



FRANK WHITE, JR.
Jackson County Executive

February 8, 2023

Signing Statement from the County Executive

Ordinance 5701

RECEIVED

FEB 08 2023

JHK
4:20 pm

MARY JO SPRING
COUNTY CLERK

TO THE JACKSON COUNTY LEGISLATURE:

Today I have signed Ordinance 5701, the annual appropriation order which provides the full and complete financial plan for Jackson County, Missouri's 2023 fiscal year. Pursuant to the authority granted to my office by the Constitutional Home Rule Charter of Jackson County, I have chosen to approve this Ordinance with limited objections, commonly referred to as line-item vetoes.¹

Notably, Ordinance 5701 proposes the defunding of numerous current county associate positions, as well as the defunding of numerous county capital improvement projects and essential programs throughout Jackson County. While I do not have the authority to unilaterally restore the funding necessary for these positions, I am committed to working with the Legislature to fix the foreseeable harm that Ordinance 5701 has caused and will cause Jackson County. After this funding has been restored by the Legislature, I will work with all members of the Legislature to develop a comprehensive plan for the use of any available funds, including funds previously received as part of the American Rescue Plan Act.

Finally, due to the alarming amount of false information that has surrounded the Legislature's passage of Ordinance 5701, I want to make clear that the limited line-item vetoes, attached, include:

- NO cuts to existing county associates' positions or salaries
- NO reductions to any county department's budget
- NO violations of the county's code or state law

¹ See Jackson County Charter Article II. § 12. (2018).



Projects, Programs, & People Eliminated

Ordinance 5071, as amended, reduced, or eliminated the funding for many essential projects, programs, and county personnel. These changes were made via a singular budget amendment that was not publicly available and, even more astoundingly, was not even provided to all members of the Legislature, prior to being voted upon.² Legislature's proposed budget cuts include, but are not limited to, the following:

- Existing County Associate Positions
- Our Healthy KC Eastside
- Jackson County Reproductive Equity Fund
- Liberty Memorial- Free Veteran Admission
- Historic Downtown Courthouse Repairs & Improvements
- Administrative Building Improvements
- Black Archives of Mid-America in Kansas City
- Urban League of Greater Kansas City Difference Maker Luncheon
- MCC Chancellor's Dr. King Scholarship Luncheon
- Urban Summit Annual Conference
- Independence Square Annual Event
- Hispanic Chamber of Commerce of Greater Kansas City
- High Aspirations
- Urban Neighborhood Initiative
- Urban Ranger Corps
- KC Area Development Council
- Lee's Summit Economic Development Council
- Grain Valley Partnership
- Grandview Area Economic Development Council
- Independence Economic Development Council
- Blue Springs Chamber of Commerce
- Raytown Area Chamber of Commerce and Tourism
- National Association of Counties
- Labor-Management Council of Greater Kansas City
- Unified Contractors of Kansas City
- Greater KC Chamber of Commerce
- Missouri Association of Counties
- Independence Chamber of Commerce
- Lee's Summit Chamber of Commerce
- Mid-America LGBT Chamber of Commerce
- South KC Chamber of Commerce
- United Minority Media Association
- Community Improvement Projects- KCMO's Westside Neighborhood

²Legislative Hearing,
https://jacksonco.granicus.com/player/clip/5193?view_id=2&redirect=true&h=517987804e5fb1469f1c29945cbd7ff2

American Rescue Plan

Of particular concern is the way Ordinance 5701 treats the county's American Rescue Plan Act Fund. Prior to Ordinance 5701 approval, Budget Committee Chair Abarca said, "we believe that it is well within our rights and this process to reallocate these funds . . ." Chair Abarca also said the amendment would move "all of the \$74 million into undesignated fund balance for a process to be created within the next few months . . ." ³ Unfortunately, the county code of ordinances and state law prohibit this type of "budgeting" and this specific action was a focus of the Missouri State Auditor in 2020.

State law and the Jackson County Code both require that the county's annual budget "present a complete financial plan for the ensuing budget year."⁴ "Section 50.550.1 goes on to state the budget *shall* set forth all proposed expenditures for the administration, operation of all offices, departments, commissions, courts and institutions. . ." ⁵ Despite these legal requirements, Ordinance 5701 defunded every project and program in the American Rescue Plan Fund and proposes placing the entirety of these funds in the "undesignated fund balance." The Missouri State Auditor's Office admonished the practice and said the county should "(d)iscontinue authorizing transfers from the undesignated fund balances (not appropriated through the county budget process). . ." ⁶ In further support, the Jackson County Counselor's Office, at my request, has determined that the legislature's treatment of the ARPA funds "is a clear violation of the statutory and code mandate that the annual budget present a 'complete plan.'"⁷

Current County Associate Cuts

Ordinance 5701, as amended, also includes significant cuts to existing county associate positions. Prior to amending Ordinance 5701, Legislator Jeanie Lauer asked the Budget Committee Chair about the reduction in salaries in my office's budget. In response, Committee Chair Abarca said that these "are unused salaries up to budget to date" and the county administration can "re-propose in a budget amendment to adjust. . ." ⁸ To be clear, there are no vacancies in my office and these salary dollars are necessary to pay my existing staff.

State law clearly states that the annual "budget *shall* contain adequate provisions for the expenditures necessary for the . . . salaries, office expenses . . . of all county officers and agencies."⁹ In addition, and as stated above, the amendment process that Chair Abarca proposes would violate at least one provision in both the county's code of ordinances, as well as state law.

³ Legislative Meeting, January 30 , 2023.

⁴ Section 50.500, RSMo; Section 535 Jackson County Code.

⁵ State ex. Rel. Vescovo v. Clay County, 580 S.W.3d 575 (2019).

⁶ See Missouri State Auditor's Report, Budgets and Transfers, 2020.

⁷ See County Counselor's Opinion, February 8, 2023.

⁸ Legislative Meeting, January 30, 2023.

⁹ Section 50.550.2 RSMo.

County Legislature's Budget Dramatically Increased

The Legislature's budget amendment proposed over \$1 million in new funding for the County Legislature and offices under their control.¹⁰ Legislative budget increases include, but are not limited to: numerous new staff positions, salary increases for new and returning staff, increased car allowances, more lobbyists, lawyers and travel expenses:

County Legislature (Auditor)	+\$280,800 ¹¹
County Legislature (Whole)	+\$85,000
County Legislature (Clerk)	+\$30,000
County Legislature (First at Large)	+\$6,200
County Legislature (Second at Large)	+\$6,200
County Legislature (Third at Large)	+\$6,200
County Legislature (First District)	+\$6,200
County Legislature (Second District)	+\$6,200
County Legislature (Third District)	+\$6,200
County Legislature (Fourth District)	+\$6,200
County Legislature (Fifth District)	+\$6,200
County Legislature (Sixth District)	+\$6,200
County Legislature (HRC)	+\$3,000
County Legislature (Lobbyists)	+\$150,000
County Legislature (Lawyers)	+\$100,000
County Legislature (Contracts)	+\$100,000

¹⁰ Ord. 5701 proposes increasing the Legislature, and associated departmental, budgets by \$1,241,241

¹¹ Legislative Auditor & Legislative Compliance Office (Salary & Car Allowance)

County Legislature (Travel Expense)	+\$95,000
County Legislature (Advertising)	+\$30,000
County Legislature (Printing)	+\$54,000
County Legislature (Audio/Video Services)	+\$50,000
County Legislature (Contracts)	+\$50,000
County Legislature (TOTAL)	+\$1,241,241

As it relates to the proposed new positions, no details have been provided on the needs not currently being addressed by current staff. In fact, the first mention of the need for additional staff for the legislature was when Ordinance 5701 was passed a few days ago. Upon reviewing the budget request submitted by the prior Legislative Auditor a few months ago, as well as watching her testimony on her budget, there is no request for additional staff and in fact no reference to any need at all.

Pursuant to my authority as County Executive, I have reduced the County Legislature’s proposed budget increase as stated in the attachment document. Unlike the County Legislature’s amendment process, my line-item vetoes do not place any existing staff positions in jeopardy, nor do they defund any program or projects that have previously been approved by the County Legislature.

Outside Agency Funding & Health Fund

Nearly three months ago, I submitted to the County Legislature a proposed annual budget that included \$3,000,000 for the Legislature to award to local nonprofits, often referred to as “outside agency” funding. According to the County Legislative Auditor’s current website, before receiving any funding agencies must submit a detailed application, as well as a detailed budget, prior year financial audit, and numerous other documents to be considered for funding. The Auditor’s website goes on to say that a **“failure to provide all requested information will automatically disqualify an agency from funding consideration.”** Finally, the Auditor’s website states that the application process for 2023 will begin in early 2023.¹²

¹²<https://www.jacksongov.org/Government/Departments/County-Legislative-Auditor/Outside-Agency-Funding#panel-1-4>

Despite the lack of a competitive process, the floor amendment proposes \$1,000,000 in “outside agency” funding for the benefit of only four agencies. While each of the agencies listed is doing important and needed work in Jackson County, I cannot approve funding that conflicts with the county’s policies, past practices, and the county legislative auditor’s current website. I would encourage the Legislature to move quickly to initiate the outside agency process and get the remaining funds into our community as soon as possible.

As a point of reference, I have compared the past five years of outside agency funding in the chart below. As you will see, by this time in each of the last four years the County Legislature had awarded at least 36 agencies a total of at least \$3,000,000. As you are aware, these funds are essential to so many agencies in our community and they need to be allocated fairly, wisely, and promptly:

<u>Budget Year</u>	<u>Ordinance</u>	<u># Awards</u>	<u>Funding Amount</u>	<u>Date Adopted</u>
2019	5178	52	\$3,031,943.00	02/04/2019
2020	5292	34	\$3,293,158.00	12/16/2019
2021	5461	41	\$3,097,615.00	12/14/2020
2022	5570	36	\$3,000,000.00	12/13/2020
2023¹³	5701	0	\$0	02/08/2023

Finally, Ordinance 5701, as amended, proposes increasing the appropriation from the county’s Health Fund.¹⁴ At my request, the County Counselor’s Office has reviewed this issue and determined that the County Legislature lacks legal authority to increase the appropriation of the Health Fund. In accordance with the powers vested in my office, I will use my line-item veto authority to reduce the appropriation and bring the county’s annual budget back into legal compliance.

¹³ The County Legislature lacks authority to override any line item vetoes in the Health Fund. See County Counselor’s Opinion, February 8, 2023.

¹⁴ See Section 532, Jackson County Code of Ordinances.

Conclusion

As County Executive, I do not have the authority to appropriate funds via a signing statement or veto. My office's power is limited, as it relates to Ordinance 5701, to either approving or reducing specific line items. However, it is important for the community, county associates, and the County Legislature to know that I remain committed to the priorities we have outlined, and I will not move forward until Our Healthy KC Eastside, the Jackson County Reproductive Equity Fund, Westside community improvement projects and the other arbitrary, capricious and politically motivated cuts are restored.

Sincerely,

A handwritten signature in blue ink, appearing to read "Frank White, Jr.", with a long horizontal line extending to the left.

Frank White, Jr.
Jackson County Executive

See Attached



FRANK WHITE, JR.
Jackson County Executive

TO: Mary Jo Spino
County Clerk

FROM: Frank White, Jr.
County Executive

Date: February 14, 2023

RECEIVED

FEB 14 2023

JAK
1:30 pm

MARY JO SPINO
COUNTY CLERK

RE: Ordinance 5701

In preparation for today's legislative meeting, I reviewed with staff my signing statement and veto message regarding this ordinance, the 2023 Jackson County budget. During that review, we discovered a clear and obvious typographical error on the spreadsheet attached to the message as "Attachment #1." That attachment, at items numbers 25 through 29, refers to county fund "3" which is the Park Fund. This reference is in error. The reference should be to county fund "2," the Health Fund. That this is an obvious typographical error is made clear by the fact that none of the account numbers listed in these items appear in the county budget for the Park Fund, either as proposed by me or amended by the legislature. These items do, however, appear in the Health Fund budget. I have had this attachment corrected and am filing it with your office with this memorandum.

CC: Members of the County Legislature

See Attached



#	Fund	Org #	Department	Account	Account Name	Objections (Line-Item Veto)
1	1	0301	Legislature - Auditor's Office	55010	Regular Salaries	\$ (186,000.00)
2	1	0301	Legislature - Auditor's Office	55036	Car Allowance	\$ (2,400.00)
3	1	0301	Legislature - Auditor's Office	55040	FICA Taxes	\$ (14,601.00)
4	1	0301	Legislature - Auditor's Office	55050	Pension Contribution	\$ (21,371.00)
5	1	0302	Legislature - Compliance	55010	Regular Salaries	\$ (90,000.00)
6	1	0302	Legislature - Compliance	55036	Car Allowance	\$ (2,400.00)
7	1	0302	Legislature - Compliance	55040	FICA Taxes	\$ (7,065.00)
8	1	0302	Legislature - Compliance	55050	Pension Contribution	\$ (10,341.00)
9	1	0201	Legislature - Clerk of the County	55010	Regular Salaries	\$ (30,000.00)
10	1	0201	Legislature - Clerk of the County	55040	FICA Taxes	\$ (2,355.00)
11	1	0201	Legislature - Clerk of the County	55050	Pension Contribution	\$ (3,447.00)
12	1	0112	Legislature - As a Whole	55010	Regular Salaries	\$ (85,000.00)
13	1	0112	Legislature - As a Whole	55040	FICA Taxes	\$ (6,673.00)
14	1	0112	Legislature - As a Whole	55050	Pension Contribution	\$ (9,767.00)
15	1	0112	Legislature - As a Whole	56160	Meeting Expense	\$ (27,000.00)
16	1	0112	Legislature - As a Whole	56020	Legal Services	\$ (100,000.00)
17	1	0112	Legislature - As a Whole	56021	Lobbyist Services	\$ (150,000.00)
18	1	0112	Legislature - As a Whole	56080	Other Professional Services	\$ (100,000.00)
19	1	0112	Legislature - As a Whole	56140	Travel Expense	\$ (95,000.00)
20	1	0112	Legislature - As a Whole	56210	Advertising	\$ (30,000.00)
21	1	0112	Legislature - As a Whole	56230	Printing	\$ (54,000.00)
22	1	0112	Legislature - As a Whole	56733	Audio/Video Services	\$ (50,000.00)
23	1	0112	Legislature - As a Whole	56790	Other Contractual Services	\$ (83,000.00)
24	1	0112	Legislature - As a Whole	57010	Office Supplies	\$ (8,625.00)
25	2	9000	Allowance for Outside Agencies- Mattie Rhodes	56789	Outside Agency Funding	\$ (250,000.00)
26	2	9000	Allowance for Outside Agencies- Samuel U. Rodgers	56789	Outside Agency Funding	\$ (250,000.00)
27	2	9000	Allowance for Outside Agencies- Footprints, Inc.	56789	Outside Agency Funding	\$ (250,000.00)
28	2	9000	Allowance for Outside Agencies- Heartland	56789	Outside Agency Funding	\$ (250,000.00)
29	2	9000	Allowance for Outside Agencies	56789	Outside Agency Funding	\$ (1,000,000.00)