

Kansas Association of Counties
Governing Board Minutes
Meeting Via Conference Call
July 24, 2015

Attendance

Board Members Present: Allison **Alejos**, Director of the Shawnee County Health Agency; John **Bartolac**, Johnson County Director of Records and Tax Administration; Marvin **Beesley**, Gove County Noxious Weed Director; Gene **Bryan**, Unified Government of Wyandotte County/Kansas City Appraiser, President; Kerry **McCue**, Ellis County EMS Director; Stan **McEvoy**, Decatur County Commissioner; Richard **Malm**, NACo Representative; Norbert **Marek**, Wabaunsee County Attorney; Lynn **Peterson**, Dickinson County Commissioner; **Rob Roberts**, Miami County Commissioner; Shawn **Tasset**, Ford County Commissioner; Glen **Tyson**, Osage County Road Director and Dan **Woydziak**, Butler County Commissioner.

Board Members Absent: Robert **Boyd**, Riley County Commissioner; Jim **Emerson**, Crawford County Counselor; and Hannah **Stambaugh**, Saline County Emergency Management Director.

Others Present: Randall Allen, KAC Executive Director; Melissa Wangemann, General Counsel; Dennis Kriesel, Operations and Finance Director.

Proceedings

Vice President Dan Woydziak called the meeting of the KAC Governing Board to order at 9:01 a.m. Randall Allen called roll, noting that Robert Boyd, Jim Emerson, Hannah Stambaugh and Kerry McCue did not respond. Kerry McCue recorded his presence at a later point in the meeting.

Vice President Woydziak called for review of the minutes. John Bartolac moved to adopt the May 22nd minutes and Glen Tyson seconded the motion. The motion passed.

Vice President Woydziak called on Operations and Finance Director Dennis Kriesel to review the KAC May financial statement. Dennis Kriesel explained the May financial statement along with his memo that clarifies the finances. He noted that May was the first month of 2015 with positive net income. The \$8,000 income in May reflected early registrations for the annual conference, which have not occurred in previous years. Aside from the upward fluctuation caused by annual conference registrations, the financial statement reflected a typical income and expense ratio for this time of year in the KAC budget cycle.

Vice President Woydziak called on Dusty Wagoner, CPA with the Berberich, Trahan accounting firm, who provided the audit of KAC for the year 2014. Wagoner reviewed the report, which is prepared for an entity's board of directors, and explained that it is prepared in accordance with General Accepted Accounting Principles (GAAP). He said the KAC financial statements fairly report the assets and expenses of the organization and that the statements comply with GAAP. While no questionable expenditures were found, there were two small adjustments made relating to the grant fund and a deferred revenue source. There were no significant difficulties with KAC management or in conducting the audit overall. Wagoner noted that the one control deficiency identified last year has been corrected. Wagoner also explained the decrease in accounts payable, caused by a change in receipt of grant funds from 2013 to 2014. Norbert Marek moved to accept the audit and place it on file, and John Bartolac seconded the motion. The motion passed.

Randall Allen discussed the engagement letter from Berberich, Trahan and Co. to conduct the 2015, 2016 and 2017 audits. He noted that BTC had done the audits the last few years, following their selection as a new accounting firm after having the same firm perform the KAC audits for a number of years. The upcoming audits will see an increase in the fee of \$250 per audit. Randall Allen requested approval of the engagement letter, and Shawn Tasset moved to approve. Marvin Beesley seconded the motion, and the motion passed.

Richard Malm, NACo representative, provided a report from the NACo Annual Conference. He noted that Kansas cast its 37 votes for Liz Archuleta of Arizona for 2nd Vice President, but Roy Brooks from Texas won the seat. He said the NACo prescription card can be used by jail inmates, and counties need to consider using the card to save money on inmate health care costs. He said NACo is working towards covering hearing and vision health, too. Richard Malm noted that increasing the minimum wage and sentencing juveniles to life were contentious topics for the NACo board during the conference. Melissa Wangemann said she had attended many of the health workshops, noting the programs on oral health and mental health, and specific discussion on the "Stepping Up" initiative to combat mental illness in county jails. She also relayed that a health grant is available to a Kansas county from a private corporation, and that NACo is coordinating the application process. Gene Bryan noted his experience at the NACo conference, and said that NACo has a new website that is very helpful to counties.

Randall Allen discussed the 2015 annual conference, noting that Dorrie Sullivan is moving aggressively on registration, and it has opened early. KAC budgeted for 420 registrations and KAC has received 415 already, with 402 being early-bird registrations that save \$100. Randall Allen discussed the different levels of registration, and the number of exhibitors that have rented booths. He also discussed the sponsorships, noting the Foley sponsorship and others totaling \$44,500. The Foley Equipment exclusive contract that prevents other vendors from

showcasing motor graders will end after the 2015 conference. Other vendors may show big equipment going forward, however, they will pay a premium fee to do so. Randall Allen explained the hotel arrangements for board members during the annual conference, and said seven board members have not responded to Dana Wethington, who is coordinating the hotel arrangements. He said the board and staff dinner will take place at the Kansas Leadership Center, an organization with which KAC has been working on educational programs. The executive director of the Leadership Center, Ed O'Malley, will be speaking at the annual conference.

Randall Allen moved into his Executive Director's report, saying that KAC will be hosting public health meetings across the state, sponsored by grant monies through the Kansas Health Foundation. The workshops will focus on the county statutory duty to identify and survey disease.

Randall Allen updated the board on the NACo election. Two candidates are running to be the KAC representative to NACo: Richard Malm and Steve Garten. The ballots are due August 6, and will be opened by KAC staff and the results will be made public after that date.

Randall Allen said that the League of Kansas Municipalities has agreed to a joint reception on January 27, 2016. The KAC and LKM will work on a joint program. Randall Allen also noted that Ellis County contacted KAC for assistance in recruiting and selecting a new county administrator. KAC staff had discussed at its staff retreat the potential for KAC to assist counties with employment issues. Ellis County has approved a letter of engagement to pay \$2,500 to KAC for assistance in recruiting and interviewing a new county administrator. KAC will not be involved in writing the final contract.

Randall Allen discussed the upcoming process for the Legislative Policy Committee. The committee is composed of 10 members, including 7 county commissioners. Three affiliate/associate members will be selected for the committee at an August 14th meeting of the seven members of the committee. He also noted the new request form that was created by KAC staff that requires typed requests and an indication that the county or the organization submitting the request has approved it, and the idea has been discussed with a legislator in advance of KAC's consideration of the issue.

Randall Allen discussed the property tax lid that passed during the 2015 session. He said altering that new law will be the priority for the 2016 session. It was noted by those on the call that the Realtors Association will push to move up the implementation date. Gene Bryan said his senator's newsletter said that he wanted an immediate effective date for the property tax lid. Dan Woydziak said that Sedgwick County lobbied for the property tax lid. Shawn Tasset said that KAC and counties need to educate others on the real effect of the property tax lid.

Norbert Marek said counties need to use the budgeting form available from the Department of Administration this year to identify the effects of the tax lid when it goes into effect. He said, for example, in the city of Westmoreland they would need to hold an election to increase taxes by \$4,000, and the election itself would cost more than \$4,000. Such examples need to be shared with the public and legislators to show the impact of the lid. Norbert Marek said counties need to talk to their accountants about the effects of the lid. The accountant he works with indicated that the lid would have the unintended consequence of encouraging cities and counties to increase taxes this year to create a higher base under the tax lid. Rob Roberts said Miami County raised its mill levy under this theory to accommodate the future jail expansion.

Melissa Wangemann suggested a bulletin from KAC to pass on Norbert Marek's suggestion of using the form for this year's budget to identify the problems created by the tax lid, and also the Reno County model of holding a meeting with their legislators to discuss the process used to enact the lid, and its effects on counties. She said she would work to get the bulletin out as soon as possible.

President Gene Bryan gave his President's Report, saying he learned from other counties at NACo that they are encountering the same problems of legislative overreach in their states. He noted Randall Allen's column in the *County Comment*, that nothing good occurs after midnight, and the Kansas legislature should consider that point. He said that he saw mention of Dickinson County in the NACo newsletter, along with mention of Richard Malm and Duane Patrick of Kansas, and that Kansas was getting press from NACo.

In closing, President Bryan reminded the board of its next meeting in Kansas City, Kansas on Friday, August 28.

The meeting was adjourned at 10:25 a.m.