

**Kentucky Council of
Area Development Districts**
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MEETING MINUTES

Kentucky Council of Area Development Districts (KCADD)
Hybrid Quarterly Meeting | 5 p.m., Wednesday, June 12, 2024
Lexington Griffin Gate Marriott

Members Present

Judge Rick Stiltner (GADD), Chairman
Judge Matthew Wireman (BSADD), 1st Vice Chair
Mayor Kevin Cotton, (PeADD), 2nd Vice Chair
Ms. Penny Robinson, (Citizen), Treasurer
Mr. Steven Thurmond (Citizen), Past Chair
Judge Scott Alexander (KRADD)
Mayor Al Botts (GADD)
Judge Randy Dials (LCADD)
Judge John Frank (LCADD)
Judge Steve Henry (GRADD)
Judge Stan Humphries (PeADD)

Judge Dan Ison (KIPDA)
Mr. Craig Lindon (KRADD)
Mayor Scott Madon (CVADD)
Judge Mark McKenzie (BSADD)
Attorney Jesse Melcher (BTADD)
Judge Adam O’Nan (GRADD)
Judge George Sparks (BTADD)
Mr. George Spragens (LTADD)

ADD Staff Present

Lance Hanshaw (FIVCO)
Joanna Shake (GRADD)
Tara Johnson-Noem (NKADD)
Josh Farrow (GADD)
Michelle Allen (KRADD)
Eric Ratliff (BSADD)

Jason Vincent (PeADD)
Jeremy Buchanan (PADD)
Amy Kennedy (BTADD)
Jarrett Haley (KIPDA)
Whitney Chesnut (CVADD)

KCADD Staff Present

Casey Ellis, Executive Director
Molly Haines, Public Information Officer/Executive Assistant

Call to Order

In the temporary absence of KCADD Chairman Judge Rick Stiltner, Judge Matt Wireman, 1st Vice Chair, called the Kentucky Council of Area Development Districts quarterly board meeting to order at 5:04 p.m., Wednesday, June 12, 2024, in the seventh-floor meeting room of the Griffin Gate Marriott, Lexington.

Confirmation of Quorum

1st Vice Chair Wireman inquired of Haines if a quorum was present. She confirmed a quorum existed with 19 members present and 10 ADDs represented by board members.

Approval of Minutes

1st Vice Chair Wireman called to approve the Feb. 15, 2024, minutes. Mt. Sterling Mayor Al Botts motioned to approve the meeting minutes with an amendment to reflect his attendance at the Feb. 15 KCADD meeting, with a second by Treasurer Penny Robinson. The motion carried.

KCADD Financial Report

Treasurer Penny Robinson attended virtually and turned to KCADD Executive Director Casey Ellis to present the financial report. Copies of the report were distributed to all attendees in today's meeting folder. Ellis reported that receipts and revenues align with projections, anticipating a strong financial conclusion to the fiscal year. There were no exceptional developments to note. Without queries from the floor, 1st Vice Chair Wireman sought approval for the financial report. Attorney Jesse Melcher motioned for approval, seconded by Mayor Scott Madon, and the motion carried.

New Business

- a. **KCADD House Repair Needs**—Executive Director Casey Ellis provided an update on the necessary repairs and improvements for the KCADD office, located at 501 Capital Avenue, Frankfort. He recapped the recent usage and events at the office, highlighting its role during the inauguration and its regular use by the Kentucky Association of District Directors (KADD) and subcommittee working groups within the ADD network.

The office has not undergone significant work in approximately 20 years. The KADD has allocated funding to repaint and refresh the interior, including the purchase of new furniture for the conference room and IT upgrades to support monthly meetings and subcommittee activities. However, foundational needs have been identified, such as replacing the air conditioner within the next year and deteriorating the exterior rock steps.

Three bids have been obtained, each proposing different approaches to the repairs, necessitating further investigation to determine the best course of action. Updates will be provided to the KCADD executive committee and the council as progress is made over the next few months. Regarding budget considerations, prior year carryover funds have been allocated to address these potential needs in the upcoming budget. No action is required from the council at this time; this update was intended to provide context for the budget discussion in the next agenda item.

- b. **Approval of the FY24-25 Budget**—Executive Director Ellis provided a packet that included historical revenues, expenditures, and the proposed budget. He highlighted that the proposed budget aligns with the final line on the historical notes, ensuring that revenues and expenditures are balanced without relying on prior year carryover. The only exception is a \$50,000 carryover from the previous year, allocated directly to the repair and maintenance line item for the KCADD office, to be used as needed over the next year. Ellis noted that aside from this allocation, the budget remains consistent with previous years.

Chair Rick Stiltner, attending virtually at the time, inquired whether it was appropriate to discuss the employee evaluation of Executive Director Ellis during the budget discussion. Stiltner noted that the budget reflects a pay adjustment recommended by the KCADD Executive Committee. He stated that the ADD directors had conducted an evaluation of Ellis, and a condensed version of this evaluation was provided to him. Stiltner highlighted that the review showed Ellis performing exceptionally well, with all ratings being 4s and 5s. Consequently, the executive committee recommends a 6% pay raise for Ellis in the upcoming budget.

1st Vice Chair Wireman called for any discussion. Judge Scott Alexander commented on the need to look at the ADDs and grant writers, emphasizing the difficulty of retaining solid grant writers in East Kentucky due to the current pay schedule. He mentioned that despite a recent vote in the Kentucky River Area Development District for a 2-3% raise, it would be challenging to retain quality grant writers at that rate.

Judge Steve Henry responded by highlighting the Joint Funding Agreement (JFA) funding situation. He noted that while they retained the funding from the last biennium, it has not kept pace with inflation since 1997. The shortfall impacts retaining grant writers, as their salaries are tied to JFA funding. Henry suggested that the board work toward increasing JFA funding in the next state budget cycle to help address this issue.

Past Chair Thurmond made a motion to approve the budget with the increase to the executive director's salary. Mayor Scott Madon seconded. The motion carried.

- c. **Approval to Advertise/Hire for the Position of KCADD Business Development Manager—** Executive Director Ellis received a resignation letter from KCADD Business Development Manager Bill Cooper, effective June 30. Mr. Cooper has been instrumental over the past four to five years in developing a pilot program with the Green River Area Development District, focusing on the care hub's provision of services that align with the Medicaid waiver programs on insurance platforms. This initiative aims to broaden the ADD's scope of work and identify additional revenue sources. As we approach the final stages of this initiative, it's necessary to hire a replacement for Mr. Cooper's position. This role will be a contract position, acting as a liaison between Aetna, related organizations, and the staff at GRADD. Two years ago, KCADD received a grant to support this program, and at the end of this fiscal year, approximately \$87,000 remains in the grant. This grant will fully fund the new hire's work without impacting our normal revenue streams. Utilization of these funds is essential to advancing the program to statewide implementation. Mayor Kevin Cotton moved to approve the advertising and hiring for the Business Development Manager position, using the same contract and scope of work as previously established. Judge Dan Ison seconded the motion, which carried.

Executive Director's Report

Ellis reported that it has been over a year since he assumed the role of Executive Director. Utilizing the strategic plan established before his tenure and ideas from both him and Molly, the focus has been on enhancing communication within the organization. The monthly newsletter is a critical element of this effort and is encouraged to be shared with colleagues, elected officials, state representatives, and senators. The newsletter is distributed to judges, mayors, and others to ensure comprehensive communication.

One of the initial initiatives was a successful 15-week social media campaign highlighting each ADD weekly. This campaign fostered greater understanding and showcased the strengths and exemplary work of each ADD and its staff.

Moving forward, at least one formal press release will be issued weekly, highlighting significant projects within the communities. These releases will be shared with local newspapers and legislators.

An essential aspect of the strategic plan is increasing legislative activities. Ellis thanked Judge Henry and Joanna, chairpersons of KCADD and KADD, for their invaluable support. Judge Henry's commitment, including extensive travel to Frankfort, significantly contributed to legislative successes this year. As the biennium planning approaches, social media and outreach efforts will be intensified to convey the impact of ADDs' work to legislators, emphasizing the need for their support and updated funding.

As the fiscal year concludes, one-page summaries of various activities, such as transportation and aging services, will be prepared. These summaries will be tailored for each legislator's district and illustrate the impact of ADDs' programs on their constituents. This is crucial for securing future funding.

Ellis detailed his recent participation in the East Kentucky Leadership Conference, where he presented with SOAR, ARC staff, and FAHE members on the GRANT Program of 2024. Following the session and the codification of House Bill 723, Ellis has been actively involved in the implementation process. Secretary Noel and the Department of Economic Development recognize the significance of ADDs' work, allowing contributions from the outset.

Looking ahead, a major initiative focusing on the Main Street Program is anticipated during the upcoming budget session. In collaboration with the Kentucky League of Cities, the aim is to revitalize this program and secure funding in the next biennium. This initiative will be significant for Main Street directors, and ADDs will play a vital role.

Legislative Update

Joanna Shake, Executive Director of Green River Area Development District and Chair of the KADD Legislative Committee, reported on the highly successful legislative session. She noted that Molly prepared an overview of the achievements included in today's packet, emphasizing the collective effort in engaging with legislators. The JFA requests were met with a favorable outcome. Additional funds were secured for the Kentucky Infrastructure

Authority (KIA), thanks to the efforts of Rep. Suzanne Miles, who assisting in getting additional funds at the last minute.

The Aging Program received a notable \$10 million for meals, and the ombudsman program received unexpected but welcome support. The Workforce Program saw significant success with an additional \$20 million allocated for youth services, which will significantly benefit various youth programs.

Overall, the committee is pleased with the results.

Adjournment

With no additional business to discuss, Chair Stiltner called for a motion to adjourn. The motion was made by Citizen Member Craig Lindon with a second by Judge/Executive Steve Henry. The motion carried. The KADD adjourned at 5:34 p.m.