



# Clay County, Missouri

## Administration

1 Courthouse Square ~ Liberty, MO 64068

*Alexa Barton  
County Administrator*

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Clay County Commissioners:

I am pleased to submit the FY 2007 Final Adopted Budget. The Commission Budget Hearings finalize a process that began in July 2006. While this was the first year for many members of the Budget Team, the budget process included new and improved procedures that will simplify tracking and streamline procurement of budgetary items. The budget process for 2007 was collaborative, efficient and required the assistance of all levels of County government, Elected Officials and Commission Departments. Using this collaborative approach, the Commission was able to address some deferred maintenance and service with a very limited revenue stream.

For FY 2007, the total adopted budget is balanced at \$62.5 million (including a TIF diversion of \$2.8 million for a net available operating budget of \$59.7 million). Listed below are the funds which have a direct and immediate impact on the operating budget of Clay County:

Fund	2007 Adopted Budget
General	\$28,055,431
Road and Bridge	\$ 4,659,880
Park	\$ 6,306,418
Law Enforcement Tax	\$ 3,974,329
Emergency Communications	\$ 607,937
Reassessment	\$ 2,626,218
Tax Increment Financing (TIF)	\$ 2,807,937
Use Tax: Capital Projects	\$ 1,353,235
Use Tax: Highway Projects	\$ 569,500
Use Tax: Park & Trails Projects	\$ 1,445,300
Airport	\$ 1,226,500
Special Road Districts	\$ 3,176,092

The 2007 operating budget of \$59.7 million represents a .17 percent decrease from the FY 2006 Final Adopted Budget of \$59.8 million. The largest increases in the budget are in the Special Road District, Emergency Communications (911) and TIF funds, none of which are operating funds. Sales Tax continues to be the major source of funding for the General Fund; unfortunately, available Sales Tax was \$550,000 less in 2007 than 2006. In addition, the General Fund provided support funding to Law Enforcement Tax Fund, Emergency Communications and the Airport. This troublesome trend is further demonstrated by the amount of Sales Tax allocated to specific funds. For example, in 1989, the Park Fund was allocated \$822,356 in Sales Tax compared to \$808,000 in 2006 and \$750,000 in 2007. Please see Attachment 1 for a more in depth comparison.

**FY 2007 Budget Priorities**

Of particular note, the majority of capital improvements and equipment purchases continue to be funded primarily by Use Tax. In the FY 2007 Adopted Budget the following underscores capital expenses:

**Parks**

▪ Nature Center Study and Architectural Renderings	\$ 35,000
▪ Playground for Crows Creek near Shelter #4	\$ 80,000
▪ Three Rental Cabins at Smithville Lake	\$ 75,000
▪ Golf Course Replacement Equipment	\$145,000
▪ Vehicles with radios to replace old rolling stock	\$303,000
▪ Four Rental Pontoon Boats	\$ 80,000
▪ Trails Equipment, Maintenance and Improvements	\$132,000
▪ Historic Sites Master Plan	\$ 50,000
▪ James Cabin foundation repairs	\$ 30,000
▪ Storage Facility for Historic Sites	\$100,000
▪ Materials historic porch replications at Pharis Farm	\$ 70,000
▪ Other capital projects	\$ 60,000

**Airport**

▪ Clay County's portion of funding for the AWOS	\$200,000
▪ Ground preparation and installation of the ILS System	\$ 69,000
▪ Airport maintenance and other equipment	\$ 34,500

**Road & Bridge**

▪ New Dump Trucks (2), New Roller	\$274,000
▪ Other capital projects	\$ 59,500

*Note: Capital expenditures in the Road and Bridge Fund are significantly reduced in 2007 to allow the cash within the fund to grow. This will facilitate more efficient road and bridge improvements in 2008 utilizing available cash funds.*

**Capital**

▪ Protective Equipment for Sheriff's Deputies	\$ 65,720
▪ Shelter at the Firearms Unit	\$ 6,500
▪ Sheriff Department Patrol Cars (7) and associated costs	\$195,113
▪ Facade cleaning of the Administration Building, woodwork refinishing and elevator upgrades at the Rooney Justice Center	\$190,000
▪ SAN expansion blades and other technology items	\$121,800

- Projects for the Courts and Juvenile (i.e., computers, office furnishings, sound system, records preservation, group homes fire alarm system) \$157,545
- Other law enforcement capital items (i.e., furniture, cameras, technical equipment, siren tower maintenance and receivers) \$291,212

*NOTE: Not all listed projects are funded by Use Tax revenues*

In addition, attached to this document is the 2007 Trends and Comparisons presentation (Attachment 2) covering a five-year period, the same information provided at the onset of the Commission Budget Hearing process.

### **Looking to the future**

Certain proprietary operations will continue to face challenges. In general, we are able to provide a fiscally balanced budget. However, the future of Sales Tax continues to be stagnant and does not show a positive fiscal outlook. Therefore, it is unlikely that customer expectations of adequate and progressive services will be met as County employees are expected to continue to do more for citizens with less.

With cash reserves declining, citizen requests for services increasing, and continued growth in our County, the Commission is encouraged to research and identify alternative funding sources. Clay County is at a critical point of suffering from continued deferred maintenance, limited programs and a high percentage of employee turnover. We have been unable to meet the structure of the pay plan outlined in the 2004 Compensation Study and provide adequate sources of funding for training and benefits. This dilemma limits our ability to attract, retain and develop our most valuable resource. It is essential that we weigh the inherent conflict of the need to provide tax relief to our citizens while at the same time maintain the services critical to our residents.

It is also important to note the Law Enforcement Tax approved in 1998 is scheduled to cease in 2010. In 2007, the Law Enforcement Tax revenue is estimated at \$3,562,253. Funds to replace this important revenue stream will need to be found and pursued

In 2007 it is my intention to pursue an even better Clay County government. We must emphasize fiscal responsibility, capable administration, and efficient and effective provision of services. Also, it is time that we ask ourselves why we are doing the things that we are doing. What is our mission as a local government? As a regional government? On what functions should we focus our resources? We must all work on this together because it is important that we stop doing things that distract us from improving and striving for excellence.

In conclusion, I want to thank each of you for your contribution to this process. In addition, individuals who assisted include: Charlie Barr, Ruth Bocchino, Diane Clifton, Leslie Ensign, Lisa Farr, Vic Hurlbert, Deanna Milliman, Terry Rennack, Sheila Snell-Ernzen and Cherie Warren, as well as other Elected Officials and Commission Department Heads. We have worked as a team to provide you new and improved processes that lead to a balanced budget.

Sincerely and respectfully submitted,

Alexa Barton  
Budget Officer/County Administrator