

MONTANA ASSOCIATION OF COUNTIES

2715 Skyway Drive
Helena, MT 59602-1213
(406) 444-4360
Fax (406) 442-5238
e-mail: maco@maco.cog.mt.us

MACo BOARD OF DIRECTORS MEETING Monday December 11, 2006 Red Lion Colonial Inn - Helena, MT 1:00 p.m.

MINUTES

Officers

- John Prinkki, President
- Cynthia Johnson, 1st Vice President
- Mike McGinley, 2nd Vice President
- Allan Underdal, Fiscal Officer
- Greg Chilcott, Urban Representative
- Doug Kaercher, Past President

- Bernie Lucas, District #9
- Paddy Trusler, District #10
- Judy Stang, District #11
- Tom Rice, District #12

District Chairs

- Richard Dunbar, District #1
- Mark Rehbein, District #2
- Donald Reiger, District #3
- Harvey Worrall, District #4
- Arnie Gettel, District #5
- Carl Sielstad, District #6
- Maureen Davey, District #7
- Tom Lythgoe, District #8

Association Representatives

- Leo Gallagher, Attorneys
- Lisa Kimmet, Clerk and Recorders
- Marilyn Hollister, Clerks of Court
- Richard Brown, Coroners
- Gary A. Olsen, Magistrates
- T. Gregory Hintz,
Sheriff & Peace Officers
- Jennifer Reinhardt, Treasurers
- Diane Inbody,
School Superintendents

1. President Prinkki called the meeting to order. Roll call was conducted.
2. Approval of Minutes: September 24 and 28th, 2006

The September 24 minutes were corrected to show Mary Ellen Fitzgerald present representing the Superintendents of Schools. **Mark Rehbein moved and Doug Karecher seconded to approve the minutes. Motion carried.**

3. Budget and Finance

a. FY 07 Budget Report – Allan Underdal, MACo Fiscal Officer

The finance report for the period ending October 31 was presented. Allan reported that we have received 38 percent of the income during the first 33 percent of the year. The expenditures were at 30 percent of budget to date. He noted there would be some adjustments made by the Finance Officer to account for some additional 2006 terminations.

Director Blattie reported that the Education and Training line is over budget due to staff training. All administrative support staff went to training on phone answering, and 2 support staff went to training on taking and preparing meeting minutes.

Allan advised that the legislative budget will become active in January with the onset of the Legislative session. He further reported that the Tax, Finance and Budget Committee would begin looking at the 2008 budget in February or March.

Greg Chilcott moved and Cyndi Johnson seconded to accept the finance report as presented. Motion carried.

b. Voluntary Employee Benefit Assistance (VEBA) Program

Director Blattie explained the program. Employees can transfer their 25 percent of sick leave upon termination in to a pre-tax medical savings account. This is a tax savings to both the employer and the employee. MACo staff has met with the VEBA administrator from the State of Montana. A vote of the employees in the group will be held soon. The group consists of a group of employees who fall within parameters (such as age, years of service, etc) established by the organization. Once a vote is taken and passed, the program is mandatory for all members of the group.

Cyndi Johnson moved and Carl Seilstad seconded to allow MACo employees the choice of participating in the VEBA program. Motion carried.

c. Health Insurance Coverage for Retirees

Director Blattie reported that Risk Manager Ray Barnicoat contacted Allegiance (our health plan administrator) regarding the continuation of his health insurance following his December retirement. He was informed that Lewis & Clark County provides an employer benefit of paying the health insurance premium of retirees who have more than 20 years of service, for a period of 6 months. It was determined this is a Lewis & Clark County policy, and not a part of the medical plan provided by Allegiance. MACo is under Lewis and Clark County's health care plan

The Board was asked by staff to make a policy decision as to whether MACo wants to establish a policy to continue the payment of health insurance benefits for 6 months following retirement, and if so, the level at which employees are eligible.

President Prinkki asked what the financial impacts there would be. Director Blattie reported that impacts would be minimal in this instance due to vacancy savings. It was budgeted to have a replacement on staff for a four-month training period. The new loss control specialist began in

October so there was only a three-month overlap in payroll costs.

Following discussion, Mark Rehbein moved to provide six months of health plan coverage for retirees with 20 years or more of service.

Greg Chilcott questioned: What if the employee is eligible for Medicaid and would this be additional coverage?

Following discussion, Mark Rehbein amended his motion to: The Association shall pay six months of health plan coverage for employees who retire after 20 or more years of service at the actual insurance cost for that employee only. Judy Stang seconded. A roll call vote was conducted. The motion carried 10-5.

d. Audit Letter – Dual Signatures

A letter provided by the Auditor regarding dual signatures on checks was reviewed. The letter stated that as most banks no longer check signatures due to automation, requiring dual signatures would not provide added security. Jennifer Reinhardt noted that she had received a notice from her bank that they will no longer check signatures in the school districts. Director Blattie reported that the Association has put into place as good as internal procedures as is possible, with him signing the checks and reviewing all bank statements.

e. FY 08 Budget

Director Blattie informed the board that to save budget preparation time, he would like to put together a budget with the COLA included in the salary projections, and bring additional proposed salary adjustments to the board. He noted this would be brought as a lump sum proposal and not as individual salary proposals.

Director Blattie reminded the Board that a classification and compensation review was conducted last year. The Board agreed to try to bring all employees to the 80% of midpoint of the range, or use the current salary + COLA – whichever was greater. The 80% still does not bring a number of employees to the entry level market range.

Carl Seilstad requested that it be taken a step further and that the requests be shown on an individual basis. Harold responded that he will be making requests for certain employees outside of the regular budget proposal. Carl Seilstad requested that when proposals are brought forth, that time allocations be included (i.e., time spent on Association vs Trust business).

Richard Dunbar asked if adjustments were made last year. Director Blattie responded that some were. There will be more adjustments necessary this year as certain positions responsibilities have increased, so the salary needs to be adjusted accordingly.

President Prinkki clarified that Director Blattie was requesting permission to begin the budget process earlier by adding in the COLA to the proposed budget. The board gave verbal consent for Director Blattie to move forward and include COLA in projected salaries for the proposed budget.

4. Committee Appointments – John Prinkki, MACo President

The 2006-2007 Board and Committee lists were reviewed. Chair Prinkki welcomed the new Board members and thanked them for taking the time to travel and attend the meeting.

5. Legislative Report

Director Blattie reviewed the MACo resolution and bill status list, along with a session calendar and a current bill draft list. Each Board member was also provided with a packet of all MACo Resolutions adopted at the 2006 Annual meeting. President Prinkki urged all Board and Affiliate members to get involved and work with the Association at the upcoming legislative session.

A discussion was held regarding MACo Policy Statements. In previous years, they have been printed and distributed to Legislators. However, given the cost of printing and the fact that most Legislators probably don't read or refer to them, it was asked if the Association should proceed with printing them this year.

Cyndi Johnson asked if they had any other need for the statements. Associate Director Wood responded that they are helpful to provide staff guidance when asked questions on Association policy for legislation.

Following discussion, Cyndi Johnson moved and Greg Chilcott seconded to not bear the cost of printing the MACo Policy Statements, but to make Committee members aware of where the information can be found, and to post them on the website. The motion carried.

6. Newly Elected Officials/Commissioner Certification Overview

The agenda for the upcoming Newly Elected Officials and Commissioner Certification program was reviewed and discussed. The MACo Alert sent out in January regarding resolutions and requirements for commissioners was also reviewed and discussed.

7. Midwinter Meeting Agenda

The draft agenda for the upcoming Midwinter Conference was reviewed. Director Blattie noted that on Tuesday, and all-day Road Law Seminar would be held, along with a program on FEMA regarding the process and funding of the two-mill levy. Director Blattie further advised that the Board could anticipate meeting on Monday. Other meetings and programs will include the conference planning committee, District 6 meeting to elect a vice-chair, and a panel discussion regarding NACo services.

8. DNRC – Request for Letter of Support

The Department of Natural Resources has submitted a letter requesting a letter of Support of their \$200,000 executive budget proposal. Director Blattie stated that he would send the draft to the Board for review.

Harvey Worrall made a motion to direct the Executive Director and/or staff to draft a letter and authorize the MACo Executive Committee to approve the letter. Carl Seilstad seconded. Motion carried.

9. Nationwide Retirement Solutions

Director Blattie informed the Board that they had approved the Marketing and Royalty Agreements with Nationwide Retirement Solutions for 457 retirement plans. This is a revenue source for the Association, as they contribute approximately \$12,000 per year through advertising and sponsorships.

MACo staff met with the Nationwide Representative, John Lamm, and began working the development of the marketing plan and the appointment of a marketing advisory committee. The Association needs to identify a contact individual in each county, and Director Blattie reported that Board members will be expected to be the contact person in their county, to help promote the program.

Nationwide is undergoing some restructuring, to overcome the problems that have existed due to the geography of this state and the ability of their representatives to be active in all counties.

10. Evaluation/Survey Committee

Director Blattie reviewed the history and makeup of the committee. The committee was established to help review the annual survey, and possibly revise it, to promote better participation by counties. Currently, the members of the Committee are: Cyndi Johnson, Ed Tinsley, Carl Seilstad and Marilyn Hollister. Carl requested that a replacement be named for his position. President Prinkki will appoint a replacement.

11. Council of County Officials Meeting

Director Blattie reported on the CCO meeting held on November 16. All Associations in attendance presented their legislative proposals. The Treasurer's Association will be working with the Clerks & Recorders and the County Attorneys to update the Tax Deed Handbook. With the turnover of Clerks and Treasurers, some counties may have adopted processes that may or may not be in compliance. This handbook helps provide the guidance they need on the tax deed process.

12. Miscellaneous Discussion

- a. Board Member Response to Meeting Notices - Board members were asked to please respond to Karen Houston, Meeting Planner regarding their attendance at meetings. This is helpful for meal counts and room setup.
- b. MACo Pins - Board members were informed that the new MACo pins were intended to be magnets and not posts. Montana Silversmiths has replaced our pins, and all members are invited to exchange their pins if they so desire.

There being no further business to come before the Board, President Prinkki adjourned the meeting.

Approved this 12th day of February 2007.


Harold Blattie, MACo Executive Director


John Prinkki, MACo President