

2018 Manager's MESSAGE



Honorable Board of Sedgwick County Commissioners and Citizens of Sedgwick County:

This past year, Sedgwick County has taken strides to maintain delivery of quality public services, while reducing the amount of outstanding debt, incurring no deficits other than as needed to fund capital projects or to reduce special revenue fund balances to targeted levels, and targeting a flat property tax rate.

The **2018 Adopted Budget** was developed with the understanding of four core priorities for Sedgwick County:

Safe & Secure Communities

Human Services & Cultural Experiences

Communications & Engagement

Effective Government Organization

These four priorities encapsulate the new strategic plan for the organization as we work toward a future of being a value-driven, regional leader seeking innovative opportunities and collaborative partnerships to deliver quality public services. It is essential that we focus our resources on the areas that we deemed as priorities for Sedgwick County.

In addition to the core priorities of our organization, the need for more space, both physically and digitally, was a consistent theme within our public safety agencies during the budget hearing process. The most pressing needs came from the 18th Judicial District Court and District Attorney's Office; both are housed primarily in the Main Courthouse.

Sedgwick County was able to realize savings in this budget due to the move of several County organizations to the County's new Ronald Reagan Building; this resulted in savings from eliminated lease and utility costs. Floors four through six are expected to be filled by the first part of next year.

The **2018 Adopted Budget** ensures that strategic priorities are funded at an appropriate level to achieve desired results and to manage the space needs of our organization. It is a balanced budget with targeted bonding necessary for managing the Capital Improvement Plan (CIP).

Highlights of the Adopted Budget include:

The mission
of Sedgwick County is to **provide quality public services** to
our community so everyone can pursue **freedom** and **prosperity**
in a **safe, secure, and healthy environment**.

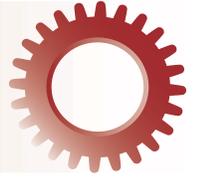
County Manager
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Safe and Secure Communities budget highlights



■ Heavy rainfall and **flooding in September 2016** led to a federal disaster declaration that included Sedgwick County. In the aftermath of the flooding the community came together to talk about drainage problems and possible solutions. I rebooted the nearly defunct Stormwater Management Advisory Board and have been working with them and the Board of County Commissioners to find ways to address flooding from both surface water runoff and high groundwater tables. Drainage solutions are expensive and there are widespread problems.

The challenge is to find effective solutions at a reasonable cost. The most effective way to **improve drainage** in general is to maintain the natural and manmade systems we have. There are several additions to the 2018 budget that will improve maintenance of the streams in Sedgwick County.

This year the Board of County Commissioners approved an increase in the County-wide **solid waste fee** that will generate an additional **\$226,000** in revenue that can be used to hire contractors to remove storm debris from stream channels in the county. The use of contractors will supplement the work that is already performed by our Stream Maintenance Division by providing the flexibility to bring in private sector crews including specialized contractors and equipment when needed. Also within the solid waste fee fund, a **\$250,000** storm debris cleanup contingency will help address significant issues if they should occur from a severe storm.

An additional **2.0 FTE** equipment operator positions and associated equipment (**\$382,322**) will be added to the Stream Maintenance Division in 2018. This will restore the crew to pre-2000 manpower levels and increase the amount of stream cleaning work that can be performed by staff.

Commissioners approved a transfer of **\$60,000** from Economic Development to Storm Drainage for a future study to address stormwater issues in the county.

The 2018-2022 Capital Improvement Program will see an additional **\$2.5 million** to fund the joint City of Wichita-Sedgwick County maintenance costs for the **M.S. "Mitch" Mitchell Floodway**.

These additions will allow us to improve maintenance of our existing **drainage systems**. We'll continue to work with the Stormwater Management Advisory Board on regional drainage issues and solutions and I assure you that the dialog will continue as we evaluate our progress going forward.

■ As I stated earlier, space needs for some public safety agencies, like the 18th Judicial District Court and District Attorney, were presented in multiple settings throughout the budget development process. There is increasing demand for services and resources in these areas, and **space constrictions** create additional challenges. This Adopted Budget's five-year CIP includes funding for a County administrative building to free up space in the Main Courthouse for these offices and funding to remodel the Courthouse to better accommodate public safety space needs.

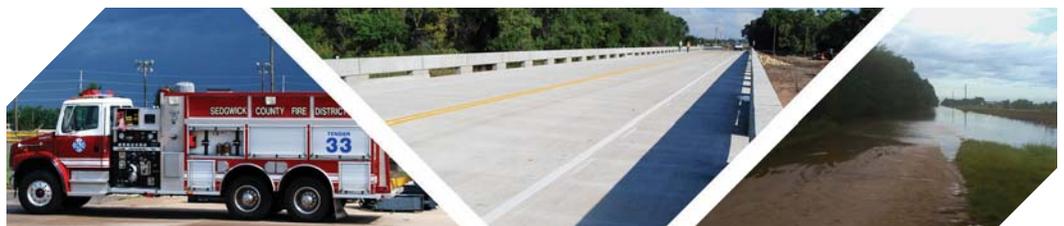
■ Technology and data review needs were another common theme from public safety partners to **more effectively communicate** and receive information and to provide for increased responsiveness in a crisis. The Adopted Budget includes increased funding for:

- Emergency Communications' computer-aided dispatch system replacement to allow for improved and more stable communications with law enforcement and first responders (**\$1,000,000**)
- Division of Corrections database replacement to provide stability and integration of multiple systems (**\$250,000**)
- Emergency Medical Services essential emergency response equipment replacement (**\$160,000**)
- Emergency Management equipment upgrade and software to maximize the effectiveness of the County's Emergency Operations Center, which is activated in emergency situations (**\$104,978**)
- Sheriff server replacement to house increasing digital information and evidence (**\$100,000**)
- The Operating Reserve to accommodate needs for additional technology solutions which are not yet specifically known (**\$100,000**)
- Four District Attorney crime analyst positions to review data from an increased number of law enforcement body cameras (**\$86,608**)

■ The Sedgwick County Fire District also shows improved condition due to growth in the tax base and actions to adjust the District's long-term **vehicle replacement plan**, reducing costs immediately. The District continues to evaluate all options to address the District's long-term financial issues.

■ The Adopted Budget also reflects a shift in the approach to the Road and Bridge Capital Improvement Program:

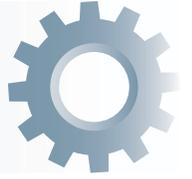
- Road preventive maintenance is shifting to an average of one mile every six years instead of once every five years for the approximately **600 miles of County roads**
- Bridge repair/replacement is shifting to a 10-bridge per-year cycle instead of a **12-bridge per-year cycle** for the 600 County bridges
- Bonding is proposed for bridge work in a targeted fashion, to include **\$3.45 million** in 2018, **\$1.8 million** in 2019, and **\$865,000** in 2020



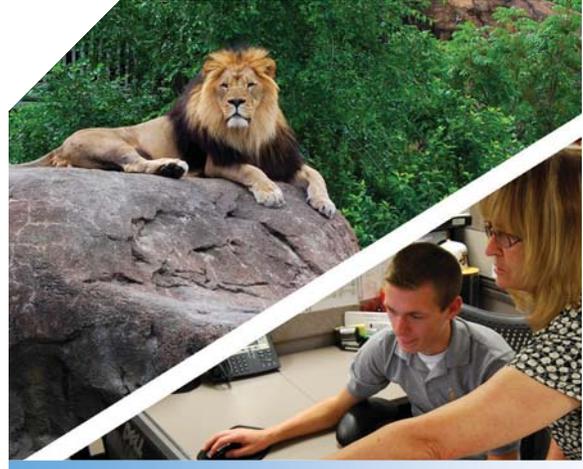
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Human Services & Cultural Experiences budget highlights



- Most human service and cultural experience agencies have consistent funding in the Adopted Budget, and funding to some agencies increased:
 - It fully funds the funding agreement for the Sedgwick County Zoo, including full funding of personnel and about \$400,000 in additional funds for capital projects at the Zoo
 - Maintains increased funding to the Community Development Disability Organization (CDDO) to invest in the capacity of the local service provider network (\$250,000)
 - Increases compensation for COMCARE employees earning higher levels of clinical licensure, which improves the quality of care provided to individuals by the Division (\$44,488)
 - Increases funding in the Animal Control section of the Health Division budget to accommodate increased animal shelter fees (\$30,000)
 - Restores a prior funding reduction for the Arts Council (\$15,000)
 - Eliminates the *Community Health Assessment* position
- A savings from the consolidation of the City of Wichita and Sedgwick County housing programs into one single program operated by the City of Wichita (\$1,087,428) is reflected in the Adopted Budget.



Communications & Engagement budget highlights

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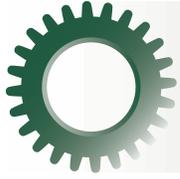
- This budget provides additional resources to continue to broadcast the Board of County Commissioners meetings via KPTS (\$20,000), and provides additional funding for community engagement and outreach (\$10,500).
- To support increased costs in the Elections Office, funding has been allocated for the 2018 gubernatorial election and the addition of 10 new polling places and poll worker positions (\$26,228).



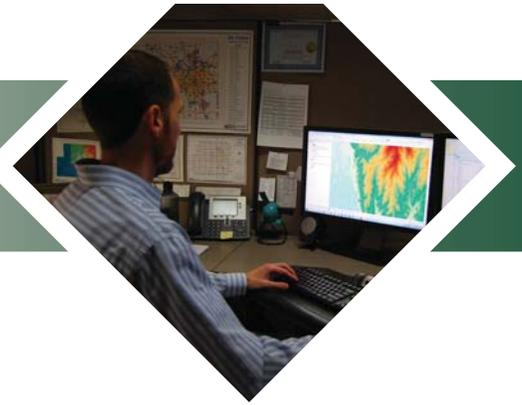
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**2018 Manager's
Message**



Effective Government Organization budget highlights



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Continuing efforts made in 2017 to correct compression issues in employee pay, the Adopted Budget includes a flat 2.5 percent pay adjustment for all employees, including Fire District employees. It also includes 0.5 percent to adjust the full pay structure to assist with recruitment of employees and to provide increased earning capacity for employees who have reached their maximum compensation under the current pay structure. As the County Manager's new performance evaluation process moves into its first year, discussions on how to fairly compensate employees in the 2019 budget will continue.

There's an enhanced focus on improvement to processes and procedures to strengthen internal controls in this budget. In addition to an internal working group formed to identify and address potential financial and technological vulnerabilities in the organization, 2.0 FTE financial auditor positions are included in the Finance Division budget to provide additional support to develop, communicate, monitor, and evaluate policies and procedures to create consistent and uniform business practices across the organization (\$180,127).

The increased focus and implementation of new processes is intended to protect the assets entrusted to the County by taxpayers and to protect vendors doing business with the County. At the same time, the County strives to make information easily available to its citizens through new Open Budget and Open Spending applications.

Throughout the organization, a recurring theme also continues to be the increased costs associated with providing services. The Adopted Budget provides additional funding to agencies to address increasing costs:

- Inmate medical expenses at the Sheriff's Adult Detention Facility (\$509,672)
- Election equipment licensing and maintenance fees (\$369,375)
- Attorney and interpreter fees for the 18th Judicial District Court (\$230,000)
- Increased utility costs (\$110,354)
- Increased costs associated with software maintenance agreements (\$98,977)
- Increased commodity costs for EMS services, like drugs and materials (\$50,000)

The Adopted Budget reflects an improving economy.

Assessed valuation growth of
3.2 percent
for Sedgwick County

and **4.4 percent** for the Fire District

reflect stronger than projected growth. As demand continues to increase for code enforcement permitting and inspection work, the Adopted Budget adds two additional positions to the Metropolitan Area Building and Construction Department (\$149,873).

The 2018 Adopted
County Budget is

\$ 407,276,188

The 2018 Adopted
Fire District 1 Budget is

\$ 17,957,696

The total 2018
Adopted Budget is

\$425,233,884

This is \$0.9 million (0.2 percent) less than the 2017 revised budget.

It has been made with the intent of preserving the County's sound financial condition while moving forward with the priorities outlined in our strategic plan. The assessed value of the tax base as certified by the County Clerk for the 2018 budget is 3.2 percent higher for the County and 4.4 percent higher for the Fire District than 2017 and will support the priorities outlined above.

The mill levy rate for Sedgwick County is

29.393 mills.

The mill levy rate for the Fire District is

18.392 mills.

As we move forward, it's important to remember that everything we do, we do for the people of Sedgwick County and for the employees of our organization. It remains my honor and privilege to serve as the County Manager. I would like to express my sincere thanks and appreciation to our Board of County Commissioners for their leadership and consideration, and most of all, thank you for the opportunity to serve.

Cordially,

Mike Scholes
County Manager



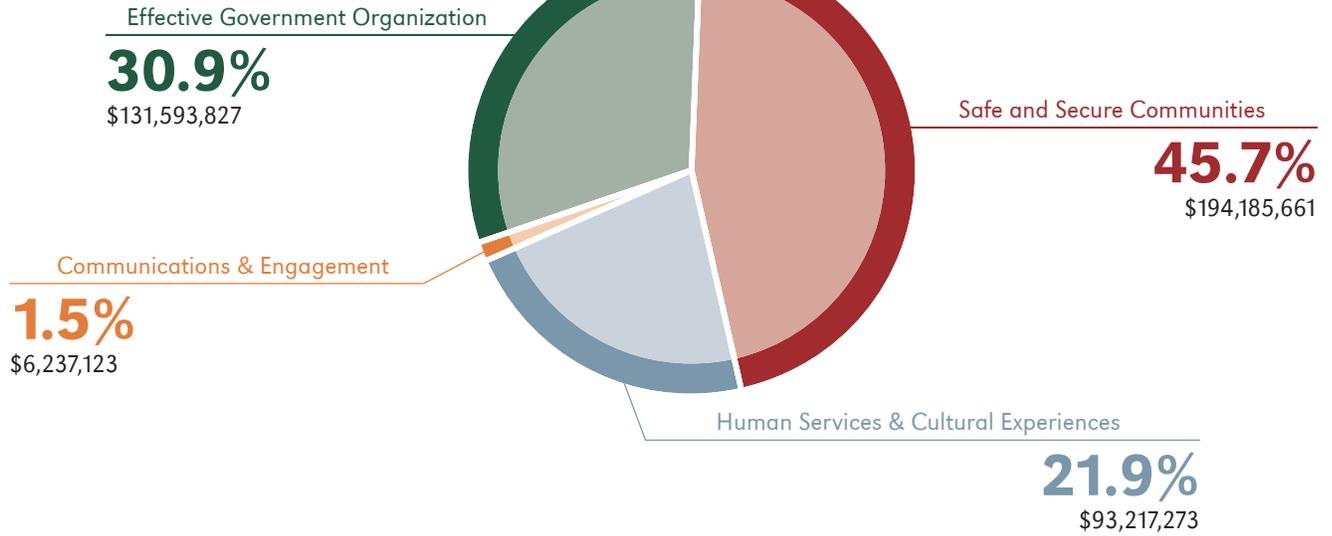
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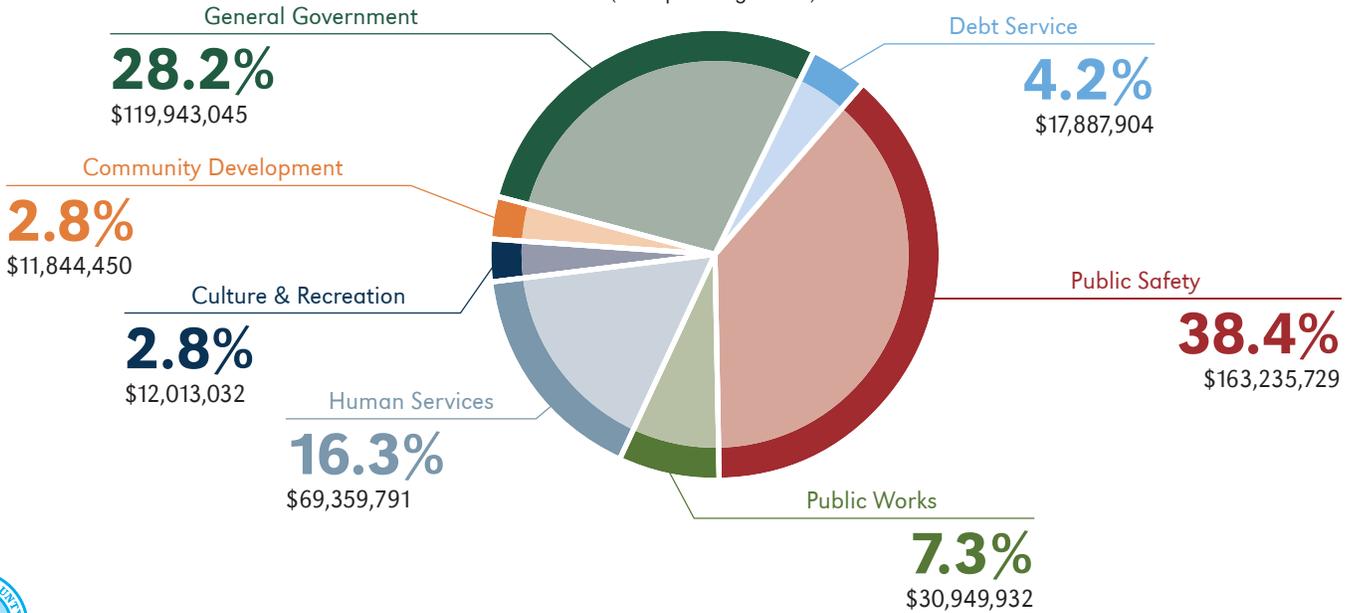
2018 Manager's
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2018 Adopted Budget by Priority
(All Operating Funds)



2018 Budgeted Expenditures by Functional Service
(All Operating Funds)



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