

Kansas Association of Counties
Governing Board Meeting Minutes
October 15, 2018
Sheraton, Overland Park, KS

Attendance

Board Members Present: Nick **Baldetti**, Reno County Public Health Director; John **Bartolac**, Johnson County Director of Records and Tax Administration; Jeff **Blosser**, Morris County Engineer; Craig **Cox**, Riley County Assistant Counselor; Max **Dibble**, Phillips County Commissioner, Ed **Eilert**, Chairman, Board of Johnson County Commissioners; Susan **Hubbell**, Kingman County Register of Deeds; Patti **Israel**, Ford County Appraiser; Dave **Johnston**, Sedgwick County EMS Operations Manager; Richard **Malm**, NACo Representative, Jefferson County Commissioner; Lynn **Peterson**, Dickinson County Commissioner; Lon **Pishny**, Finney County Commissioner; Rob **Roberts**, Miami County Commissioner; Clair **Schrock**, Thomas County Noxious Weed Director; Gary **Scoby**, Nemaha County Commissioner; Hannah **Stambaugh**, Saline County Emergency Management Director; Barbara **Wasinger**, Ellis County Commissioner; and Chip **Westfall**, Harvey County Commissioner.

Others Present: Randall **Allen**, KAC Executive Director; Dennis **Kriesel**, Operations and Finance Director; Jay **Hall**, Legislative Policy Director & General Counsel; Betty **Oliva**, Office Manager.

Proceedings:

President Max Dibble called the meeting of the KAC Governing Board to order at 9:02a.m. He called for any changes to the agenda. Added to the agenda will be a Task Force briefing by Norm Bowers, KAC Local Road Engineer. With no other changes, Jeff Blosser moved to approve the amended agenda and John Bartolac seconded the motion. The motion passed.

Norm Bowers gave a report on the Transportation Task Force, **Future Road Funding-Production Tax**: Since the Transportation Vision Task Force is considering future funding such as a mileage tax, one option might be a production tax. County wide property tax, which is the main source of funding for local roads, may be an unfair way to fund roads as the value of property has no relation to road use. It seems reasonable to consider new funding sources for industries that result in high road maintenance costs such as: sand, rock, oil, crops, livestock, and milk. There will be opposition to any new funding source, and we doubt current road conditions are poor enough to justify a new tax and overcome the opposition. We do not have any specific proposal at this time, but just hoped the task force would list a production tax with other possible future funding options.

Further discussion in relation to the Task Force ensued. President Dibble added that after the Garden City meeting, Julie Lohrenz (facilitator) would like to bring in the question that if the locals get more money what the priorities would be. Norm and Max discussed possibly bridges. The locals, city and counties need help with the bridge part. Bridges, roads and concrete is 75 to 80 years old. Counties need help with roads and bridges which are critical. The general feel initially was that KDOT

would have the counties and cities interest in mind when giving testimony but this hasn't happened. KDOT is worried about their funding for the state system. The counties have the vast majority of road miles and bridges to deal with. KCHA is having to work their representation. The task force didn't understand that the counties have the vast majority of roads and bridges to deal with.

President Dibble added that this was to think outside the box on ways to generate additional revenue and that it's not endorsed by KAC. Lon Pishny spoke of the October 24th meeting for Norm clarifying to the group that it was not an official position of KAC. Norm confirmed that he spoke as a Road Engineer, not representing KAC and will be sure to clarify at the upcoming October 24th meeting.

President Dibble called on the board to review the August 24, 2018 and September 28, 2018 minutes, asked if there were additions or corrections to make to the minutes. Chip Westfall moved to approve and Patti Israel seconded the motion to approve both minutes. The motion passed.

President Dibble called on Hannah Stambaugh to report on the Bills and Payrolls report for October 15, 2018. She noted that everything appeared to be in order and correct with disbursements of \$70,068.67 and asked for a motion to approve. Dave Johnston moved to approve and Rob Roberts seconded the motion. The motion carried.

President Dibble called on Dennis Kriesel to present the Monthly Financial Report ending July 31, 2018. He reported the change in net assets (YTD) being \$81,284.99 positive. The KAC Annual Conference is slower in July which isn't surprising with no early bird registration option for full-conference attendees. Over all we still gained over \$18,000 in income for the month of July. Net assets are well above what the budget had assumed. The chief factor at this point of the year has to do with the General Counsel position being vacant and no expense has been associated with that position anymore. The current forecast with Jay's employment beginning October 1, 2018, will offset a lot of the expense we had foreseen for 2018. Until we see how the conference performs, we can't promise anything, but we may end the year with positive net assets, having originally projected a \$21,000 loss for the year.

Dennis asked for a motion to approve if there were not questions or comments. Lon Pishny made a motion for approval and John Bartolac seconded the motion. Motion passed.

Consideration and adoption of the 2019 KAC Budget. Dennis sent out the revised budget for 2019. Dennis reviewed the revised 2019 – 4 changes made, 3 based off Board action, 4th change was not based off of board action but by Richard Malm indicating to Dennis after the meeting the cost for his trip for the December NACo meeting could be reduced by \$1,000 so Dennis modified that because Board action was not required for that change it just allow for a more accurate projection.

3 board action items are:

- Local Government Day is added back in the budget for a line item expense of \$7,500 under food
- KAC President attending the NACo was added back, \$1,970.00
- KAC Executive Director attending the NCCAE Conference was added back \$1,197.00

The current draft proposal is an income forecast of \$961,880.00 with an expense forecast of \$975,918.00 which means for balance we need to employ cash in the amount of \$14,038.00. Of this amount, \$11,493.00 was already in the budget and designated cash for the Road Engineer Program. All part of our plan as we slowly ramp up those membership fees for the engineer program, we're slowly spending down cash reserves that are in a designated category, designated by the Board many years ago to help. We knew this was going to happen when we lost the grants from KDOT, we have this cash pool, KCHA is interested in what we are doing and so we continue to exercise that option. What is now changed based on yesterday's action it using an additional \$2,546 in unrestricted, undesignated cash that will need to achieve balance from the reserves. This is the summary of where the budget stands based on the board's action on October 14.

Randall Allen recommends the approval the proposed budget as it stands. If there are any additional changes, now is the time to do it. The By-laws requires the Board to adopt a budget today.

Lon Pishny moved to approve the budget as presented by Dennis that is \$961,880 in revenue and \$975,918.00 in expenses. Ed Eilert seconded the motion. Motion passed 17 to 1.

Next item of business is a review of Protocols for adopting the 2019 Legislative Policy Statement. This is a description of the process for adopting the Legislative Policy Statement, the Legislative Policy membership that was disseminated to the membership, was sent out widely, we understand a number of counties have discussed that internally, staff and elected officials, etc. and now it moves to where it's considered by the membership at this meeting and then adoption. Later this afternoon at 4:30pm in the Cottonwood 3 room of the Sheraton. At that time, it will be meeting of the Policy Committee and a review of the Policy Statement, the Board is requested to attend this meeting along with the additional 5 members who are part of this committee and it will be presented. Tomorrow morning at the Business Meeting, 7:30am, the adoption of the statement will occur with President Dibble presiding the meeting.

Next item of business, Randall Allen gave an overview of the 43rd Annual Conference including any changes from the previous years.

The incoming KAC Board has now been formed based upon some recent appointments and elections, including:

Robert Vidricksen, Saline County Commission, Chairman, succeeding Lynn Peterson.

Brian Stone, Cowley County Emergency Management, Director, succeeding Hannah Stambaugh.

Don Pyle, Crawford County Clerk, succeeding John Bartolac.

Mixie Vance, Jackson County, Noxious Weed Director, succeeding Clair Schrock

The November 16, 2108 Board meeting is the transitional meeting, and will include all current Board Members with the 4 new Board members. This is the re-organizational meeting, setting the new calendar of meetings for 2019. The Finance Committee will meet at 9:00 a.m. with the Board meeting beginning at 10:00 a.m. There is no Board meeting scheduled for December.

No self-nominations were received from persons for the Rural Representative position, currently held by Barb Wasinger, Ellis County. Randall indicated that the board will need to entertain a motion to elect Barb Wasinger as the Rural Representative for the 2-year term beginning next month extending into late 2020. Richard Malm made a motion to re-appoint Barb Wasinger as the Rural Representative, Lynn Peterson seconded the motion. Motion carried.

President's Report – President Dibble reported on the Task Force, currently half-way through the meetings, attending every meeting thus far representing KAC, been an eye-opener and seeing the requests with one expectation being for the Legislature to somehow lock down the sales tax that goes into KDOT so it cannot be diverted to the State General Fund. The gas tax is safe and secure, they can't transfer it out. The Legislature will try to secure the monies so they cannot be transferred out. If it's achieved through a bill, it's possible the next year it could be changed back, so there is no clear solution but the issue is on everyone's radar. Most are in tune to completing the deferred projects for about \$600,000,000.00 for which there are 21 on the list. It will take about \$600,000,000.00 for maintenance and preservation. With the other projects, the committee is waiting to see where they come in on the list for priority depending on funding. Everyone's attendance is appreciated at all the meetings and being involved. All meetings are open and everyone's participation is encouraged.

Additional comments and discussion surrounded concerns with KDOT and for the Legislature being in tune for needed funding for infrastructure. There are currently 6 Legislatures on the Task Force.

Lon Pishny added that part of the oral testimony in Garden City was a plea from several testifying not to rob KDOT funds. The plea to the Task Force in Garden City was to leave the funds where they are.

The next item of business was the confirmation of KAC's reorganizational meeting on Friday, November 16, 2018, 300 SW 8th Ave., Lower Level, Topeka, KS. The Finance Committee meets at 9:00 and the board at 10:00 a.m., with the current and newly-constituted boards both participating. The meeting is anticipated to last until about 2:00PM.

Ed Eilert made an announcement that there are scheduled times for free tours at the Arts & Heritage Center, during the Conference. The front desk at the hotel can help with scheduling a time.

With no more business, Jeff Blosser made a motion to adjourn the meeting, seconded by Richard Malm. Motion carried. Meeting adjourned at 09:57 a.m.