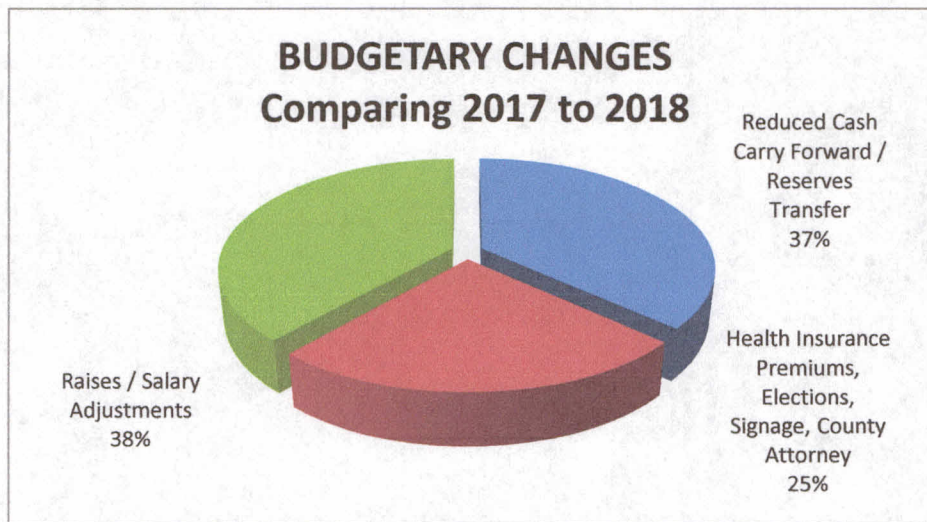


2018 BUDGET MESSAGE

The overriding challenge in any budget year is how to provide quality governmental services at an affordable cost to the taxpayer. This year the Commissioners once again worked hard to meet that challenge for their constituents. The 2015, 2016 and 2017 budgets were all similar due to valuation decline and lost revenue. Finally the 2018 budget includes a total increase in valuation of \$15 million. The Commissioners first had to deal with issues and shortfalls brought forward to this budget from the 2017 budget. This budget began with a reduced cash carry-forward in both the Road & Bridge and Special Bridge funds totaling approximately \$190,000. The Commissioners also opted to eliminate the \$130,000 transfer back from the reserve accounts as originally planned for in the 2017 budget. The 2018 budget also includes raises and salary adjustments for law enforcement and 911 with a 4% or minimum 50 cent raise for all other county employees at a total cost of \$335,670 for levied funds, a \$110,000 increase for the employer portion of health insurance premiums, \$40,000 increase for election costs related to the election, \$10,000 for Road & Bridge signage, and a \$67,000 increase for an additional staff person plus incidentals in the County Attorney's Office.



Budget Details

The Commissioners opted to maintain a constant mill levy for the 2018 budget. A lowered mill levy reduces the tax lid, capping expenditures into the foreseeable future or until the state lifts the lid. There were other requests to increase expenditures that were not funded. Supported agencies as well as all county departments were held at the 2017 level excepting the increases already mentioned.

| SUPPORTED AGENCIES | | | |
|-----------------------------------|------------|------------|------------|
| Agency / Action Supported | 2016 | 2017 | 2018 |
| | Actual | Estimated | Proposed |
| Barton County Fair Association | \$ 23,339 | \$ 26,000 | \$ 24,000 |
| Barton County Historical Society | \$ 46,500 | \$ 46,500 | \$ 46,500 |
| Barton County Soil Conservation | \$ 24,650 | \$ 24,650 | \$ 24,650 |
| Golden Belt Humane Society | \$ 30,000 | \$ 31,500 | \$ 31,500 |
| Great Plains Development | \$ 6,846 | \$ 6,890 | \$ 6,890 |
| Barton County Extension | \$ 215,000 | \$ 215,000 | \$ - |
| VIA / RSVP Medical Transportation | \$ 14,000 | \$ 14,000 | \$ 14,000 |
| Sunflower - Early Intervention | \$ 10,000 | \$ 15,000 | \$ 15,000 |
| SW Kansas Agency on Aging | \$ 1,500 | \$ 1,500 | \$ 1,500 |
| Teen Court | \$ 3,000 | \$ 3,000 | \$ 3,000 |
| Miscellaneous Contractual | \$ 18,448 | \$ 162,945 | \$ 75,000 |
| Economic Development | \$ 6,000 | \$ 77,800 | \$ 77,800 |
| Community Development - Byway | \$ 2,500 | \$ 10,000 | \$ 10,000 |
| Ambulance - Special Distribution | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| | \$ 451,783 | \$ 684,785 | \$ 379,840 |

| GENERAL FUND ACCOUNTS | | | | |
|---------------------------|--------------|--------------|--------------|------------|
| Funds | 2017 | 2018 | Dollar | Percentage |
| | Estimated | Proposed | Difference | of Change |
| County Commissioners | \$ 110,705 | \$ 115,910 | \$ 5,205 | 4.70% |
| County Clerk | \$ 266,305 | \$ 279,960 | \$ 13,655 | 5.13% |
| County Clerk - Election | \$ 104,850 | \$ 143,550 | \$ 38,700 | 36.91% |
| County Treasurer | \$ 195,159 | \$ 210,180 | \$ 15,021 | 7.70% |
| County Attorney | \$ 635,375 | \$ 702,320 | \$ 66,945 | 10.54% |
| Register of Deeds | \$ 124,450 | \$ 127,700 | \$ 3,250 | 2.61% |
| Sheriff's Office | \$ 1,203,810 | \$ 1,292,495 | \$ 88,685 | 7.37% |
| SO - Juvenile Detention | \$ 79,380 | \$ 81,580 | \$ 2,200 | 2.77% |
| SO - Adult Detention | \$ 1,324,496 | \$ 1,411,856 | \$ 87,360 | 6.60% |
| Appraiser | \$ 450,475 | \$ 460,725 | \$ 10,250 | 2.28% |
| District Court | \$ 416,000 | \$ 416,000 | \$ - | 0.00% |
| Courthouse General | \$ 619,505 | \$ 623,505 | \$ 4,000 | 0.65% |
| Operations | \$ 172,130 | \$ 196,690 | \$ 24,560 | 14.27% |
| Information Technology | \$ 136,300 | \$ 141,690 | \$ 5,390 | 3.95% |
| Finance General | \$ 596,840 | \$ 379,840 | \$ (217,000) | -36.36% |
| Emergency Risk Management | \$ 64,930 | \$ 67,105 | \$ 2,175 | 3.35% |
| ERM - Facilities | \$ 183,995 | \$ 185,250 | \$ 1,255 | 0.68% |
| County Engineer | \$ 205,575 | \$ 209,050 | \$ 3,475 | 1.69% |
| ENG - Mapping | \$ 57,000 | \$ 58,870 | \$ 1,870 | 3.28% |
| Environmental Management | \$ 91,015 | \$ 101,720 | \$ 10,705 | 11.76% |
| Communications | \$ 583,590 | \$ 606,015 | \$ 22,425 | 3.84% |
| | \$ 7,621,885 | \$ 7,812,011 | \$ 190,126 | XXX |

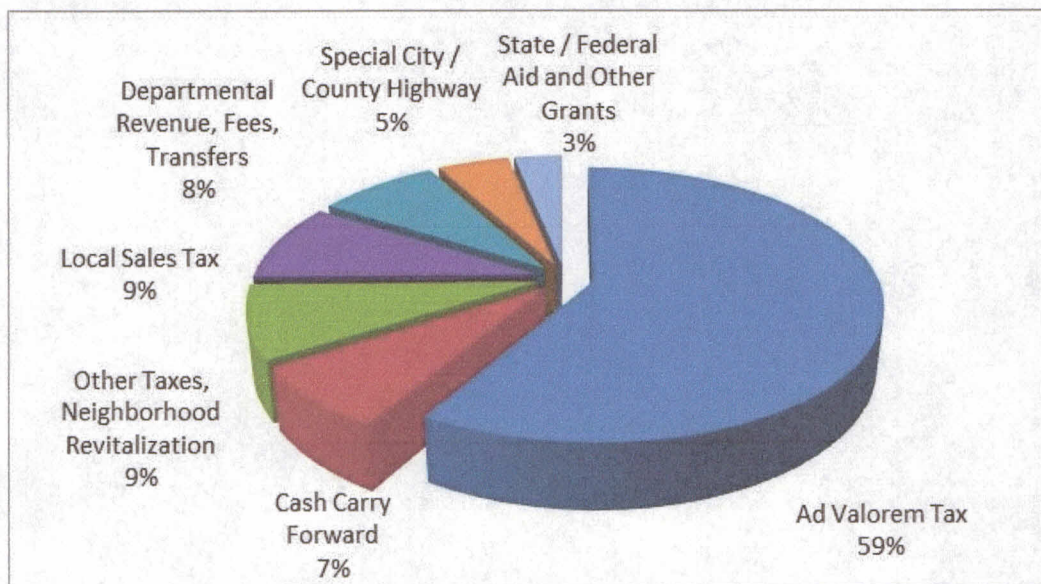
You will see most notably, the increase for election costs, the County Attorney's additional staff member, rent for the Environmental Management office and the transfer of expenditure authority from Finance General to Operations for reorganization. The HR position was eliminated from Finance General.

| LEVIED FUND | | | | |
|----------------------------------|-------------------|------------------|----------------------|-------------------------|
| Funds | 2017 Estimated | 2018 Proposed | Dollar Difference | Percentage of Change |
| Road and Bridge | \$ 4,798,630 | \$ 4,853,190 | \$ 54,560 | 1.14% |
| R&B - Special Bridge Replacement | \$ 282,630 | \$ 360,000 | \$ 77,370 | 27.38% |
| R&B - Cemetery | \$ 40,000 | \$ 40,000 | | |
| Noxious Weed | \$ 810,665 | \$ 808,790 | \$ (1,875) | -0.23% |
| Employee Benefits | \$ 2,876,612 | \$ 2,982,393 | \$ 105,781 | 3.68% |
| Ambulance | \$ 465,850 | \$ 465,850 | | |
| Mental Health | \$ 125,000 | \$ 125,000 | | |
| Developmental Disabilities | \$ 70,000 | \$ 70,000 | | |
| Health (Non Grant) | \$ 1,419,785 | \$ 1,539,209 | \$ 119,424 | 8.41% |
| Special Liability | \$ 69,000 | \$ 97,000 | \$ 28,000 | 40.58% |
| Solid Waste | \$ 1,184,240 | \$ 1,192,570 | \$ 8,330 | 0.70% |
| | \$12,142,412 | \$ 12,534,002 | \$ 391,590 | XXX |

Levied funds show Special Bridge funding restored, and an increase in Special Liability due to a shift in where County Counselor wages are paid from.

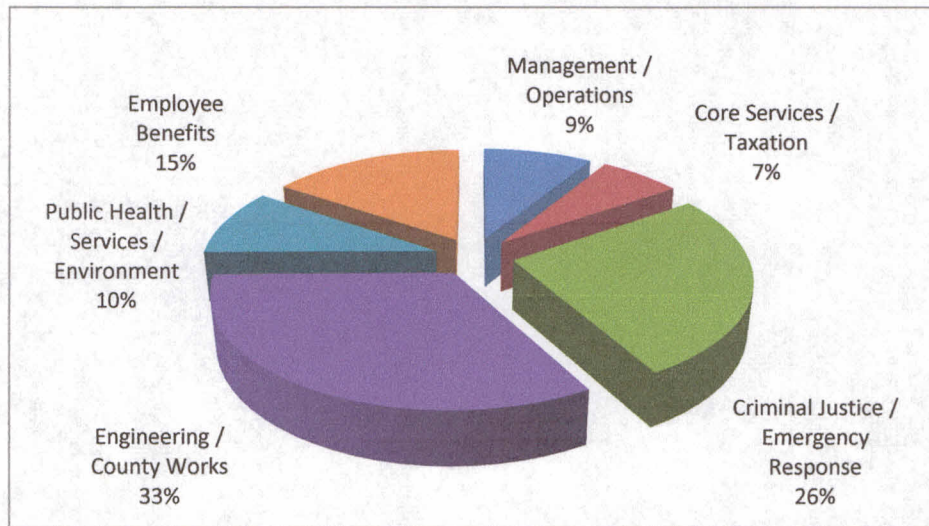
The following chart shows anticipated revenue for all levied funds

Levied Funds
Anticipated Revenues - 2018



This chart details the planned expenditures for all levied funds in 2018:

Levied Funds Planned Expenditures - 2018



The Notice of Budget Hearing that was published July 21st provides an overview of the county budget. This Notice details the actual expenses for 2016, adopted expenses for 2017, and the proposed budget for 2018. The most significant number in the Notice of Budget Hearing is the mill levy of 43.567 which is identical to the 2016 mill levy that funded the 2017 budget. The total mill levy, 43.567, requires \$11,228,064 in property tax and is equivalent to \$257,723.

| FUND | 2016 | | 2017 | | Proposed Budget 2018 | | |
|----------------------------|----------------------|---------------|----------------------|---------------|----------------------|----------------------|----------------|
| | Prior Year | Actual | Current Year | Actual | Expenditures | 2017 | |
| | Actual | Tax Rate* | Estimate | Tax Rate* | | Ad Val Tax | Est. Tax Rate* |
| General | \$ 7,419,978 | 13.815 | \$ 7,621,885 | 15.669 | \$ 7,812,011 | \$ 4,279,897 | 16.607 |
| Debt Service | | | | | | | |
| Road and Bridge | \$ 5,257,113 | 14.191 | \$ 4,798,630 | 13.842 | \$ 4,853,190 | \$ 3,205,464 | 12.438 |
| Noxious Weed | \$ 840,283 | 0.935 | \$ 810,665 | 0.981 | \$ 808,790 | \$ 166,745 | 0.647 |
| Special Bridge Replacement | \$ 434,000 | 1.275 | \$ 282,630 | 0.593 | \$ 360,000 | \$ 339,414 | 1.317 |
| Employee Benefit Fund | \$ 2,463,886 | 9.486 | \$ 2,876,612 | 8.976 | \$ 2,982,393 | \$ 2,378,869 | 9.23 |
| Ambulance Fund | \$ 465,850 | 1.745 | \$ 465,850 | 1.666 | \$ 465,850 | \$ 409,169 | 1.588 |
| Mental Health | \$ 124,981 | 0.465 | \$ 125,000 | 0.45 | \$ 125,000 | \$ 109,915 | 0.426 |
| Developmental Disability | \$ 70,000 | 0.259 | \$ 70,000 | 0.251 | \$ 70,000 | \$ 61,291 | 0.238 |
| Health Fund | \$ 1,416,491 | 0.902 | \$ 1,419,785 | 0.869 | \$ 1,539,209 | \$ 209,878 | 0.814 |
| Special Liability | \$ 64,440 | 0.212 | \$ 69,000 | 0.172 | \$ 97,000 | \$ 38,091 | 0.148 |
| Memorial Parks | \$ 39,612 | 0.131 | \$ 40,000 | 0.098 | \$ 40,000 | \$ 29,332 | 0.114 |
| Solid Waste | \$ 867,338 | | \$ 1,184,240 | | \$ 1,192,570 | | |
| Special Alcohol | \$ 4,771 | | \$ 4,382 | | \$ 8,645 | | |
| Special Parks | \$ 2,290 | | \$ 2,290 | | \$ 4,788 | | |
| 911 Emergency Telephone | \$ 114,774 | | \$ 166,500 | | \$ 166,500 | | |
| CJIS / CAD | \$ 33,594 | | \$ 34,000 | | \$ 34,000 | | |
| Non-Budgeted Funds A | \$ 2,348,810 | | | | | | |
| Non-Budgeted Funds B | \$ 506,777 | | | | | | |
| Non-Budgeted Funds C | \$ 1,090,853 | | | | | | |
| Totals | \$ 23,565,841 | 43.416 | \$ 19,971,469 | 43.567 | \$ 20,559,946 | \$ 11,228,064 | 43.567 |
| Less Transfers | \$ 1,157,415 | | \$ 283,000 | | \$ 45,000 | | |
| Net Expenditure | \$ 22,408,426 | | \$ 19,688,469 | | \$ 20,514,946 | | |
| Total Tax Levied | \$ 10,571,312 | | \$ 10,552,794 | | | | |
| Assessed Value | 243,482,572 | | 242,224,257 | | 257,723,434 | | |

SUMMARY

In summary, the 2018 budget is funded by maintaining a constant mil levy, which is possible due to increased valuations. Also, the mil levy was not decreased to compensate for the Extension Council in order to **not** use reserves to balance the 2017 budget. The increased valuations made it possible to include pay adjustments for law enforcement, 911 employees, and county pay raises.

The County presently has adequate cash reserves in the Capital Improvement and Equipment Replacement Accounts. By not depleting reserves, the county remains fiscally sound and is in the position to sustain a constant mill levy while providing quality services.

I want to thank the Commissioners for their hard work on the budget as well as the elected officials, department heads, and supported agency heads for their assistance. I also want to recognize Matt Patzner, Finance Officer his countless hours putting together the budget document.

Phil Hathcock
Operations Manager