



Manager's MESSAGE

Honorable Board of County Commissioners and Citizens of Sedgwick County

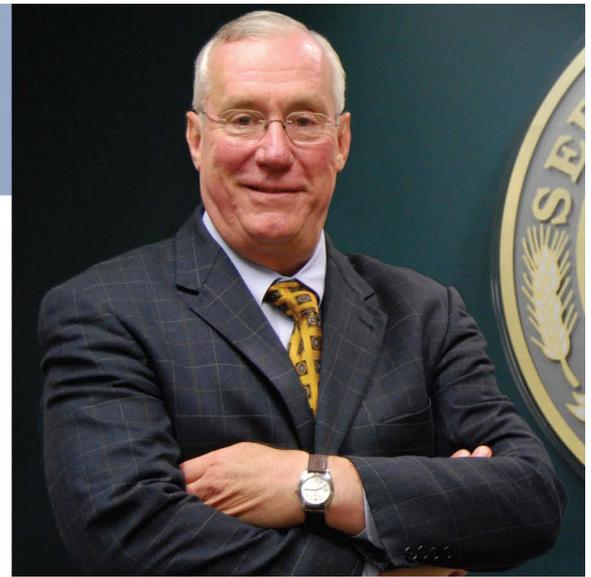
Thank you for the opportunity to come to work every day to serve you — we get to help those who are less fortunate, create a safe and healthy community, build and maintain critical infrastructure, and provide support to make this a vibrant, strong place to live and work. It is an awesome privilege and responsibility to be a public servant and to work in local government.

Each year, Sedgwick County prepares a budget for how we will allocate resources for the range of services we provide. But, the budget is a plan — it is a guide to help us define the work, the resources needed, and the measurement for success. It is extremely helpful as a spending guide, but it is also extremely helpful as a guide to “change course,” because we have thoughtfully identified our work by more than 900 specific programs.

Over the past few years, we have faced economic challenges and made course corrections. But the clear vision and direction by the Board of County Commissioners has helped us to respond creatively and with as little disruption to services as possible. We work within the framework set by the Board:

- A balanced budget: maintain our financial integrity
- Focused government: look for shared services and to maximize our services to the public
- Be clear and concise about what we do: be very intentional when communicating to citizens about the services we provide

This budget allows us the opportunity to tell the story of how we use the resources that are entrusted to us by the taxpayers. I am proud of the dedicated professionals who work in public service, who serve you every day.



Sedgwick County Mission

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

Sedgwick County Goals

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

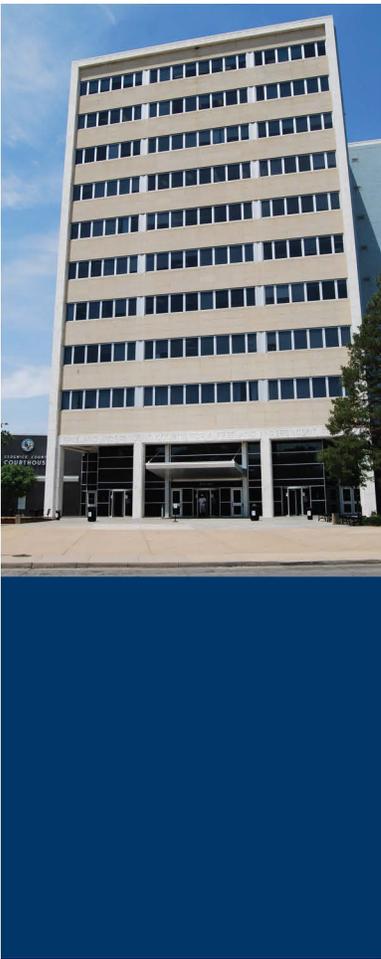
To train, encourage and recognize employees for hard work, creativity and innovation in delivering quality public services.

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

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



*Sedgwick County...
working for you*



The big picture first...

Part of being “clear and concise” about what we do at Sedgwick County starts with making the “real estate tax bill” easier to understand. Sedgwick County tax bills are issued in November and again in April for the payment deadlines of December 20 and May 20. Some property owners will receive a property tax statement, but their tax (bill) is directly attached to their monthly mortgage payment and paid by the mortgage company.

The tax statements describe the taxing units (state, county, city, school district, township, fire districts, improvement districts, etc.) and the respective “mill levy” or tax rate that each unit assesses for revenue. That mill levy/tax rate is assessed against the total property valuation by the County Appraiser.

Real Estate Tax Summary		Real Estate Account Summary	
Special Assessment	Amount	Description	Amount
Special Assessment Principal	000.00	Net General Tax	000.00
Special Assessment Interest	000.00	Special Assessment	000.00
Waste Fee	00.00		

The Treasurer is responsible for collecting and distributing taxes for all taxing units in the county. In 2013, \$537,524,921 were collected for the various taxing units for their 2014 budget expenditures. Below is an example of what the “per dollar” breakdown includes for a property owner living in the city of Wichita:

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Sedgwick County Values

- Accountability*
- Commitment*
- Equal Opportunity*
- Honesty*
- Open Communication*
- Professionalism*
- Respect*

Sedgwick County \$0.25

Other Local Governments & School District \$0.75

Only a small portion of your property taxes goes to support Sedgwick County's operations. For a person living in the City of Wichita, Sedgwick County received approximately 25 cents of each dollar of property taxes paid.

The mill levies in this “dollar” (for 2015 budgets) are:

Sedgwick County	29.478 mills	\$0.25
City of Wichita	32.652 mills	\$0.28
State of Kansas	1.500 mills	\$0.01
USD 259	53.735 mills	\$0.46

Understanding the mill levies and taxing units

A “mill” is equivalent to one-thousandth of a dollar (\$1 of tax per \$1,000 assessed valuation). Taxing units (cities, counties, school districts) identify their mill levy or tax rate as the **maximum** rate that can be applied against property valuation to provide revenue for the taxing unit for the budget. **For the 2015 budget, Sedgwick County will assess a maximum mill levy rate of 29.478.** Taxpayers can use a formula to determine their total tax burden for Sedgwick County.

The following chart helps to describe the formula used for a \$100,000 residential property to determine total taxes due for Sedgwick County for the 2015 budget year:

2015 Formula						
Appraised Value (Dollars)	X	Residential Assessment Rate (Percentage)	X	Tax Levy Rate (Mills/1000)	=	Taxes Due (Dollars)
\$100,000	X	11.5%	X	.029478	=	\$339.00

Property Taxes

Property taxes are Sedgwick County’s single largest revenue source. Since those taxes are paid in one or two annual installments, they are more noticeable to taxpayers than sales taxes, which are paid in small increments on most purchases.

The formula above can be used to calculate the amount of county taxes levied on residential property to fund 2015 services.

The Sedgwick County portion would be included in the total real estate tax statement (in addition to other taxing units). Breaking down the total real estate tax statement by taxing units helps taxpayers to “drill down” into their property taxes and really understand how their dollars are used. By doing so, taxpayers can see their level of support for services like public safety, health and human services, recreation, education, infrastructure and much more!

So how do we compare?

Here we will use the 2014 mill levy rates for comparison. For 2014, Sedgwick County was the second lowest of the metropolitan counties in Kansas—behind Johnson County, which has a higher property valuation total (ie, higher residential property values).

When compared to our neighbor counties, we offer the lowest mill levy rates.

Property tax rates and property valuation have been flat or experienced very little growth in recent years in our community.

- For 2014, the County levied less in taxes than it did in 2009
- For 2014, the County had a lower tax rate than it did in 2009
- For 2014, the County anticipates collecting less in tax revenues than in 2009

Jurisdiction Comparison 2014 Budget Mill Levy Rates	
Metropolitan Counties	
• Shawnee (Topeka)	48.180
• Douglas (Lawrence)	37.152
• Sedgwick (Wichita)	29.377
• Johnson (Olathe)	17.745
Neighboring Counties	
• Harvey (Newton)	35.586
• Sedgwick (Wichita)	29.377
• Butler (El Dorado)	35.132
• Reno (Hutchinson)	41.485

Source: County Clerk offices

Sedgwick County Customer Service Guiding Principles

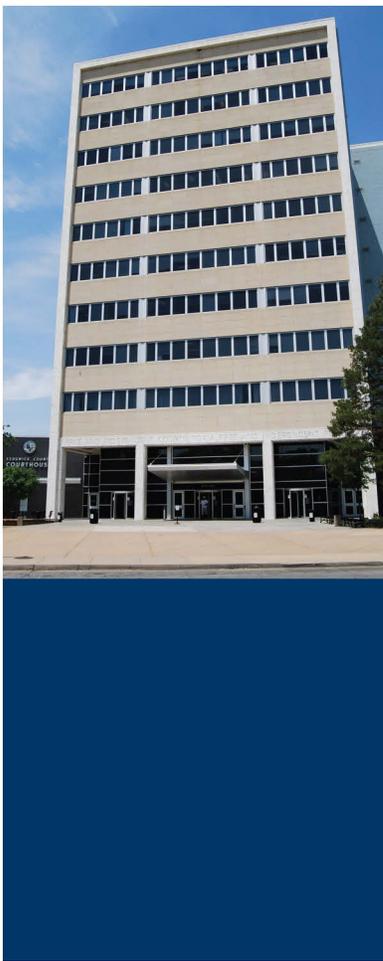
Own your attitude

Practice open communication

Focus your efforts

Collaborate to deliver solutions

Act with integrity



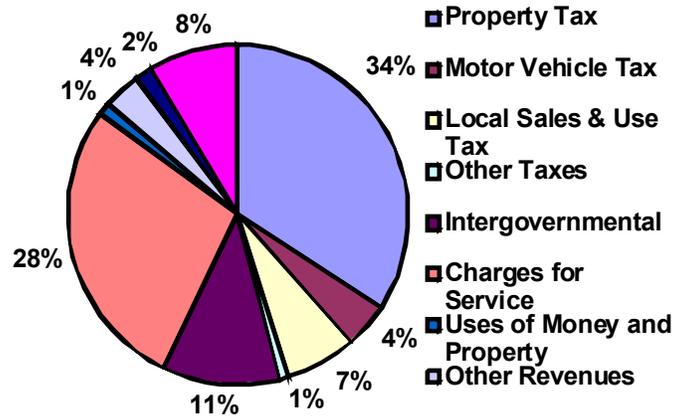
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Sedgwick County Management Model

- Step 1: Define the issue or opportunity
- Step 2: Identify key stakeholders
- Step 3: Understand the current situation from all perspectives
- Step 4: Create a preferred future
- Step 5: Agree on measurable outcomes—develop a plan
- Step 6: Monitor progress—course corrections

Property tax revenues and other sources

Pie chart of Revenues....



Property taxes account for over 1/3 of our revenue to deliver County services. Other critical revenue sources include charges for service (paid by those who use the services) and intergovernmental transfers (primarily state funding or pass-thru funds from federal agencies).

- With flat and declining property valuations in recent years, the result is lower property tax revenue.
- Charges for service remains relatively unchanged.
- Decisions at the state level over the past few years have had significant effects on our funding. State agency funding to Sedgwick County departments has been reduced by \$5 million since 2009. In addition, the legislative action to eliminate demand transfers and the property tax on machinery and equipment adds another \$11 million/year reduction — **this is total of more than \$59 million in funding cuts since 2009**. For 2015, we are going to see the initial phase of another cut in county revenue through the elimination of the Mortgage Registration Fee. This five year phase out will mean an additional \$3.7 million in funding cuts per year by 2019.

Responding to the Change

The uncertainty in the year-to-year revenues creates challenges in how we budget for tax-supported services and staffing, often requiring substantial reductions in expenditures and positions. What we know is that while some years we had to add to programs to meet increasing demand for services, we also had to make reductions in others in order to meet the “balanced budget” goal of the Commission. The chart below indicates our response to the economic challenges from 2011 to present for tax supported services:

	2011	2012	2013
Expenditures	\$(2.9)	\$(10.3)	\$(7.2)
Positions	(19.5)	(106.6)	(69)
Mill levy	-1/2 mil	0	0

How Sedgwick County uses its property tax share

The next step in being “clear and concise” is showing you how your tax dollars are distributed to provide “local government services” you expect to keep our community safe, healthy and vibrant. Again, using your “tax formula for 2015 taxes,” the Sedgwick County dollars would be allocated to the following categories – and we have provided you an “annual” and a “monthly” breakdown:

Property Tax
What the Average Homeowner Pays

Sedgwick County provides a wide range of services to citizens. The checkbook below shows the functions of County government and how property tax is used to fund operations. The checkbook uses property tax on a home with an assessed value of \$100,000 and shows how the property tax is used on a monthly basis.

Annual County property tax on a home with an assessed value of \$100,000 in 2014 was \$339.00

Category	Amount
General Government	\$92.65
Public Safety	\$119.55
Human Services	\$24.00
Culture & Recreation	\$61.39
Community Development	\$7.84
Debt Service	\$16.44
Total	\$339.00

Yearly \$339.00
Monthly \$28.25

The total amount of property tax paid to Sedgwick County Fire District 1 by the owners of a \$100,000 single-family home is **\$211 per year or \$17.60 per month**. Close fire stations and lower insurance premiums for fire district residents translate to more than \$400 in savings on yearly insurance premiums.

Core factors of Sustainability for Sedgwick County

Environmental Protection—
minimizing our impact on air, water and land

Economic Development —
initiating, promoting, supporting and facilitating the creation of wealth and employment opportunities

Social Equity — *equitable access to and distribution of public resources to the community, via education, partnership and intervention*

Institutional & Financial Viability —
the process of making fiscally responsible decisions, while considering the present and future impact to the effectiveness of the organization

Public Safety: Emergency Communications, Emergency Management, Emergency Medical Services, EMSS, Sheriff’s Office, District Attorney, 18th Judicial District Court, Regional Forensic Science Center, Department of Corrections (adult and juvenile), MABCD (building and construction), Crime Prevention Fund; (Fire District is included only for those who live in Fire District 1—as provided in the information below the checkbook)

Human Services: COMCARE, Community Developmental Disability Organization (CDDO), Aging, Health, Animal Control, Housing

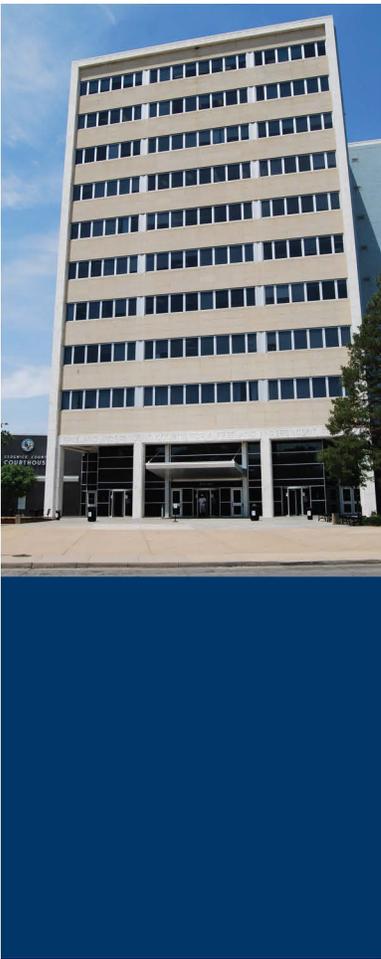
Public Works: Highways, Noxious Weeds, Storm Drainage, Environmental Resources, Household Hazardous Waste

Culture & Recreation: Sedgwick County Zoo, Exploration Place, Sedgwick County & Lake Afton Parks, Community Programs

Economic Development: Wichita State University, Wichita Area Technical College, GWEDC, REAP, SCKEDD, Affordable Airfares

General Government: Commissioners, Manager’s Office, County Clerk, Register of Deeds, Treasurer, Elections, Appraiser, Finance, Information Technology, Facilities and Fleet, Human Resources, County Counselor

Debt Service: the bond and interest payments on various projects, including roads, bridges and buildings



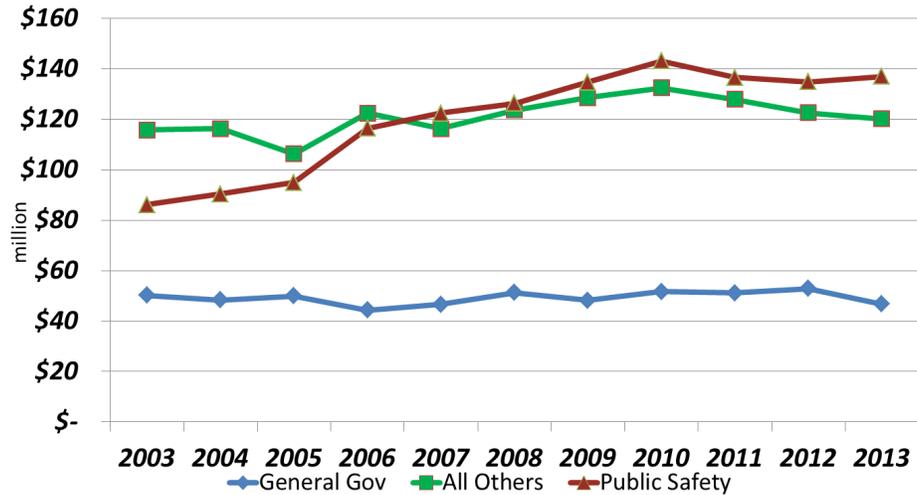
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Management Competencies

- Achievement Oriented*
- Acts as Mentor/Coach*
- Flexible & Adaptive*
- Building Trusting Relationships*
- Culture/Business Knowledge*
- Effective Decision-Maker*
- Emotional Awareness*
- Exhibits Customer Focus*

Responding to demand

We know that public safety and human services help us to protect the community and serve the most vulnerable in our community. The chart below shows how the demands in those areas have affected the allocation of resources over time. For example, the public safety area has seen the most dramatic increases in need/spending; the “all other” areas (human services, public works, etc.) have seen very little growth, and the “general government” areas have actually remained flat or decreased.



We expect the demand for the public safety and human services to continue to increase for 2015. We have increasing calls for EMS service; growing crime rates (which brings associated jail or alternative correctional needs); increased demand for mental health services (for all ages); waiting lists for individuals with developmental disabilities; and helping to keep the increasing number of elderly in their homes instead of costly long-term care.

None of these are services we can cut. For many of these, we are obligated to provide mandated services on behalf of the state, at a cost of \$150 million, of which Sedgwick County only receives about 15% of the funding needed from the state. The choice is — do we use local property tax dollars to meet the gap in services, and if so, what other programs do we eliminate to do that?

For 2015, we are adding one EMS crew and creating a cross-organizational team to look for creative ways to address the increasing call volume to EMS. The solution of simply adding additional EMS crews to meet call demand is costly and doesn’t address that other care options may be more appropriate.

We are also creating a resource fund for community providers that serve our developmental disability clients who need housing options. The number of “disability housing beds” has decreased in our community, providing a gap in service and more “waiting for services” for our clients.

For the District Attorney, Sheriff and Regional Forensic Science Center, we are adding positions to address an increasing caseload for Child in Need of Care (CINC) clients, for additional caseload in the Exploited Missing Children’s Unit (EMCU), and for the increasing number of “designer drugs” that must be identified in the lab for criminal cases.

2015 Adopted Budget

Up to this point, we have mainly talked about the local property tax support for the functional areas. But, the other forms of revenue that make up our annual budget supplement services and provide funding for programs and positions in some of the functional areas. All of this is combined into our “one checkbook” for the organization.

For 2015, we are not making any major reductions in programs or services. We continue to look for cross-organizational opportunities and ways to reduce costs of doing business, so we can continue direct services. Essentially, at the beginning of the 2015 budget process, programs are funded at the 2014 levels. Department managers do an “environmental scan” to identify potential cost increases to deliver the same level of service. We identified a number of increased “costs of doing business” — increases in electricity, water, food costs at the Detention Facility, increased medication costs for EMS, postage increases, technology replacements, health benefits and compensation increases.

Departments may also propose enhancements if they identify growing demand for services or different ways of doing business, such as the public safety initiatives previously described. In addition, because county departments are required by statute to keep so many different records (often for long periods of time) and the cost of storing paper documents is so costly, many departments are looking for electronic storage solutions. We are funding an enterprise scanning project solution, to help address this need. We are also implementing a “technology replacement fund” to help plan for scheduled technology replacement as an enterprise solution, rather than a one-by-one purchase. We believe these strategic enterprise solutions work toward better “shared services” and reduce future costs.

2015 Adopted Expenditures (by functional area):

Total Expenditures:	\$422,642,020	2,991 full-time equivalents
	2015	Full-time equivalents
Public Safety	\$149.0 million	1,573
General Government	115.5 million	473
Health & Human Services	76.5 million	710
Public Works	29.9 million	117
Community Development	20.5 million	5
Culture & Recreation	9.8 million	113
Bond & Interest	21.4 million	
Total....	422.6 million	2,991

Management Competencies

Leads with Integrity

Learning Oriented

Maintains a Balanced Life

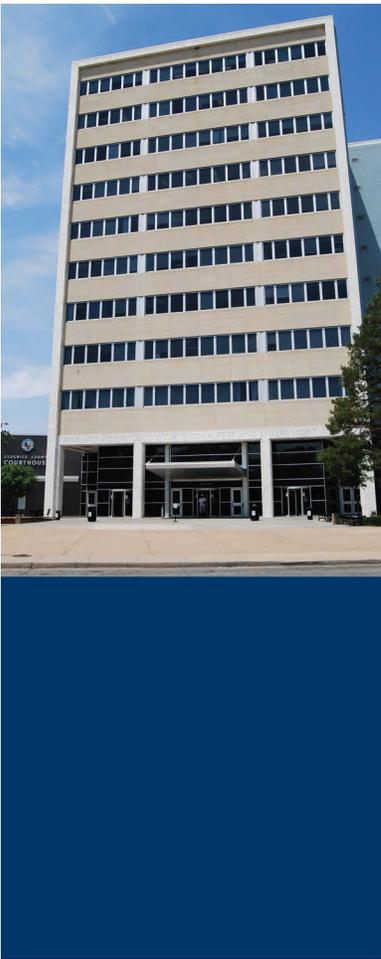
Takes Accountability

Strategic Thinker/Visionary

Values Diversity

Drives Operational Excellence

Mentally Disciplined



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Mentoring Model

Take Action!

Change your environment

Act with intention

Act transparently

Act repeatedly

Record actions & outcomes

2015 Adopted Budget

The budget process for 2015 actually started in September of 2013, shortly after we adopted the 2014 budget. We start by reviewing our prioritization tool, which department managers prepare that outlines our 900+ programs and services. It is the continuous review and measurement of what we do, who it helps and measures of the impact and success. We identify what services we are required to provide by State statute and if there is definition of the level of service that is mandated by the State. In February of 2014, we held the annual Board of County Commissioners retreat, where we discussed economic indicators, financial projections, and current and future potential funding needs. The Commissioners provide us the guide, so departments can begin assembling their budget requests.

In May, departments and divisions presented their budget requests to the Commissioners during open, public hearings. In an effort to be transparent and make information accessible to the public, we film these hearings and post them on our county website. As well, we posted the recommended budget document to the website, provided an opportunity for online public comment and then held traditional public hearings for citizens to share their views.

At the start of the budget hearings in May, we shared that the financial forecast indicated a \$2.36 million deficit. Part of the forecast included:

- 1.5% increase in valuation
- \$2.9 million in cash-funded capital projects
- A reduction of the mortgage registration fee (\$234,000, first year)
- 4% compensation pool
- 10% increase in health benefits costs

Some ways to address the deficit could have been:

- Eliminate programs and 39 FTE positions or
- Increase the property tax by a little more than half a mill (0.541)

Instead, management decisions included in this 2015 Adopted Budget have reduced expenditures by approximately \$3.4 million and added about \$400,000 in new revenue:

- Reduced compensation pool to 2.5% (saving of \$1.2 million)
- Reduced the increase in health benefits costs to only 2.9% (savings of \$840,000) by moving to self-funded
- Reduced cash-funded capital projects by \$800,000 (some ADA projects at JRBR and shifting other projects to 2016)
- Reductions to community agencies—WATC (\$150,000); Visioneering (\$40,000)
- Shifted tax supported programs to other funding sources: (CDDO, Aging: \$250,000) and Public Works (\$150,000)
- Increase billing rate for EMS (\$400,000)

By making these adjustments, we were able to continue funding essential programs:

- Respond to increasing costs of doing business
- Provide for increasing workload in public safety and human services needs
- Provide funds for enterprise solutions
- Provide a strong, competitive health benefit plan and compensation for employees

Sedgwick County...working for you

Sedgwick County is in good financial health. Because of the strategic process we use and the financial management practices, we continue to receive the highest ratings available to local governments from the financial institutions (Standard & Poor's—AAA; Moody's —Aaa; Fitch—AAA). We know that conditions will continue to change. We are watchful of the state financial condition, since we are dependent on the state to deliver services on their behalf. There are positive signs of economic growth in our community. But, we see by increasing caseloads and call volumes that many people in our community still need help. Our continuing challenge is how and if those needs can best be addressed — through local government, community agencies or some partnership.

I am amazed at what our employees do every day to make our community safe, healthy and a great place to live. Here's a sample of how your 2,991 friends, family members and neighbors make a difference:

- Answer more than 502,000 calls to 9-1-1 and dispatched emergency services
- Manage an average daily population of 1,475 in the custody of the Sheriff
- Respond to more than 56,000 calls for EMS ambulance service, transporting 38,000 patients
- Conduct more than 740 autopsies and 50,000 forensic lab tests
- Maintain 613 miles of road, 585 bridges and 43 miles of streams (to reduce flooding risk)
- Welcome more than 180,000 visitors to Exploration Place last year; have more than 97,500 visitors/month to Sedgwick County Park
- As the leading outdoor attraction in the state, the Sedgwick County Zoo takes care of more than 3,500 animals (in 400 different species), with a monthly grocery bill of almost \$44,000
- Provide for the safe disposal of more than 1.4 million pounds of household hazardous waste
- Prevent more than 15,000 viruses, 300,000 “spam emails” and 10,000 unauthorized attempts to hack into our information technology structure
- Manage an online employment application process, offering this partnership to 113 other counties/municipalities in the state
- To support county services, we work with more than 10,000 suppliers and write more than \$6 million in checks to vendors in a typical week
- Process more than 30,000 in building and construction permits and conduct more than 68,000 site inspections per year
- The county website has more than 3.7 million visits a year

The work is important—it matters to people. It matters to our community. We want you to be aware of your tax support, where it goes and how it makes a difference. We want you to be engaged in your local government. We have worked to be transparent in our decision-making, the delivery of our services, and trying to provide you access to information. We encourage you to learn more about our services on the website or follow us on social media. I am proud to work with the team of dedicated professionals who are Sedgwick County employees. Thank you for the opportunity to serve.

Sincerely,



William P. Buchanan

Connect with us!

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Sedgwick County channel

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