Attendance

Board Members Present: John Bartolac, Johnson County Director of Records and Tax Administration; Craig Cox, Riley County Assistant Counselor; Max Dibble, Phillips County Commissioner, President; Ed Eilert, Urban County Representative; Dave Johnston, Sedgwick County EMS Operations Manager; Richard Malm, NACo Representative; Lynn Peterson, Dickinson County Commissioner; Lon Pishny, Finney County Commissioner; Gary Scoby, Nemaha County Commissioner; Clair Schrock, Thomas County Noxious Weed Director; Hannah Stambaugh, Saline County Emergency Management Director; and Barbara Wasinger, Rural County Representative and Dan Woydziak, Butler County Commissioner.

Board Members Absent: Nick Baldetti, Director of the Reno County Health Department; Jeff Blosser, Morris County Engineer and Road Supervisor; Patti Israel, Ford County Appraiser; and Rob Roberts, Miami County Commissioner.

Others Present: Randall Allen, KAC Executive Director; Dennis Kriesel, Operations and Finance Director; and Dorrie Sullivan, Education and Conference Director.

President Max Dibble opened the meeting at 9:00 a.m. President Dibble asked Randall Allen to call roll to determine who was attending the board meeting. Following roll call, Randall Allen noted that a quorum was present on the conference call.

President Dibble took up the first agenda item, which was the request from the Register of Deeds Association to join the KAC as an affiliate member as of January 1, 2018. Randall Allen noted that the ROD Association presented a letter requesting an affiliate membership within KAC. The letter included all the Registers of Deeds and their contact information. Randall Allen noted that the full membership would also vote on the affiliate status at the KAC annual conference. Lon Pishny moved to recommend that the KAC membership accept the request of the Register of Deeds Association to join as an affiliate member. John Bartolac seconded the motion. The motion passed.

President Dibble moved to the second agenda item, the KAC budget. President Dibble called on Randall Allen to present the KAC proposed budget for 2018. Randall Allen said today’s conversation precedes the budget discussion during the annual conference so that the board is fully informed of the budget ahead of the conference. Randall Allen started his review with the graph indicating the unrestricted assets. He noted a peak in 2015 in net assets that were
undesignated. Designated assets relate to the Local Road Engineer, which used to include a contribution from the Kansas Department of Transportation. He noted an increase subscription fee for the Local Road Engineer program, but those monies are set aside by the KAC board to fund that particular program. Randall Allen said it was his opinion that 50% of the annual budget should include undesignated, unrestricted assets. He said some of his colleagues have a higher percentage of cash set aside, but he believes at least one-half of the year’s budget should be set aside.

Randall Allen noted that KAC spent more than it is raised in the last 18 months. One expenditure that caused the overspending was the use of a contract lobbyist to combat the tax lid. He also said the loss of the 911 contract resulted in a loss of revenues to KAC. He noted that the 911 contract funded Nathan Eberline’s position. The loss was $131,000 with expenses less than $50,000, resulting in $80,000 profit that supplemented other programs. When presenting the 2017 budget, Randall Allen noted several cuts made to the 2017 budget. In the 2018 budget that he is presenting today, the position of administrative assistant is eliminated. Jeanna Lee had served in that position until she left this summer, and then Melissa Baumgartner assumed that position for a short time. He recommends elimination of that position. Randall Allen said the budget changes the Associate Legal Counsel position, held by Nathan Eberline, to a part-time position. He said the aim was to retain Nathan’s role in lobbying KAC’s interest during the 2018 session. Following the session, Nathan would not work many hours during the interim. He said the budget is left with about a $20,000 deficit. He said he would ask the Board in the future for direction on office space, and the possibility for downsizing the office space.

Randall Allen discussed the revenues included in the 2018 budget, which includes a 1% increase in dues. The dues include an assumption of shrinkage in membership. Randall Allen also discussed a subscription plan for webinars to be presented throughout 2018. He said there is one increase in staff pay attributable to Dana Wethington, who is picking up additional duties by performing some parts of the administrative assistant position. He said health care is projected to increase by 15%, and dental and vision insurance is expected to increase 5%. Randall Allen said the budget includes regional suppers for the year. He complimented Hannah Stambaugh on her ideas for the educational program. He turned the discussion over to Dorrie Sullivan to discuss the education program for 2018. She discussed the involvement with the LTAP program, which generally benefits the public works departments and road supervisors. She said KAC will scale back workshops and delegate them to the LTAP program at KU. She said KAC is not making money from these classes. Hannah Stambaugh had suggested working with the affiliate groups who have grant monies, making the classes cheaper for KAC members. Randall Allen noted a revenue item in the budget for a refresher course for commissioners. He said he received the suggestion from new commissioners who attended this year’s New
Commissioner Orientation. President Dibble said the New Commissioner’s Orientation is generally in Topeka, but he thought a second meeting in the western part of state, such as Hays or Wakeeny. Barbara Wasinger said she agreed with President Dibble’s idea of hosting a second meeting in western Kansas. Randall Allen noted that his concern is accessing speakers in the second location. Barbara Wasinger also suggested skyping or facetime with the speakers who might be from other locations.

Ed Eillert asked about the downsizing of Nathan Eberline’s position. Randall Allen noted that Nathan’s strength is the legislative work. He noted both Nathan and Melissa handle legal inquiries from members. He said the KAC Legal Division receives requests from the Attorney General for input on opinions. He said it is not a foregone conclusion that KAC will lose Nathan over the part-time status. He said if future revenues were added, he said making that position full-time again would be a priority. Randall Allen said there are lot of programs offered by KAC that could generate dues such as deferred compensation, cooperative purchasing, and executive recruitment. Randall Allen said that KAC is not in danger of losing Nathan over the changes. Lynn Peterson expressed concern about losing Nathan, and the loss of investment in him. He asked about his relationship to the 911 contract, and Dennis Kriesel noted that Nathan Eberline was not related to the 911 contract; he performed no functions under that contract and was not responsible for losing the contract. His costs, however, were subsidized by the 911 contract. As for losing the 911 contract, KAC’s bid was substantially higher than the other bid, and that resulted in losing the contract. Lon Pishny said he trusts that the idea was vetted thoroughly with Nathan. Lon Pishny said this is a cost-benefit question; what benefit are we reducing for our members by downsizing staff. Are we going to be able to meet the needs of our members. Dennis Kriesel said the legislative program does not generate any income and is totally financed by dues. He explained that the 911 contract subsidized the position. He said the board would need to find $80,000 to fund that position. Lon said that cutting benefits to save costs can cause a downward spiral for a company. Jeff Blosser said he was concerned about being too frugal and causing a loss of services. Randall Allen said the board could help generate revenues by encouraging employees to use the Nationwide deferred compensation and the NACo cooperative marketing program. Randall Allen noted that the insurance pools used to be part of KAC and helped fund KAC programs. Randall Allen said KAC needs to find non-dues revenues to help supplement the budget. Max Dibble asked about the support from KCAMP and KWORCC and whether KAC had approached them to request increases in those amounts. Randall Allen said those amounts have not increased over the years. Lon Pishny said it would be helpful to see the revenues from the two groups over the years. Dennis Kriesel said the amounts of $20,000 have been the same since inception, and that amount has not increased. Lon Pishny asked for explanation on Fund 6700, which related to a contract for engineering. Dennis Kriesel noted the subscription fee for the Local Road Engineer, and the expenses for the program come out of the designated fee. Dennis Kriesel said the program
pays for itself and is self-sufficient. Jeff Blosser said the dues were raised to offset the loss of grant funding from KDOT, resulting in a large cash reserve. The program is spending down cash reserves now. Max Dibble said KAC could do more education on the NACo programs to encourage county participation in the programs that support KAC. Lon Pishny noted that there is another deferred compensation program that competes with nationwide, and some counties may want to buy local, which means they are not participating in the cooperative marketing program. Max Dibble said further discussion on the budget will occur at the board meeting during the KAC Annual Conference. He confirmed the next board meeting, the special meeting reviewing the proposed Bylaws amendment, which will occur on October 27th.

With no further business, the meeting was adjourned at 10:23 a.m.