

COMMISSIONERS' PROCEEDINGS
BUDGET WORKSHOP
JULY 8, 2025

Agenda: 8:30 – Budget Workshop with Lewis, Hooper & Dick, LLC

The Board of Stevens County Commissioners met for the budget workshop with Theresa Dasenbrock, Lisa Axeman and Tiffany O'Rourke from Lewis Hooper and Dick, LLC. County Clerk Amy Jo Tharp was also present. Tron called the meeting to order.

Cammie Heaton, Pat Hall and Tony Martin were in attendance.

Lisa went over the landfill maintenance and stated it is at sixty percent (60%) capacity. Lisa then discussed the 2024 graph of receipts, comparison receipts, expenditures, comparison of expenditures, and comparison of receipts for the general fund. Next Lisa went over the audit report for review, stating the county ended with 18.4 million in total cash which includes 4.9 million in the general fund. The airport grants fund is in the negative and Amy said there should be some grant reimbursements coming in soon for the airport as she was communicating with Robert Davis from the airport board and Caleb Coltrane from Garver last week. Lisa stated there was one (1) budget violation with the community health department by spending over the budget. Cammie replied that she had come to a commissioner meeting to inform she will probably go over budget as she had to purchase vaccines toward the end of the year. Lisa said the commissioners should have amended the health department budget or approved paying for the vaccines out of another fund account.

Tiffany went over the budget letter stating the commissioners need to monitor the cash balance funds but understand the grant funds can be difficult to monitor as it is based on reimbursements. Tiffany stated the county department inventories are to be submitted annually to the county clerk and noticed some are not getting turned in. The inventory is due at the end of the year and needs to have items listed at \$500.00 or above. Any work done with the county that is \$100,000.00 or above needs to have a performance bond and it was stated the airport needs to follow the same procedures. A few departments in the general fund went over their budget, including solid waste, county attorney, county counselor, and county clerk (due to more than expected RNR fees). Tiffany also mentioned there are several airport projects that have no commissioner approval or signed contracts, and the commissioners are responsible for reviewing and approving all projects. Any department that has petty cash must keep a log of the cash. Any outstanding checks need to be cleared up, the motor vehicle fund needs to have dual authorization, any bill dated for the previous year needs to come out of that year's budget, department heads are responsible for staying within their budget authority, and all grants need to be monitored by the department in which the grant is for. Kansas statute 28-115a requires anything over \$50,000.00 in the register of deeds tech fund to be designated for specific equipment or technology services, or the commissioners may authorize a transfer of funds.

The wellness center is responsible for sales tax reporting on a timely basis as there were several reports submitted late which could result in fines and penalties for the county. Cash/check receipts

with supporting documentation must be submitted to the treasurer's office on a timely basis. Any discrepancies in the deposits with the treasurer's office need to be reported to and investigated by the commissioners as there were unreconcilable differences between the amounts remitted and the underlying supporting documentation. There were incorrect deposits and late deposits that could result in misappropriation of assets and other accounting issues. The wellness center must run as a receipt neutral department and according to reports the wellness center exceeded the receipts by \$44,180.00. Recommendation is to monitor the wellness center throughout the year to ensure they are operating receipt neutral as intended. Findings also revealed an instance where the purchasing policy was not adhered to.

All departments must follow the county purchasing policy in which anything over \$500.00 must be approved by the commissioners and anything over \$5,000.00 must be done through a bidding process.

Lisa went over the 2024 levy comparatives for the 2025 budget graphs and the ten (10) year comparisons including population, assessed tangible valuation, levy, mill levies in the cities, and total bonded indebtedness with surrounding counties.

Lisa said the estimated valuation reported by Amy for Stevens County is 129,112,943 which is an increase and puts the RNR at 62.495.

Seaboard Energy was discussed in the manner that if they are allowed to claim exemptions and it drops the value for the county by forty (40) mills, what that would impact. County Appraiser Angela Eichman was asked to come in. Angela said she has not received anything from Seaboard as she was told, such as maps and blueprints, so she can get a good idea of what their true value would be. Angela also stated Seaboard is waiting to see what happens with Conestoga on what the state is clarifying as personal property versus real property; this would give a better idea on how much the county value would drop. Angela said she will reach out to the Seaboard Energy attorney and see what they expect the value to be.

The auditors then went through each department's requested budget and explained they did an increase of three percent (3%) in wages and fifteen percent (15%) in employee benefits for insurance. The commissioners lowered some of the budgets but did discuss what would happen and how much would have to be lowered if the county's valuation were to drop down to 89 mills.

Cammie stated there is no more COVID funding, family planning was dropped by half (1/2) of the requested grant, and there is a thirty percent (30%) decrease for PHEP by the state, but the IEP and WIC grants are undetermined at this time.

The hospital budget was dropped from \$1,000,000.00 to \$900,000.00 with the hospital getting one (1) mill as allocated and the rest to Pioneer Manor. The library is held at 2.5 mills, and services for the elderly are held at 1.5 mills.

The commissioners asked the auditors what would happen if the county appropriated the funds as requested to county entities such as the hospital, museum, et cetera, and what would happen if

Seaboard Energy was granted their request. The auditors responded that the entities would be required to pay a partial amount of those funds back to the county.

Tony verified with the auditors that the new landfill pit vouchers are to be paid out of the landfill closure fund. Tony also discussed the fair funding and stated the fair will no longer have aid from the Parson's Trust.

Amy discussed with the commissioners and auditors when the appropriations are to be paid for each entity.

The auditors discussed the WKANDO fund stating there is \$7,062.00 in the fund and want to know if the commissioners would like to transfer that amount to another fund as it is no longer active. The commissioners agreed.

The auditors informed the commissioners they can possibly do transfers from the building fund to help with the issue of potential tax increases, but it can only be done once.

The auditors and commissioners decided the changes they have made to the budget requests at this time will be approved but want to let departments know those amounts could change at the budget hearing once Seaboard Energy's valuation is approved by the state.

The budget hearing for 2026 will be held on September 15th, 2025, at 8:30 AM.

Attest: Amy Jo Tharp, County Clerk

Tron Stegman, Chairman