

Approved: April 28, 1994
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson August Bogina at 11:50 a.m. on April 27, 1994 in Room 123-S of the Capitol.

All members were present except: Senator Moran

Committee staff present: Julian Efird, Legislative Research Department
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee: Vernon Chesbro, appointee to the KPERS Board of Trustees

Others attending: See attached list

The Chairman stated that the purpose of the meeting was to review a request for the confirmation of Vernon Chesbro to the KPERS Board of Trustees. Statute requires that the Joint Committee on Pensions, Investments and Benefits review qualifications of the appointee and make a recommendation to the Senate Ways and Means Committee. Chairman Bogina read from the minutes of the April 6 meeting of the Joint Committee in which Mr. Chesbro was recommended favorable for confirmation to the KPERS Board of Trustees. Copies of Mr. Chesbro's Senate Confirmation Questionnaire, Statement of Substantial Interest, and personal resume were distributed to members (Attachment 1). The Chairman introduced Mr. Chesbro who answered members' questions.

Mr. Chesbro told the Committee that he has managed and had the financial responsibility for companies that employ over 100 persons and has been involved in personnel functions of the company which included pension administration. He said that he believes the Board's first objective is to provide funds that will be adequate upon the retirements of the members and that the Board must make decisions based on the interest of employees. He stated that he had participated in 3 Board meetings, and his assignments have been direct placement and personnel. Because of his employment background, Mr. Chesbro stated that he is very comfortable with his responsibilities in the personnel area. He stated that he believes his responsibility in direct placement will be the determination of the investment managers. He told members that if the state chooses to get back into the business of direct placement, he believes the structure would have to undergo a change.

Senator Kerr offered a motion which was seconded by Senator Lawrence to recommend favorably the appointment of Vernon Chesbro to the KPERS Board of Trustees to the full Senate. The motion carried on a roll call vote.

INTRODUCTION OF BILLS

The Office of the Revisor of Statutes requested the introduction of a bill for the purpose of reconciling 1994 HB 2730 and 1994 SB 474. Senator Salisbury moved, Senator Morris seconded, that bill draft 3 RS 2696 be introduced. The motion carried on a voice vote.

The meeting was adjourned at 12:15 P.M.

GUEST LIST

COMMITTEE: SENATE WAYS AND MEANS

DATE: April 27, 1994

[illegible]

SENATE CONFIRMATION QUESTIONNAIRE
APPOINTMENTS BY GOVERNOR JOAN FINNEY

Name: Vernon R. Chesbro

Home Address: 34 Rockwood Dr.

City, State, Zip Code: Ottawa, Kansas 66067

Home Phone: 913 / 242 8255

Business Address: N/A

City, State, Zip Code: N/A

Business Phone: / N/A

Date of Birth: 10-1-25 Place of Birth Ottawa, Kansas

Party Affiliation Republican

Appointed as: KPER's Board of Trustees

Effective 2/24/94 for the 1 year term

ending 6/30/97 Succeeding Steve Hirsch

Salary n/a Statutory Authority 74-4905

Statutory Requirements _____

1. EDUCATION:

High School Ottawa, Kansas

Year Graduated 1943

Postsecondary	Degree, etc.	Dates
<u>University of Denver</u>	<u>BS/BA</u>	<u>1949</u>
_____	_____	_____
_____	_____	_____

SWAM
April 27, 1994
Attachment 1

2. MEMBERSHIP IN BUSINESS, TRADE AND PROFESSIONAL ORGANIZATIONS DURING PAST 10 YEARS:

Dates	Name	Location
<u>1988-89</u>	<u>INPAC-Investment Policy Committee</u>	
	<u>US Trade Rep. Clayton Yeutter</u>	<u>Wash. D.C.</u>
<u>1985-86</u>	<u>Deputy Commander Kansas Calvary</u>	<u>Topeka, KS.</u>
<u>Current</u>	<u>U.S. Telephone Association</u>	<u>Wash. D.C.</u>
<u>Current</u>	<u>Telephone Pioneers Paul Henson Chapter</u>	<u>Kansas City</u>
<u>Current</u>	<u>Ottawa Area Chamber of Commerce</u>	<u>Ottawa, KS.</u>

3. HAVE YOU EVER BEEN ELECTED OR APPOINTED TO ANY PUBLIC OFFICE IN KANSAS? xx Yes No
If so, please list dates and offices held.

Date	Office
<u>Various</u>	<u>Political Party Offices</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

4. HAVE YOU EVER BEEN EMPLOYED BY OR HELD A POSITION OR OFFICE WITH ANY FEDERAL, FOREIGN STATE, OR LOCAL GOVERNMENTAL ENTITY OR AGENCY? NO
If so, please list dates and offices held:

<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

5. HAVE YOU BEEN A REGISTERED LOBBYIST OR EMPLOYED A REGISTERED LOBBYIST AT ANY TIME DURING THE PAST 5 YEARS? NO
If you were a registered lobbyist, did you receive any compensation?
List groups you represented or for which you employed a lobbyist:

<u> </u>
<u> </u>
<u> </u>

6. EXPERIENCE OR INTERESTS WHICH QUALIFY YOU FOR THE OFFICE TO WHICH YOU HAVE BEEN APPOINTED:

President & General Manager of companies with employees in excess of 100 employees. One with over 1500 employees. Financial responsibility included. Corporate Officer of major corporation with responsibility for Human Relation which included administration of Companies Pension and benefit programs for 19,000 employees. General business experience.

7. SUMMARY OF BUSINESS OR PROFESSIONAL EXPERIENCE: Owner of own business for 10 yrs. 1958-78 Vice President and President, Kansas Telephone. President and General Manager, Western Arkansas Tel. Co. Gen. Mgr. Trinidad and Tobago Tel. - Vice President Caribbean Operations (Director of four island tel. Companies-Jamaica, Barbadoes, Grenada, Trinidad and Tobago) . 1972-80 Vice President Adm. Contel Service Corp Bakersfield, CA.- President Northwest Div. (Companies in Alaska, Oregon Washington.-Vice President International - Cairo, Egypt (Contract negeoiton of multi million dollar contract) 1980-83 Corporate Officer Contel Corporation, Atlanta, GA.

8. HAVE YOU EVER BEEN A MEMBER OF THE ARMED FORCES OF THE UNITED STATES? YES
If so, please list dates of service, branch of service and date and type of discharge:

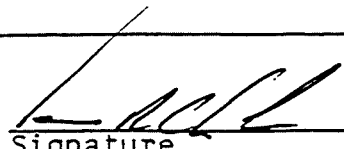
<u>1943-44</u>	<u>United States Maritime Service</u>	
<u>1944-46</u>	<u>United States Navy</u>	<u>Honorable</u>

9. HAVE YOU EVER BEEN ARRESTED, CHARGED OR HELD BY FEDERAL, STATE OR OTHER LAW ENFORCEMENT AUTHORITIES FOR VIOLATION OF ANY FEDERAL LAW, STATE LAW, COUNTY OR MUNICIPAL LAW, REGULATION OR ORDINANCE (EXCLUDING TRAFFIC VIOLATIONS FOR WHICH A FINE OF \$100 OR LESS WAS IMPOSED)? NO

10. DISPOSITION OF ANY INTERESTS THAT MIGHT HAVE PRESENTED A POTENTIAL CONFLICT OF INTEREST FOR THIS POSITION.

NONE

Return to: Mary Holladay
Appointment Secretary
Office of the Governor
2nd Floor, State Capitol
Topeka, KS 66612


Signature

BILL GRAVES
SECRETARY OF STATE



APPOINTMENT TO STATE OFFICE IS SUBJECT TO SENATE CONFIRMATION

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 913-296-4219.

PLEASE TYPE OR PRINT

C	H	E	S	B	R	O				V	E	R	N	O	N								R
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First Name

MI

[illegible]

Spouse's Name

3	4		R	O	C	K	W	O	D	D	D	R	I	V	E							
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Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

OTTAWA KANSAS 66067

City, State, Zip Code

9	1	3	**	2	4	2	**	8	2	5	5
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			**				**				
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Home Phone Number

Business Phone Number

APPOINTED POSITION SUBJECT TO SENIORITY CONSIDERATION
KANSAS Public Employees Retirement System

KANSAS Public Employees RETIREMENT System																						
K	P	E	R	S		B	O	A	R	D		O	F	T	R	U	S	T	E	E	S	

List Name of Agency, Commission or Board

K	P	E	R	S		B	O	A	R	D		O	F		T	R	U	S	T	E	E	S	
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Position

* The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.

*

9	3	1	3
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- C. **OWNERSHIP INTERESTS:** List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income in, which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here ____.

BUSINESS NAME AND ADDRESS	TYPE OF BUSINESS	DESCRIPTION OF INTERESTS HELD	HELD BY WHOM	PERCENT OF OWNERSHIP INTERESTS
1. <i>VERN Cheebro. Consulting Inc</i>	<i>Consulting</i>	<i>Corporate Stock</i>	<input checked="" type="checkbox"/> <i>100%</i>	<input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly
2. <i>Item 1. V. Cheebro. Consulting</i> <i>Was Disolved Effective 12-31-93</i>			<input type="checkbox"/>	<input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly
3.			<input type="checkbox"/>	<input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly
4.			<input type="checkbox"/>	<input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly
5.			<input type="checkbox"/>	<input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly
6.			<input type="checkbox"/>	<input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly
7.			<input type="checkbox"/>	<input type="checkbox"/> You <input type="checkbox"/> Spouse <input type="checkbox"/> Jointly

- D. **GIFTS OR HONORARIA:** List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.
- If you have nothing to report in Section "D", check here ✓.

NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED	ADDRESS	RECEIVED BY:
1.		
2.		
3.		

E. RECEIPT OF COMPENSATION: List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE ____.

If you have nothing to report in Section "E"1, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.	VERN Chesbro Consulting, Inc.	34 Rockwood OTTAWA, KS 66067	Consulting
2.			

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. If you have nothing to report in Section "E"2, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.	VERN Chesbro Consulting, Inc.	34 Rockwood OTTAWA, KS 66067	Consulting
2.			

F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section. If you have nothing to report in Section "F", check here ____.

	BUSINESS NAME AND ADDRESS	POSITION HELD	HELD BY WHOM
1.	VERN Chesbro, Inc - 34 Rockwood - OTTAWA, KS 66067	President Sec. TREAS.	V. Chesbro Phyllis Chesbro
2.	INTERNATIONAL Business Development, Inc* 11015 West 122ND St. Overland Park, KS	Vice President	V. Chesbro
3.	INTERNATIONAL Science Ctr U.S.A* 11015 West 122ND St. Overland Park, KS	Vice President. Secretary TREAS.	V. Chesbro V. Chesbro
* Items 2 & 3 income is Expense Reimbursement Only - These are Startup Companies No Salary - Expense Reimb. is included in Income To V. Chesbro Consulting, Inc. As Reimb of Expense.			

- G. **RECEIPT OF FEES AND COMMISSIONS:** List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "G", check here ____.

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.	International Computer Systems Inc	P.O. Box 3564 - Little Rock AR.	J. Chesbro
2.		72203	CONSULTING, INC
3.	Item 1. - Fee Paid to J. Chesbro for Consulting		
4.	Reported as Income to J. Chesbro, Consulting, Inc.		
5.	I.C.S. is Computerized Bad Debt Collection Company		
6.	Specializing in Utility Collection Work.		
7.			
8.	United Telephone Co. of Kansas	GARDNER KNS.	J. Chesbro
9.			
10.	Item 8. - Mileage Expense Reimbursement Only		
11.			
12.			
13.			

H. **DECLARATION:**

I, VERNON R. Chesbro, declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

MARCH 4, 1994
Date

[Signature]
Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES 0.

Return your completed statement to the Secretary of State, State House, Topeka, Kansas 66612.

VERN R. CHESBRO
34 ROCKWOOD DRIVE
OTTAWA, KANSAS 66067
913 242 8255

PERSONAL INFORMATION

Birthdate: October 1, 1925 Birthplace: Ottawa, Kansas
Married: Phyllis A. Hart Chesbro

Address: 34 Rockwood Drive Telephone 913 242 8255
FAX 913 242 7919 MOBILE 816 392 3606
Ottawa, Kansas 66067

EDUCATION:

University of Denver, Denver, Colorado
BA/BS Business Administration, 1949

EXPERIENCE AND EMPLOYMENT HISTORY

1950 To 1958

Self employed, partner in North American Hotel and Restaurant operation. Sold business in 1958.

1958 To 1983

All positions with Continental Telephone Corporation and/or with subsidiary companies. Company later known as CONTEL. Company merged with G.T.E. 1992

1958 To 1968

General Commercial Manager, Vice President Operations, and President and General Manager of the Kansas Telephone Company, Ottawa, Kansas. During the years 1966 and 1967 was additionally General Manager of the Western Arkansas Telephone Company, Russellville, Arkansas.

Responsible for the commercial, plant, engineering and accounting functions of these two companies. During this period, company grew from 12 local community telephone exchanges to 80 exchanges. Assisted in the acquisition of these additional exchanges and was responsible for the rebuilding of these exchanges to modern dial telephone systems. Worked with the Rural Electrification Administration (Telephone) to provide financing for these projects. Responsible for regulatory commission relationships.

1968 To 1971

Assistant to the Chairman and General Manager, Trinidad and Tobago Telephone Company, Port of Spain, Trinidad, W.I.

Responsibility included the management of all departments of the company. Installed first data processing department. Conducted labor negotiations and administered labor contract. During this time was the only non national employee of the company with 1500 employees (Trinidad Nationals).

1971 To 1972

Vice President, Caribbean Operations, Continental Telephone Service Corporation. Director, Jamaica Telephone Company, Barbadoes Telephone Company, Trinidad and Tobago Telephone Company. Advisor to Grenada Telephone Company.

Responsibilities required on site meetings with the management of the corporations Caribbean companies in addition to serving on the Board of Directors for these companies. Responsibilities included international negotiations of contracts for the companies and governmental regulatory relationships.

1972 To 1976

Vice President Services/Administration, Continental Telephone Service Corporation, Bakersfield, California.

Staff position, Corporate Headquarters. System responsibilities for public relations and regulatory commission relations, personnel administration and corporate administration.

1976 To 1978

President, Continental Telephone Company of the Northwest, Bellevue, Washington; Juneau-Douglas Telephone Company, Juneau Alaska; Glacier State Telephone Company, Anchorage, Alaska. Division Manager, Northwest Division, Continental Telephone Company.

Responsible for the operations of the companies in Oregon, Washington and Alaska, including union negotiations and regulatory commission activity in each of the states. Planned and managed major construction programs in each state.

1978 To 1980

Vice President, Continental Telephone International Corporation, General Manager, Egypt, Cairo, Egypt.

Represented Continental Telephone Corporation in Egypt as a member of a consortium of American Telephone and Telegraph, General Telephone and Electronics, Continental Telephone Corporation, and Triad Corporation. Consortium formed to design and negotiate to rebuild the Egyptian Telephone System. This project failed due to the lack of adequate financing.

Negotiated secondary contract for Continental Telephone and Arthur D. Little. This contract was signed and was a continuing project for several years.

1980 To 1983

Vice President, Administration, CONTEL (Continental Telephone Corporation), Atlanta, Georgia.

Served as Corporate Officer for Continental Telephone with responsibilities for Public Affairs, Human Relations, and Corporate Administration. Took companies early retirement program in 1983.

1983 To 1985

Executive Director, Major political party for the State of Kansas.

1985 To 1987

Chairman, Major political party for the State of Kansas
1985 and 1986, President and owner of TravComm Inc. Travel Agency, Ottawa, Kansas .

1987 To Present

President, VERN R. CHESBRO, CONSULTING, INC. Ottawa, Kansas

Vice President, INTERNATIONAL BUSINESS DEVELOPMENT - This company is engaged in assisting domestic and foreign companies in joint ventures and export/import activities.

Vice President and Secretary-Treasurer, INTERNATIONAL SCIENCE CENTER, U.S.A. - This company is a subsidiary of Flint AG. a Swiss Corporation engaged in product sales, product development and pharmaceutical and chemical research, world wide.

BUSINESS ASSOCIATIONS

Member Ottawa, Kansas Chamber of Commerce
Serve as advisor member of SCORE, Senior Corp of Retired
Executives for the Small Business Administration
Chairman, SBA Task Force for International Business
Member Kansas State Chamber of Commerce
Past President Ottawa Industrial Development Corporation
Past President Kansas Telephone Association
United States Independent Telephone Association
United States Suppliers Telephone Association
Telephone Pioneers
Past member National R.E.A. Borrowers Association Board
of Directors
Served as member of INPAC, Investment Policy
Committee, of the United States Trade Representative,
Amb. Clayton Yeutter / Amb. Carla Hill
Served as Deputy Commanding General, Kansas Cavalry.
(Industrial development organization for the State of
Kansas.
Member of United Telephone, Kansas, Customer Advisory Board

SOCIAL ORGANIZATIONS

Benevolent Protective Order of Elks
National Eagle Scout Association
Past Member Kiwanis International
Ottawa Lodge #18 A.F. & A.M.
Fraternal Order of Eagles, Aerie #2700
Veterans of Foreign Wars
American Legion
Grace Episcopal Church, Past Vestry Member
Ottawa Country Club Association
Alvamar Country Club

POLITICAL ACTIVITIES

Served as Precinct Committeeman, County Chairman, District
Chairman. Executive Director, and State Chairman -
Kansas Republican Party
Served as Director of major employee PAC organization
Worked on campaign committees for State and National
candidates in several states.
Wrote and presented Bipartisan Political Involvement course
for corporate employee groups in seventeen States