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COUNTY Comment

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In This Issue

On the Road	1
New Commissioners' Orientation	3
A Message from the State Fire Marshal.....	4
KAC and EBT	5
Don't Let the Smartphone Become a Dumbphone.....	6
The Local Lawyer	7
Responsibility Focused Leadership.....	9
Business Partners Program.....	11

On The Road

By Norm Bowers, Local Road Engineer



Special Road and Machinery Fund Sending a Message About Funding

I discovered that a number of counties are not using a very flexible fund for road and bridge purposes. KSA 68-141g defines what is usually called the Special Road and Machinery Fund. This fund is an ongoing cash fund that can be used to accumulate funds for large projects and equipment purchases. Many counties transfer excess road and bridge funds into this special fund. Reimbursements from the Federal Fund Exchange are a natural to be transferred into this fund. The county commission by resolution transfers the cash into the Special Road and Machinery Fund. This usually occurs in December if it is determined that there is excess cash available in the road fund. The annual limit of the transfer is 25% of the road and bridge fund.

All moneys credited to this special fund are required to be used for the purpose of purchasing road, bridge or street building machinery or equipment or the building of bridges. The fund is not limited by an annual budget, but the published budget for the fund should show the amount credited to the fund, the amount on hand, and the amount expended. The published budget is only for informational purposes.

Some budget people think if the funds in the road and bridge fund are not expended in the same budget year that the money wasn't needed on the roads. There are quite a few reasons that there could be excess cash in the road and bridge fund. The most common reasons are as follows. 1. A planned project or planned maintenance may have been delayed due to weather or other reasons. 2. There may have been unanticipated federal or state reimbursements from a declared disaster. 3. Reimbursements were received from the Federal Funds Exchange program. 4. Reimbursements were received from work done for a city.

State law (KSA 12-1663) allows a county to exceed budget for reimbursements from the state and federal government for declared disasters and other grants. Also, unanticipated reimbursements may allow a county to exceed the published budget. However, sometimes the timing of the reimbursement does not allow for expending the funds in the same budget year. For instance, if you receive a reimbursement in October it is too late to start a road project. So if there is excess cash that cannot be spent in that budget year it can be transferred to the Special Road and Machinery Fund. Then the funds can be expended in

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On The Road continued...

the next budget year or put in reserve to help pay for a large project.

There is little doubt that funding for county road maintenance is inadequate. In order to save money many counties have reduced the miles of paved roads. The bridge replacement rate is less than half of what is needed to keep all our bridges open in the long term. I continue to hear of staff reductions and consolidation of grader districts. These cutbacks are not because the roads and bridges are in such good shape, but because of needs in other program areas. Road departments are sometimes seen as big operations with a big budget, and they won't miss a few workers or a few dollars. Infrastructure deteriorates slowly, and can withstand some short term neglect, but in the long term cutbacks will result in poorer roads and bridges.

I hear rumors of counties putting reimbursements from the KDOT Federal Funds Exchange Program into the general fund for general county operations rather than dedicating those reimbursements to work on the roads. That may or may not be legal depending on how the budget is prepared, but think of the message that sends to KDOT. It tells KDOT you really didn't need the money for roads. Does it make a difference what KDOT thinks? It might if they get short of money. An analogy that might apply is when a parent gives their child lunch money. The parent expects the child to buy lunch. If the child skips lunch and buys a yo-yo (Yes, you can still buy a yo-yo), the child hasn't done anything illegal but he has violated a trust. Sure KDOT is not the parent and the counties are not the child, but KDOT is in the business of transportation, not in financing other county operations. So we need to be careful on how we spend reimbursements intended to finance road work, or we might not see a continuation of the program.

Those involved in the budget process are familiar with all the tradeoffs and anguish related to developing a budget with limited revenue. The perspective is much different to a citizen, KDOT, or a state legislator. The message sent to them when you reduce the road budget or use reimbursements for non-road purposes is that the roads are good enough. ■

If you like roads, and who doesn't, you may be interested in my twice monthly email on current road issues and road items of statewide interest. If you would like to receive these emails just send me an email request with position, and county or company at bowers@kansascountries.org.



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