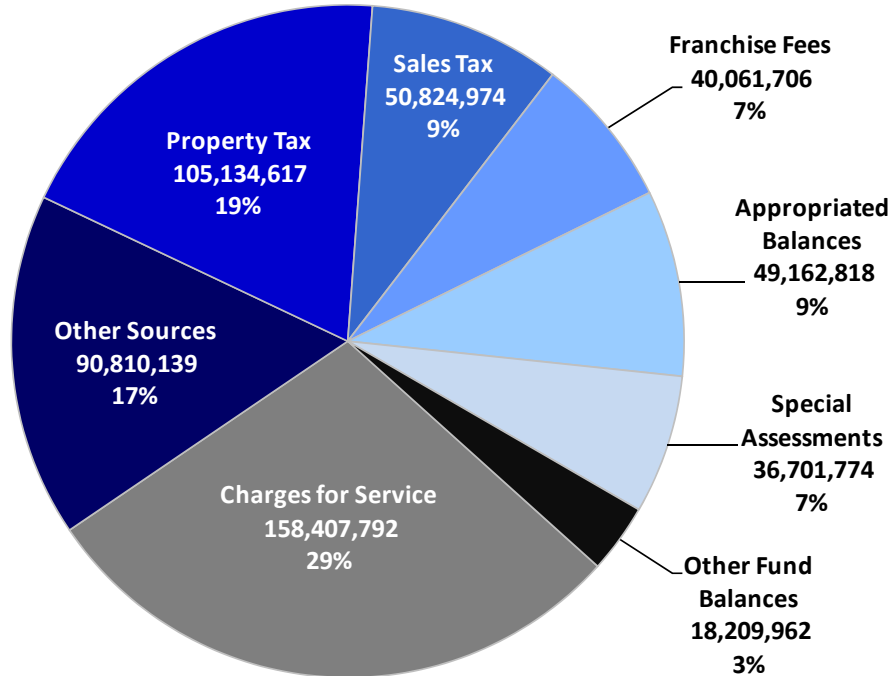
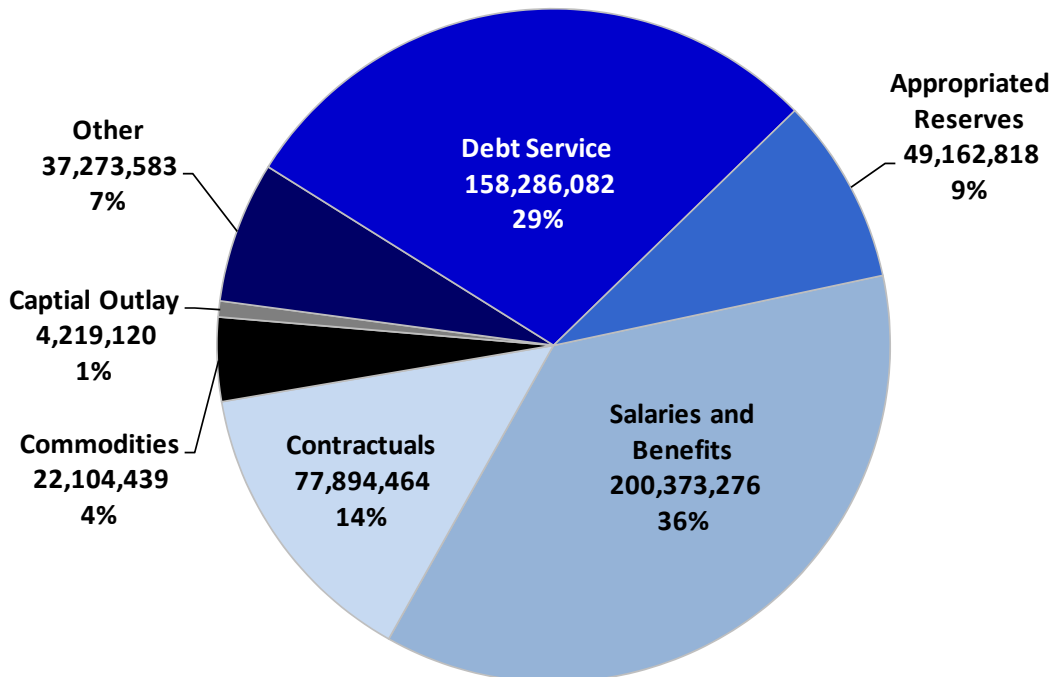


WHERE CITY OF WICHITA DOLLARS COME FROM ALL FUNDS 2012 ADOPTED (\$549,313,783)



WHERE CITY OF WICHITA DOLLARS GO ALL FUNDS 2012 ADOPTED (\$549,313,783)



ALL FUNDS - REVENUE SOURCES BY TYPE	2010 ACTUAL	2011 ADOPTED	2011 REVISED	2012 ADOPTED	2013 APPROVED
Property Taxes	105,346,242	103,923,367	104,904,314	105,134,617	107,426,832
Local Sales Tax	47,954,092	50,595,298	49,497,434	50,824,974	52,349,728
Franchise Fees	36,924,574	39,206,725	38,542,263	40,061,706	41,537,335
Motor Vehicle Tax	13,094,147	13,778,142	13,314,108	13,713,796	14,207,625
Gasoline Tax	14,701,101	13,920,794	14,841,841	14,841,841	14,841,841
Other Taxes	13,073,687	13,656,321	13,067,126	13,667,234	13,961,372
Special Assessments	33,725,067	34,172,061	35,379,678	36,701,774	38,069,810
Charges for Services	186,822,399	205,512,535	207,720,080	218,763,051	230,546,050
Licenses and Permits	6,648,724	7,930,584	7,314,656	7,371,711	7,363,056
Rental Income	28,627,630	28,463,666	28,580,503	29,110,971	29,565,518
Transfers In	39,566,611	48,719,750	43,932,276	46,232,108	45,776,599
Other Revenues	28,437,487	21,370,071	25,388,214	26,628,582	27,323,740
Interest Earnings	3,974,127	3,453,010	2,361,000	3,370,875	3,954,850
Total All Funds Revenue	558,895,889	584,702,323	584,843,492	606,423,240	626,924,355
Less: Interfund Transactions	103,671,152	126,626,038	118,067,594	124,482,238	128,822,211
Net Annual Budget Sources	455,224,737	458,076,285	466,775,899	481,941,002	498,102,144

Note: Totals exclude Trust Funds, Agency Funds and Capital Project Funds. In addition, the totals in the 2012 Adopted do not include the budgeted spend down of reserves (totaling a net of \$18,209,962) primarily in the Debt Service Fund and the Local Sales Tax Fund. Finally, the expenditures totals included the budgeted expenditure of \$49,162,818 in appropriated reserves, offset by those reserve balances.

REVENUE SOURCES BY TYPE

Revenues to the City are divided into 13 categories. Each of these categories is reviewed below. Relevant trend or forecasting information for each major source is also provided.

General Property Taxes - Property taxes account for approximately 24% of total revenues. The City maintains two taxing funds: the General Fund and the Debt Service Fund. In addition, a portion of property tax revenues are credited to six separate Tax Increment Financing (TIF) funds. Property tax revenues have been essentially flat since 2009. During this time, the city mill levy has essentially not changed and assessed valuation has not materially grown. Assessed valuation growth is expected to contribute to a very slight increase in revenues in 2013.

Motor Vehicle Tax - These taxes are credited to the two taxing funds: the Debt Service Fund and the General Fund. Long term, motor vehicle taxes have grown at a fairly steady rate, averaging around 3.6%. However, growth is expected to be less in 2011 and 2012, due to economic conditions. In 2013, very modest growth is assumed.

Local Sales Tax - Local sales tax revenues are received by the City as a distribution from the Countywide 1 cent sales tax approved in 1985. Consistent with the pledge made in 1985, one half of the sales tax revenues are credited to the General Fund, to reduce the mill levy, and one half are credited to the Local Sales Tax Construction Fund, to finance highway and road construction projects. Sales tax revenues declined in both 2009 and 2010. However, growth resumed in the 3rd quarter of 2010. Growth of approximately 3% is expected from 2011—2013.

Gasoline Tax - These tax revenues are shared with the City based on gasoline tax collections by the State of Kansas. Motor fuel revenues are credited to the General Fund. The State gasoline tax is based on gallons consumed, not on the price per gallon. Hence, as the price of gasoline has risen, demand has been flat or declining. This has led to flat or declining motor fuel tax revenues for the City. Revenues are expected to be flat during the planning period.

Other Taxes - The largest source of other taxes is the City's transient guest tax, which generates around \$6 million annually, credited to the Tourism and Convention Fund. Other taxes also includes nearly \$6 million received annually from the private liquor tax, divided equally to the General Fund, the Special Parks and Recreation Fund and the Special Drug and Alcohol Abuse Programs Fund. Contributions by Sedgwick County for two jointly funded functions (Flood Control and Metropolitan Planning) are included in the category. These contributions are based on inter-local agreements and credited to the General Fund.

Franchise Fees - These revenues are based on agreements between the City and local utilities. Generally, these agreements are long term and result in payments to the City of 5% of utility revenues. All franchise fee revenues are credited to the General Fund. Individual sources of franchise fees tend to be volatile, based on the weather, commodity pricing and utility rates. However, the volatility is reduced when franchise fees are reviewed in total. Increases are expected in 2011, 2012 and 2013, based on projected Water Utilities rate increases and increases in consumption due to improving economic conditions.

Special Assessments - These assessments fund capital improvement projects approved by the City Council. Assessments are made for specific projects when completed. All revenues are credited to the Debt Service Fund. Revenue growth is based on projected activity, which can vary annually.

Licenses and Permits - The City issues various permits and licenses: revenue is credited to either the General Fund or the OCI fund. Licenses for dogs, certain businesses and other general items are credited to the General Fund. Licenses and permits for OCI inspections and services are credited to that fund. Revenues increased in 2011 with the October 2010 implementation of the alarm response fee.

Charges for Sales and Services - A major source of City revenue is charges for services. These revenues are largely generated by proprietary funds, including the Water Utilities. However, nearly \$10 million is estimated in the General Fund, primarily through Park and Recreation fees, and pavement cuts and engineering overhead charges in Public Works & Utilities. These revenues generally tend to experience slow and steady growth, based on fee increases and increases in activity, since fees are typically set annually to recover operating expenditures. However, some revenue charges can be volatile, particularly for the Water Utilities. For the planning period, annual increases are driven largely by planned rate increases for the Water Utilities, to finance additional capital improvement spending.

Rental Income - These incomes are derived largely from propriety funds: Airport and Fleet. However, many other funds earn smaller amounts based on the rental of property. Rental income over all tends to grow annually, driven by increased activity at the Airport, and increases in fleet rates charged to user departments. The General Fund generates a relatively small share of rental income, mainly from Park and Recreation assets. Revenues are expected to be flat in 2011, but recover slightly in 2012 and 2013.

Transfers In - Revenue from transfers is based on amounts moved from one fund to another. Most of this activity takes place in the General Fund and Debt Service Fund. The primary transfers into the General Fund are from public safety fees assessed to utility operations. In the Debt Service Fund, transfers are primarily based on capital project financing agreements, including transfers from the Sales Tax Construction Fund and TIF funds. Transfer revenue tends to fluctuate annually, based on the various needs and requirements.

Other Revenues - This is an aggregation of a variety of smaller revenue streams. These include administrative charges to the General Fund, fines and penalties revenue. Growth in fines and penalties is forced, based on enhanced enforcement activities and due to the implementation of e-citations technology.

Interest Earnings - These revenues are generated based on idle funds invested in the City's pooled money investment program. Revenues have declined since 2008, due to historically low interest rates. This is expected to turn around in 2012.

ALL FUNDS EXPENDITURES BY CATEGORY

FINANCIAL PLAN SUMMARIES

ALL FUNDS - EXPENDITURES BY CATEGORY	2010 ACTUAL	2011 ADOPTED	2011 REVISED	2012 ADOPTED	2013 APPROVED
110 Regular Salaries	130,914,641	135,520,676	136,344,814	140,062,540	142,740,429
120 Special Salaries	4,700,241	4,102,471	6,627,613	6,961,170	6,925,785
130 Overtime	4,749,964	3,006,916	3,054,572	3,069,676	3,062,426
140 Employee Benefits	49,958,720	57,273,925	58,113,635	60,945,868	63,690,762
150 Shrinkage	0	(9,033,362)	(10,074,145)	(10,665,978)	(10,982,714)
Salaries and Benefits	190,323,567	190,870,626	194,066,489	200,373,276	205,436,688
210 Utilities	15,807,042	17,440,013	17,983,364	18,587,704	19,241,125
220 Communications	2,286,520	2,011,772	2,385,744	2,390,305	2,408,676
230 Transportation and Training	1,429,848	883,832	818,063	758,420	745,431
240 Insurance	1,995,727	2,047,957	2,055,044	2,059,549	2,065,945
250 Professional Services	23,689,290	31,173,365	31,290,829	28,521,582	28,912,321
260 Data Processing	5,960,740	6,045,018	6,969,671	7,007,740	6,939,775
270 Equipment Charges	9,575,318	9,961,383	9,503,294	9,636,245	9,729,322
280 Buildings and Grounds Charges	2,243,256	3,393,583	3,205,071	2,857,834	3,042,024
290 Other Contractuals	5,613,970	6,193,974	5,902,708	6,075,084	6,177,866
Contractuals	68,601,711	79,150,898	80,113,789	77,894,464	79,262,484
310 Office Supplies	391,072	475,085	480,374	495,809	477,554
320 Clothing and Towels	629,639	965,255	853,040	854,590	856,447
330 Chemicals	3,103,010	3,997,513	4,037,751	4,495,959	4,638,991
340 Equipment Parts and Supplies	6,620,804	8,315,642	8,986,709	9,500,784	9,106,012
350 Materials	1,874,338	2,618,540	2,628,270	2,655,430	2,697,935
370 Building Parts and Materials	296,594	528,475	469,465	431,999	437,508
380 Non-capitalizable Equipment	1,738,926	2,378,503	2,722,366	2,702,418	2,681,697
390 Other Commodities	457,830	900,332	980,022	967,450	993,646
Commodities	15,112,213	20,179,345	21,157,997	22,104,439	21,889,789
410 Land	300,380	0	0	0	0
420 Buildings	48,264	274,000	244,000	254,000	44,000
430 Improvements Other Than Bldgs.	89	0	0	0	0
440 Office Equipment	32,774	2,000	0	56,632	0
450 Vehicular Equipment	1,011,284	918,000	955,777	2,216,300	1,430,200
460 Operating Equipment	915,308	2,237,890	2,517,373	1,692,188	2,394,490
Capital Outlay	2,308,099	3,431,890	3,717,150	4,219,120	3,868,690
510 Interfund Transfers	8,419,024	8,567,716	7,028,423	23,461,300	8,021,300
520 Debt Service	126,155,193	155,570,634	141,479,394	158,286,082	151,468,043
530 Other Nonoperating Expenses	4,877,572	54,694,056	10,672,927	56,429,601	11,539,495
540 Inventory Accounts	3,681,425	6,833,700	6,503,200	6,545,500	6,571,500
Other	143,133,214	225,666,106	165,683,944	244,722,483	177,600,338
Total All Fund Expenditures	419,478,803	519,298,865	464,739,369	549,313,783	488,057,989

Note: Totals *do not include* the General Fund appropriated fund balance reserve. Trust Funds, Construction Funds and Agency Funds are also excluded.

ALL FUNDS EXPENDITURES BY FUND

FINANCIAL PLAN SUMMARIES

ALL FUNDS - EXPENDITURES BY FUND	2010 ACTUAL	2011 ADOPTED	2011 REVISED	2012 ADOPTED	2013 APPROVED
100 General	201,277,252	212,939,566	212,785,078	217,912,874	220,814,782
300 Debt Service	82,636,464	105,668,794	94,242,091	104,792,452	94,798,044
Total Tax Levy Funds	283,913,716	318,608,360	307,027,169	322,705,326	315,612,826
200 Permanent Reserve	0	0	1,821,848	644,580	313,000
209 Homelessness Assistance	336,797	382,736	382,736	382,736	382,736
215 Tourism & Convention Promotion	5,652,208	7,126,215	5,703,213	7,983,130	6,475,797
220 Special Alcohol Programs	1,846,376	2,170,000	2,070,000	1,928,280	2,033,280
225 Special Parks & Recreation	1,724,474	1,792,976	1,769,289	1,900,009	1,953,105
226 Ice Rink Management	12,017	200,000	100,000	108,238	0
230 Landfill	671,029	3,132,584	892,049	4,297,697	905,360
231 Landfill Post Closure	1,003,442	20,549,144	1,300,766	19,580,383	1,336,690
235 Central Inspection	5,408,748	6,595,287	5,328,590	5,683,791	5,620,209
236 Economic Development	2,768,862	6,658,322	5,522,401	7,017,831	2,528,215
237 Sales Tax Construction Pledge	23,580,591	27,690,576	22,390,035	41,238,074	29,806,277
238 Downtown Parking	318,738	576,319	494,034	504,456	513,380
245 State Office Building Complex	207,083	629,621	229,614	653,354	232,488
255 TIF Districts	5,759,895	17,508,950	8,578,578	17,937,696	7,466,752
260 Self-Supporting Municipal Imprmt. Dist.	619,955	622,810	594,603	622,810	622,810
265 City/County Joint Operations	3,430,805	3,849,904	3,886,507	3,772,012	3,810,512
350 Cemetery Fund	66,649	83,500	85,050	85,050	86,800
Total Special Revenue Funds	53,407,670	99,568,944	61,149,313	114,340,127	64,087,411
500 Airport	16,959,949	17,918,289	18,858,511	19,394,378	19,919,600
515 Golf Course Operations	4,059,863	5,672,858	5,750,232	5,945,917	5,385,642
520 Transit	5,906,355	6,451,918	7,094,033	7,048,816	6,490,359
530 Sewer Utility Operations	39,846,112	44,703,110	45,475,220	49,054,449	50,629,710
540 Water Utility Operations	51,315,803	64,054,177	62,570,406	67,787,646	70,168,262
560 Storm Water Management	8,150,054	16,220,620	7,746,086	16,998,132	8,755,506
Total Enterprise Funds	126,238,136	155,020,971	147,494,488	166,229,338	161,349,081
600 Information Technology	9,547,572	10,058,216	9,926,432	10,256,482	10,651,191
605 Fleet	12,950,373	13,207,198	13,866,200	13,962,257	14,639,366
620 Self Insurance	38,679,301	53,567,176	49,904,163	53,596,342	56,436,502
Total Internal Service Funds	61,177,246	76,832,590	73,696,795	77,815,082	81,727,060
Gross Expenditures	524,736,768	650,030,865	589,367,764	681,089,874	622,776,377
Less: Interfund Transactions	105,257,965	130,732,002	124,628,395	131,776,091	134,718,388
Net Annual Budget Uses	419,478,803	519,298,864	464,739,369	549,313,783	488,057,989

Note: Totals *do not include* the General Fund appropriated balance reserve. Trust Funds, Construction Funds and Agency Funds are also excluded.

2012 ALL FUNDS EXPENDITURES BY DEPARTMENT

FINANCIAL PLAN SUMMARIES

Note: Amounts shown in thousands of dollars.

DEPARTMENT NUMBER	→	19	1	2	3	7	9	24	6	4
↓										
FUND No.	DEPARTMENT TITLE	AIRPORT	CITY COUNCIL	CITY MANAGER'S OFFICE	FINANCE DEPT.	FIRE DEPT.	HOUSING & COMMUNITY SERVICES	HUMAN RE-SOURCES	INFO. TECH./SERVICES	LAW DEPT.
100	General	0	734	10,799	4,868	40,694	29	1,493	0	2,508
200	Permanent Reserve	0	0	645	0	0	0	0	0	0
209	Homelessness Assistance	0	0	0	0	0	383	0	0	0
215	Tourism & Convention	0	0	0	0	0	0	0	0	0
220	Special Alcohol & Drug	0	0	1,928	0	0	0	0	0	0
225	Special Parks & Recreation	0	0	0	0	0	0	0	0	0
226	Ice Rink	0	0	0	0	0	0	0	0	0
230	Landfill	0	0	0	0	0	0	0	0	0
231	Landfill Post Closure	0	0	0	0	0	0	0	0	0
235	Central Inspection	0	0	0	0	0	0	0	0	0
236	Economic Development	0	0	7,018	0	0	0	0	0	0
237	Sales Tax Const. Pledge	0	0	0	0	0	0	0	0	0
238	Downtown Parking	0	0	504	0	0	0	0	0	0
245	State Office Building	0	0	0	0	0	0	0	0	0
255	TIF Districts	0	0	0	2,856	0	0	0	0	0
260	SSMID	0	0	0	623	0	0	0	0	0
265	City/County	0	0	0	0	0	0	0	0	0
290	Grants	0	0	585	0	0	28,856	0	0	0
300	Debt Service Fund	0	0	0	0	0	0	0	0	0
350	Cemetery	0	0	0	0	0	0	0	0	0
500	Airport	19,394	0	0	0	0	0	0	0	0
515	Golf	0	0	0	0	0	0	0	0	0
520	Transit	0	0	0	0	0	0	0	0	0
530	Sewer Utility	0	0	0	0	0	0	0	0	0
540	Water Utility	0	0	0	0	0	0	0	0	0
560	Storm Water	0	0	0	0	0	0	0	0	0
600	IT/IS	0	0	0	0	0	0	0	10,257	0
605	Fleet Maintenance	0	0	0	0	0	0	0	0	0
620	Self Insurance	0	0	0	53,596	0	0	0	0	0
77x	Pension	0	0	0	75,880	0	0	0	0	0
Total All Fund Expenditures		19,394	734	21,479	137,823	40,694	29,268	1,493	10,257	2,508

Note: Total expenditures include \$75.880 million in pension fund expenditures and \$40,554 million in grant expenditures, in addition to gross expenditures of \$681.090 million.

2012 ALL FUNDS EXPENDITURES BY DEPARTMENT

FINANCIAL PLAN SUMMARIES

Note: Amounts shown in thousands of dollars.

DEPARTMENT NUMBER	→	10	5	23	17	15	8	13	16	22	
↓											
FUND No.	DEPARTMENT TITLE	LIBRARY	MUNICIPAL COURT	OFFICE OF CENTRAL INSPECTION	PARK AND RECREATION	METRO. AREA PLANNING DEPT.	POLICE DEPT.	PUBLIC WORKS	WICHITA TRANSIT	NON-DEPT'L./ OTHER	TOTAL
100	General	7,710	6,364	773	13,521	0	75,975	39,054	3,955	9,436	217,913
200	Permanent Reserve	0	0	0	0	0	0	0	0	0	645
209	Homelessness Assistance	0	0	0	0	0	0	0	0	0	383
215	Tourism & Convention	0	0	0	0	0	0	0	0	7,983	7,983
220	Special Alcohol & Drug	0	0	0	0	0	0	0	0	0	1,928
225	Special Parks & Recreation	0	0	0	1,900	0	0	0	0	0	1,900
226	Ice Rink	0	0	0	108	0	0	0	0	0	108
230	Landfill	0	0	0	0	0	0	4,298	0	0	4,298
231	Landfill Post Closure	0	0	0	0	0	0	19,580	0	0	19,580
235	Central Inspection	0	0	5,684	0	0	0	0	0	0	5,684
236	Economic Development	0	0	0	0	0	0	0	0	0	7,018
237	Sales Tax Const. Pledge	0	0	0	0	0	0	0	0	41,238	41,238
238	Downtown Parking	0	0	0	0	0	0	0	0	0	504
245	State Office Building	0	0	0	0	0	0	653	0	0	653
255	TIF Districts	0	0	0	0	0	0	15,082	0	0	17,938
260	SSMID	0	0	0	0	0	0	0	0	0	623
265	City/County	0	0	0	0	1,818	0	1,954	0	0	3,772
290	Grants	295	243	171	0	1,061	934	644	7,765	0	40,554
300	Debt Service Fund	0	0	0	0	0	0	0	0	104,792	104,792
350	Cemetery	0	0	0	85	0	0	0	0	0	85
500	Airport	0	0	0	0	0	0	0	0	0	19,394
515	Golf	0	0	0	5,946	0	0	0	0	0	5,946
520	Transit	0	0	0	0	0	0	0	7,049	0	7,049
530	Sewer Utility	0	0	0	0	0	0	49,054	0	0	49,054
540	Water Utility	0	0	0	0	0	0	67,788	0	0	67,788
560	Storm Water	0	0	0	0	0	0	16,998	0	0	16,998
600	IT/IS	0	0	0	0	0	0	0	0	0	10,257
605	Fleet Maintenance	0	0	0	0	0	0	13,962	0	0	13,962
620	Self Insurance	0	0	0	0	0	0	0	0	0	53,596
77x	Pension	0	0	0	0	0	0	0	0	0	75,880
Total All Fund Expenditures		8,005	6,607	6,628	21,560	2,879	76,909	229,067	18,769	163,449	797,523

Note: Total expenditures include \$75.880 million in pension fund expenditures and \$40,554 million in grant expenditures, in addition to gross expenditures of \$681.090 million.

GENERAL FUND - REVENUE	2010 ACTUAL	2011 ADOPTED	2011 REVISED	2012 ADOPTED	2013 APPROVED
Budgeted Revenues					
Property Taxes	71,555,017	74,192,277	75,161,348	75,268,618	75,234,794
Local Sales Taxes	23,998,125	25,297,649	24,748,717	25,412,487	26,174,864
Franchise Fees	1,762,442	1,790,976	1,731,390	1,899,759	1,952,605
Motor Vehicle Taxes	9,606,926	10,544,173	10,191,576	10,510,051	10,668,640
Gasoline Tax	14,704,273	13,920,794	14,841,841	14,841,841	14,841,841
Charges for Services	2,392,646	2,675,956	2,799,863	2,808,918	2,800,263
Administrative Charges	7,837,493	9,869,916	10,066,953	10,496,765	11,131,290
Licenses and Permits	36,923,114	39,203,725	38,539,263	40,058,706	41,534,335
Rent Income	2,236,980	1,928,770	2,411,220	2,494,390	2,525,065
Interest Income	2,004,753	1,800,000	1,305,000	2,150,000	2,150,000
Transfer In	10,340,407	12,631,671	11,557,064	11,540,935	10,806,754
Other Revenue	18,045,815	19,083,658	19,430,843	20,430,404	20,994,331
Total General Fund Revenues	201,407,991	212,939,566	212,785,078	217,912,874	220,814,782
Budgeted Expenditures					
City Council	689,175	711,504	711,504	734,252	743,483
City Manager	9,512,175	9,881,896	10,135,104	10,799,223	10,916,998
Finance	4,190,024	5,260,604	4,904,466	4,868,347	4,911,471
Law	2,360,891	2,455,059	2,454,869	2,507,544	2,549,261
Municipal Court	5,929,085	6,348,244	6,289,718	6,363,839	6,427,412
Fire	38,777,896	39,145,810	40,047,773	40,694,268	41,232,116
Police Department	71,286,291	74,555,687	75,155,184	75,975,372	76,910,222
Housing	8,992	26,091	28,458	28,622	28,803
Library	7,319,091	7,599,591	7,635,559	7,709,915	7,750,769
Public Works	37,113,725	40,054,576	38,831,583	39,054,434	39,717,860
Transit	3,955,080	3,955,080	3,955,080	3,955,080	3,955,080
Park & Recreation	13,683,163	12,717,877	13,204,695	13,520,627	13,845,802
Office of Central Inspection	667,026	710,798	765,227	773,275	779,789
Human Resources	1,533,292	1,544,857	1,503,911	1,493,472	1,504,081
Transfers	2,930,532	5,638,256	5,798,052	5,699,378	3,215,436
Other	1,320,814	5,084,068	4,094,328	6,674,751	9,443,244
Shrinkage	0	(2,750,432)	(2,730,432)	(2,939,527)	(3,117,046)
Total General Fund Expenditures	201,277,252	212,939,566	212,785,078	217,912,874	220,814,782
Unencumbered Fund Balance:					
January 1	22,461,938	22,461,940	22,592,677	22,592,677	22,592,677
December 31	22,592,677	22,461,940	22,592,677	22,592,677	22,592,677
Percent of Expenditures	11.2%	10.5%	10.6%	10.4%	10.2%

GENERAL FUND - REVENUE	2010			2011		2012		2013	
	ACTUAL	ADOPTED		REVISED		ADOPTED		APPROVED	
	Amount	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax	71,555,017	74,192,277	3.7%	75,161,348	5.0%	75,268,618	0.1%	75,234,794	0.0%
Local Sales Tax	23,998,125	25,297,649	5.4%	24,748,717	3.1%	25,412,487	2.7%	26,174,864	3.0%
Franchise Fees:									
Electric	17,953,938	17,896,990	(0.3)%	18,941,405	5.5%	19,604,354	7.1%	20,290,506	3.5%
Natural Gas	8,608,508	10,071,100	17.0%	8,893,463	3.3%	9,204,734	7.1%	9,526,899	3.5%
Water Utilities	4,515,456	4,811,949	6.6%	5,153,053	14.1%	5,599,456	15.2%	5,938,732	6.1%
Other	5,845,212	6,423,686	9.9%	5,551,342	(5.0)%	5,650,161	4.1%	5,778,198	2.3%
Total Franchise Fees	36,923,114	39,203,725	6.2%	38,539,263	4.4%	40,058,706	7.8%	41,534,335	3.7%
Motor Vehicle Tax	9,606,926	10,544,173	9.8%	10,191,576	6.1%	10,510,051	3.1%	10,668,640	1.5%
Intergovernmental:									
Gasoline Tax	14,704,273	13,920,794	(5.3)%	14,841,841	0.9%	14,841,841	0.0%	14,841,841	0.0%
Liquor Tax	1,762,442	1,790,976	1.6%	1,731,390	(1.8)%	1,899,759	9.7%	1,952,605	2.8%
Total Intergovernmental	16,466,715	15,711,770	(4.6)%	16,573,231	0.6%	16,741,600	1.0%	16,794,446	0.3%
Fines and Penalties:									
Municipal Court	10,234,357	10,594,706	3.5%	10,822,500	5.7%	11,073,593	2.3%	11,654,733	5.2%
Library	379,145	482,500	27.3%	428,500	13.0%	430,000	0.4%	450,000	4.7%
Total Fines & Penalties	10,613,502	11,023,206	3.9%	11,251,000	6.0%	11,503,593	2.2%	12,104,733	5.2%
Charges for Services	7,837,493	9,869,916	25.9%	10,066,953	28.4%	10,496,765	4.3%	11,131,290	6.0%
Administrative Charges	3,706,975	3,825,549	3.2%	3,840,461	3.6%	3,916,340	2.0%	3,921,043	0.1%
Licenses and Permits	2,392,646	2,675,956	11.8%	2,799,863	17.0%	2,808,918	0.3%	2,800,263	(0.3)%
Rental Income	2,236,980	1,928,770	(13.8)%	2,411,220	7.8%	2,494,390	3.4%	2,525,065	1.2%
Interest Income	2,004,753	1,800,000	(10.2)%	1,305,000	(34.9)%	2,150,000	64.8%	2,150,000	0.0%
Reimbursements	3,725,338	4,234,903	13.7%	4,339,382	16.5%	5,010,471	15.5%	4,968,555	(0.8)%
Transfers:									
Public Safety Fees	4,966,970	5,567,940	12.1%	5,567,940	12.1%	5,543,936	(0.4)%	5,741,749	3.6%
Landfill Post Closure	400,000	400,000	0.0%	400,000	0.0%	400,000	0.0%	400,000	0.0%
Convention Ctr. Losses	1,484,860	1,507,375	1.5%	1,507,375	1.5%	1,516,820	0.6%	1,531,988	1.0%
Special Park and Rec.	1,724,474	1,792,976	4.0%	1,769,289	2.6%	1,900,009	7.4%	1,953,105	2.8%
Non-recurring	381,450	1,883,000	393.6%	683,000	79.1%	319,580	(53.2)%	313,000	nmf
Other	1,382,653	1,480,380	7.1%	1,629,460	17.9%	1,860,590	14.2%	866,912	(53.4)%
Total Transfers	10,340,407	12,631,671	22.2%	11,557,064	11.8%	11,540,935	(0.1)%	10,806,754	(6.4)%
Total GF Revenues	\$201,407,991	\$212,937,566	5.7%	\$212,785,078	5.6%	\$217,912,874	2.4%	\$220,814,782	1.3%

SUPPLEMENTAL EXPENDITURE DETAIL - GENERAL FUND

FINANCIAL PLAN SUMMARIES

GENERAL FUND - SUPPLEMENTAL DETAIL	2010 ACTUAL	2011 ADOPTED	2011 REVISED	2012 ADOPTED	2013 APPROVED
Operating Expenditures					
City Council	689,175	711,504	711,504	734,252	743,483
City Manager	9,512,175	9,881,896	10,135,104	10,799,223	10,916,998
Finance	4,190,024	5,260,604	4,904,466	4,868,347	4,911,471
Law	2,360,891	2,455,059	2,454,869	2,507,544	2,549,261
Municipal Court	5,929,085	6,348,244	6,289,718	6,363,839	6,427,412
Fire	38,777,896	39,145,810	40,047,773	40,694,268	41,232,116
Police Department	71,286,291	74,555,687	75,155,184	75,975,372	76,910,222
Housing	8,992	26,091	28,458	28,622	28,803
Library	7,319,091	7,599,591	7,635,559	7,709,915	7,750,769
Public Works	37,113,725	40,054,576	38,831,583	39,054,434	39,717,860
Transit	3,955,080	3,955,080	3,955,080	3,955,080	3,955,080
Park & Recreation	13,683,163	12,717,877	13,204,695	13,520,627	13,845,802
Office of Central Inspection	667,026	710,798	765,227	773,275	779,789
Human Resources	1,533,292	1,544,857	1,503,911	1,493,472	1,504,081
Shrinkage	0	(2,750,432)	(2,730,432)	(2,939,527)	(3,117,046)
Total Operating Expenditures	197,025,906	202,217,242	202,892,698	205,538,745	208,156,101
Transfers					
City/County Planning	795,707	880,536	937,073	822,601	822,601
City/County Flood Control	832,668	960,979	960,979	976,777	992,835
Economic Development	227,157	2,721,741	2,650,000	2,650,000	150,000
Affordable Airfare	825,000	825,000	1,000,000	1,000,000	1,000,000
Tort Liability	250,000	250,000	250,000	250,000	250,000
Total Transfers	2,930,532	5,638,256	5,798,052	5,699,378	3,215,436
Other Expenditures					
Contingency	0	3,300,000	300,000	300,000	300,000
Jail Fees	0	0	2,500,000	2,000,000	2,000,000
Employee Compensation	0	451,000	0	2,625,000	5,315,625
Homelessness Assistance	154,778	191,368	191,368	191,368	191,368
Payroll Accrual	0	0	0	482,239	482,467
Non-Departmental	937,365	1,106,700	1,067,960	1,041,144	1,118,784
Other	228,671	35,000	35,000	35,000	35,000
Total Other Expenditures	1,320,814	5,084,068	4,094,328	6,674,751	9,443,244
Total General Fund Expenditures	201,277,252	212,939,566	212,785,078	217,912,874	220,814,782

Note: Totals *do not include* the General Fund appropriated fund balance reserve. Trust Funds, Construction Funds and Agency Funds are also excluded.

EXPENDITURES BY CATEGORY - GENERAL FUND

FINANCIAL PLAN SUMMARIES

GENERAL FUND - EXPENDITURES BY CATEGORY	2010 ACTUAL	2011 ADOPTED	2011 REVISED	2012 ADOPTED	2013 APPROVED
110 Regular Salaries	104,326,210	106,679,177	107,228,943	113,566,429	119,030,062
120 Special Salaries	1,570,667	1,724,709	3,474,786	3,771,869	3,782,571
130 Overtime	3,488,929	2,324,916	2,442,572	2,451,176	2,451,176
140 Employee Benefits	39,403,944	45,049,374	45,106,678	44,699,998	44,078,650
150 Shrinkage	0	(6,998,827)	(8,050,175)	(8,532,642)	(8,776,122)
Salaries and Benefits	148,789,749	148,779,349	150,202,804	155,956,830	160,566,337
210 Utilities	7,657,713	7,592,070	7,914,167	8,236,772	8,560,271
220 Communications	967,414	876,118	990,107	1,002,679	1,002,924
230 Transportation and Training	297,538	508,749	463,316	418,831	418,826
240 Insurance	1,196,796	1,177,605	1,207,675	1,212,180	1,218,092
250 Professional Services	13,200,679	16,086,257	14,239,878	13,485,923	13,635,256
260 Data Processing	4,020,101	4,159,203	4,773,734	4,919,893	4,884,842
270 Equipment Charges	7,193,319	7,451,482	6,984,985	7,057,253	7,129,239
280 Buildings and Grounds Charges	884,103	1,660,586	1,159,224	1,167,267	1,182,033
290 Other Contractuals	1,393,651	1,852,497	2,093,652	2,096,612	2,103,614
Contractuals	36,811,313	41,364,567	39,826,737	39,597,411	40,135,099
310 Office Supplies	244,087	291,325	305,714	320,949	299,933
320 Clothing and Towels	492,938	806,135	701,520	701,770	702,020
330 Chemicals	113,858	178,380	194,918	184,201	190,633
340 Equipment Parts and Supplies	3,406,706	3,119,296	3,746,931	3,856,714	4,053,971
350 Materials	1,071,396	1,290,620	1,297,850	1,300,993	1,326,669
370 Building Parts and Materials	163,340	306,680	220,170	221,534	223,398
380 Non-capitalizable Equipment	1,140,107	1,260,363	1,589,626	1,552,623	1,559,013
390 Other Commodities	757,374	645,082	721,472	703,266	725,916
Commodities	7,389,807	7,897,881	8,778,202	8,842,050	9,081,553
410 Land	0	0	0	0	0
420 Buildings	0	0	0	0	0
430 Improvements Other Than Bldgs.	0	0	0	0	0
440 Office Equipment	0	2,000	0	6,132	0
450 Vehicular Equipment	25,650	86,000	21,000	21,000	126,000
460 Operating Equipment	55,681	105,390	178,490	292,448	187,000
Capital Outlay	81,331	193,390	199,490	319,580	313,000
510 Interfund Transfers	7,805,320	10,311,578	10,308,344	10,224,503	7,746,294
520 Debt Service	300	0	0	0	0
530 Other Nonoperating Expenses	201,575	3,415,800	2,890,000	2,393,000	2,393,000
540 Inventory Accounts	197,858	977,000	579,500	579,500	579,500
Other	8,205,052	14,704,378	13,777,844	13,197,003	10,718,794
Total General Fund Expenditures	201,277,252	212,939,566	212,785,078	217,912,874	220,814,782

Note: Totals *do not include* the General Fund appropriated fund balance reserve. Trust Funds, Construction Funds and Agency Funds are also excluded.

Note: Amounts shown in thousands of dollars.

GENERAL FUND	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 ADOPTED	2011 REVISED
Budgeted Operating Revenues					
Property Taxes	64,596	70,694	71,555	74,192	75,161
Local Sales Taxes	25,607	24,722	23,998	25,298	24,749
Franchise Fees	34,272	33,720	36,923	39,204	38,539
Motor Vehicle Taxes	9,121	9,546	9,607	10,544	10,191
Gasoline Tax	15,586	13,654	14,704	13,920	14,842
Liquor Tax	1,800	1,707	1,762	1,790	1,732
Fines and Penalties	9,444	10,392	10,614	11,023	11,251
Charges for Services	8,409	8,597	7,837	9,870	10,067
Administrative Charges	4,183	4,336	3,707	3,826	3,841
Licenses and Permits	1,905	1,829	2,393	2,676	2,800
Rent Income	2,393	2,145	2,237	1,929	2,411
Interest Income	4,080	2,825	2,005	1,800	1,305
Reimbursements	5,927	4,193	3,725	4,235	4,339
Transfers	10,345	10,237	10,340	12,632	11,557
Total Operating Revenues	197,668	198,598	201,407	212,939	212,785
Budgeted Operating Expenditures					
Wages	107,780	112,042	109,386	110,729	113,166
Health Insurance	14,881	13,107	15,820	18,899	18,464
Other Benefits	19,759	20,672	23,584	26,150	26,643
Contractual Expenditures	39,209	38,209	36,811	41,365	39,827
Commodities	6,497	5,862	7,390	7,898	8,778
Capital Outlay	554	99	81	193	199
Transfers	9,579	8,604	8,205	14,704	13,778
Shrinkage	0	0	0	(6,999)	(8,070)
Total Operating Expenditures	198,259	198,595	201,277	212,939	212,785
Operating Margin	(591)	3	130	0	0
Unencumbered Fund Balance:					
January 1	23,051	22,462	22,460	22,465	22,465
December 31	22,460	22,465	22,590	22,465	22,465
Percent of Expenditures	11.3%	11.3%	11.2%	10.5%	10.6%
Assessed Valuation	2,992,305	3,145,832	3,151,665	3,121,131	3,150,148
Increase In Assessed Valuation	5.6%	5.1%	0.2%	(1.0)%	0.0%
General Fund Mill Levy	21.936	23.034	23.619	24.742	24.772
Debt Service Fund Mill Levy	10.017	9.022	8.523	7.530	7.500
Total Mill Levy	31.953	32.056	32.142	32.272	32.272

Note: Amounts shown in thousands of dollars.

GENERAL FUND	2012 ADOPTED	2013 APPROVED	2014 PROJECTED	2015 PROJECTED	2016 PROJECTED
Budgeted Operating Revenues					
Property Taxes	75,269	75,235	75,839	78,796	81,871
Local Sales Taxes	25,412	26,175	26,960	27,769	28,602
Franchise Fees	40,059	41,534	42,946	44,419	45,957
Motor Vehicle Taxes	10,510	10,668	11,052	11,450	11,862
Gasoline Tax	14,842	14,842	14,842	14,842	14,842
Liquor Tax	1,900	1,953	2,012	2,072	2,134
Fines and Penalties	11,503	12,105	12,226	12,348	12,472
Charges for Services	10,497	11,131	11,354	11,581	11,813
Administrative Charges	3,917	3,921	3,999	4,079	4,161
Licenses and Permits	2,809	2,800	2,800	2,800	2,800
Rent Income	2,494	2,525	2,576	2,627	2,680
Interest Income	2,150	2,150	3,000	3,100	3,300
Reimbursements	5,010	4,969	5,068	5,170	5,273
Transfers	11,541	10,807	10,207	10,425	10,649
Total Operating Revenues	217,913	220,815	224,880	231,478	238,414
Budgeted Operating Expenditures					
Wages	117,127	119,853	122,249	124,716	127,242
Health Insurance	20,376	22,424	24,666	27,133	29,846
Other Benefits	26,948	26,949	27,486	28,036	28,597
Contractual Expenditures	39,597	40,135	40,536	41,347	42,174
Commodities	8,842	9,082	9,264	9,449	9,638
Capital Outlay	320	313	325	325	325
Transfers	13,197	10,719	10,834	10,952	11,072
Shrinkage	(8,494)	(8,660)	(10,480)	(10,480)	(10,480)
Total Operating Expenditures	217,913	220,815	224,880	231,478	238,414
Operating Margin	0	0	0	0	0
Unencumbered Fund Balance:					
January 1	22,465	22,465	22,465	22,466	22,466
December 31	22,465	22,465	22,466	22,466	22,466
Percent of Expenditures	10.3%	10.2%	10.0%	9.7%	9.4%
Assessed Valuation	3,160,537	3,213,877	3,308,502	3,440,842	3,578,475
Increase In Assessed Valuation	0.3%	1.7%	2.9%	4.0%	4.0%
General Fund Mill Levy	24.772	24.272	23.772	23.772	23.772
Debt Service Fund Mill Levy	7.500	8.000	8.500	8.500	8.500
Total Mill Levy	32.272	32.272	32.272	32.272	32.272

GENERAL FUND

The General Fund is the principal fund of the City that accounts for all financial transactions not accounted for in other funds. The General Fund is one of two "taxing" funds (the other is the Debt Service Fund); property tax revenue accounts for approximately 35% of revenues. The General Fund is authorized by KSA 79-1973.

The long term General Fund forecast is based on a variety of assumptions and variables. The forecast is an attempt to model the potential impact of current policies into the future. No attempt is made to estimate additional expenditure savings from longer term planned actions to continue streamlining the organizational structure. Likewise, any additional service demands that would result in additional expenditures are not included in the model.

Based on the Adopted Budget, the General Fund is projected to be balanced and structurally sustainable. However, longer term, this is based on a number of assumptions and variables.

GENERAL FUND BALANCES

Reserve policies for the General Fund target a balance equal to 10% of expenditures as the minimum. Since 1992, the balance has remained within this policy. The projected balance in 2012 is 10.3%, which is within City Council policy. The financial plan would maintain a fund balance above 10% through 2014. Longer term, the balance is projected to drop slightly below the policy limit in 2015, with an ending balance in 2016 of 9.4% of expenditures.

GENERAL FUND EXPENDITURES

The most important variable in forecasting the City's financial position in the future is wage growth. Total wage growth is comprised of a number of variables, including increases in salaries, changes in pension and health insurance costs, and the changes in staffing levels. Prior to 2009, wage growth had been between 5% and 7% annually. This growth was typically comprised of base wage growth, the cost of any position changes, changes in pension rates, based on the actuarial value of the pension funds, and adjustments to health insurance costs. These increases can be offset by turnover, which usually reduces wage growth as long-tenured employees are replaced with employees at beginning wage levels. The long term forecast assumes total wage growth of approximately 3% from 2013-2016.

Increases of 10 percent annually for health insurance costs are included. However, the impact of federal health care reform is largely unknown, but it is anticipated that reform will increase costs. Longer term, health insurance rates are expected to be positively impacted by City strategies including wellness programs.

2011-2016 GENERAL FUND FORECAST SUMMARY REVENUES, EXPENDITURES AND ENDING BALANCE (Dollars in Millions)

Year	Revenue	Expenditures	Ending Balance	Percent of Exp.
2016	238.4	238.4	22.6	9.4%
2015	231.5	231.5	22.6	9.7%
2014	224.9	224.9	22.6	10.0%
2013	220.8	220.8	22.6	10.2%
2012	217.9	217.9	22.6	10.3%
2011	212.8	212.8	22.6	10.6%
2010	201.4	201.3	22.6	11.2%
2009	198.6	198.6	22.5	11.3%
2008	197.7	198.3	22.5	11.3%
2007	188.2	188.2	23.0	12.2%
2006	178.2	178.0	23.0	13.0%
2005	169.7	168.8	22.9	13.6%
2004	162.4	161.1	22.0	13.7%
2003	150.2	150.5	20.8	13.8%
2002	149.8	152.0	21.1	13.9%
2001	151.1	148.0	23.2	15.7%
2000	145.9	145.9	18.9	13.0%
1999	138.3	139.0	18.9	13.6%
1998	136.1	136.1	19.7	14.5%
1997	127.4	128.7	19.7	15.3%
1996	122.4	123.0	21.0	17.1%
1995	120.5	121.7	21.5	17.7%
1994	119.8	111.9	22.5	20.1%
1993	115.3	108.8	14.6	13.4%
1992	103.1	104.2	8.1	7.8%

Contractual expenses are projected to increase 2% annually, with 1% growth assumed for commodity costs. Transfers for Transit and Affordable Airfares are projected to remain flat (at \$3.955 million and \$1 million, respectively), while other transfers are projected to increase by 2%.

The shrinkage adjustment is projected to increase by nearly \$2 million in 2014. This will be obtainable only if turnover increases, if additional restructuring of operations is implemented, or if lower priority services are eliminated.

Fuel prices have a significant impact on the General Fund forecast. The budget is generally based on a per gallon price of \$2.50, not including excise taxes. Price inflation is projected at 8% in 2011, 2012 and 2013, respectively.

ANNUAL COMPONENTS OF EXPENDITURE CHANGES

Overall, General Fund expenditures are projected to increase by 5.7% in 2011, compared to the 2010 actual expenditures. Base wage increases account for approximately \$2 million of the annual increase each year. Likewise, health insurance costs are projected to increase annually at amounts varying from \$1.9 million to \$2.6 million. In addition, a significant growth component in both 2011 (\$1 million) and 2012 (an additional \$.5 million) is a result of the shift of Water Utilities positions into the General Fund (offset by increases in reimbursement revenues). Pension contributions are projected to increase by \$1.7 million in 2011, as result of higher rates dictated by the actuarial condition for the City's pension funds. An increased transfer from the Pension Reserve Fund of \$1.3 million is budgeted to offset a portion of this increase in 2011.

The 2011 budget included a shift of one mill from the Debt Service Fund to the General Fund. This shift was used largely to fund an increase of \$2.5 million in economic development expenditures. This increased expenditure level will be eliminated in 2013, resulting in a \$2.5 million decrease in base expenditures.

Jail fees are a new expenditure in 2011, based on a new charge levied by Sedgwick County for inmates incarcerated in the County jail based on municipal charges. This will add \$2.5 million to the expenditure base in 2011. In 2012, based on the implementation of strategies designed to reduce jail fees, these costs are projected to decrease to \$2 million annually, a decrease of \$.5 million in 2012 base expenditures.

The long term financial plan assumes an increase in shrinkage of \$2 million in 2014, which will reduce the expenditures base. Finally, the net impact of a variety of other changes is projected to reduce base expenditures by \$.7 million in 2011, then add approximately \$1 million to the expenditure base through 2016.

GENERAL FUND REVENUES

Property tax revenues are the single largest component in the General Fund revenue portfolio. Revenues are expected to increase in 2011 by approximately \$4 million in 2011 and then decrease by a like amount between 2013 and 2014 as one mill, initially transferred to the General Fund in 2011, will be transferred back in equal increments in 2013 and 2014. Longer term assessed valuation growth is anticipated to eventually resume, propelling modest property tax revenue increases. Sales tax is expected to grow moderately, after two years of decline. Franchise fees are also expected to experience constant growth, due largely to forecasted increases in water, sewer and electric franchise fees.

ANNUAL COMPONENTS OF REVENUE CHANGES

Overall, General Fund revenues are projected to increase by 5.6% in 2011, compared to the 2010 actual expenditures. The largest growth component during the planning period is attributable to the property tax. With valuation growth projected to recover in 2013, annual increases of \$1.9 million in 2013, \$2.6 million in 2014, \$3 million in 2015 and \$3.1 million in 2016 are forecasted. In 2011, an increase of \$4 million is attributed to the shift of one mill from the Debt Service Fund. Likewise, decreases of \$2 million in revenue in both 2013 and 2014 are reflective of this mill being shifted back to the Debt Service Fund.

GENERAL FUND EXPENDITURE PROJECTED GROWTH COMPONENTS 2011 –2016							
<i>(Dollars in Millions)</i>							
Item	2010	2011	2012	2013	2014	2015	2016
Base Wages	(2.7)	1.9	2.4	2.2	2.4	2.5	2.5
Health Insurance	2.7	2.6	1.9	2.1	2.3	2.5	2.7
Shift of Water positions		1.0	0.5				
Pension contributions	3.1	1.7					
Economic Development		2.5		(2.5)			
Jail Fees		2.5	(0.5)				
Shrinkage					(1.8)		
Other	(0.5)	(0.7)	0.8	1.1	1.2	1.6	1.7
Net Change	2.7	11.5	5.1	2.9	4.1	6.6	6.9
Total Expenditures	\$201.3	\$212.8	\$217.9	\$220.8	\$224.9	\$231.5	\$238.4
Percentage Increase	1.4%	5.7%	2.4%	1.3%	1.8%	2.9%	3.0%

After decreasing in 2010, sales tax revenues are project to resume moderate growth during the financial planning period, with annual increases of approximately \$.7 million. Franchise fee revenue is expected to consistently increase. This is primarily provided by Water Utilities rate increases. Increased electrical rates are also expected to contribute to franchise fee growth. As noted previously, the inclusion into the General Fund of positions formerly budgeted in the Water Utility is expected to increase reimbursement revenue by \$1 million in 2011 and another \$.5 million in 2012.

A variety of other changes are forecasted to increase revenues by \$3.6 million in 2011. A large portion of this increase is attributable to budgeting higher expenditure and concurrent charges for services for inventory purchases and curb cuts. In addition, false alarm fee increases implemented in the fall of 2010 are expected to contribute to 2011 growth.

To partially offset higher pension expenditures, increased transfers of \$1.3 million are estimated in 2011, with an additional \$.2 million in 2012. These transfers are expected to be phased out in 2013 and 2014. With the fall in interest rates, interest earnings are forecasted to decrease by \$.7 million in 2011, following an additional decrease of \$.8 million in 2010. These earnings are forecasted to recovery modestly in 2012 and 2014, although in total interest earnings are not expected to return to pre-2009 levels.

GENERAL FUND REVENUE PROJECTED GROWTH COMPONENTS 2011 –2016							
<i>(Dollars in Millions)</i>							
Item	2010	2011	2012	2013	2014	2015	2016
Property Tax revenue	0.8			1.9	2.6	3.0	3.1
Millage shift from DSF		4.0		(2.0)	(2.0)		
Sales Tax	(0.7)	0.7	0.7	0.7	0.8	0.8	0.9
Franchise Fees	3.2	1.6	1.5	1.5	1.4	1.5	1.5
Water reimbursements		1.0	0.5				
Pension Reserve Transfer		1.3	0.2	(1.0)	(0.5)		
Interest Income	(0.8)	(0.7)	0.8		0.8		
Other	0.3	3.6	1.4	1.8	1.0	1.3	1.4
Net Change	2.8	11.5	5.1	2.9	4.1	6.6	6.9
Total Expenditures	\$201.4	\$212.8	\$217.9	\$220.8	\$224.9	\$231.5	\$238.4
Percentage Increase	1.4%	5.6%	2.4%	1.3%	1.8%	2.9%	3.0%

GENERAL FUND REVENUES

The current estimates from each of the major General Fund revenue sources are outlined below. The discussion centers on the projections for the budget planning period (2011-2013), but also includes estimates for the financial planning period (2014-2016).

REVENUE ESTIMATING PROCESS

A variety of both qualitative and quantitative methods are used to estimate revenues for the General Fund. The Wichita State University's Center for Economic Development and Business Research provides data that is used for several revenue streams, primarily sales tax. In addition, a consensus approach is used in revenue streams that are specific to a department. In those cases, Finance staff will typically consult with departmental staff to develop a reasonable estimate of future revenues.

For many other revenue items, qualitative professional judgment is often combined with quantitative methods such as trend analysis and time-series forecasting. For many revenues, time-series analysis will provide a reasonable range, with judgment applied to develop the most appropriate estimate. For many of the major revenue sources noted below, time-series data is provided, as well additional details impacting the estimate.

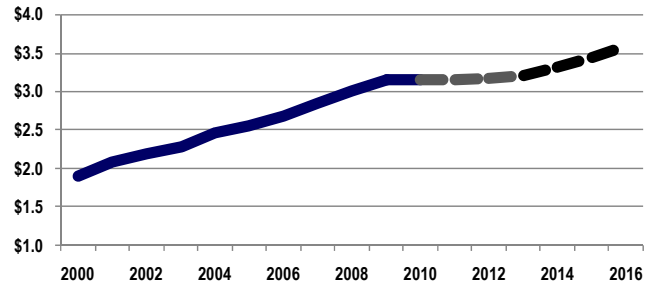
PROPERTY TAXES

Property tax revenues are based on the assessed valuation of taxable property within the city limits. The appraised valuation is determined by the County Appraiser. The assessment percentage, as prescribed by the State Constitution, is applied to derive the assessed valuation. The assessed value is then multiplied by the tax rate (expressed in terms of "mills" per \$1) to derive property tax revenue. Property taxes account for over one third of the revenues to the General Fund.

Receipts are directly impacted by growth in assessed valuation. The base assessed valuation of property within the City of Wichita is projected to be static from 2011 to 2012. This would mark the third consecutive year in which valuation has essentially remained unchanged. Modest 1.7% growth is forecasted to return in 2013, gradually increasing to 4% annual growth by 2015. Annual increases in assessed valuation are affected by several factors, including reappraisal of property by the County Appraiser, annexation of new property by the City of Wichita, and new construction or changing classification of property.

From 2000 through 2009, assessed valuation growth averaged 6.0% annually; Since 2009, growth has averaged .1% annually. This is due in part to at least three factors, two of which are anticipated to continue into the future. Annexation activity, which contributed an average of \$12 million annually to assessed valuation growth from 2000 - 2009, is not projected to be a significant contributor to growth in the future. Secondly, the 2006 Kansas Legislature's action to gradually remove machinery and

Assessed Valuation 2000 - 2016
(billions of dollars)



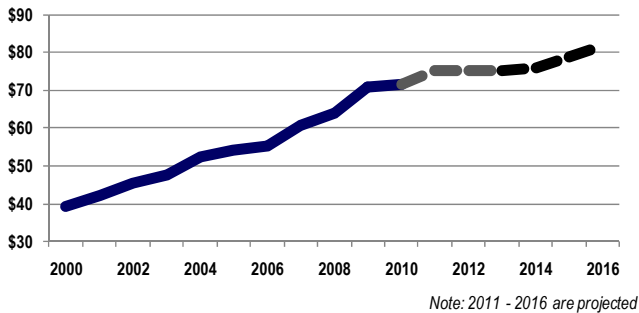
Note: 2011 - 2016 are projected

equipment (M&E) from local property tax rolls is projected to cause annual reductions in personal property, reducing the assessed valuation growth. Finally, a slowdown in economic activity has eliminated re-appraisal gains in the valuation of property. M&E exemptions and the lack of annexations are projected to continue to be a drag on valuation increases. However, economic activity is slowly estimated to raise valuations through reappraisal and new construction. The graphic below shows the forecasted increase in assessed valuation (shown in millions of dollars), and the components of the projected growth.

Year	Total Valuation	Personal Property	Annexation	Improvements	Reappraisal
2016	3,578	0	0	68	69
2015	3,441	(21)	0	87	66
2014	3,309	(51)	0	82	64
2013	3,214	(59)	0	63	51
2012	3,161	(15)	0	32	17
2011	3,150	(31)	0	45	(15)
2010	3,151	(34)	1	72	(32)
2009	3,145	(31)	13	85	87
2008	2,992	(31)	0	85	105
2007	2,833	(1)	8	87	71
2006	2,668	10	2	56	55

Based on historic trends, a delinquency of 6.3% is budgeted. The mill levy rate is estimated to be 24.772; when combined with the projected Debt Service Fund rate of 7.5, the total mill levy will be an estimated 32.272, equal to the rate in the 2011 Revised Budget. Since the actual mill levy is calculated by the County Clerk based on the final calculation of the assessed valuation for the City, subsequent to the adoption of the budget by the governing body, the actual mill levy may fluctuate somewhat from the projected amount. Aside from these minor fluctuations, the mill levy rate for the City of Wichita has not changed materially for over 18 years.

Property Tax Revenue 2000 - 2016
(millions of dollars)



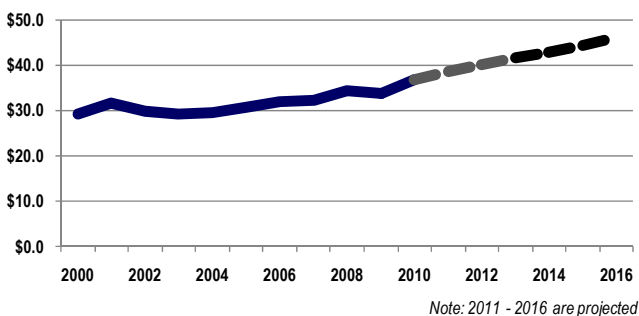
FRANCHISE FEES

Franchise fee revenue is based on agreements between the City and utility providers. Generally, the agreements provide long term access to City easements in exchange for a portion of gross revenues and other considerations. Overall, franchise fees are expected to grow by 4.4% in 2011, 3.9% in 2012 and 3.7% in 2013.

Forecasting electric and gas franchise fees is complicated by two significant factors affecting utility gross revenues: weather and the price of natural gas. Projections assume typical behavior in pricing and consumption for natural gas, with an annual growth factor of 2% annually. Based on increased usage in 2011, electric franchise fees are projected to increase by 5.5% in 2011. Electric and natural gas franchise fees are expected to experience more moderate 3.5% growth in 2012 and 2013.

Water and Sewer franchise fees are based on estimated utility rate increases through the planning period. Revenue from water franchise fees are projected to be up significantly in 2011; based on strong revenue growth by the utility in 2010. AT&T (formerly SBC) franchise fees are based on a fixed rate per line. With the proliferation of non-land line communications the number of lines has constantly decreased in recent years, resulting in declining telephone franchise fees. The projection includes annual decreases of 4%. This is offset partially by growth in video franchise fees from AT&T, which are estimated to increase 5% annually.

Franchise Fees 2000 - 2016
(millions of dollars)



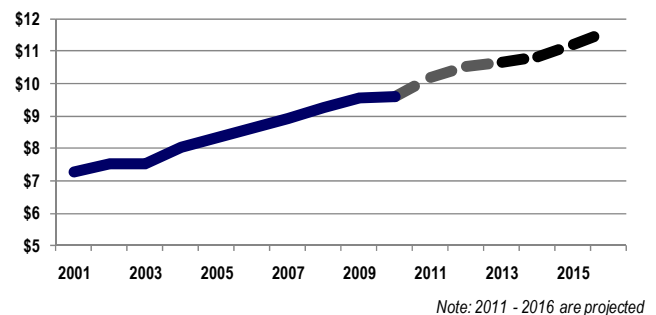
In the past, Cable TV franchise fees have been economically sensitive. Longer term, more average growth of 2.5% per year is anticipated. In 2011, Cable TV franchise fees are estimated to decline by 8%, due to timing differences on payments that were received in 2010.

MOTOR VEHICLE TAXES

This tax is based on KSA 79-5101 et seq., which provides for 20 classes in which all vehicles are valued. The taxable value of the vehicles is defined as 20% of the class value. Revenues are driven primarily from valuation, which in turn is based on the level and type of vehicle sales.

Motor vehicle tax receipts have historically grown at 3.6% annually (1992 to 2010). However, revenues tend to be economically sensitive; declining in 2001 and 2010. This forecast assumes growth of 1.7% in 2011, 3% in 2012 and 3.6% in 2013 and beyond. These forecasts assume no material change in the ratio of the City's taxing effort to the taxing effort of all jurisdictions within the corporate limits of Wichita. State statute allocates motor vehicle tax revenues based on the ratio of the taxes levied effort in each taxing fund. The impact of the adjustments in taxes levied and that relationship to the projected motor vehicle tax revenues is shown in the graphic below.

Motor Vehicle Tax Revenue 2000 - 2016
(millions of dollars)



LOCAL SALES TAXES

The predominant revenue source for this fund is the City's share of the county-wide one cent sales tax, as the City does not levy a Citywide sales tax. This sales tax is the result of a referendum approved by Sedgwick County voters in 1985. One cent is collected county-wide, of which the City receives approximately 58%.

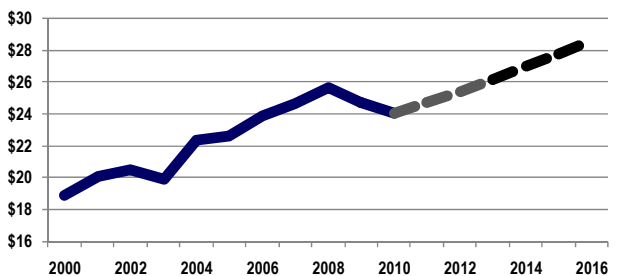
In 2010, \$83.1 million was distributed to Sedgwick County, of which the City received \$48.2 million. Of the sales tax received by the City, one half is credited to the General Fund and one half to the Sales Tax Construction Pledge Fund, consistent with pledges made in 1985. Sales tax receipts to the General Fund were down 2.4% in 2010 compared to 2009. Sales tax revenues tend to be one of the more economically sensitive components of the City's revenue portfolio (as evidenced by the decrease in collections in 2003 and

2009). Sales tax collections slowed considerably beginning in August, 2008. Predictably, this coincided with the national economic downturn. The slowdown in collections continued through 2010. Monthly revenues began recovering in late 2010; 2011 is expected to increase 3.1% over 2010. Growth of 2.7% is expected in 2012, with 2013 returning to a more average growth of 3%. Long term the forecasted growth rate is also 3%.

Percent of Taxing Effort				
	2010	2011	2012	2013
Debt Service Fund	26.52%	23.33%	23.24%	24.79%
General Fund	73.48%	76.67%	76.76%	75.21%
TOTAL	100%	100%	100%	100%
Allocation of MVT (millions) to each Taxing Fund				
MVT revenues	13.073	13.293	13.692	14.185
MVT growth	-1.6%	1.7%	3.0%	3.6%
GF allocation	9.606	10.191	10.510	10.668
GF MVT growth	0.6%	6.1%	3.1%	1.5%
DSF allocation	3.466	3.102	3.182	3.516
DSF MVT growth	-7.3%	-10.5%	2.6%	10.5%

Projected sales tax collections could be impacted by any legislative changes made to the statutory exemptions from sales taxes. In addition, unanticipated changes in economic activity could negatively impact sales tax collections. A prolonged period of high fuel prices could impact consumer spending on sales taxable items, thus reducing sales tax. Finally, the distribution ratio is based on the taxing efforts of the 19 cities within Sedgwick County, as well as the county itself. Any significant changes in taxing efforts in these jurisdictions could impact City sales tax collections.

Local Sales Tax Revenue 2000 - 2016
(millions of dollars)



Note: 2011 - 2016 are projected

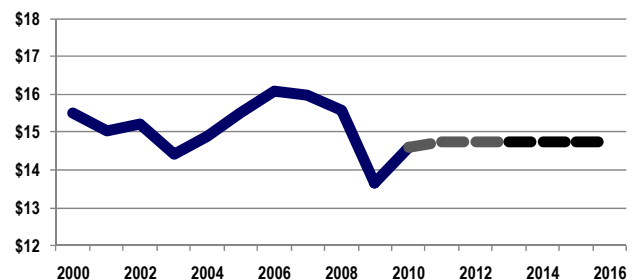
STATE-SHARED REVENUES

The City receives state-shared revenue from three sources currently: state gasoline taxes, state liquor taxes and KLINK and LINK payments.

State gasoline tax collections are based on wholesale gallons sold, not the value or price of the gallons sold. Since 2000, the number of gallons of fuel consumed in Kansas has been relatively static at approximately 1.7 billion. The tax rates have also been unchanged since 2003 (rates increased from 20 cents per gallon of gasoline in 2000, to 21 cents in 2001 to 23 cents in 2002 and the current 24 cents in 2003). The state distribution formula for the gasoline tax was adjusted from 2001 to 2003, largely offsetting any benefit to City revenues from the increased tax rate. Since 2003, the distribution formula has remained unchanged. Of total State receipts, 33.63% are allocated for cities and counties. Of that amount, 57% is provided to counties, and 43% to cities. The amount for cities is allocated based on the ratio of city population to total population of all cities in the state. The county distributions are made with \$5,000 going to each county, in addition to a proportional distribution based on motor vehicle registration fees, daily vehicle miles traveled and total road miles. Of the amount received by Sedgwick County, 50% is distributed to the 19 cities in Sedgwick County based on population.

Traditionally, revenues have fluctuated between \$14 and \$16 million. Consumption has shown sides of economic sensitivity and price elasticity. However, revenues have remained relatively consistent. The decrease in 2009 was largely due to action by the State Legislature that effectively reduced gas tax receipts for the City of Wichita by approximately \$1 million. No growth in gasoline tax revenues is forecasted. Continued high gas prices or renewed economic turmoil could further erode future City gas tax revenues.

Gas Tax Revenue 2000 - 2016
(millions of dollars)



Note: 2011 - 2016 are projected

State liquor tax receipts are based on KSA 79-41a04. Per statute, 70% of the liquor excise taxes collected in Wichita are redistributed to the City. One third of the re-distributed amount is credited to the City's General Fund (with equal thirds credited to the Special Alcohol Fund and the Special Park and Recreation Fund). Liquor tax receipts have historically grown around 5% each year, and have tended to be counter-cyclical. However, they also tend to be

relatively volatile. In 2009, revenues actually decreased by 5.2%; in 2010 growth rebounded by 3.3%. Based on first quarter revenues, growth in 2011 is projected at 1.4%, with revenue in 2012 growing at 9.7%. Longer term, growth of nearly 3% annually is expected.

Per KSA 68-416, the City receives \$3,000 per lane mile of streets and highways designated by the State as connecting links for maintenance activities. KLINK payments are projected to be stable at \$150,000 annually. Occasionally, additional funds are received from the State as reimbursements for previously agreed upon maintenance activities.

FINES AND PENALTIES

Revenues are generated from two sources: the collection of Court assessed fines and penalties and the collection of Library fines and fees. Court revenues can vary considerably, depending on enforcement activity, judicial disposition of cases, participation of defendants in diversion programs, and the collection rate of court ordered assessments. Revenues of \$11.1 million are projected in 2012, based on continued efforts to collect all judicially ordered assessments. Assuming the implementation of technology improvements to enhance processing and accuracy of the citation process, revenues are expected to increase to \$11.7 million in 2013. Long term growth of 1% annually is forecasted.

Library fines and fees have been relatively stable in the past. However, in 2006, the Library Board approved increasingly aggressive collections policies – including lowering the threshold amount – from \$40 to \$25 – that triggers when delinquent accounts are referred to the collection agency. These changes increased Library fine and fee revenue beginning in 2009. In 2013, fine revenues are projected to increase as the Library explores the use of debit and credit cards to pay fines.

LICENSES AND PERMITS

City Ordinances require licenses and permits for a variety of activities. Generally, these revenues fall into four categories: dog licenses; alarm system licenses and fees; curb cut permits; and all other permits and licenses. Over the years, most of the fluctuations have occurred in alarm fees and curb cut permits.

Effective August 1, 2010, false alarm revenue increased based on ordinances increasing registration fees and false alarm cost. With these updated fees, permit revenue is projected to increase by 17% in 2011, as the effect of the ordinance change is annualized. The forecast assumes no other material changes in activity levels and in the price of permits or licenses.

CURRENT SALES AND SERVICES

Revenue from this source is derived from a number of services provided for a fee to citizens. The base is projected to increase. Fluctuations in this revenue source are primarily from participation in recreation programs, changes in program fees, changes in the calculations of engineering overhead, and the number of pavement cuts required each year.

Engineering overhead is based on prior year expenditures for engineering services related to CIP activities; hence, fluctuations in this source are directly related to fluctuations in expenditures. Likewise, curb cut revenue is directly related to expenditures incurred by the Public Works & Utilities Engineering service to perform the curb cuts. This revenue tends to be the most volatile in sales and services. However, on a net basis volatility in the revenue is generally offset by volatility on the expenditures side.

Revenues are projected to increase by 15% in 2010. This is reflective of the shift of Stationery Stores revenue (\$900,000), which is offset entirely by increased expenditures. These revenues and expenditures were formerly sited in an internal service fund. Revenues are projected to decrease slightly in 2011, reflective of changes to Park and Recreation Department charges relative to the changes to community education and recreation programming.

ADMINISTRATIVE CHARGES

Revenues from this source are based mostly on the cost allocation plan performed annually by an outside consultant. This plan, required under OMB Circular 87, allocates overhead costs of administrative services to other funds, in order to facilitate full cost accounting. The charges are reviewed annually and updated or changed as necessary, based on the cost allocation plan.

TRANSFERS IN

Transfers to the General Fund are typically made to reimburse the General Fund for support provided to other services, or to facilitate full cost accounting. Transfers In revenue has increased dramatically in the last seven years, based on the implementation of the Public Safety Fee, the implementation of transfers from the Landfill Post Closure Fund, the maximization of transfers from the Tourism and Convention Fund to offset convention center losses, and the inclusion of one-time non-recurring transfers.

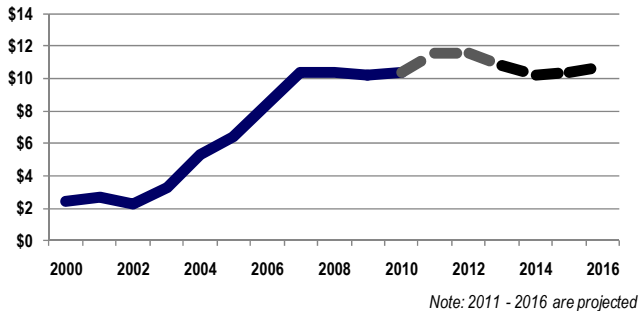
Transfers generally fall into five categories: Public Safety Fee charges; transfers from the Special Park and Recreation Fund to offset General Fund recreation costs; transfers from the Convention and Tourism Fund to offset losses of the City's convention center; transfers from the Landfill Post Closure Fund, based on the diminishment of the post closure liability; and other miscellaneous transfers.

Public Safety Fee transfers are made from each utility operation and are calculated to reimburse the General Fund for the equivalent cost of providing public safety service to each utility. The fees are recalculated annually, based on the cost of providing public safety services in the General Fund, and based on the valuation of the utilities each year. For 2011, fees are projected to be stable, with growth of 3.6% projected in 2013, primarily due to Water Utilities improvements.

A transfer from the Convention and Tourism Fund is budgeted at approximately \$1.5 million in 2011–2013. This transfer offsets projected Convention Center losses.

The Special Park and Recreation transfer is calculated to transfer annually all but a minimal balance from the Special Park and Recreation Fund. Based on underlying decrease in this revenue stream in 2010, transfers into the General Fund decreased from \$1.9 million in 2009 to \$1.7 million in 2010. Modest growth is projected in 2011, with revenue in 2012 returning to a more average level.

Transfers in the General Fund 2000 - 2016
(millions of dollars)



Several other transfers are included. A transfer from the Pension Reserve Fund, to partially offset higher pension costs, is included at \$1.275 million in 2011, \$1.5 million in 2012 and \$.5 million in 2013. These transfers are not projected to continue past 2013. The Landfill Post Closure Fund transfer is forecasted to remain at \$400,000 in 2011, 2012 and 2013. A transfer from the Fleet Fund to the General Fund in 2011 is budgeted at \$383,000. The one-time sale of City property is expected to result in a transfer of \$300,000 in 2011. Finally, transfers from the Contingency Reserve Fund of \$319,580 in 2012 and \$313,000 in 2013 are budgeted, to offset the budgeted costs of capital outlay.

INTEREST EARNINGS

This revenue stream is largely dependent upon market rates for investments, which are permitted under the City's Investment Policy, as well as the size of the pool of investment funds. Revenues improved dramatically in 2006, when the Federal Reserve rate rose over an eighteen month period.

Likewise, revenues began declining in 2008 when the Federal Reserve began aggressively cutting interest rates. Interest rates are currently near zero, resulting in a significant decrease in City revenues. A total of \$1.3 million is forecasted in 2011. A modest increase in rates from historically low levels is anticipated by 2012, resulting in a forecast of \$2.5 million.

RENTAL INCOME

The City leases a variety of real estate, including office space, garage space and athletic fields. The majority of the rental income is derived from three sources: annual rental payments for space at the Central Maintenance Facility; rental payments from vendors at Century II and Expo Hall; and rentals offered by the Park and Recreation Department, typically shelters, recreation center rooms and athletic fields. These revenues are expected to increase in 2011, based on increased usage of city facilities.

REIMBURSEMENTS

Reimbursement receipts are, as the name implies, intended to reimburse the General Fund for activity provided for non-General Fund financed or external services. Revenues are forecasted to increase in 2011, based on the consolidation of Water Utilities and Public Works. This staff consolidation will result in the Water Utility reimbursing General Fund financed positions. Likewise reimbursements are projected to increase again in 2012, with the shifting of call center personnel from the Water Utilities to the General Fund, reimbursed by the Water and Sewer funds.

A significant reimbursement is received from the Wichita Public Schools (USD 259) for their share of the cost of Police School Resource Officer positions, based on a Memorandum of Agreement. This revenue is expected to total \$404,413 in 2011, \$409,090 in 2012 and finally to \$413,762 in 2013. This reimbursement reflects 50% of the costs of 7 SRO positions.

Another source is an approximate \$130,000 annual transfer from the City of Eastborough for fire response services. Additionally, \$2.8 million is included for reimbursements for positions (including the aforementioned Water Utilities positions). Other reimbursement amounts are for a variety of purposes, and most are relatively small.

FINANCIAL PLAN—OTHER FUNDS

The following 30 non-General Fund financial plans offer a broad overview that shows and explains the trends, issues and circumstances impacting revenues and expenditures and the City's ability to deliver services (please see the "Financial Plan - General Fund" in the previous section for a detailed look at the General Fund). The Debt Service Fund financial plan is included in the CIP section on page 253. The analysis of each fund begins with relevant legal conditions that influence the revenue or expenditures of the fund. Next, major one-time or ongoing shifts in revenue, expenditures, or fund balances are discussed for the overall current and future fund status. Finally, strategies are frequently recommended to improve or maintain the funds' status. To present the most accurate view of the fund status, the financial plans do not include reserve amounts or contingency amounts that are included on fund multi-year overviews due to state certification requirements. Totals may not add exactly due to rounding. These 30 Other Funds are identified under three specific fund types.

I. Special Revenue Funds - Special revenue funds finance specified activities from a dedicated revenue source.

- | | |
|--|---|
| 1. Permanent Reserve Fund (200) | 12. Downtown Parking Fund (238) |
| 2. Homelessness Assistance Fund (209) | 13. State Office Building Fund (245) |
| 3. Tourism and Convention Fund (215) | 14. Gilbert and Mosley Tax Decrement Financing (255-1) |
| 4. Special Alcohol Fund (220) | 15. North Industrial Corridor Tax Decrement Financing (255-2) |
| 5. Special Park and Recreation Fund (225) | 16. East Bank Tax Increment Financing -TIF (255-3) |
| 6. Ice Rink Management Fund (226) | 17. 21st and Grove TIF (255-5) |
| 7. Landfill Fund (230) | 18. Old Town Cinema TIF (255-7) |
| 8. Landfill Post Closure Fund (231) | 19. Self-Supporting Municipal Improvement District (260) |
| 9. Central Inspection Fund (235) | 20. City/County Operations Fund (265) |
| 10. Economic Development Fund (236) | 21. Cemetery Fund (350) |
| 11. Sales Tax Construction Pledge Fund (237) | |

II. Enterprise Funds - Enterprise funds are used for government functions that are self-supporting. Enterprise funds belong to the group of funds called "proprietary," and are operated much like a business, with a balance sheet for all long-term debt obligations, assets and liabilities.

- | | | |
|------------------------|------------------------------|------------------------------------|
| 22. Airport Fund (500) | 24. Transit Fund (520) | 26. Water Utility Fund (540) |
| 23. Golf Fund (515) | 25. Sewer Utility Fund (530) | 27. Storm Water Utility Fund (560) |

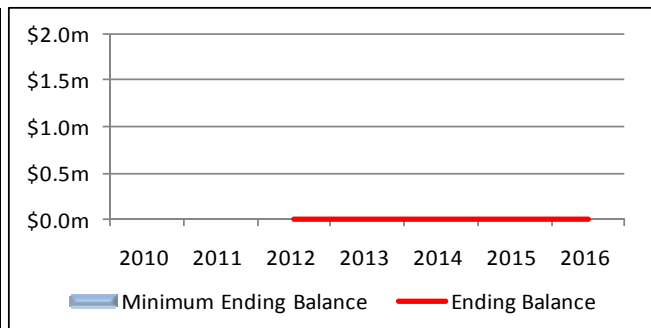
III. Internal Service Funds - Internal service funds provide services for City departments. Like enterprise funds (which provide services externally), internal service funds belong to the "proprietary" group of funds.

- | | | |
|---------------------------------------|----------------------|-------------------------------|
| 28. Information Technology Fund (600) | 29. Fleet Fund (605) | 30. Self Insurance Fund (620) |
|---------------------------------------|----------------------|-------------------------------|

PERMANENT RESERVE FUND (FUND 200)

The 2009 Budget included a new "Permanent Reserve Fund." This was funded initially with the transfer of \$3 million from project accounts that were closed out. The fund financed \$1.2 million in one-time items in 2009, including a \$1 million transfer to Economic Development. In 2011 and 2012, this fund is budgeted to back-stop any shortfalls in the Transit Fund.

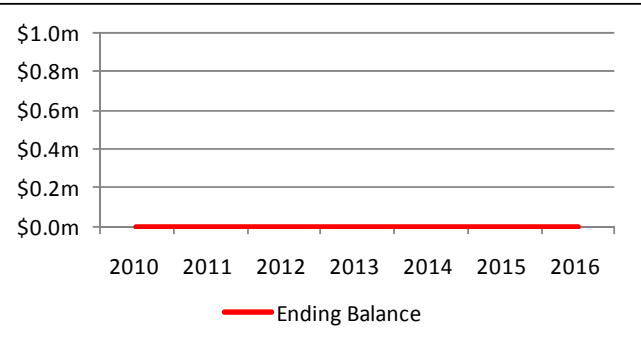
(Dollars in millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.0	0.0	0.6	0.3	0.0	0.0	0.0
Expenditures	0.0	1.8	0.6	0.3	0.0	0.0	0.0
Net Margin	0.0	(1.8)	0.0	0.0	0.0	0.0	0.0
Beginning Balance	1.8	1.8	0.0	0.0	0.0	0.0	0.0
Ending Balance	1.8	0.0	0.0	0.0	0.0	0.0	0.0



HOMELESSNESS ASSISTANCE FUND (FUND 209)

In late 2006, the Sedgwick County Commission and the City Council appointed a special taskforce to study and recommend ways to end chronic homelessness. One key provision of their report was a recommendation to implement a Housing First strategy. The Homelessness Assistance Fund administers funds from the City and County to operate the Housing First Program. In Housing First, the homeless person is placed in permanent housing, and provided supportive services such as case management, mental health and substance abuse services, health care, and employment.

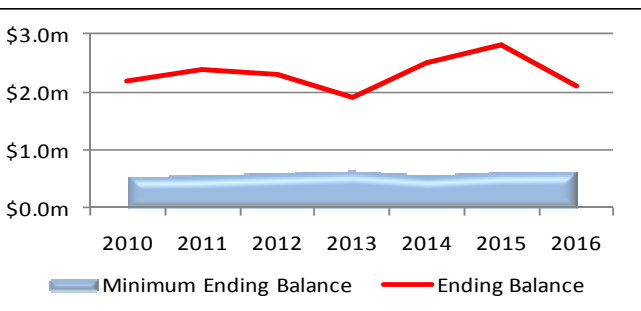
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.3	0.4	0.4	0.4	0.4	0.4	0.4
Expenditures	0.3	0.4	0.4	0.4	0.4	0.4	0.4
Net Margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Beginning Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ending Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0



TOURISM AND CONVENTION FUND - FUND 215

State Statute 12-1693 allows cities to levy a Transient Guest Tax, and KSA 12-1694 requires that the proceeds be credited to the Tourism and Convention Promotion Fund. The City of Wichita has chartered out from the state statute, and with Charter Ordinance 83 has established the Tourism and Convention Fund. Revenues to the fund are derived primarily from the 6% guest tax levied by the City of Wichita. Revenue growth of 2% is forecasted in the long term. However, with the tax rate scheduled to decrease to 5% in December 2015, revenues will drop in 2016. Approximately 40% of expenditures fund a contract with the Convention and Visitors Bureau. Expenditures are assumed to grow with inflationary increases. Debt Service payments are based on existing debt service schedules and projects anticipated in the CIP. New expenditures for CIP projects in 2011 – 2020 will be offset by the termination of debt service on prior projects in 2013. The amount transferred to the General Fund to offset convention center losses is projected to continue at around \$1.5 million.

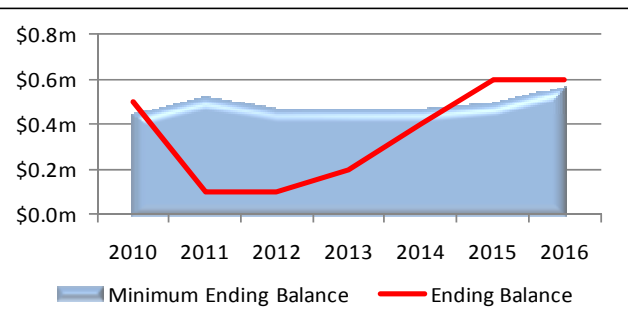
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	5.7	5.9	6.0	6.1	6.3	6.6	5.7
Expenditures	5.6	5.7	6.1	6.5	5.7	6.3	6.4
Net Margin	0.1	0.2	(0.1)	(0.4)	0.6	0.3	(0.7)
Beginning Balance	2.1	2.2	2.4	2.3	1.9	2.5	2.8
Ending Balance	2.2	2.4	2.3	1.9	2.5	2.8	2.1



SPECIAL ALCOHOL FUND - FUND 220

This fund is created pursuant to KSA 79-41a04. In 1979, the State Legislature imposed a 10% tax on the sale of liquor in clubs. Seventy percent of the taxes collected from the tax are distributed to local units of government, based on the location of the club selling the liquor. Of the taxes distributed, one third is credited to the Special Alcohol Fund, with the proceeds to be used for the purchase, establishment, maintenance or expansion of services or programs whose principal purpose is alcoholism and drug abuse prevention and education, alcohol and drug detoxification, intervention in alcohol and drug abuse or treatment of persons who are alcoholics or drug abusers or are in danger of becoming alcoholics or drug abusers. Receipts to the fund are typically somewhat volatile, and decreased in 2009. Revenue growth in 2010 and 2011 is expected to be slow, returning to normal levels (5% annually) by 2012. Current provider allocations are projected to be sustainable at the current levels; however, material increases in allocations should be delayed until the fund balance is restored to a three month operating reserve.

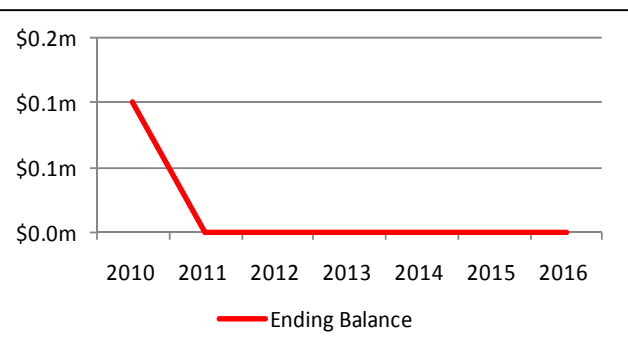
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	1.8	1.7	1.9	2.0	2.1	2.2	2.3
Expenditures	1.8	2.1	1.9	1.9	1.9	2.0	2.3
Net Margin	0.0	(0.4)	0.0	0.1	0.2	0.0	0.1
Beginning Balance	0.5	0.5	0.1	0.1	0.2	0.4	0.6
Ending Balance	0.5	0.1	0.1	0.2	0.4	0.6	0.6



SPECIAL PARK AND RECREATION FUND - FUND 225

This fund is created pursuant to KSA 79-41a04. In 1979, the State Legislature imposed a 10% tax on the sale of liquor in clubs. Seventy percent of the taxes collected from the tax are distributed to local units of government, based on the sites of the club selling the liquor. Of the taxes distributed, one third is credited to the Special Park and Recreation Fund. The proceeds in this fund are to be used for the purchase, establishment, maintenance or expansion of park and recreational services. The City transfers amounts received in this fund to the General Fund, to partially offset recreational and park services costs. Receipts to the fund are typically somewhat volatile, and decreased in 2009. Revenue growth in 2010 and 2011 is expected to be slow, returning to normal levels (5% annually) by 2012. Transfers to the General Fund are expected to be sustainable at current levels.

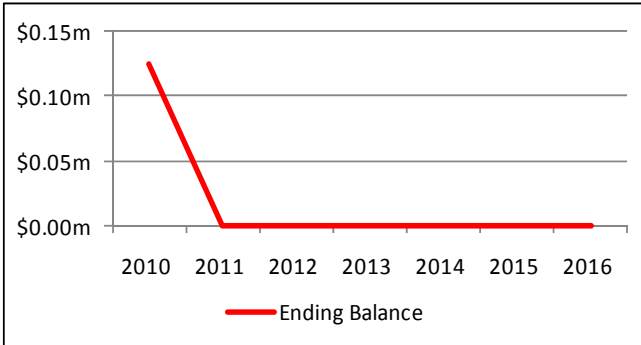
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	1.8	1.7	1.9	2.0	2.1	2.2	2.3
Expenditures	1.7	1.7	1.9	2.0	2.1	2.2	2.3
Net Margin	0.1	(0.1)	0.0	0.0	0.0	0.0	0.0
Beginning Balance	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Ending Balance	0.1	0.0	0.0	0.0	0.0	0.0	0.0



ICE RINK MANAGEMENT FUND - FUND 226

The Ice Rink Management Fund was created to separately record expenditures and revenues associated with Wichita Ice Sports, an indoor two rink facility. Revenues to the fund are derived from net revenues generated from the facility. Management of the facility is based on a contractual relationship. Minimal fund activity is expected. A start up loan was provided in 2011; this is expected to be repaid in 2011 and 2012. For projection purposes, annual net revenues generated are assumed to be transferred either to the General Fund, or to support capital expenditures at the facility.

(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Expenditures	0.0	0.1	0.1	0.0	0.0	0.0	0.0
Net Margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Beginning Balance	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Ending Balance	0.1	0.0	0.0	0.0	0.0	0.0	0.0

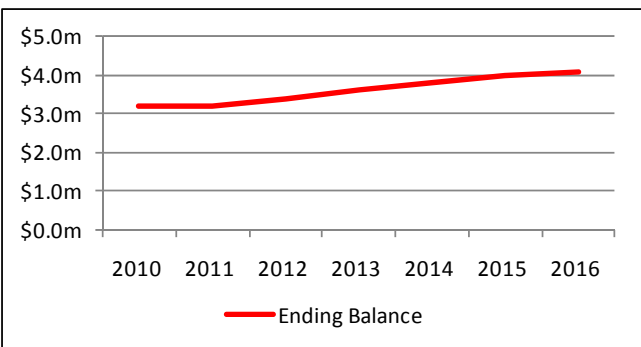


LANDFILL FUND - FUND 230

The City is authorized by KSA 12-2104 to establish a fund for the collection of refuse. Currently, this fund is used to finance the operations of the City's construction and demolition landfill, which is operated by a contractor. Revenues to the fund are dependent primarily on tipping fees received from customers. Long term, the fund is projected to remain in balance. The fund maintains a sizable balance, exclusively to serve as a reserve against any future potential pollution liability costs for this facility.

The balance in this fund is projected to grow slowly due to remediation costs and lower interest earnings. Longer term, operating income is expected to be less than annual operating costs, although increases in tipping fees may be considered to continue building fund reserves for the eventual closure of the Landfill.

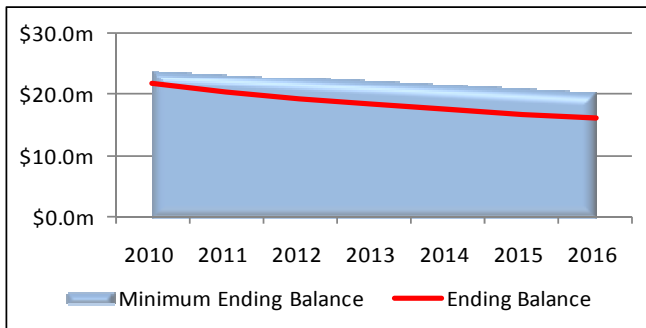
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.9	0.9	1.1	1.1	1.1	1.1	1.1
Expenditures	0.7	0.9	0.9	0.9	0.9	0.9	1.0
Net Margin	0.2	0.0	0.2	0.2	0.2	0.2	0.1
Beginning Balance	3.0	3.2	3.2	3.4	3.6	3.8	4.0
Ending Balance	3.2	3.2	3.4	3.6	3.8	4.0	4.1



LANDFILL POST CLOSURE FUND - FUND 231

This fund serves to finance any potential pollution liability costs of the Brooks Landfill. The landfill was closed in 2001; however, the City is required to maintain resources for debt capacity to fund the legal liability for environmental remediation that could occur. This liability is certified annually to the State. In 2010 the liability is estimated at \$24 million. An annual transfer of \$845,520 was made to the General Fund in 2009 and reflects a diminishing need for reserves as the remediation liability declines. However, to preserve reserves, this transfer was scaled back to \$400,000 beginning in 2010. To the extent reserves are less than the liability, the City's bonding capacity will be pledged as a guarantee against future mitigation amounts that exceed the fund's reserves.

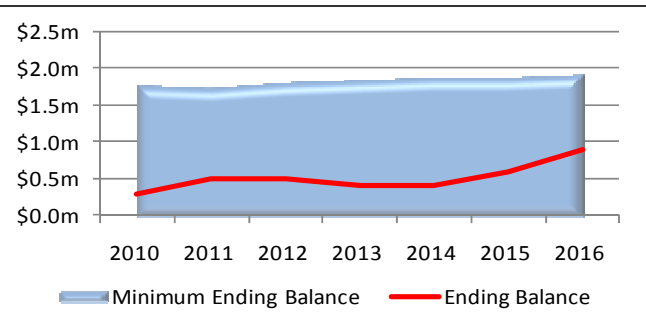
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.0	0.0	0.0	0.5	0.5	0.6	0.6
Expenditures	1.0	1.3	1.3	1.3	1.3	1.3	1.3
Net Margin	(1.0)	(1.3)	(1.3)	(0.8)	(0.8)	(0.7)	(0.7)
Beginning Balance	22.7	21.7	20.4	19.1	18.3	17.5	16.8
Ending Balance	21.7	20.4	19.1	18.3	17.5	16.8	16.1



CENTRAL INSPECTION - FUND 235

KSA 12-3009 empowers the City to incorporate in ordinance any standard or model code. Based on Resolution 95-560, the operations of the Office of Central Inspection are accounted for in a separate fund. The resolution also sets reserve levels as approximately four months of operating expenditures. Revenues to the fund are based on permit pricing and activity. The fund balance decreased significantly in 2009 and 2010, based on lower construction activity driving fee income down. Expenditure reductions to match staffing levels to activity levels has occurred in 2010 and 2011. Staff remain committed to stabilizing this fund; additional staffing reductions may be necessary if revenues do not improve. Longer term, as activity picks up, the fund is projected to gradually grow to the appropriate fund balance level.

(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	5.2	5.5	5.5	5.5	5.7	5.9	6.1
Expenditures	5.4	5.3	5.5	5.6	5.7	5.7	5.8
Net Margin	(0.2)	0.2	0.0	(0.1)	0.0	0.2	0.3
Beginning Balance	0.5	0.3	0.5	0.5	0.4	0.4	0.6
Ending Balance	0.3	0.5	0.5	0.4	0.4	0.6	0.9

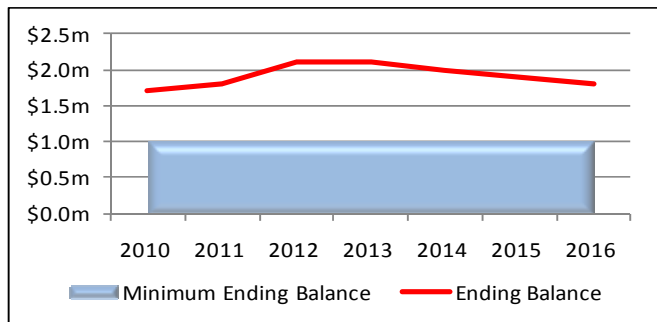


ECONOMIC DEVELOPMENT FUND - FUND 236

This fund was created to isolate expenditures made for economic development purposes, and to ensure that Industrial Revenue Bond fees and charges are expended appropriately. Additionally, low airfare initiatives have been supported from this fund. Revenues are supplemented by General Fund transfers for the Affordable Airfares program (budgeted at \$1 million annually) and general economic activities (\$150,000 annually).

Steps were recommended in 2010 to supplement fund resources, including new economic development application fees. In 2009, a one-time \$1 million transfer was provided and in 2009 nearly \$0.5 million in expenses were shifted to the General Fund (non-departmental budget). The projection includes all currently approved incentive payments and a very modest amount for future incentives through 2010. In 2011 and 2012, an additional transfer of \$2.5 million from the General Fund will enhance activities. Longer term, funding for additional incentives is not included in this forecast. However, a fund balance is available on a non-recurring basis to fund incentives as appropriate.

(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	2.5	5.6	5.4	2.5	2.5	2.6	2.7
Expenditures	2.8	5.5	5.1	2.5	2.6	2.7	2.8
Net Margin	(0.3)	0.1	0.3	0.0	(0.1)	(0.1)	(0.1)
Beginning Balance	2.0	1.7	1.8	2.1	2.1	2.0	1.9
Ending Balance	1.7	1.8	2.1	2.1	2.0	1.9	1.8

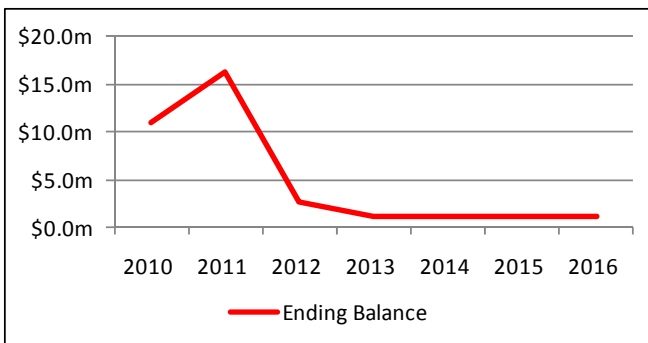


SALES TAX CONSTRUCTION PLEDGE FUND - FUND 237

This fund is used to account for one half of the proceeds of the City's distributions from the County-wide one cent sales tax. The other half of the sales tax is credited to the General Fund for property tax reduction. In 1985, Sedgwick County voters approved a one cent sales tax. Based on state distribution formulas, the City of Wichita receives around 58% of the revenue generated. Ordinance 39-196, adopted by the City Council on June 11, 1985, pledges one half of the city's share of sales tax revenue for "road, highway and bridge projects." This fund is used to show receipts and expenditures consistent with this pledge.

Sales tax receipts are projected to recover in 2011, after two years of negative growth, consistent with General Fund revenue projections. Expenditures from the fund are for debt service obligations on debt for highway projects, with remaining amounts transferred to cash fund projects. The fund is adequately situated to fund existing debt service obligations, with funding remaining each year for other projects.

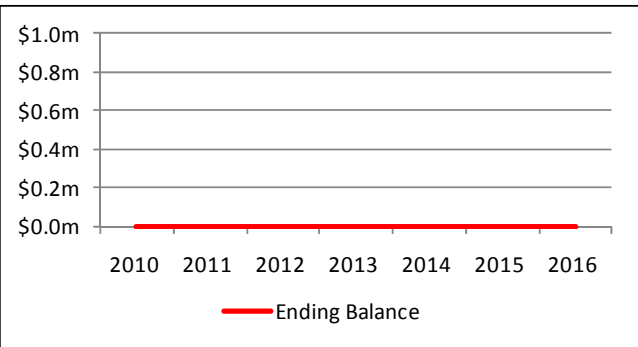
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	24.3	27.8	27.6	28.4	26.4	27.2	28.0
Expenditures	23.6	22.4	41.3	29.8	26.4	27.2	28.0
Net Margin	0.7	5.4	(13.7)	(1.4)	0.0	0.0	0.0
Beginning Balance	10.2	10.9	16.3	2.6	1.2	1.2	1.2
Ending Balance	10.9	16.3	2.6	1.2	1.2	1.2	1.2



DOWNTOWN PARKING FUND - FUND 238

This fund was created to isolate expenditures and revenues for parking related events in the downtown area and in relation to the new Intrust Bank Arena. The Urban Development division in the City Manager's Office provides oversight of the contractual management of the parking services. The 2011 budget includes support for project oversight, parking lot attendant salaries, setup and tear down for events, maintenance and parking management totaling approximately \$600,000 annually. In addition, Sedgwick County has agreed to backstop any operating losses up to \$225,000 annually. The Parking Fund is projected to be structurally balanced during the planning period.

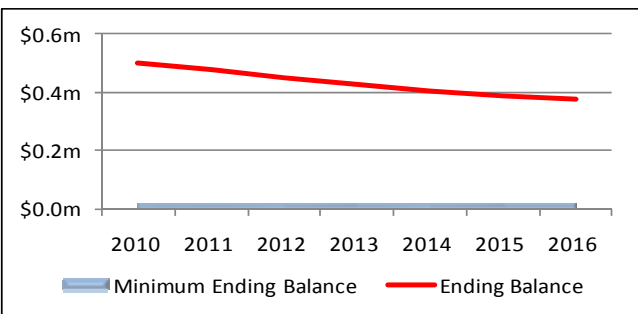
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.3	0.5	0.5	0.5	0.5	0.5	0.5
Expenditures	0.3	0.5	0.5	0.5	0.5	0.5	0.5
Net Margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Beginning Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ending Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0



STATE OFFICE BUILDING FUND - FUND 245

Financial transactions related to the maintenance of the Finney State Office Building in downtown Wichita are recorded in this fund. In 1993, through the City of Wichita, the Public Building Commission renovated the former Macy's building and has in turn leased it to the State of Kansas. Revenues to the fund are based on a lease agreement with the State. Expenditures fund the City's maintenance efforts as the owner of the building. Annually, revenues and expenditures are reconciled to ensure that the lease payments fund the cost of maintenance performed by the City. The State terminated lease payments in March 2008, and assumed operation of the State Office Building. This has left the City responsible only for the parking garage. Long term, revenues are expected to match expenditures in this fund.

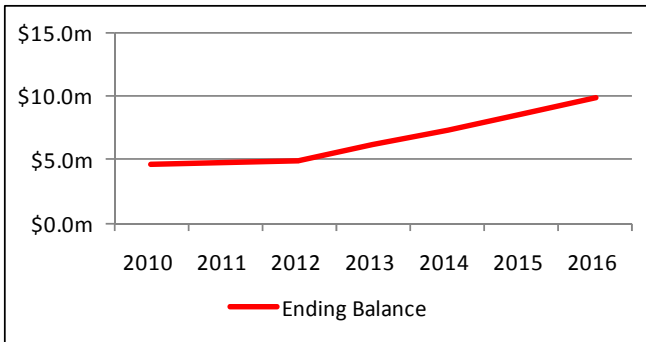
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Expenditures	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Net Margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Beginning Balance	0.5	0.5	0.5	0.5	0.4	0.4	0.4
Ending Balance	0.5	0.5	0.5	0.4	0.4	0.4	0.4



GILBERT AND MOSLEY - FUND 255-1

Kansas State Law (K.S.A. 12-1771a) provides that the City can fund the cleanup of environmentally contaminated areas using decrement financing. The environmental TIFs involve the restoration of property values in a contaminated area to higher, pre-contamination levels and captures up to 20% of the increment to pay for environmental remediation. In the Gilbert & Mosley District, the TIF funds groundwater contamination remediation. A balance is maintained in this fund to finance remediation projects as necessary.

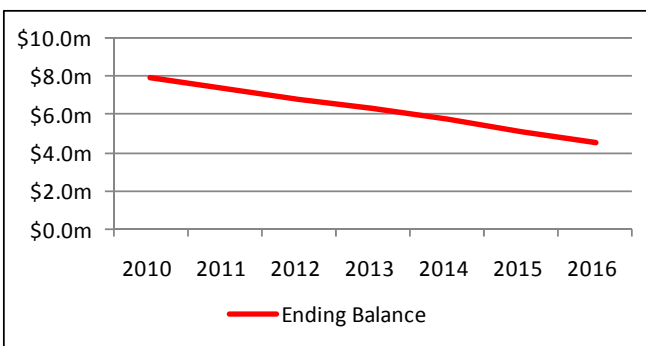
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	2.8	2.9	2.9	2.9	2.9	2.9	2.9
Expenditures	2.3	2.8	2.8	1.7	1.7	1.7	1.7
Net Margin	0.5	0.1	0.1	1.2	1.2	1.2	1.2
Beginning Balance	4.2	4.7	4.8	4.9	6.2	7.4	8.6
Ending Balance	4.7	4.8	4.9	6.2	7.4	8.6	9.8



NORTH INDUSTRIAL CORRIDOR - FUND 255-2

Kansas State Law (K.S.A. 12-1770) provides that all costs related to the redevelopment area designated as blighted or a conservation area may be recovered using Tax Increment Financing (TIF). The TIF mechanism dedicates the property tax revenue resulting from redevelopment toward repayment of the initial redevelopment cost. A balance is maintained in this fund to finance remediation projects as necessary. However, longer term, depending on the City's ultimate responsibility for remediation costs, this fund may not have an adequate level of reserves.

(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	1.0	1.0	1.1	1.1	1.1	1.1	1.1
Expenditures	0.7	1.6	1.6	1.6	1.7	1.7	1.7
Net Margin	0.3	(0.6)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)
Beginning Balance	7.6	7.9	7.3	6.8	6.3	5.7	5.1
Ending Balance	7.9	7.3	6.8	6.3	5.7	5.1	4.5

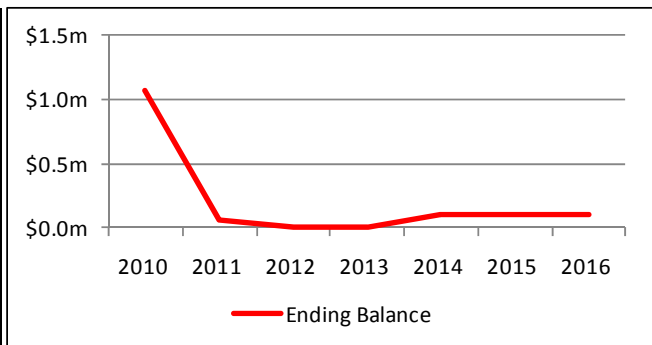


EAST BANK TIF - FUND 255-3

Kansas State Law (K.S.A. 12-1770) provides that all costs related to the redevelopment area designated as blighted or a conservation area may be recovered using Tax Increment Financing (TIF). The TIF mechanism dedicates the property tax revenue resulting from redevelopment toward repayment of the initial redevelopment cost. Economic development TIFs are used to make improvements to sidewalks, streets, curb and gutter, street lighting, and other public infrastructure improvements and public amenities.

The East Bank Redevelopment District was created in 1995 to develop a convention hotel adjacent to the City's convention center. Additional bonds totaling \$8 million are expected to be issued by 2010. The fund is currently in arrears in covering debt service payments (\$1.5 million in 2010). However, an additional transfer budgeted in 2011 will reduce the TIF fund balance, but also erase a significant portion of the arrears amount.

(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	1.9	1.9	1.9	2.0	2.0	2.0	2.0
Expenditures	1.4	2.9	2.0	2.0	1.9	2.0	2.0
Net Margin	0.5	(1.0)	(0.1)	0.0	0.1	0.0	0.0
Beginning Balance	0.6	1.1	0.1	0.0	0.0	0.1	0.1
Ending Balance	1.1	0.1	0.0	0.0	0.1	0.1	0.1

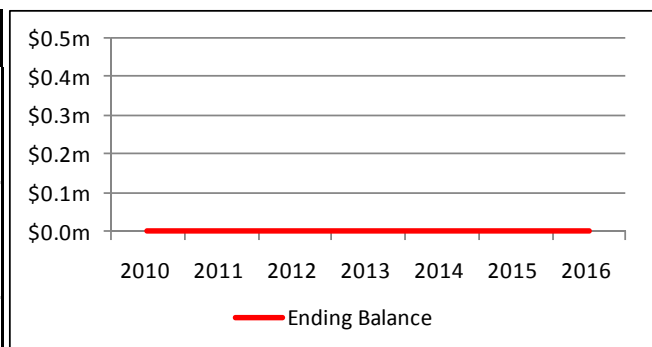


21ST AND GROVE TIF - FUND 255-5

Kansas State Law (K.S.A. 12-1770) provides that all costs related to the redevelopment area designated as blighted or a conservation area may be recovered using Tax Increment Financing (TIF). The TIF mechanism dedicates the property tax revenue resulting from redevelopment toward repayment of the initial redevelopment cost. Economic development TIFs are used to make improvements to sidewalks, streets, curb and gutter, street lighting, and other public infrastructure improvements and public amenities.

This TIF was established in 1995, as part of the efforts to revitalize the 21st Street corridor in north Wichita. A total of \$1.4 million in bonds were issued as a part of the Cessna 21st Street Training Center project. The fund had a deficit of \$527,906 in necessary transfers to the Debt Service Fund at year end 2010. However, in the future, the fund is well positioned to gradually transfer amounts in excess of annual debt service, in order to retire the bonds by 2015.

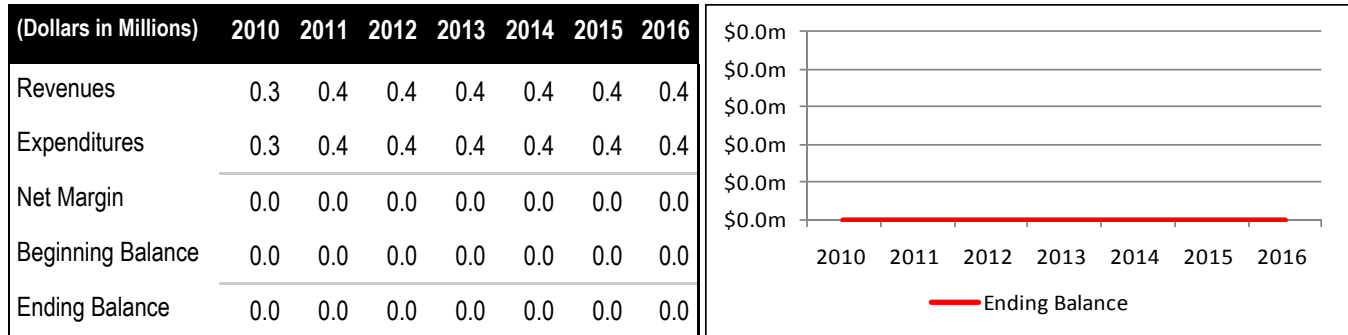
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Expenditures	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Net Margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Beginning Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ending Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0



OLD TOWN CINEMA TIF - FUND 255-7

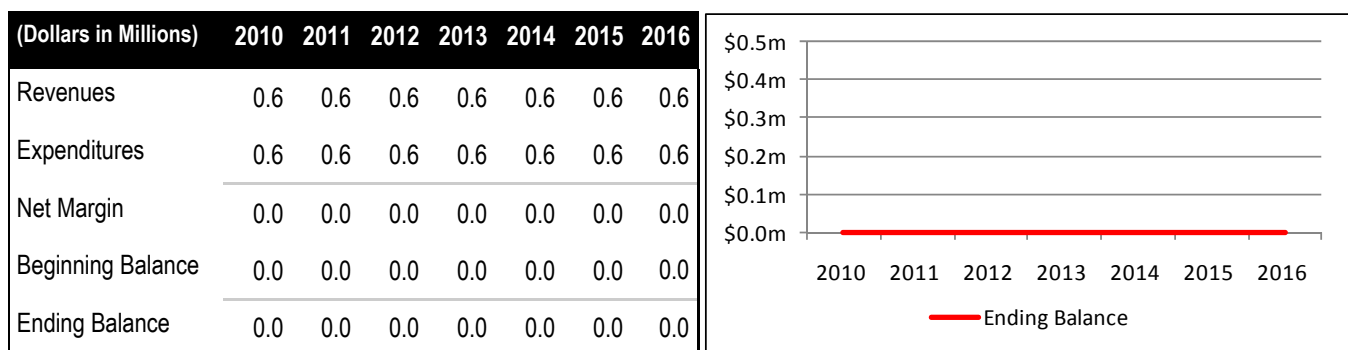
Kansas State Law (K.S.A. 12-1770) provides that all costs related to the redevelopment area designated as blighted or a conservation area may be recovered using Tax Increment Financing (TIF). The TIF mechanism dedicates the property tax revenue resulting from redevelopment toward repayment of the initial redevelopment cost. Economic development TIFs are used to make improvements to sidewalks, streets, curb and gutter, street lighting, and other public infrastructure improvements and public amenities.

This TIF was established in 1999, as a part of continuing revitalization of the Old Town area. Bonds totaling \$9.5 million were issued to finance a parking garage and other improvements. The fund has not generated revenues sufficient to offset annual interest costs. Currently, the fund is \$342,526 in arrears. The fund is not expected to cover annual debt service payments until the last years of the TIF.



SELF-SUPPORTING MUNICIPAL IMPROVEMENT DISTRICT - FUND 260

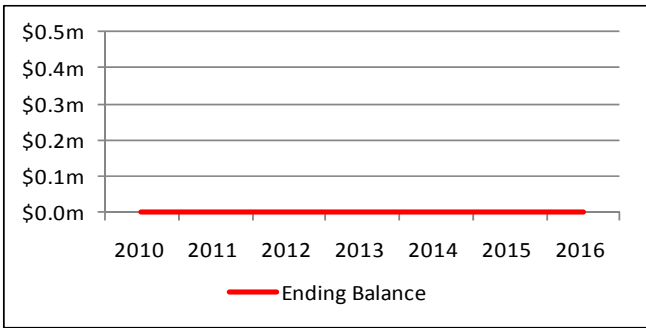
The SSMID is a special benefit district bounded by Washington Street, Kellogg Avenue (US-54), Central Avenue, and the Arkansas River. The purpose of the SSMID is to finance improvements and services in the downtown and Old Town areas. The SSMID is funded by an additional levy of an estimated 5.95 mills. The City transfers revenues to the Wichita Downtown Development District to carry out economic development activities.



CITY/COUNTY OPERATIONS FUND - FUND 265

The City has two joint operations with Sedgwick County created under inter-local agreements, pursuant to KSA 12-2901. One of these operations is the Metropolitan Area Planning Department. Its expenditures and net of any revenues generated are split equally by the City and County. Expenditures for the Wichita/Valley Center Flood Control Project are also split equally between the City and County. In both cases, employees are included in the City organization. A separate sub-fund is established for each joint operation. The table below aggregates sub-funds.

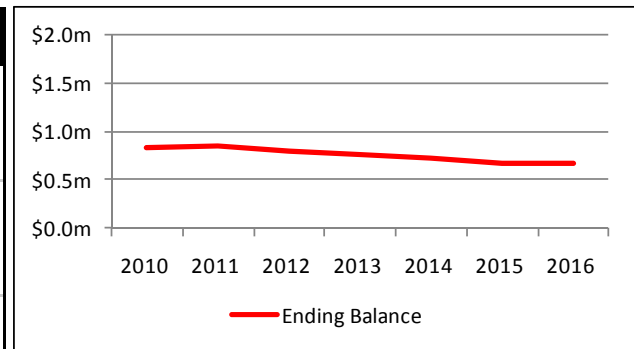
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	3.4	3.9	3.7	3.8	3.9	4.0	4.1
Expenditures	3.4	3.9	3.7	3.8	3.9	4.0	4.1
Net Margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Beginning Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ending Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0



CEMETERY FUND - FUND 350

The City of Wichita maintains three cemeteries in Wichita: Jamesburg, Highland Park and the mausoleum at Old Mission Cemetery. An endowment is used to fund maintenance, pursuant to KSA 12-1408. Although the investment income of fund assets is not projected to offset expenditures, the endowment (fund balance) is sufficient to continue maintenance at the current level into the foreseeable future.

(Dollars in Thousands)	2010	2011	2012	2013	2014	2015	2016
Revenues	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Expenditures	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Net Margin	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Beginning Balance	0.9	0.8	0.8	0.8	0.8	0.7	0.7
Ending Balance	0.8	0.8	0.8	0.8	0.7	0.7	0.7

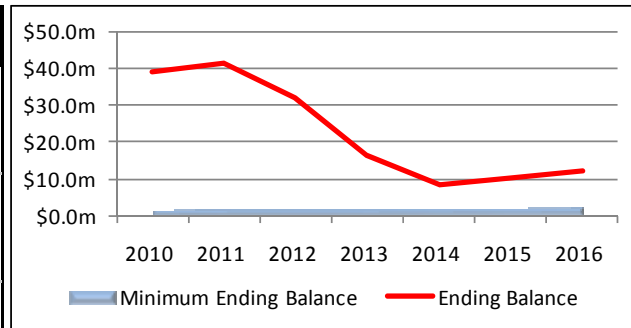


AIRPORT FUND - FUND 500

The City of Wichita operates two airports: Wichita Mid-Continent Airport in west Wichita, and Colonel James Jabara Airport in northeast Wichita. Revenues and expenditures for airport operations are included in the Airport Fund, pursuant to KSA 3-147. All airport operations are financed completely by user fees.

It is anticipated that in the long term, the status of this fund will be significantly impacted by the proposed CIP project to rebuild the Mid-Continent terminal. Increased debt service costs are expected. In addition, the cash balance will be spent down to cash fund a portion of the terminal project. However, long term, based on the assumptions included in the Airport Terminal plan of finance, this fund is expected to be financially sound.

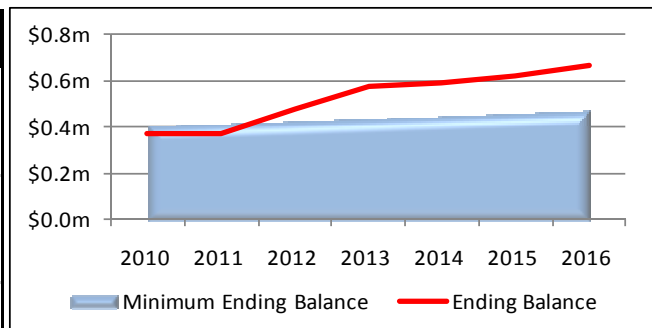
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	22.5	22.3	22.6	22.9	23.1	24.1	25.0
Expenditures	17.0	18.9	19.4	19.9	21.1	22.0	23.0
Net Margin	5.5	3.4	3.2	3.0	2.0	2.1	2.0
Beginning Balance	21.8	38.9	41.6	32.2	16.3	8.3	10.4
Ending Balance	38.9	41.6	32.2	16.3	8.3	10.4	12.4



GOLF FUND - FUND 515

The Golf Fund was established to isolate revenues and expenditures supporting the City's five public courses. Course expenditures are completely financed with user fees through this fund. Revenues to the fund have increased in recent years, due primarily to modest increases in rounds played and a fee increase in 2009. With a mature system, expenditures are projected to grow moderately. The projection assumes the closure of one course in 2012. This is expected to decrease expenditures to a greater degree than revenues, stabilizing the fund. In addition, this will provide a source for financing needed capital improvements at the remaining four courses. Barring significant, inclement weather and implementing the previous debt restructuring, the fund balance should be adequate to maintain operations through the planning horizon. However, the ability to finance capital projects and pay off deferred debt remains an issue.

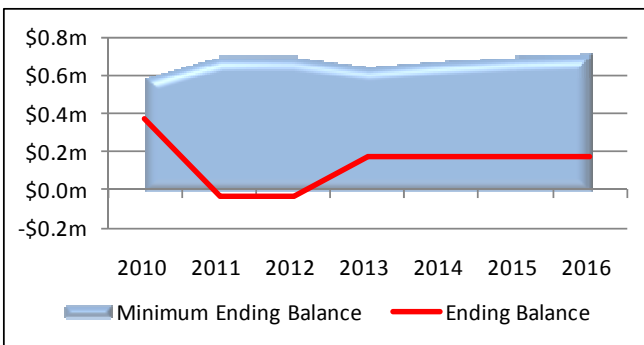
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	4.1	5.7	5.8	5.8	5.8	5.9	6.0
Expenditures	4.1	5.7	5.7	5.7	5.8	5.9	6.0
Net Margin	(0.0)	0.0	0.1	0.1	0.0	0.0	0.0
Beginning Balance	0.4	0.4	0.4	0.5	0.6	0.6	0.6
Ending Balance	0.4	0.4	0.5	0.6	0.6	0.6	0.7



TRANSIT FUND - FUND 520

The Transit Fund is used to finance the operations of Wichita Transit. The fund is created pursuant to KSA 13-3101 et seq. Revenues are derived from ridership fees, miscellaneous revenue, and a significant transfer from the General Fund. Expenditures are primarily for operating costs, although Transit Fund monies are used significantly to leverage federal grants for Transit services. Long term, the outlook for this fund is difficult to project. The inflow of additional State funds in 2013 should allow the fund to be sustainable. However, in the short term, due to expiring ARRA grants and high fuel costs, the fund revenues will not cover expected expenditures. Transfers from the Permanent Reserve Fund will be made to ensure this fund maintains a positive balance in 2011 and 2012.

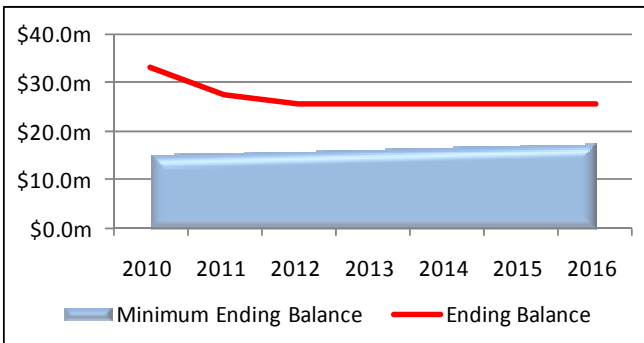
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	5.8	6.6	7.0	6.7	6.8	7.0	7.1
Expenditures	5.9	7.0	7.0	6.5	6.8	7.0	7.1
Net Margin	(0.1)	(0.4)	0.0	0.2	0.0	0.0	0.0
Beginning Balance	0.5	0.4	0.0	0.0	0.2	0.2	0.2
Ending Balance	0.4	0.0	0.0	0.2	0.2	0.2	0.2



SEWER UTILITY FUND - FUND 530

KSA 12-630a allows the governing body of any city to provide for a system of treatment and disposal of wastewater. All revenues derived from a wastewater system are to be deposited into a separate fund per KSA 12-631i. To accommodate increasing debt service based on the proposed CIP, rate increases will be necessary. The projection includes rate adjustments over the next five years. Future rate increases will continue to be monitored annually, and will be adjusted based on actual debt service requirements. The cash balance is large in proportion to annual revenues and expenditures, but the cash balance includes cash that is restricted by bond covenants. The Utility is required to maintain cash on hand equal to 120% of debt service, based on bond covenants.

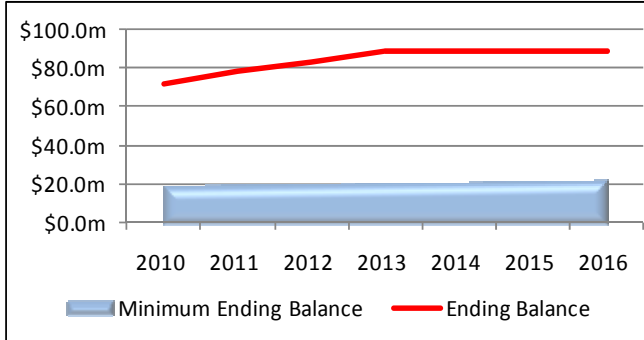
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	38.3	43.1	47.0	50.6	53.5	56.5	59.7
Expenditures	39.8	48.6	49.0	50.6	53.5	56.5	59.7
Net Margin	(1.6)	(5.5)	(2.0)	0.0	0.0	0.0	0.0
Beginning Balance	20.0	33.1	27.6	25.6	25.6	25.6	25.6
Ending Balance	33.1	27.6	25.6	25.6	25.6	25.6	25.6



WATER UTILITY FUND - FUND 540

KSA 12-825d requires that any revenue derived from the sale and consumption of water shall be disbursed only for the operation of the plant or distribution system. The fund is well positioned to finance projected operating expenditures in the foreseeable future. However, proposed CIP projects to enhance system reliability and to secure future water supplies will result in increasing debt service. The projections assume rate increases over the next five years. With those rate increases, the fund is well positioned to cover all projected operating and debt service expenditures. Future rate increases will continue to be monitored annually, and will be adjusted based on actual debt service requirements. The cash balance is large in proportion to annual revenues and expenditures, but the cash balance includes cash that is restricted by bond covenants.

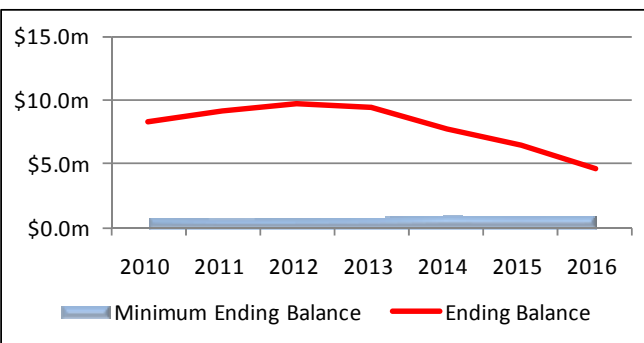
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	72.8	69.5	72.3	75.9	78.5	81.7	84.6
Expenditures	51.3	62.6	67.8	70.2	78.5	81.7	84.6
Net Margin	21.5	6.9	4.5	5.7	0.0	0.0	0.0
Beginning Balance	45.6	71.6	78.5	83.0	88.7	88.7	88.7
Ending Balance	71.6	78.5	83.0	88.7	88.7	88.7	88.7



STORM WATER UTILITY FUND - FUND 560

The Water Pollution Act (KSA 12-3101 – 12-3107) allows cities to create a storm water system. The primary revenue to this fund is based on an equivalent residential unit (ERU) fee assessed to all water customers. The current ERU rate is \$2.00, no adjustment is included in the forecast. The fund balance typically fluctuates with the financing needs of approved CIP projects. With the projects currently authorized, the fund should begin a period of a planned balance draw down.

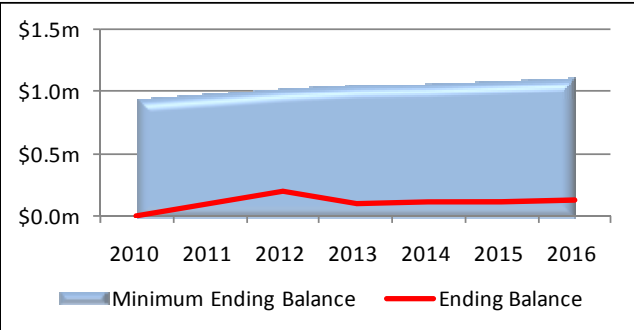
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	9.5	8.5	8.5	8.5	8.6	8.6	8.6
Expenditures	8.2	7.7	7.9	8.7	10.4	9.9	10.3
Net Margin	1.3	0.8	0.6	(0.2)	(1.8)	(1.3)	(1.7)
Beginning Balance	7.5	8.3	9.1	9.7	9.5	7.7	6.4
Ending Balance	8.3	9.1	9.7	9.5	7.7	6.4	4.7



INFORMATION TECHNOLOGY FUND - FUND 600

The information technology needs of the organization are funded through this internal service fund. Revenues are derived through a fully allocated cost model for each software application and hardware item having an itemized price. Departments are charged based on the application and hardware used. Annually, amounts are transferred to three replacement funds to finance hardware replacements and future system upgrades. Charges to users are projected to increase in 2011 and 2012, to boost funding for system replacement needs.

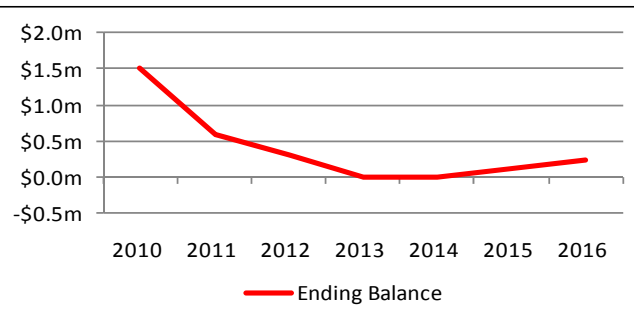
(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	8.7	10.0	10.4	10.5	10.7	10.9	11.1
Expenditures	9.5	9.9	10.3	10.6	10.7	10.9	11.1
Net Margin	(0.8)	0.1	0.1	(0.1)	0.0	0.0	0.0
Beginning Balance	0.8	0.0	0.1	0.2	0.1	0.1	0.1
Ending Balance	0.0	0.1	0.2	0.1	0.1	0.1	0.1



FLEET FUND - FUND 605

The Fleet Fund finances the operation, maintenance and replacement expenses for the City's fleet of equipment. Over 3,000 pieces of equipment are maintained, including police patrol cars, fire engines, tractors, dump trucks, bulldozers and small equipment. Lease rates are charged to departmental budgets to fund Fleet Fund activities. In the past two years, fleet rental rates have been increased, enhancing revenue to the Fleet Fund and building the fund balance. Longer term, the fund balance is expected to decline, depending most on the degree of fleet replacement that is pursued.

(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	13.1	12.9	13.5	14.0	14.3	14.7	15.0
Expenditures	13.0	13.8	13.8	14.3	14.3	14.6	14.9
Net Margin	0.1	(0.9)	(0.3)	(0.3)	0.0	0.1	0.1
Beginning Balance	1.3	1.5	0.6	0.3	0.0	0.0	0.1
Ending Balance	1.5	0.6	0.3	0.0	0.0	0.1	0.2



SELF INSURANCE FUND - FUND 620

The City of Wichita operates a Self Insurance Fund, pursuant to KSA 12-2615. The fund is divided into four sub-funds: Group Life; Group Health; Workers Compensation; and Risk Management. The City seeks to maintain reserves equal to a 90% confidence level regarding future claims potential. Revenues to the fund are based on charges to employees and the City (depending on the program). Health Insurance is funded 80% by the employer and 20% by the employee. Risk Management and Workers Compensation are entirely funded by the City.

The fund is in stable condition with reserves presently at the 90% level. Long term, the fund should remain well positioned, although rate increases in health insurance will be required as health costs increase. Currently, increases in rates are budgeted at 10% longer term. Workers Compensation and Risk Management rates are anticipated to be stable overall, although rates are usually adjusted internally annually, based on experience and exposure of various City operations. Finally, the fund balance currently includes approximately \$7.5 million held in the Pension Reserve Account, to offset future increases in City pension contribution rates. However, this will be eroded by approximately \$4.6 million by 2013.

(Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016
Revenues	38.3	46.8	49.9	53.7	55.7	60.2	65.0
Expenditures	38.7	46.9	50.6	53.4	55.7	60.2	65.0
Net Margin	(0.4)	(0.1)	(0.7)	0.3	0.0	0.0	0.0
Beginning Balance	22.3	21.9	21.8	21.1	21.4	21.4	21.4
Ending Balance	21.9	21.8	21.1	21.4	21.4	21.4	21.4

