

**AMC Extension Committee Meeting  
January 31, 2007  
St. Cloud Holiday Inn, St. Cloud, MN.**

**Present:** Commissioners Keith Nelson, Velma Oakland, Robert Carlson, Bob Gustafson, Richard Mattson, Richard Larson, Doug Anderson, John Baerg, Charles Woehler, Loren Tusa, David Benson, Bruce Kubicek, Marcia Ward, Victoria Reinhardt, Nancy Schouweiler, Sharon Bring

**Guests:** Commissioner Jon Evert, Bev Durgan, Jeanne Markell, Tom Klein, David Werner, Lee Raeth, Cindy Peterson, Ryan Pesch, Gwen Gmeinder, Aimee Viniard-Weideman, Sarah Berg

**INTRODUCTIONS:** Commissioner Bruce Kubicek, committee chair called the meeting to order at 12:45 p.m.. He then asked everyone to introduce themselves and answer the following question;

*“How well is Extension communicating with people in your area?”*

There were several common themes in the responses. Many people commented how they believed communication was improving since the changes in Extension three years ago. There were positive comments about the 4-H program and RD’s efforts to inform commissioners. Another theme focused on the importance of relationships and now that more of the staff are in regional offices the commissioners understand their local programs but there are not as many relationships between local citizens and regional educators.

**MEETING MINUTES:**

Motion made by Commissioner Gustafson and seconded by Commissioner Larson to accept the minutes from the December 2006 AMC Extension Committee. All minutes are posted online at the AMC Extension website.

**REGIONAL PROGRAM SNAPSHOT:**

Commissioner Kubicek introduced Cindy Peterson, REE – Hutchinson Regional Center who presented a program entitled: “Managing Debt: Planning for the Future”. Several key points when outlining why they do the program included:

- Consumer debt was \$9.8 trillion in 2004
- Debt is 80% mortgage and 8% credit card
- Average U.S. household credit card balance is \$9300
- Approximately 70% of Americans live paycheck to paycheck
- Average American household saves about 1% disposable income
- Only 3 in 10 US households have 3 months emergency savings

Cindy outlined programming options in family resource management and taught the committee segments of a typical workshop she conducts with families in financial distress. For further information on Extension programs in this field of expertise link to:

<http://www.extension.umn.edu/FRM/>

**ELECTION OF OFFICERS:**

Commissioner Kubicek has served as chair of the committee for two years and stated at the December meeting that he would not be seeking a third year. He called for nominations from the floor.

Commissioner Reinhardt nominated Commissioner Marcia Ward from Winona County and AMC District 9. Commissioner Gustafson seconded the motion. Motion carried.

Commissioner Oakland moved to cast a unanimous ballot for Commissioner Ward as Chair. Motion seconded by Commissioner Larson and passed unanimously.

Commissioner Kubicek and committee congratulated Commissioner Ward. Commissioner Ward will assume the position at the March 2007 meeting. The position is a one year term with the possibility of being reappointed.

Commissioner Shouweiler nominated Commissioner Reinhardt as vice chair. Commissioner Larson seconded the nomination and moved to cast a unanimous ballot. Motion carried and Commissioner Reinhardt elected on unanimous vote.

**UPDATE FROM BEV DURGAN AND MOA DISCUSSION**

Bev Durgan, Extension Dean & Experiment Station Director came late to the meeting because she was testifying in a Minnesota State Legislature committee meeting. She discussed the fact that Representative Juhnke chairs the “Agriculture, Rural Economies, and Veterans Affairs Finance Division” and he is focusing committee time on the state ag special which is a line item in the University budget that funds Extension and research. They are looking at where the funding goes and if it meets the mandate of intent. The ag state special bill will eventually go to the “Higher Ed and Workforce Development Policy and Finance Division”.

Bev Durgan asked Tom Klein, Asst. Director Extension Finance to outline the series of conversations that have occurred with the sub committee appointed by Commissioner Kubicek at the December 2006 AMC Extension Committee meeting. Committee members included: Commissioners Reinhardt, Ward, Larson, Larson, Miranowski, and Tusa. Extension DFO, David Werner, also served on the committee.

Tom reviewed the summary of responses from the committee;

| Question  | Working Group Response             | Notes  |
|---|------------------------------------|--|
| 1. Should there be a multi-year and single year option?   | 5 – YES                            |  |
| 2. Should there be a specific inflation factor for each year (i.e. 3% each year) or a range of inflation adjustments? | 4 “RANGE”                          | With a range the inflation adjustment will still have to be reviewed and approved each year. |
| 3. Should there be an incentive to counties for a multi-year agreement?   | 3 – NO<br>1 – YES<br>1 – UNDECIDED | Benefits in reduced administration apply to both counties and University.                    |

|  |               |  |
|--|---------------|--|
| 4. Should a small group of county attorneys review the language? | 3 YES<br>1 NO | Is this important to a significant number of counties or just a minor concern with two counties that can be handled as an exception? Is it worth the counties' and university time for another review of the language? |
|--|---------------|--|

AMC Extension Committee members discussed the options. Comments in that discussion:

- There is a provision for an out and simple way to do amendments. This gives counties flexibility.
- Are we weakening the entire MOA?
- Is there a sense of what % would go with multi-year? Do we have a way to even know what inflation will be?
- If inflation factor is automatically figured into a three-year agreement then many may not do it.
- What about a bonus factor if they signed for three years?
- Only in government is there an assumption that there is an automatic inflation factor.
- You or we (counties) with you (U) should consider tying it to an indicator such as the federal consumer price index if you go multi year. With the assumption that in government there would be an inflation factor.
- #1 or #2 will affect whether we do inflation factor
- The inflation factor would need to be consistent between multi-year and single year agreements. One reason to go with an inflation factor is that you could end up with multiple year agreements and they may pay more than a single year agreement.
- Range Idea: Set a cap for multiple year agreements. Early in budget year people would be informed what maximum would be. They talked about 4 or 5% being the maximum.
- What benefit is there to the U in signing a multiple year? Administrative costs that would parallel savings in county costs.
- One incentive is that when you free up staff it means they are doing other good work for the citizens of the county or University Extension. There is a savings but it is not a true cash savings (somebody doesn't get paid less) but rather staff time savings.
- If there is too much vagueness in the document it may be hard for RD's to explain. We need some kind of safety net. Having a cap will make it easier to explain to commissioners.
- I don't see a need for a cap. Every group could sign a multi-year agreement because they have a 90 day out clause as a way to get out of the commitment.

- If the University feels there is a cost savings for them – for instance if we use CPI – an incentive for 3 year contract could be having 1/10<sup>th</sup> of 1% off CPI as savings.
- Incentive is there for both groups to do a multi-year agreement.
- Multi year contract with a review yearly
- St. Louis County does a 2 year budget....so does Blue Earth and Ramsey.
- It would be good for a couple of county attorneys to look at the document. Possibly the same attorneys who did it last time because they are familiar with the issue. That would be Dakota and Washington.

Commissioner Reinhardt stated, “so what I am hearing is to go back to Washington and Dakota County and ask them to review the document again and a maximum is not necessary.

Commissioner Larson moved and Commissioner Reinhardt seconded a motion to proceed with the development of an MOA with the following details:

- 3 year option
- No maximum cap
- Get two county attorneys to review it – preferable Washington & Carver who reviewed it the last time the MOA was developed.

Motion passed.

This MOA will be brought to the AMC Extension Committee at the March 28<sup>th</sup> meeting for a final decision on ratifying it for use with the 2008 budget.

### **REPORT ON THE 2007 MOA WITH COUNTIES:**

Commissioner Kubicek called on David Werner and Lee Raeth, Extension Directors of Field Operations to give an overview of the MOA.

Historical perspective on MOA positions:

2005 = 115 local Extension positions (FTE – Full Time Equivalents)

2006 = 3.1% increase in 2005 number (119 FTE’s)

2007 = 3.1% increase in 2006 number (123 FTE’s)

NEA’s and county support staff are Not included in the numbers above. These are only the positions that are included in the MOA.

2007 county Extension budgets increased just under 5% in 2007. This number includes the MOA, office support and typically some cost sharing for NEA’s.

### **MOA “Learnings” and “Questions”:**

Learning = Over the past 2 years a vast majority of the MOA increase has been current position time increased.

Question = What is the minimum time required to maximize return on investment?

We find we are more successful when we have people who are 75% or more. They have benefits and we retain staff longer. County expectations are more easily met.

Learning = Several new county positions have been creatively funded during the past two years. (Examples include but are not limited to: Other County Departments such as Public Health, Water planning, Economic Development along with entities outside County Government such as Grass seed growers, Canola Growers, BERBI, Wheat Growers)

Question = How can we continue to build on new funding opportunities?  
Rather than only looking for dollars designated into County Extensions Budget, we need to become much more active in looking for and asking if there are partners that could put money into the position. As an example, a 75% time County government funded position that is enhanced with 25% funding from another source(s) may truly enhance the educational impact for all funding partners.

Currently 85% of the counties have their MOA's signed. (75 are signed at counties and of those 73 are at the University)

#### **REGIONAL PROGRAM SNAPSHOT:**

Commissioner Kubicek introduced Ryan Pesch, Regional Extension Educator in Community Economics from the Fergus Falls Regional Center. Ryan presented a program entitled, "Public Value of Public Programs."

Three of the county commissioners on the committee attended the public value workshop in Rochester and Moorhead. Ryan asked their perspective on the program. Commissioner Baerg stated that people need to come into the workshop with some idea of how they are going to apply the public value statement process. Commissioner Ward also attended and said it was valuable for both her and the Winona County employees but it is better if people do the pre-homework and focus in on the area they want developed.

Cost for the three hour workshop is \$500. Extension community economics educators are located across the state and they are willing to deliver the workshop in your county.

#### **AMC – 4-H COMMUNITY YOUTH LEADERSHIP AWARDS:**

The award application deadline is Friday, February 9<sup>th</sup>. Commissioner Kubicek distributed a form for committee members to volunteer to read all of the applications, score them and participate in a conference call to pick the two winners. Nine people volunteered: Commissioners Reinhardt, Nelson, Mattson, Bring, Baerg, Tusa, Larson, Carlson, Ward.

The award will be presented to two 4-H projects during the luncheon of the AMC Legislative Conference on March 28.

#### **AGENDA FOR NEXT MEETING ON MARCH 28 – 7:15 AM**

1. Review and finalize MOA document

2. One Regional Program Snapshot = contact Toni Smith with the program that you would like featured
3. Overview of 4-H award applications and winners

**COMMISSIONER BRUCE KUBICEK RECOGNIZED**

On behalf of the University of Minnesota Extension Service, Bev Durgan thanked Commissioner Kubicek for his leadership as chair in 2005 and 2006.

On behalf of AMC, Jim Mulder also thanked Commissioner Kubicek and the committee members for their continued service and dedication to the committee.

**Meeting adjourned at 4:00 p.m.**

**AMC Extension Committee members** participated in a reception from 4:00 to 5:30 with members of the University of Minnesota Extension Citizens' Advisory Committee members and citizen representatives from surrounding county Extension committees.

Minutes submitted by Toni Smith  
Extension Liaison to AMC