

# THE STATE OF THE COUNTY ADDRESS

Presented by  
 THE HONORABLE ANNABETH SURBAUGH  
 Chairman of the Board of County Commissioners

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Tuesday, April 20, 2004  
 12 o'clock noon  
 The Ritz Charles  
 9000 West 137th Street, Overland Park, Kansas 66221

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Good afternoon, ladies and gentlemen. Thank you, Brent, for that kind introduction. And thanks to the Johnson County Chamber's Public Policy Council for hosting this event. Thank you, everyone, for being with us today, and welcome to the 2004 State of the County Address. It's appropriate that we meet today to discuss the state of our county, since this is "National County Government Week."

Johnson County is our community.

It's a community of nearly a half-million people; a community that grows each year by more than 10,000 new residents. It's a wonderful place that businesses and families choose to call home.

In the November 2000 General Election, a majority of our voters approved a Home Rule Charter for the county government. The Home Rule Charter increased citizens representation through a larger governing body, and solidified our administration under an appointed county manager. Allow me to introduce your Board of County Commissioners. Please stand to be recognized when I call your name, and hold your applause until all have been introduced:

Ed Peterson, representing the First District;  
 Susie Wolf, representing the Second District;  
 David Lindstrom, representing the Third District;  
 Dolores Furtado, representing the Fourth District;  
 Doug Wood, representing the Fifth District; and  
 John Toplikar, representing the Sixth District.

I'm also pleased to introduce County Manager, Mike Press.

Today it's my honor and my privilege to stand before you as Johnson County's Chief Elected Official. And today, I'm very pleased to report that the state of Johnson County is strong and, more importantly, it is secure.

Over the past two decades—during the good times and the not-so-good times—our property values have continued to grow steadily. Our per capita personal income is 150 percent of the state average, putting our community in the top 99th percentile in the nation. Earnings in Johnson County increased 134 percent in the past decade. The 2004 report on residential property values showed a total of \$35 billion, a 6.5 percent increase over the \$32.9 billion for 2003.

Last year, Johnson County accounted for 30 percent of the state's total market value on all types of properties. We also accounted for nearly 28 percent of the state's total new commercial growth and just short of 50 percent of the state's total home values. Johnson County averaged a net population growth of 10,000 new residents each year during the past decade. That equates to just more than 800 citizens each month. To put that in perspective, that equals roughly the size of the city of Merriam or Mission each year. In fact, Johnson County alone has accounted for half of the net population growth in the entire 11-county metro area and ranks us as the most populated county in Kansas.

But population growth alone is only one side of the coin. There are other facts that help to illustrate our success story. Our local economy during that same time period averaged nearly 419 new businesses per year, or 35 new businesses each month. As a result, Johnson County accounted for 58 percent of all new businesses in the metro area and 47 percent of all start-ups in Kansas. Our local economy sustained an average job growth rate of 4.2 percent, as compared to the 2 percent metro average and the 1.8 percent average across the nation. Within the metro area, Johnson County made up well over half of the net increase in jobs, coming in at 56 percent; and, we accounted for 41 percent of all new jobs created in Kansas during the ten-year period of 1990 to 2000.

Clearly, ladies and gentlemen, Johnson County is THE ECONOMIC ENGINE driving the greater metro area as well as the state of Kansas. We routinely account for more than 20 percent of the total income taxes collected in Kansas and about 25 percent of the total retail sales taxes collected in the state.

Our "Community of Choice" has, indeed, provided a fertile ground for businesses.

[Video 1: Civic & Business Leaders]

County government continues to effectively deal with the nuts and bolts issues—its so-called "core services." That's been the focus of our administration for the past five years, and it will continue to be a cornerstone of our future achievements. But, I believe it's time for us, as citizens and—more importantly—as leaders, to raise our gaze higher. Because the success of Johnson County is really more than a collection of its businesses and the governmental infrastructure supporting our local economy. It's about a sense of place; a feeling of home; and the people who live here.

[Video 2: Civic Engagement, Public Service and Volunteerism]

We understand government can't fulfill all the community's needs alone. Nor should it. Neither can the private sector. The key to creating a better community is involving our people. And in Johnson County, our people do make the difference by volunteering their time and talents. And, I think that it's appropriate to recognize these very special volunteers this week, since this is also "National Volunteer Appreciation Week."

Successful volunteer efforts were at the center of three Johnson County programs recognized this year as part of the "Acts of Caring Awards" presented by the National Association of Counties. The "Acts of Caring Awards" recognize county-sponsored volunteer programs that enhance or preserve the quality of life. This year, Johnson County received awards for the Victim Assistance Unit in the District Attorney Paul Morrison's Office, for the Developmental Support's "Art from the Heart" program, and for Public Transit's Route K – Olathe JoFlex program. Johnson County was one of only two counties in the entire nation to receive a total of three awards out of the total 25 that will be presented. We take pride in that fact. We are equally proud of all volunteers in

Johnson County. They are—in spirit and in fact—the hearts and hands of so much that makes this community truly great.

It's been easy to be one of the most enviable communities in America during the good times. Yes, Johnson County is strong and secure. But that doesn't mean we don't have our share of challenges to address.

We must identify a dedicated, long-term funding source for infrastructure. In the face of continued state reductions in demand-transfer revenues and a steadily growing population, this type of dedicated funding will be absolutely critical to maintain the high quality of life we've come to expect. Our steady growth rate presents unique challenges as well. How we manage growth and development will have lasting impact on the future quality of our overall community.

Our growth also brings changing community demographics. In the coming years, Johnson County will see further growth of its senior population and the increased number of those with different cultural and ethnic heritages. This will require County Government to deliver its services in a more multi-lingual and culturally sensitive manner.

As our population spreads to the south and west, service delivery issues become more complex and expensive. Air quality, water quality, and solid waste management have and will continue to play a bigger part in our community discussions on quality of life, government regulation, and will most certainly have a bigger impact on our budget as services expand and resources from the national and state levels decrease.

Despite our annual 2 percent growth rate, funding for human and social services has remained largely flat. Several years ago, our Developmental Supports agency didn't have a waiting list; today, more than 200 Johnson County citizens are waiting to receive the unique services that only our Developmental Supports agency can provide. To make matters worse, the State continues to reduce funding for human services and corrections agencies, especially for juvenile services. These reductions leave our most vulnerable residents even more vulnerable to the negative effects of unemployment and hard economic times.

And finally—what has become clear—the needs of our community do not adhere to strict political boundaries. Johnson County is an important member of the metro community, and as such we will need to continue to participate in the deliberation of metro-wide issues.

Last year, the Board took the very difficult but necessary step of raising the property tax in order to fund some important investments in our community's infrastructure. Every member of this Board understood our action required Johnson Countians to make sacrifices. And those sacrifices were played against an already difficult economic environment, forcing hard-working people to dig deeper into their pockets. No one likes the imposition of taxes——no one. But impairing or, worse yet, damaging the very services that define this community would have been a far worse course. In my opinion, it could have actually derailed our successful track.

The 2004 budget, as adopted, represents a \$554 million spending plan and a tax levy of 21.7 mills, which is an increase of almost a full mill from the previous year. The additional nine-tenths increase equates to about \$44 a year more to taxpayers. Most importantly, I would like to emphasize that this increase was not used to balance the operating portion of the County's budget, despite the loss of approximately \$10 million in state revenues. We adjusted to those losses by making internal, across-the-board cuts.

The increase was approved to fund three much-needed investments in our community's infrastructure, including: additional parkland acquisition and development; a 232-bed expansion of the Correction's Adult Residential Center; and the implementation of an interim Facilities Action Plan to reduce ongoing leasing costs for public facilities. Funding these items now benefits taxpayers because of historically low interest rates, low construction costs, and a soft market for commercial property.

So, where does it all come from?

The County's property taxes represent only about 27 percent of its budgeted revenues. That's approximately \$134 million in 2004. County Government also receives funding from a variety of other sources that round out the balance of our spending plan. These sources are shown on these screens, and also are included in your programs.

Where does the money go in Johnson County? It goes to public works; it goes to public safety; and it goes to public health. Collectively, these three critical, core services represent the largest chunk of the County's total expenditures. Combined, they represent a total of 63 percent of the County's annual operating budget, or approximately \$348 million. The costs for general government services in 2004 is budgeted at \$64.1 million, or just about 12 percent. That's almost the same as the reserves we maintain for emergency use and to maintain the County's highly coveted AAA bond rating. The present budget has earmarked \$61.6 million in reserves, representing about 11 percent.

We've begun our 2005 budget deliberations and, though we have every indication that the economy is recovering, we have no way to anticipate what will happen at the state level and what the resulting impact to county government might be. The mantra we keep hearing is: Do More With Less. But—and let me make this very clear—Johnson County has been doing more with less for quite some time now. And, we also have provided more to the state and seen less of a return on our contribution to the state's coffers.

Late last year, with help from Tom Winters of Sedgwick County, I organized the first-ever meeting of the chief elected officials from the five urban counties in Kansas. From that meeting, we have created the Urban Counties Consortium, so that our five counties can network together in representing our interests and priorities at the state level. The first meeting of the full Urban Counties Consortium took place in February this year in Topeka. A second meeting is planned in Johnson County this May at which time the chief elected officers from each of the five urban counties will reconvene to lay out specific issues of common interest. The consortium—representing Johnson, Wyandotte, Sedgwick, Shawnee, and Douglas counties—collectively represents 51.5 percent of the state's entire population, about 64 percent of its sales tax revenues and about 60 percent of the total individual income tax collections. Obviously, our combined efforts represent a significant influence in Topeka. It also gives us an invaluable resource so we can exchange information and ideas to improve our service delivery and effectiveness.

I think building upon the already strong local partnerships—between our county and city governments—is critical to future successes. I believe we should unite in forging a common Johnson County agenda for this singular community of communities. Clearly, one of our top priorities must be the adequate funding of public schools by the State Legislature. Public education is an essential component of our community's economic success. Our future quality of life requires not only adequate, but appropriate funding by the State Legislature.

I'd like to introduce to you one of our local public education success stories, a young man by the name of Lee Urban.

[Video 3: Lee Urban—the Importance of Investing in Youth]

It's because of students like Lee Urban—and thousands more like him—that I was happy to support a ballot question to defer the last quarter-cent of the County's sales tax authority to help provide much-needed funds to our local public school districts. This year, the Board awarded an estimated \$14.4 million to seven Johnson County public school districts. Last year, the Board awarded more than \$12.2 million for our schools. The 2004 grant cycle will support a total enrollment of 76,293 Johnson County students.

So much for past accomplishments. What's ahead?

This Board's primary objective has been the development of a multi-year strategic plan; a plan that outlines and defines the County's priorities over a period of several years and provides benchmarks for success along the way. Our strategic plan will help us focus our collective efforts on providing the highest-quality, cost-efficient, results-oriented local government services to meet the needs of our community.

Our first goal—and our highest priority—is to be responsible stewards of our taxpayers' money. I like this goal, because it mirrors one of my personal priorities. Each time I've run for office, I've said my top three priorities are fiscal accountability; fiscal accountability; and fiscal accountability. We must cooperate and collaborate more with our partners to provide cost-efficient services and to address common issues affecting our community. And, in the process, we must avoid the simple solution of taxing and spending to meet these challenges. By carefully monitoring and controlling our spending, the Board will fulfill its commitment to being responsible stewards of our taxpayers' money.

Our second goal is to provide the best-possible mandatory and discretionary services. The highest purpose and first responsibility of any government is to keep its citizens safe. That's why public safety must and will be our primary focus and our principal concern. Safety from crime is the most important factor of a great community, and it is perhaps the leading factor in determining the quality of life our residents enjoy. Our citizens must feel safe in their homes, in their schools, and in their neighborhoods. And, in the post-September 11th modern world, we must continue to partner with our colleagues at the local, regional, state, and national levels to ensure that the security of our local homeland is maintained.

Closely tied to our public safety obligation is the responsibility we bear for creating and maintaining our community's infrastructure systems. In previous times, the pace of physical change in Johnson County was less complex. Today, our strong local economy and our national recognition as a premiere business location have created unprecedented growth and rapid development. Again, identifying a dedicated funding source for the community's infrastructure will be critical to our future success. One possible source would be the quarter-cent sales tax currently being used to provide economic development grants to local school districts.

It isn't a question of schools versus infrastructure. It's a matter of ensuring that our infrastructure is in place and is maintained to support our cities, our neighborhoods, our businesses, our families, and yes, our schools. Protecting the health and welfare of our community, especially those most in need, defines what kind of people we are more than any other measure.

Strengthening the County's social safety net is not only a moral obligation, but one of the truest benchmarks we have for evaluating our success as a community. We must remember, too, that even when times are hard—especially when times are hard—we must dream and build for the future.

And this leads to our third goal, which is to build a "Community of Choice": a place where people want to live and work. To be truly successful—Johnson County must reach out and collaborate with all stakeholders and interested parties. The list of potential partnerships is endless. And, we must pursue them. One of my personal goals is to bring the people to the County Government, and the County Government to the people.

Our fourth goal is to advance a positive organizational work environment to empower employee innovation and productivity. There are 3,600 County Government employees who come to work every day and do yeoman service on your behalf. They deserve our thanks for doing what they do best—serving and protecting the citizens in our "Community of Choice."

By focusing on these goals today, we will help secure progress toward our larger vision for Johnson County's future. It's an aggressive, straightforward list of goals, one I think is well suited to these practical times. Getting it done and doing it right is the toughest challenge we will tackle.

I want to take this opportunity to thank each of my fellow County Commissioners for their commitment and leadership. To each of you: thank you for your support, your dedication to this community, and the office you hold. We come from seven different vocations and seven different paths to elected office. But we each bring to the table a steadfast commitment to Johnson County. That is our common bond—that's what makes us a team.

Finally, in closing, let me reiterate that at the heart of our efforts—at the foundation of all our plans—is the desire to engage our citizens, to build a better community. That's really what is at the heart of it all: community. Our jobs are so meaningful to us because we have the good fortune, the challenge, and the opportunity to build this community.

Previous generations of leaders left us one of the greatest communities in the world. We owe our children an even better one.

Thank you.

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