

Executive Committee Meeting
Salt Lake City
September 19, 2012

President Russ Brubaker called the meeting to order at 10:04 AM MDT. All committee members were present, except Senator Luke Kenley.

Finance Committee Report

Mr. Richard Dobson said the FY2014 budget submitted by the Finance Committee recommends an increase in state dues. He explained that the Governing Board had been spending more than it earned for some time. He said the budget included three dues increase alternatives.

Mr. Dobson said this year's dues are \$620,000. He said if that amount is collected in FY2014 the Governing Board's ending balance will be \$150,000. He said the Finance Committee has wanted the ending balance to be close to 50% of total expenses which is \$899,070. Mr. Dobson said the Finance Committee recommends against adopting a budget without a dues increase because of the cash flow issues.

Mr. Dobson said the Finance Committee has presented three alternative dues increases so the Governing Board could decide a comfortable ending balance. He said the alternatives assume the same expenses. He said the Finance Committee recommend increasing dues 25% to bring in an additional \$155,000.

In response to a question from Senator Deb Peters, Mr. Dobson said there really wasn't any way to generate more revenue unless a new member joined. Mr. Dobson said the Finance Committee built the FY2014 budget assuming the Governing Board would not receive the \$110,000 in donations and that the Governing Board will continue to spend money on federal affairs. He said that the beginning balance also includes the Finance Committee's best estimate of the amount that is budgeted in FY2013, but is not spent. He said from the pattern of historical expenses he knows the Governing Board will not spend all that is budgeted.

Mr. Dobson said the Governing Board's ending balance was \$1,000,000 at the end of FY2008 and it will be \$150,000 at the end of FY2014. He said the balance has gone down with time and there has been no increase in dues. President Brubaker said that having lobbyist costs money and the Executive Committee needed to decide if it wants to continue that expenses.

Mr. Dobson said there has been no dues increase in several years. He said there have even been times when new member states came in and the total amount collected remained constant. He said the Finance Committee felt a 25% increase across the board is reasonable and is not a huge increase for any one state.

Commissioner Jerry Johnson expressed concern about the Board's ability to raise \$110,000 as hoped this fiscal year. President Brubaker said Representative Wayne Harper and Senator Deb Peters were going to assist Senator Kenley in the fundraising effort.

President Brubaker reminded the committee that when Federal legislation passes the Board will have additional expenses. Mr. Dobson pointed out that one of the changes in the FY2013 budget is to fund a needed improvement in the central registration system.

Commissioner Jerry Johnson said we have not raised dues in a lot of years and have been very sensitive to the issue of the state budgets and not wanting to increase dues. He said the responsible thing to do would be to build reserves in anticipation of Federal Legislation. Commissioner Jerry Johnson moved that the Executive Committee recommend the Governing Board increase dues by 25%. That motion was approved unanimously on a roll call vote with Senator Kenley absent.

- **New Business**

President Brubaker said that he, Representative Wayne Harper and Ms. Deborah Bierbaum discussed an in-person meeting of the leadership of the Executive Committee and the Business Advisory Council to plan the work for 2013. He said this was done a year ago and he felt it made this year's work go much more smoothly. Senator Peters moved that the Executive Committee approve the travel for a leadership meeting. That motion was approved unanimously on a voice vote.

President Brubaker adjourned the meeting 11:59 AM MDT.