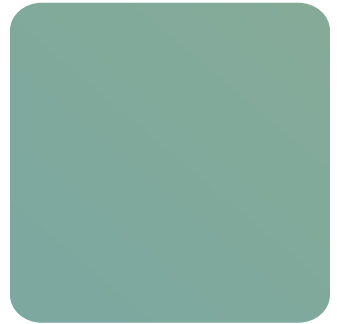
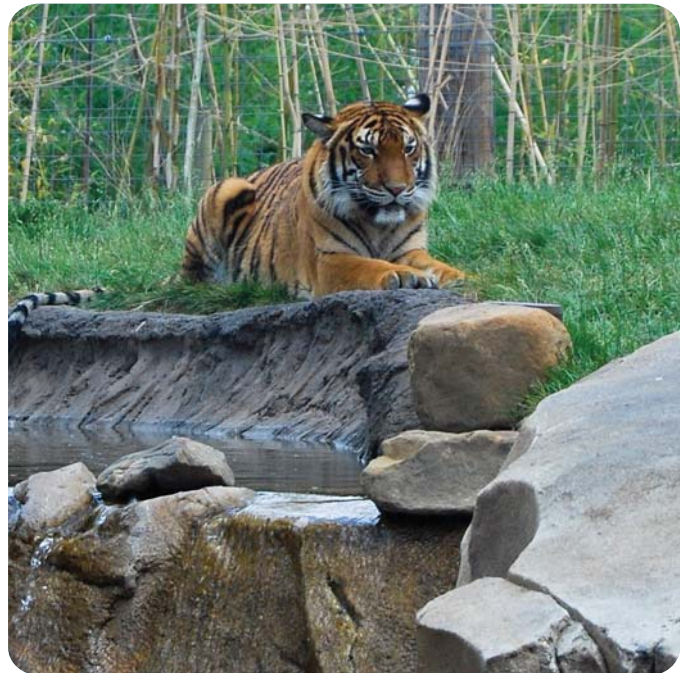


SEDGWICK
COUNTY
2013



MANAGER'S MESSAGE



*Sedgwick County...
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Honorable Board of County Commissioners and Citizens of Sedgwick County

The budget is a plan for how we will allocate resources for the delivery of services in Sedgwick County. Determining the best and most impactful ways to allocate limited resources requires us to be strategic and focus on outcomes and deliverables. It means we must be deliberate in identifying needs and developing programs that help keep our community safe, help those who are most vulnerable or at-risk, maintain critical infrastructure, and create opportunities for a vibrant, thriving quality of life.

The economic downturn has required Sedgwick County to change the services we deliver and reduce our expenditures. Beginning with the 2009 budget, the Board of County Commissioners implemented a 1 mil reduction; in 2010, a 1/2 mil reduction; in 2011, another 1/2 mil reduction. Fortunately, we were in a strong financial position to use fund reserves, or “rainy day funds,” to help us through the downturn without having to make reductions in services. Unfortunately, the economic conditions have not rebounded as quickly and robustly as we had hoped by this time — which means we must reduce expenditures to be aligned with our revenues. As a “service provider,” reducing expenditures means reducing personnel who deliver the services.

Like most local governments, reductions in service get a lot of publicity — and there is a tendency to focus on the programs and services that are either reduced or eliminated. But, whether it’s the public sector or private sector, operations will change over time. This doesn’t mean that a program doesn’t add value or provide assistance to someone, but it is about looking at the range of possible services we can provide, looking at those with the greatest impact, focusing on those we can do really well, measuring success and telling the story through outcomes.

As we prepare the Budget, we look at where we’ve been; we look at where the demand might be in the next few years; we assess whether there are other providers in the community who can deliver services; we determine the alternatives if we combine or reduce programs; we look to technology to streamline how we provide services; and we rely on our employees to bring forth not only creative and innovative solutions, but also their commitment to delivering quality public services, especially during difficult, challenging times. I am never disappointed in the professionalism, ingenuity and dedication of Sedgwick County employees to assure that we are doing the absolute best we can for the community we serve.

CHANGING TIMES... AND DOING LESS WITH LESS

We have used different methods of restoring financial balance over the past few years. We have relied on our rainy day funds. Last year, we used across-the-board cuts (with a smaller percentage cut for public safety services). For the 2013 budget, we used a process that helps us allocate resources in a prioritized fashion.

In September 2011, we began the 2013 budget process by asking each department to consider their inventory of programs and services and prioritize them according to three categories: “buy first” (first 80 percent of expenditures), “buy next” (next 10 percent of expenditures) and “buy last” (the last 10 percent of expenditures). We asked departments to consider changing the way they deliver services, seek partnerships or consolidations within the organization, or identify programs that we could reduce or eliminate. This is not an indication that the work is not important or hasn’t served a specific role, but instead is about defining the priorities and most critical services we need to provide with the limited resources we have. It’s about “doing less with less.”

Local governments rely on property taxes as a means to deliver the range of services citizens expect. In the past few years, assessed valuations have had less than one percent growth, and for the 2013 budget, we experienced a negative assessment. One of the other significant revenues is local sales tax; these revenues have declined in previous years, but we are beginning to see some improvement for 2013, though still less than 2008 revenues.

Through the prioritization process, we reviewed more than 900 programs and focused on “core services.” We looked for duplication; we focused on programs that were critical to primary missions; we identified services that perhaps have expanded scope beyond the core. We had to make decisions that would help us continue to provide basic and essential services that meet the changing needs of our community. By continuing to focus on process improvements, shared services and measured outcomes for our programs, we are flexible and adaptable in meeting our community challenges and opportunities.

The Budget represents a decrease from the 2012 revised budget of 1.4 percent for all operating funds.

Reductions & Revenue Enhancements include:

- 69 FTE positions
- Budgetary reductions of \$7.2 million
- New revenue of \$1.3 million



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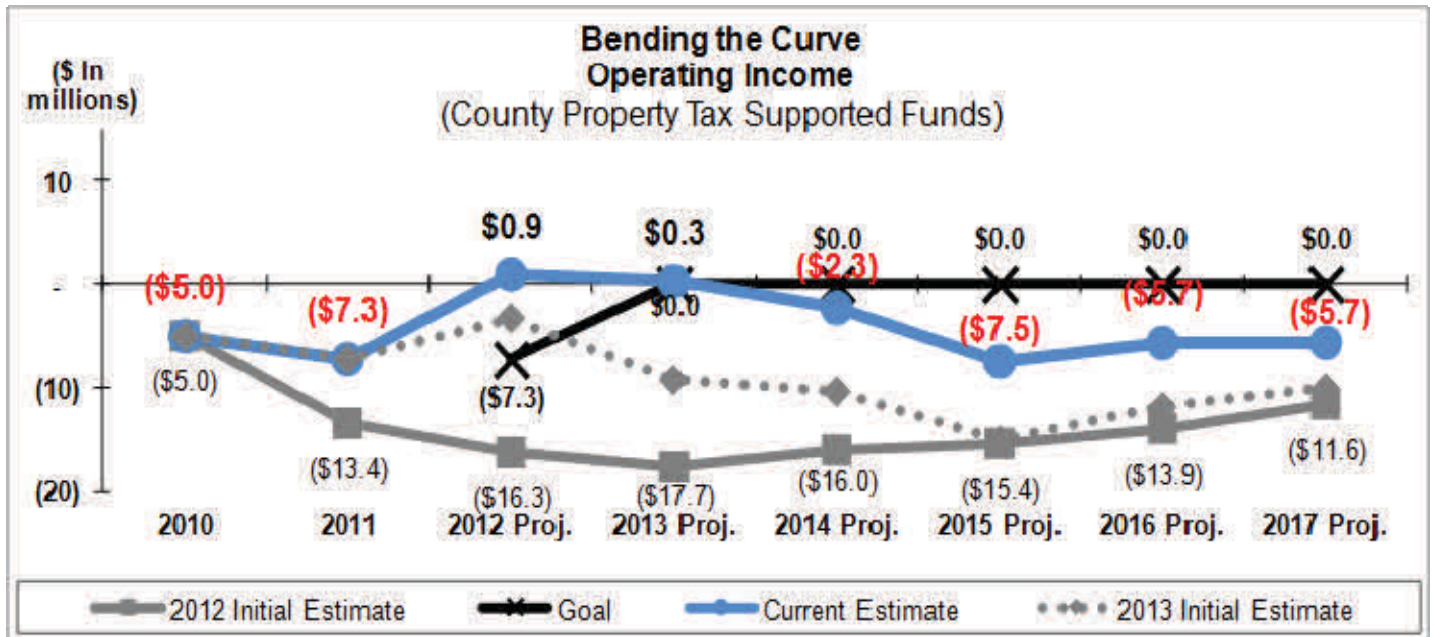


“BENDING THE CURVE”

In February 2011, the Board of County Commissioners provided three goals to help the organization focus on financial stability:

- Zero deficit by 2013
- Smaller government
- Less debt

With this direction, the organization set out to reduce expenditures in 2012 by \$10.3 million and set a target of \$9.3 million in additional reductions for 2013. The strategy to combine both reserve funds and operational reductions has helped Sedgwick County maintain a healthy financial status.



Financial Viability

Sedgwick County continues to secure some of the financial institutions’ highest levels of rating available to local governments:

Rating Agency	Rating
Standard & Poor’s	AAA
Moody’s	Aaa
Fitch	AAA

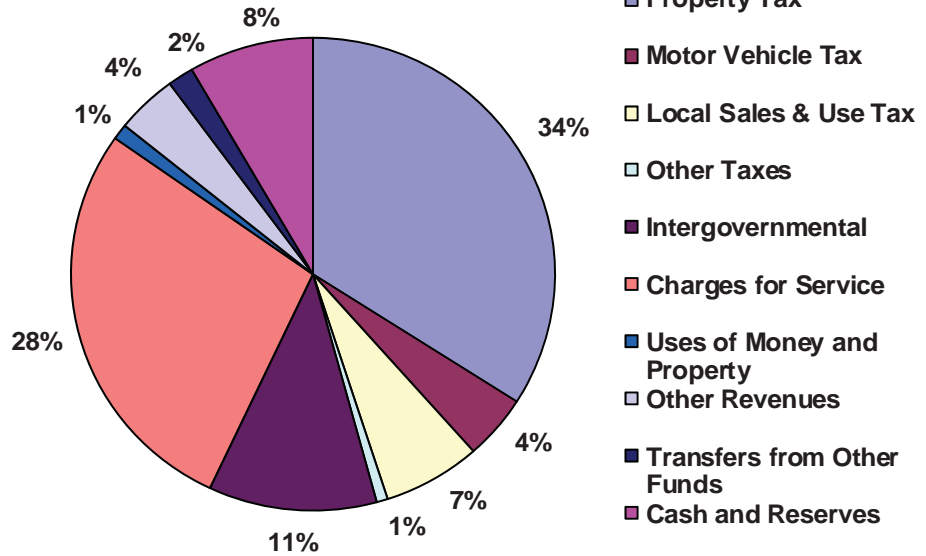


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2013 BUDGET

Revenues:
\$408,080,797



Expenditures: \$408,080,797



Share of Dollar

Public Safety	34 cents	139.7 million
General Government	28 cents	114.6 million
Health & Welfare	19 cents	74.7 million
Public Works	7 cents	28.8 million
Bond & Interest	5 cents	20.9 million
Community Development	4 cents	16.6 million
Culture & Recreation	2 cents	9.4 million
Employee Compensation Pool	1 cents	3.4 million

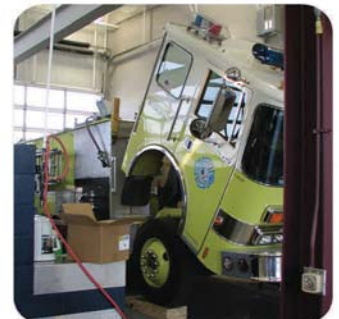
Total: \$ 1.00

Sedgwick County Mission:

To assure quality public services that provide for the present and future well-being of the citizens of Sedgwick County.



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DOING LESS ...

When we began the 2013 budget process in September 2011, it became clear after two previous budget years of reductions that there was no more “trimming” to be done — we needed to determine how and where we would do less. We have changed business processes and streamlined work. We have recommended that the private sector take on parts of the work. Because of technology enhancements, including our new enterprise purchasing and budget software systems, we are able to reduce staff. We reduced funds to external partners, and we have eliminated some programs. Some of these examples of “doing less with less” include:

- Outsource body shop services and stock room services in fleet management
- Eliminate utility worker positions (7) in public works
- Suspend Stormwater Management Advisory Board funding
- Shift Judge Riddel Boys Ranch Juvenile Detention Program to 12 hour staffing shifts and limit daily capacity to 42 (and eliminate CIP need for \$14 million facility)
- Reduce supported employment funding pool for developmental disabilities organization
- Reduce physical disabilities, senior centers, and aging community based services funding
- Reduce Project Access funding
- Reduce funding to Sedgwick County Zoo, Exploration Place and Extension Center
- Reduce funding to Wichita Area Technical College by 5 percent
- Eliminate chief pathologist assistant position in Regional Forensic Science Center
- Reduce data center services in DIO-IT
- Eliminate finance positions (3): accounts payable and purchasing agent
- Reduce training and tuition reimbursement for employees
- Combine health department programs into East 9th Street facility
- Extend life expectancy of light equipment vehicles in fleet management
- Eliminate positions in appraiser’s office (4)
- Eliminate workforce development position in county manager’s office
- Eliminate Sedgwick County/Lake Afton Park service maintenance positions (3)

Sedgwick County Goal:

To establish, maintain and nurture partnerships to ensure effective and efficient delivery of service.



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PROVIDING QUALITY PUBLIC SERVICES

Part of our everyday work at Sedgwick County is to plan and provide services that meet the changing needs of our community. Despite the reductions, elimination or changes to our programs, we must remember that the vast majority of our work will continue, and it will continue at the highest quality possible.

Health & Human Services

For those who are frail and elderly, we will continue to provide services that help keep them out of nursing homes and independent in their homes. For those who struggle with mental illness, we will provide wrap-around services to help them reach their fullest potential. For those with physical and intellectual challenges, we will provide services to attempt to meet their basic needs, while helping them be as productive as possible. We will focus on community health, by preventing the spread of disease, helping improve birth rates, and helping citizens find a medical home and health services.

Public Safety

We will provide services that keep this community safe. When you call 911 with an emergency, dispatchers will respond quickly, professionally and provide appropriate help — nearly 500,000 times a year. Our EMS paramedics have the best equipment and skills to provide quick response to medical emergencies and excellent outcomes. The fire district personnel provide fire protection and response to assist families in suburban and rural areas of the county. The sheriff's office has deputies who patrol our community and detention deputies who manage the nearly 1,500 people in custody each day in the Adult Detention Facility. Through adult and juvenile corrections programs, we detain those who are offenders while also conducting programs aimed at reducing recidivism of crime.

Transportation & Economic Development

Public works maintains nearly 620 miles of road and 580 bridges. We will continue to maintain the Wichita/Valley Center Flood Control levee, to avoid costly flood insurance for residents. Sedgwick County will partner with the city of Wichita and state of Kansas in providing funds for the Kansas Affordable Airfares Program, to help keep low-fare carriers for business and leisure travel. We will continue to provide assistance through economic development incentives to attract and retain businesses that want to grow jobs.

Culture & Recreation

We will continue to support our cultural and entertainment venues that promote quality of life for residents of all ages. The Sedgwick County Zoo, Exploration Place and other community agencies help to provide the personality to our community — that helps make living here “home,” that helps bring visitors in from around the region, that helps us attract new businesses. These are important investments and help workers have places to go and things to do with their families after work. They give grandparents outings with grandkids. They give families a place to come together.

Sedgwick County Goal:

To train, encourage and recognize employees for hard work, creativity and innovation in delivering quality public services.



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MAINTAINING INFRASTRUCTURE

While program operations account for the significant share of our annual county budget, we also establish a capital improvement program (CIP) plan to preserve infrastructure and plan for needed improvements to support program operations. Infrastructure includes both new construction, routine repair and preventive maintenance for roads, bridges, drainage, facilities and building operational systems.

The 2013 CIP expenditures total \$29.2 million. Of this, there is approximately \$17.5 million in cash-funded capital projects planned, including:

- \$975,000 investment in the Sedgwick County Extension building (replace roof, HVAC system and an interior, moveable wall)
- \$14.6 million in road and bridge projects, more than 600 miles, including 135th Street from K-42 to 71st Street South and funding for right-of-way for Northwest Bypass
- Continued support of the Wichita-Valley Center Flood Control Project
- Restroom and maintenance building at the Sedgwick County Park
- Approximately \$370,000 in ADA compliance projects

In addition, projects are defined in the CIP as part of a five-year plan. Included in the five-year plan are funds dedicated to the new Heartland Preparedness Center and a new county administration building. The Heartland Preparedness Center is a partnership with the Kansas National Guard, the city of Wichita and Sedgwick County law enforcement for a joint training facility. The new county administration building is the result of the growing demand for space from the 18th Judicial District for courtrooms and judges, which would result in administrative county functions being moved from the current courthouse to a separate facility. The issuance of debt for these two facilities will have a significant impact to the 2015 budget.

Sedgwick County Goal:

To foster two-way communication with citizens and employees to build trust, confidence and teamwork, and to ensure informed decisions.



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2013 ADOPTED BUDGET

The economic indicators are showing slight signs of improvement. Our organization is on-track to continue our prioritization process and an outcomes approach to funding services. We have established an internal team to implement process improvements and move to a “central administration” service model. We have introduced a “total compensation” system for employees that promotes our goals for both pay for performance and healthier behaviors. With this, we are able to still offer a competitive health benefit program with a 2.5 percent pool for performance-based salary increases in 2013.

The organizational work over the past two years in defining the inventory of services and prioritization of programs has helped us demonstrate how we serve the public. It is a strong foundation that will help us continue to share with citizens specifically what we do and how it makes a difference. Because of this systematic, methodical approach, we make decisions in a thoughtful way and not in reaction to crisis. I am proud of this organization. We work in a deliberate manner, routinely talking to stakeholders, engaging others in the decisions, and working in an open and transparent manner. We have faced difficult challenges, but we understand that the community looks to us to provide quality public services.

It is my honor and pleasure to work with the employees of Sedgwick County and the Board of County Commissioners as we serve the citizens of Sedgwick County.

Sincerely,



William P. Buchanan
County Manager

Sedgwick County Goal:

To allocate and use resources for basic and essential services that are responsive to the changing needs of our community.



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working for you*

