	158,375,000	65,008,172	2.73	188.82
14,397,547	21,278,480	149,255,000	71,003,240	2.82	204.06

CITY OF WICHITA, KANSAS

**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
AS OF DECEMBER 31, 1999, 2000 AND 2001**

	<u>December 31, 1999</u>	
	<u>Percentage of debt applicable to City</u>	<u>City of Wichita share of debt</u>
Direct Debt:		
General obligation bonded debt		
Payable from ad valorem taxes		\$ 87,662,542
Temporary note debt		<u>30,275,000</u>
Total direct debt		117,937,542
Less - assets in debt service fund available for payment of principal		<u>15,490,109</u>
Total net direct debt		<u>102,447,433</u>
Overlapping debt:		
Sedgwick County	73.05	53,494,679
USD 259		-
Wichita Public Building Commission	100.00	<u>21,970,000</u>
Total overlapping debt		<u>75,464,679</u>
Total direct and overlapping debt		<u><u>\$ 177,912,112</u></u>

<u>December 31, 2000</u>		<u>December 31, 2001</u>	
<u>Percentage of debt applicable to City</u>	<u>City of Wichita share of debt</u>	<u>Percentage of debt applicable to City</u>	<u>City of Wichita share of debt</u>
	\$ 90,044,683		\$ 77,396,273
	<u>20,030,000</u>		<u>75,000,000</u>
	110,074,683		152,396,273
	<u>25,036,511</u>		<u>6,393,033</u>
	<u>85,038,172</u>		<u>146,003,240</u>
74.53	71,629,896	74.74	72,090,467
60.05	56,947,217	67.61	119,811,681
100.00	<u>21,340,000</u>	100.00	<u>20,295,000</u>
	<u>149,917,113</u>		<u>212,197,148</u>
	<u>\$ 234,955,285</u>		<u>\$ 358,200,388</u>

CITY OF WICHITA, KANSAS

**SCHEDULE OF WATER UTILITY REVENUE BOND COVERAGE
1992 TO 2001 INCLUSIVE**

<u>Year</u>	<u>Gross Revenues ¹</u>	<u>Operating Expenses ²</u>	<u>Net Revenue Available for Debt Service</u>	<u>Annual Debt Service Requirements</u>	<u>Coverage Ratio</u>
1992	\$ 24,560,285	\$ 13,004,861	\$ 11,555,424	\$ 6,440,897	1.79
1993	25,199,291	13,990,374	11,208,917	6,454,262	1.74
1994	27,095,326	12,652,703	14,442,623	5,574,333	2.59
1995	24,806,078	12,880,976	11,925,102	5,538,242	2.15
1996	24,659,040	13,871,715	10,787,325	5,407,848	1.99
1997	25,418,775	13,532,744	11,886,031	6,800,480	1.75
1998	30,785,734	15,244,191	15,541,543	7,135,666	2.18
1999	27,341,518	15,425,735	11,915,783	7,537,613	1.58
2000	32,777,828	16,627,483	16,150,345	8,864,146	1.82
2001	39,639,003	17,479,825	22,159,178	9,351,978	2.37

¹ Total revenues (including interest). Beginning in 2001, in accordance with GASB 33, amounts previously reported as contributed capital are now included in revenue.

² Total operating expenses including payments required under the contract with Bureau of Reclamation and exclusive of depreciation.

**SCHEDULE OF SEWER UTILITY REVENUE BOND COVERAGE
1992 TO 2001 INCLUSIVE**

<u>Year</u>	<u>Gross Revenues ¹</u>	<u>Operating Expenses ²</u>	<u>Net Revenue Available for Debt Service</u>	<u>Annual Debt Service Requirements</u>	<u>Coverage Ratio</u>
1992	\$ 17,665,893	\$ 10,413,426	\$ 7,252,467	\$ 3,169,017	2.29
1993	18,364,567	11,038,288	7,326,279	5,498,757	1.33
1994	20,127,633	11,563,883	8,563,750	3,987,677	2.15
1995	21,888,912	12,055,854	9,833,058	3,974,760	2.47
1996	22,390,856	12,671,220	9,719,636	3,958,638	2.46
1997	22,041,016	12,416,509	9,624,507	4,790,108	2.01
1998	23,776,072	12,744,377	11,031,695	5,890,201	1.87
1999	22,269,290	13,173,497	9,095,793	6,433,431	1.41
2000	25,015,390	13,494,073	11,521,317	6,778,935	1.70
2001	52,684,645	14,768,401	37,916,244	7,000,505	5.42

¹ Total revenues (including interest). Beginning in 2001, in accordance with GASB 33, amounts previously reported as contributed capital are now included in revenue.

² Total operating expenses exclusive of depreciation

CITY OF WICHITA, KANSAS

PRINCIPAL TAXPAYERS DECEMBER 31, 2001

Taxpayer	Type of Business	2001 Assessed Valuation	Percent of Total Assessed Valuation \$2,514,971,481
City of Wichita:			
Southwestern Bell	Communication	\$ 48,617,593	1.93
Western Resources	Electric utility	45,770,660	1.82
Simon Property Group, LP	Shopping mall	17,992,739	0.72
Wesley Medical Center	Health services	17,730,278	0.71
Koch Industries	Oil and gas	11,025,315	0.44
Towne West Square, LLC	Shopping mall	10,910,452	0.43
Kansas Gas Service	Gas utility	9,355,305	0.37
Builders, Inc.	Real estate	5,574,017	0.22
Bradley Fair One, LLC	Shopping mall	4,739,826	0.19
Sam's Real Estate Business	Discount chain	4,607,026	0.18
		<u>\$ 176,323,211</u>	<u>7.01</u>

		2001 Assessed Valuation	Percent of Total Assessed Valuation \$3,371,366,411
Sedgwick County:			
Western Resources	Electric utility	\$ 101,262,493	3.00
Southwestern Bell	Communication	61,742,648	1.83
Boeing Military Aircraft Co.	Aircraft manufacturing	38,997,183	1.16
Raytheon Aircraft Co.	Aircraft manufacturing	19,180,904	0.57
Simon Property Group, LP	Shopping mall	17,992,739	0.53
Vulcan Materials Co.	Chemical manufacturing	15,276,140	0.45
Kansas Gas Service	Gas utility	12,655,192	0.38
Cessna Aircraft	Aircraft manufacturing	11,375,880	0.34
Koch Industries	Oil and gas	11,060,680	0.33
Towne West Square, LLC	Shopping mall	10,910,452	0.32
		<u>\$ 300,454,311</u>	<u>8.91</u>

CITY OF WICHITA, KANSAS

DEMOGRAPHIC STATISTICS 1992 TO 2001 INCLUSIVE

Fiscal Year	Population ¹	Per Capita Income ²	Median Age ³	School Enrollment ⁴	Unemployment Rate ⁵
1992	320,037	\$ 21,489	32.4	48,836	4.2
1993	322,873	21,754	32.5	48,126	5.8
1994	323,342	22,030	32.6	47,212	6.4
1995	323,192	23,211	32.8	46,579	4.7
1996	324,991	24,554	32.9	47,423	4.3
1997	328,576	25,723	33.0	47,875	3.4
1998	333,680	27,105	33.1	48,454	3.3
1999	335,562	27,442	33.3	48,547	3.3
2000	344,284	27,783	33.4	49,100	4.2
2001	347,956	28,129	32.1	49,147	4.1

¹1992-2000, Bureau of the Census;
2001 Center for Economic Development, Wichita State University (Estimated)

²1992-99 Bureau of Economic Analysis;
2000-2001 Center for Economic Development, Wichita State University (Estimated)

³1992-1999, 2001 Center for Economic Development, Wichita State University (Estimated);
2000, Bureau of the Census

⁴Wichita School District, USD 259

⁵Kansas Department of Human Resources; Labor Market Information Services, Wichita MSA

BANK DEPOSITS AND CONSTRUCTION ACTIVITY 1992 TO 2001 INCLUSIVE

Year	Total Valuation ¹	Building Permits ²		Bank Deposits ³
		Number	Valuation	
1992	\$ 6,673,379,383	33,160	\$ 306,867,787	\$ 3,531,783,000
1993	6,983,753,557	18,419	278,702,512	3,515,609,000
1994	7,264,502,887	7,282	265,529,931	3,473,045,000
1995	7,633,075,504	5,929	252,986,262	3,577,648,000
1996	7,864,025,661	5,744	292,963,801	3,609,795,000
1997	8,292,245,817	6,600	363,253,891	3,807,705,000
1998	8,809,701,983	6,566	385,392,078	3,966,725,000
1999	9,699,726,226	8,333	304,871,674	4,156,833,000
2000	10,683,463,157	7,349	324,796,525	3,491,000,000
2001	11,511,701,522	8,040	405,610,935	4,009,000,000

¹State of Kansas, Department of Revenue, Division of Property Evaluation

²City of Wichita, Office of Central Inspection

³FDIC, Office of Thrift Supervision, Sedgwick County

☀ SINGLE AUDIT SECTION ☀

The Single Audit Section contains schedules, exhibits and Auditor Reports reflecting Federal, State and local matching participation in various projects and programs of the City.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council Members
City of Wichita, Kansas

We have audited the financial statements of the City of Wichita, Kansas, as of and for the year ended December 31, 2001, and have issued our report thereon dated March 22, 2002. We conducted our audit 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.

Compliance

As part of obtaining reasonable assurance about whether the City of Wichita's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City of Wichita's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than those specified parties.

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

March 22, 2002
Wichita, Kansas

**INDEPENDENT AUDITORS' REPORT ON
COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM,
THE PASSENGER FACILITY CHARGE PROGRAM,
AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB *CIRCULAR A-133* AND
THE PASSENGER FACILITY CHARGE AUDIT GUIDE**

Honorable Mayor and City Council Members
City of Wichita, Kansas

Compliance

We have audited the compliance of the City of Wichita, Kansas, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs and in the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration (Guide) for the year ended December 31, 2001. The City of Wichita's major federal programs are identified in the summary of independent auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and to its passenger facility charge program is the responsibility of the City of Wichita's management. Our responsibility is to express an opinion on the City of Wichita's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, OMB *Circular A-133*, "Audits of States, Local Governments, and Non-Profit Organizations," and the Guide. Those standards, OMB *Circular A-133*, and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the City of Wichita's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Wichita's compliance with those requirements.

In our opinion, the City of Wichita complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and to its passenger facility charge program for the year ended December 31, 2001.

Internal Control over Compliance

The management of the City of Wichita is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs and the passenger facility charge program. In planning and performing our audit, we considered the City of Wichita's internal control over compliance with requirements that could have a direct and material effect on a major federal program or the passenger facility charge program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB *Circular A-133* and the Guide.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program or the passenger facility charge program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than those specified parties.

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

March 22, 2002
Wichita, Kansas



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CITY OF WICHITA, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2001

<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Special Supplemental Nutrition Program for Women, Infants and Children (1)	10.557	\$ 953,984	\$ 879,778
<u>U.S. Department of Housing and Urban Development</u>			
Community Development Block Grants/ Entitlement Grants	14.218	\$ 4,288,823	\$ 4,563,500
Community Development Block Grants/ Special Purpose Grants	14.225	5,997	-
Emergency Shelter Grants Program	14.231	196,853	196,347
Shelter Plus Care	14.238	477,756	477,751
HOME Investment Partnerships Program	14.239	902,081	1,565,380
Public and Indian Housing	14.850	1,199,829	2,158,788
Public and Indian Housing Drug Elimination Program	14.854	168,847	168,973
Resident Opportunity and Supportive Services	14.870	14,775	14,775
Section 8 Housing Choice Vouchers	14.871	9,588,953	9,711,115
Public Housing Capital Fund	14.872	1,436,932	1,436,932
 Total U.S. Department of Housing and Urban Development		 \$ 18,280,846	 \$ 20,293,561
<u>U. S. Department of the Interior</u>			
Historic Preservation Fund Grants-In-Aid (5)	15.904	\$ 33,482	\$ 21,941
<u>U.S. Department of Justice</u>			
State Justice Statistics Program	16.550	\$ 192,000	\$ -
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	78,764	48,607
Local Law Enforcement Block Grants Program	16.592	484,222	266,247
Executive Office for Weed and Seed	16.595	325,823	388,127
Bulletproof Vest Partnership Program	16.607	19,956	430
 Total U.S. Department of Justice		 \$ 1,100,765	 \$ 703,411
<u>U.S. Department of Labor</u>			
Welfare-to-Work Grants to States and Localities (3)	17.253	\$ 794,919	\$ 794,919
Workforce Investment Act (3)	17.255	880,760	880,759
 Total U.S. Department of Labor		 \$ 1,675,679	 \$ 1,675,678
<u>U.S. Department of Transportation</u>			
Airport Improvement Program	20.106	\$ 851,381	\$ 972,722
Highway Planning and Construction (4)	20.205	14,807,676	10,218,468
Federal Transit - Formula Grants	20.507	3,088,629	3,090,230
 Total U.S. Department of Transportation		 \$ 18,747,686	 \$ 14,281,420

CITY OF WICHITA, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2001

<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>Institute of Museum and Library Services</u>			
State Library Program	45.310	\$ 82,243	\$ 69,849
<u>U.S. Environmental Protection Agency</u>			
Air Pollution Control Program Support (1)	66.001	\$ 143,746	\$ 110,440
Water Pollution Control Program Support	66.419	237,190	100,544
Capitalization Grants for Drinking Water (1)	66.468	1,108,765	1,107,791
Environmental Protection Consolidated Grant	66.600	-	213,179
Total U.S. Environmental Protection Agency		\$ 1,489,701	\$ 1,531,954
<u>Federal Emergency Management Agency</u>			
Public Assistance Grants (6)	83.544	\$ -	\$ 500
<u>Department of Education</u>			
Twenty-First Century Community Learning	84.287	\$ -	\$ 23,276
<u>U.S. Department of Health and Human Services</u>			
Acquired Immunodeficiency Syndrome (AIDS) Activity (1)	93.118	\$ 78,742	\$ 77,601
Injury Prevention and Control Research (1)	93.136	5,102	16,274
Family Planning (1)	93.217	192,557	210,091
Epidemiology Cooperative Agreements (1)	93.231	251,323	19,004
Immunization Grant (1)	93.268	50,000	59,011
Centers for Disease Control and Prevention (1)	93.283	139,885	208,712
Community Services Block Grant (2)	93.569	888,248	1,282,220
Child Care	93.596	165,644	196,643
Healthy Start Initiative	93.926	952,476	453,247
Sexually Transmitted Diseases Control Grant (1)	93.977	76,311	264,562
Preventive Health and Health Services Block Grant (1)	93.991	5,726	6,193
Maternal and Child Health Services Block Grant (1)	93.994	298,165	318,531
Total U.S. Department of Health and Human Services		\$ 3,104,179	\$ 3,112,089
<u>Corporation for National and Community Service</u>			
AmeriCorps	94.006	\$ 21,166	\$ 18,830
Total revenue and expenditures of federal awards		\$ 45,489,731	\$ 42,612,287

Pass-through Agency

- (1) Federal assistance is passed through from the Kansas Department of Health and Environment
- (2) Federal assistance is passed through from the Kansas Department of Commerce and Housing
- (3) Federal assistance is passed through from the Kansas Department of Human Resources
- (4) Federal assistance is passed through from the Kansas Department of Transportation
- (5) Federal assistance is passed through from the Kansas Department of Administration
- (6) Federal assistance is passed through from the Kansas Adjutant General

CITY OF WICHITA, KANSAS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2001

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Wichita and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general-purpose financial statements.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the City of Wichita provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Community Development Block Grants/Entitlement Grants	14.218	\$ 4,524,493
Home Investment Partnerships Program	14.239	\$ 1,520,545

CITY OF WICHITA, KANSAS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2001

3. COMMUNITY SERVICES BLOCK GRANT PASSED THROUGH THE KANSAS DEPARTMENT OF COMMERCE AND HOUSING

Grant Program Year Ended June 30, 2001					
	Budget	Actual			Variance
		July 1, 2000 Through December 31, 2000	January 1, 2001 Through June 30, 2001	Total	
Grant revenue	\$864,969	\$462,800	\$402,169	\$864,969	\$ -
Personnel	\$89,149	\$ -	\$166,233	\$166,233	(\$77,084)
Contractual	469,395	256,151	196,503	452,654	16,741
Commodities	84,188	5,642	69,780	75,422	8,766
Capital outlay	222,237	-	164,112	164,112	58,125
Total expenditures	\$864,969	\$261,793	\$596,628	\$858,421	\$6,548

Grant Program Year Ended June 30, 2002		
	Budget	Actual
		July 1, 2001 Through December 31, 2001
Grant revenue	\$983,598	\$486,079
Personnel	\$209,655	\$59,965
Contractual	628,416	318,269
Commodities	95,517	84,150
Capital outlay	50,010	5,785
Total expenditures	\$983,598	\$468,169

4. EMERGENCY COMMUNITY SERVICES FOR THE HOMELESS GRANT PASSED THROUGH THE KANSAS DEPARTMENT OF COMMERCE AND HOUSING

Grant Program Year Ended June 30, 2001					
	Budget	Actual			Variance
		July 1, 2000 Through December 31, 2000	January 1, 2001 Through June 30, 2001	Total	
Grant revenue	\$60,553	\$ -	\$60,553	\$60,553	\$ -
Personnel	\$15,254	\$ -	\$15,087	\$15,087	\$167
Contractual	38,626	-	38,455	38,455	171
Commodities	6,673	-	6,673	6,673	-
Total expenditures	\$60,553	\$ -	\$60,215	\$60,215	\$338

Grant Program Year Ended June 30, 2002		
	Budget	Actual
		July 1, 2001 Through December 31, 2001
Grant revenue	\$ -	\$ -
Personnel	\$ -	\$ -
Contractual	-	-
Commodities	-	-
Total expenditures	\$ -	\$ -

CITY OF WICHITA, KANSAS

Wichita Airport Authority
SCHEDULE OF PASSENGER FACILITY CHARGES

Year ended December 31, 2001

<u>Federal Agency/ Pass Through Agency Name</u>	<u>Application Approved Number</u>	<u>Beginning Balance Unliquidated PFC</u>	<u>PFC Collected</u>	<u>Expenditures (or expenses)</u>	<u>Ending Balance Unliquidated PFC</u>
<u>Passenger Facility Charges</u>					
PFC Projects	96-02-C-00	\$ 1,270,661	\$ -	\$ 21,470	\$ 1,249,191
PFC Projects	98-03-C-00	1,308,229	1,714,149	801,531	2,220,847
		<u>\$ 2,578,890</u>	<u>\$ 1,714,149</u>	<u>\$ 823,001</u>	<u>\$ 3,470,038</u>

CITY OF WICHITA, KANSAS

NOTE TO SCHEDULE OF PASSENGER FACILITY CHARGES

Year ended December 31, 2001

Note 1. Basis of Presentation

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

CITY OF WICHITA, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2001

SECTION I – SUMMARY OF INDEPENDENT AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:

Unqualified

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Reportable conditions identified that are not
considered to be material weaknesses? yes none reported
- Noncompliance material to financial statements noted? yes no

FEDERAL AWARDS

Internal control over major programs:

- Material weaknesses identified? yes no
- Reportable conditions identified that are not
considered to be material weaknesses? yes none reported

Type of auditors' report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

yes no

CITY OF WICHITA, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2001
(Continued)

SECTION I – SUMMARY OF INDEPENDENT AUDITORS' RESULTS (Continued)

Identification of major programs:

<u>CFDA NUMBER</u>	<u>NAME OF FEDERAL PROGRAM</u>
14.850	<i>Public and Indian Housing</i>
14.871	<i>Section 8 Housing Choice Vouchers</i>
14.872	<i>Public Housing Capital Fund</i>
66.468	<i>Drinking Water State Revolving Fund</i>
93.569	<i>Community Services Block Grant</i>

Dollar threshold used to distinguish
between type A and type B programs:

\$ 1,278,369

Auditee qualified as low-risk auditee?

X yes no

SECTION II – FINANCIAL STATEMENT FINDINGS

None were reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.