

May 31, 2016
Reno County Courthouse
Hutchinson, Kansas

The Board of Reno County Commissioners met in agenda session with, Chairman Dan Deming, Commissioners James Schlickau and Brad Dillon, County Administrator Gary Meagher, County Counselor Joe O'Sullivan and Minutes Clerk Cindy Martin, present.

The meeting began with the Pledge of Allegiance and a short sectarian prayer led by Retired Pastor Mark Conard, First United Methodist church.

There was one addition to the agenda; sale tax report.

Mr. Dillon moved, seconded by Mr. Schlickau, to approve the Consent Agenda consisting of the Accounts Payable Ledger for claims payable on June 3, 2016 of \$331,694.05 as submitted and also consisting of pending Added, Abated and Escaped Taxation Change Orders numbered 2016-484, 485, 510, 511. Next item on the consent agenda was to appoint Patrick Henke as Grant Treasurer to fill a vacancy from the resignation of Larry Woods. The motion was approved by a 3-0 vote.

Community Corrections Director Randy Regehr met with the Board to recommend approval for a Community Corrections Benefit Payout Fund that is required by the Department of Corrections for paying employee benefits at retirement. He stated Kansas Department of Corrections grant money would be expensed to a separate County fund to build this payout fund. Contributions are calculated at a rate of one percent of each full time employee's annual salary with a maximum balance of \$75,000. Money from the benefits payout fund may be used to cover budget shortfalls within the adult supervision program. He further explained that Client reimbursements may also be expensed to the benefits payout fund. This is the first year for this benefits payout fund to be used by the adult side of Corrections. **Mr. Dillon moved, seconded by Mr. Schlickau**, to approve the new policy, "Benefit Payout Fund", for Community Corrections as outlined by Mr. Regehr. The motion was approved by a 3-0 vote.

County Administrator Gary Meagher discussed the 2017 funding requests from certain local agencies, partially funded by the county, including additional funds being sought by the

Reno County Conservation District, Extension Office, and possible changes in funding for the Quest Center and local Economic Development through the Hutchinson/Reno County Chamber of Commerce.

Mr. Meagher started the funding discussion with the Reno County Conservation District's request for \$4,500 more for 2017 or if more funds were available they would not turn it down since their funding from the state could be dropping. The FY2016 State Cost Share Allocation for Reno County was \$31,879 however they were not expecting the increase for 2017 but the proposed for matching funds was closer to \$22,000. They wanted to maintain the level of services provided to the residents of Reno County. Commissioner Deming questioned what WRAPS Personnel Reimbursement line was on the 2017 Operations Fund Budget for \$5,000 more in 2017. The Board asked if Mr. Meagher would have a representative come to discuss their budget request.

Extension Office has asked for an additional funding of \$39,000 for 2017 due to increasing costs for equipment, supplies, audits, phone services etc. and also will be able to provide better services to the people in the county. They will be experiencing a reduction in 2017 of K-State funds from \$74,568 to \$69,064 and are concerned about the state funding level.

Commissioner Deming asked if personnel had been eliminated, since the last few years their requests had remained the same amount.

Extension Director Jan Steen was in the audience and commented they had not since they were using a reserve account in the amount of \$107,000 but he anticipated by the end of 2016 it would drop to around \$70,000 depending on any call backs from the state.

Commissioner Schlickau asked about the districting that had been previously discussed since it did have advantages to pursue. Mr. Steen replied that Rice, McPherson and Kingman showed most interest in joining with Reno County. If we go through the motions and get all the paperwork filed and approved they would become a district July 1, 2017 but still be funded by the county until December then pick up as a taxing entity in January.

Commissioner Dillon wanted to know what taxing entity meant. Mr. Steen explained if they merged with the other counties we would become an Extension District and set a mill levy at that point. If we became a District with the other counties the mill would be .669, making the cost go up per capita from \$5.14 cents to \$6.70 cents per year. Mr. Schlickau stated instead of the \$330,000 coming from the county, the mill levy would be assessed to all taxpayers.

County Counselor Joe O'Sullivan wanted to know about members of the District Board. Mr. Steen replied that the first year the Board of Commissioners from each county would select four people to sit on the Extension District Board. The next election year the positions would be on the ballot. He also stated presently there were 16 Districts with some more in discussions. The first district was formed in 1996. Mr. Schlickau asked how it affected Extension personnel here when you become a District. Mr. Steen answered that some districts had special agents, some fill in with program assistances that are overseen by agents, and still others stay the same.

Commissioner Schlickau wanted to know how long the Extension Office had been given \$330,000 from the county. Mr. Steen stated since 2008 but it was reduced in 2011 and restored in 2012.

Commissioner Deming stated maybe we should consider leaving the amount as is and having them use the reserve of \$75,000. He felt they were due an increase to keep good personnel but wanted to wait to look at the long range future concerning the Extension District.

Mr. Meagher started the Economic Development discussion with the Chamber of Commerce having two different agencies, MarketHutch asking for \$13,500 and the Economic Development program (GreaterHutch) asking for \$19,000. This represents the same amount of financial assistance provided in previous years. Because of the recent development of a new five year strategic plan for economic development based on the addition of staff to specialize efforts in both new business recruitment and local business assistance, they are asking the commission to consider an increase in participation. This increase would be directed toward hiring an additional staff member for the economic development team. The Chamber has initiated the Hutch Rising capital campaign to further fund economic development activities in Reno County. They have asked the County Commission if it

would evaluate an increased participation; however they recognize that resources are limited.

Commissioner Deming talked about hearing from a number of citizens feeling both the public and private sector need to do more to stimulate and encourage additional jobs, better wages and economic development in general. Mr. Deming noted the recently launched Chamber of Commerce Hutch Rising program is designed to do that, in part by hiring a second full time economic development staff member. Mr. Deming said he believes the county is justified in allocating more dollars toward job creation by being a part of the Hutch Rising program. He suggested a \$25,000 commitment to The Chamber job, business retention and recruitment efforts, in addition to the county's current \$19,000 allocation to the Chamber along with \$13,500 for Market Hutchinson. He noted the county's current commitment is considerably less than \$58,000 allocated by the City of Hutchinson along with a substantial increase in city funds being sought next year by the Chamber. Additional county funds would be tied to a contract for hiring a second qualified economic development person and would be reviewed annually by the County Administrator and Commission to determine effectiveness and whether the agreement should continue. Mr. Deming suggested using money from the Commission Discretionary Fund since it is budgeted at \$34,500, which has been considerably underspent each year since 2013. So far this year, \$13,369 has been spent from the Discretionary Fund, leaving about \$21,000 with no specific spending currently planned. Mr. Deming suggested budgeting the Discretionary Fund at \$10,000 for next year and taking the \$25,000 for The Chamber Economic Development from that budget line, allowing a shift of spending priorities without raising the overall county budget. Mr. Deming felt under Jason Ball's leadership the Chamber has helped businesses county wide not just in the city. He thought Mr. Ball was doing a fine job for The Chamber and Reno County.

Commissioner Schlickau stated that Jason Ball and staff are doing an outstanding job and Hutch Rising has gone very well. He discussed the options for increasing or decreasing the Chamber and Quest Center.

Mr. Meagher spoke about the Discretionary Fund being reduced previously. He stated in 2012 the fund went in the red from projects. You would not have to budget that much or if it is not used it could roll over to the next year or reduce it.

Commissioner Dillon questioned if The Chamber was asking for more money from the county. Mr. Meagher replied no they were asking for the same not more but if we had additional they would not turn it down. Mr. Dillon asked if money Mr. Deming is suggesting be given is what Hutch Rising is planning to do with private donations. Mr. Deming answered yes it is but county participation is needed according to what he has been told by Mr. Ball, in part to increase quality of the person hired for additional economic development work. Mr. Dillon would like to leave the Chamber where it is and leave some flexibility in the Discretionary Fund. Mr. Dillon would like to hear from Jason Ball.

Commissioner Dillon wanted to address the Emergency Medical Services, ambulance fund. Mr. Meagher replied that they were projecting a \$57,983 drop in requested funds from Reno County due to increased runs and the hospital had been working on flattening out capital purchases with still getting equipment as they needed. He went on to say that to flatten out capital purchases prevented the large ups and downs in their budget requests. He discussed fixed costs and how we ultimately cover the shortfall costs.

Commissioner Deming discussed using a smaller ambulance like Butler County to reduce their capital costs. He was hoping to eventually get at least one for our fleet. Mr. Meagher went into further detail between using the larger box ambulances versus the smaller ambulances for patient transports on non-emergency situations.

Mr. Meagher ended with the agreement with the Quest Center. In 2016 the county funded \$65,000 review annual request. He directed the Board to see the information in their packet showing the \$34,000 funds coming from the college and some rental income. Mr. Deming stated it was a good move to put the Quest Center under Hutchinson Community College and the Board agreed. The Board requested the Quest Center to come speak about their budget after Mr. Dillon had questions regarding the college's involvement in the Quest Center. Mr. Dillon wanted an itemized detail report on what the funds covered.

Mr. Meagher also was present to update the Board on the Sales Tax reports. He stated the County Sales Tax Revenue was down approximately \$45,000 from last month and for the year down \$58,980.32. The Sales Tax Revenue for the new jail was down \$55,000 plus from last month and down \$85,677.17 for the year same time.

Health Department Director Nick Baldetti met with the Board for his regularly scheduled meeting. He discussed various items not requiring action by the Board.

Mr. Meagher commented on the Wellness Program in the past being out sourced for the web portal and biometric screening. He further stated the Health Department's purchase of the Cholesterol screening equipment would allow the biometric test to be in house and save the county money along with the Information Technology Department (IT) developing the web portal for employees. IT would tailor the web portal to service our needs with employee's points and not follow a preformed page as previous companies which would also save the county money.

At 10:20 the meeting adjourned until 9:00 a.m. Tuesday, June 7, 2016.

Approved:

Chair, Board of Reno County Commissioners

(ATTEST)

Reno County Clerk
cm

Date