

MONTANA
ASSOCIATION OF
COUNTIES

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BOARD OF DIRECTORS
Monday, December 10, 2007
MACo Conference Room
Helena, MT
10:00 A.M.

MINUTES

MEMBERS PRESENT:

Officers

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

District Chairs

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

- Bernie Lucas, District #9
- Gary Hall, District #10
- Judy Stang, District #11
- Suzy Browning, District #12
Vice-Chair

Association Representatives

- Leo Gallagher, County Attorneys
- Paulette DeHart, Clerk and Recorders
- Marilyn Hollister, Clerks of Court
- Richard Brown, Coroners
- Gary A. Olsen, Magistrates
- T. Gregory Hintz,
Sheriff & Peace Officers
- Jo Anne Johnson, Treasurers
- Marsha Davis,
School Superintendents

Others Present: Harold Blattie, MACo Executive Director; Sheryl Wood, MACo Associate Director; Tom Swindle, MACo Finance Officer

1. Roll Call – Introductions

President Johnson called the meeting to order. Roll call and introductions were conducted.

2. Approval of the Minutes: September 23 and September 27, 2007

Commissioner Prinkki moved and Commissioner McGinley seconded to approve the September 23, 2007 minutes as presented. Motion carried.

Commissioner McGinley moved and Commissioner Davey seconded to approve the September 27, 2007 minutes as presented. Motion carried.

3. Finance Report

Tom Swindle reviewed the financial statements as of September 30, 2007. Discussion was held regarding PILT assessments, NACo dues, rental income and the land lease line items. Director Blattie reported that the Airport had renewed the lease on both buildings for a 40-year term.

Director Blattie reported that the NACo dues had been billed based on information from NACo that included a cost of living adjustment. Following the billing, the NACo Board voted to freeze the dues, so MACo will be issuing refund checks to counties for the difference.

Tom reported that a meeting was held with the Auditors to discuss the discrepancies in the final audit. They have agreed to reissue the audit with the corrections.

Commissioner Lythgoe moved and Commissioner Kolar seconded to approve the finance report as presented. Motion carried.

4. MACo/NACo Committee Appointments and Policies

a. MACo Committee Appointments

President Johnson reported that she had completed the appointments to MACo Committees, and as there were more applications than positions, she was unable to honor some requests for appointment.

President Johnson informed the Board that she is in the process of creating an Energy Committee and contacting interested members to serve. The Board questioned the budget impact of travel costs for an additional committee. Director Blattie reviewed the budget process for committee travel.

b. Proposed Policy – MACo Committee Appointments/Travel Costs

Director Blattie reviewed the proposed policy, and informed the Board that this would provide a written policy that would synchronize with past practice and provide clarity for staff.

Following further discussion and recommended minor changes, Commissioner Lythgoe moved and Commissioner Prinkki seconded to approve the policy as amended. Motion carried.

c. NACo Committee Appointments

President Johnson reviewed the list of appointees to NACo Boards and Steering Committee, and the positions that are being funded by sponsorships, individual counties, and other organizations.

d. Proposed Policy – NACo Committee Appointments/Travel Costs

Director Blattie presented a proposed policy regarding the appointment of NACo Committee members and the payment of related travel costs. The policy clarifies which positions are appointed by MACo appointments, as well as the obligations of payment of travel costs for both MACo appointees and those appointed by other counties, or organizations, and sponsored positions. Director Blattie reported that NACo allows five members per state on each committee, with no more than two members per committee from the same county.

Discussion was held regarding the benefits of being a 100% state. It was noted that if a county does not pay their NACo dues, MACo pays the dues to maintain the 100% status per the Board established policy that. One county does not pay their NACo dues.

Discussion was held regarding delegates priority in voting, i.e., if a representative is sponsored by a county who would their vote represent - the Association or their county? Also, how is it determined who is granted a position on a Committee that is funded by another county or organization? Following discussion, the Board requested that Director Blattie draft language to establish priorities for determining representation on NACo Steering Committees.

The Board continued discussing the policy on NACo Committee Appointments and Travel Costs. Following discussion and proposed minor amendments, Commissioner Reiger moved and Commissioner McGinley seconded to adopt the policy as amended. Motion carried.

e. Committee Names – Review/Amendments

Director Blattie requested the Board's consideration of amending the name of the Community and Economic Development Committee to Community, Economic Development and Labor. The requested is based on the Memorandum of Understanding with the Department of Labor, requiring the representative they sponsor to serve on the NACo Community and Economic Development Committee provide reports to the State Workforce Investment Board (SWIB).

Commissioner Lythgoe moved and Commissioner McGinley seconded to approve moving "Labor" to the title of Community and Economic Development Committee and removing it from the title of the Health and Human Services Committee. Motion carried.

Director Blattie informed the Board that the by-laws state the title of the Committee to be the Finance and Budget Committee. It was requested the Board consider proposing a by-law change to change the name to the Tax, Finance and Budget Committee.

Commissioner Lythgoe moved and Commissioner Underdal seconded to proposed a by-law change to re-name the committee the Tax, Finance and Budget Committee. Motion carried.

Discussion was held regarding the feasibility of using video conferencing for Board and Committee meetings to reduce the costs of travel. Associate Director Wood reported that a proposal was submitted with the budget requests for the FY 2006 budget, but budget authority was not granted.

Commissioner Hall moved and Commissioner Prinkki seconded, requesting staff to prepare a budget proposal for the FY 2009 budget for the installation of a video conferencing system in the MACo Conference room. Discussion was held regarding the system availability in all counties. Staff will provide that information with the proposal. Motion carried.

5. Affiliate Board Members

a. Travel Reimbursement Policy

Per the by-laws, MACo Board member travel is not reimbursed if the meeting is held in conjunction with a regular MACo meeting such as the Annual and/or Midwinter Meetings. The by-laws are not clear on the payment of travel for Affiliate Board member travel to those meetings. Discussion was held regarding the preparation of a proposed by-law amendment to clarify reimbursement for Affiliate Board member travel. It was proposed that travel be paid for attendance at the Sunday business meeting at the Annual Conference, but not for the Thursday Board orientation meeting.

b. Voting Delegates Request

Director Blattie reported that during the Council of County Officials meeting, members of County Elected Officials Associations (CEOA) asked that their positions on the MACo Board be allowed voting privileges. This would require a change in the by-laws. Director Blattie reported that when the CEOA's were given positions on the Board in 1997, it was recommended that they be voting positions. The Membership voted to allow CEOA representation on the Board, but they were established as non-voting positions.

Commissioner Rehbein moved and Commissioner Underdal seconded to proposed a by-law change allowing Affiliate member voting privileges on the MACo Board of Directors.

Discussion:

The Board asked if the CEOA representatives would be eligible for elected positions on the Executive Committee, and whether they pay dues. Harold reported their eligibility to hold office would depend upon the by-law language. Harold reported that County Elected Officials Associations do not pay dues.

The Board asked Harold to clarify the purpose of the County of County Officials (CCO). Harold reported it is the President, or their designee, of the County Elected Officials Associations. The CCO was originally established for the purpose of changing how elected officials' salaries are set. It now serves as an opportunity to coordinate legislation and legislative positions to present a more unified voice at legislative sessions.

Gary Olsen, Magistrates Association, reported that their Association appreciates the fact that they are asked for, and allowed input. He further reported that as he does not attend other Board and Committee meetings or trainings, he feels there are a number of issues the Board makes decisions on that he would be uncomfortable voting on due to a lack of knowledge of the issues.

Paulette DeHart, Clerk and Records Association, stated that their Association felt they needed to have a voice in MACo, specifically in regards to legislative positions.

The question was called. Motion carried unanimously.

6. Reconnecting with Disaster & Emergency Services

Director Blattie informed the Board that since the Governor's DES Conference had separated from MACo's Midwinter Meetings, a large disconnect had been created between Commissioners and DES. With all of the new Commissioners, there is a lack of knowledge regarding the 2 mill levy, work comp coverage for road department employees during fires, etc. Harold reported that DES would be presenting during the midwinter conference.

Commissioners Hall and Prinkki commented that their needs to be a focus on the Wildland Urban Interface and funding as this will be a significant legislative issue.

Commissioner Prinkki also reported that applications are being accepted for the Interoperability Academy, and recommended that teams of Commissioners, DES Coordinators, firefighters, etc submit their applications. Attendee costs are fully funded by NACo.

7. MACo Resolution Process

Director Blattie reported that it has been requested by some members that the process for Resolutions be reviewed and clarified. It is problematic when resolutions come in after District Meetings and prior to the Annual Conference, leaving staff very little time to prepare them. It was requested the Board review the criteria for late resolutions, and also that they consider adopting a proposal to place statements on our resolutions that they are not to be used or distributed as support or opposition on any particular bill.

The Board requested that the Resolutions Committee be invited to attend and participate in the February meeting to discuss and review these items.

8. Commissioners Handbook Updates

Director Blattie reported he had received a quote to do the handbook updates. The cost was approximately \$20,000. The information has been forwarded to the Montana Local Government Center for them to review and provide a cost estimate to update the handbook.

9. Conflict of Interest Statements

Director Blattie informed the Board that the MACo Board of Directors, and the Trustees of all of the Pools will be presented with Conflict of Interest Statements to sign. The Auditors are preparing the draft language as the statements are required this under the new GAAP rules.

10. MACo/Trust Service Agreements

Associate Director Wood informed the Board that the MACo/Health Care Trust (HCT) Service Agreement was based on the HCT budget through December 31, 2007. The HCT has established and approved a budget from January 1 through June 30, 2008, in order to bring them into the regular budgeting cycle. AD Wood informed the Board that the budget also included funding for a new Marketing Representative position and the costs of establishing and maintaining an office in eastern Montana. The Board was asked to approve the Amended Service Agreement with the Health Care Trust.

Commissioner Underdal moved and Commissioner Lythgoe seconded to approve the MACo/MACo HCT Amended Service Agreement in the amount of \$255,285, which includes funding for a new staff position and related costs. Motion carried on a 13-4 vote.

11. Legislative Report

Associate Director Wood provided updates of Interim Committee work regarding jail standards and the mentally ill, the HJ50 Study of involuntary pre-commitment costs, inmate medical costs, the study of elections, and the DPHHS proposed rule amendment on vital statistic fees.

Following discussion, it was requested the Resolutions Committee be asked to consider drafting a resolution regarding the impact of Administrative Rules on local governments.

Director Blattie reviewed his work on the Constitutional Amendment to the limit property tax growth rate, HB 49 study of special purpose districts, SB 1 Fire Suppression Study Committee and the WUI working group, Gravel pit siting and zoning, the Water Policy Interim Committee and the District Court Council's work on courtroom security and the judicial workload study.

12. Meeting Review

- a. **Council of County Officials** - Director Blattie recapped the meeting and discussions regarding the setting of Elected Officials salaries, and the incremental increases. Further meetings will be held to discuss additional legislative issues.
- b. **Elected Officials Training/Commissioner Certification** – Director Blattie referred the Board to the evaluations in their packets. He also noted that Jane Jelinski will be retiring and a search is being conducted for her replacement. Commissioner Doggett from Meagher County is on the selection committee.
- c. **Midwinter Conference** – The Board was provided with a draft agenda for the meetings to be held February 11 – 14 in Billings.

13. Other Business


- a. Discussion was held regarding the Permissive health Benefit Levy, Tax Increment Finance Districts, and the Short Term Investment Pool activity.
- b. **NACo Election Reform Resolution** – Director Blattie informed the Board that NACo is reviewing their delegate rules regarding credentialing and proxies for their elections. The NACo President denied a request from the National Council of County Association Executives (NCCAE) to have representation on the committee. The resolution urges NACo to take corrective actions to avoid future disputes in the NACo election process and to provide for representation on the committee appointed to study election reforms from the NCCAE.


Commissioner Prinkki moved and Commissioner Hall seconded to adopt Board Resolution 2007-1 National Association of Counties Election Reform. Motion carried.

- c. **MACo Annual Conference Evaluations** - Director Blattie referred the Board to the Evaluations in their packets. Information was presented regarding the request to record workshops and place the video's on our website showing it is a very expensive and technical process.
- d. **MSU Local Government Salary Survey** – Director Blattie reported that it is unknown if this would be conducted this year due to the Directors retirement. MACo conducts a survey of Clerk and Recorder base salaries and publishes them in the newsletter and posts them on the website.
- e. Director Blattie reported that he is in the early planning stages of conducting a Coordinating Agency workshop in conjunction with the Oil, Gas and Coal Counties Annual Meeting. Cynthia Moses-Nedd would be invited to present.

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

Approved this 11th day of February 2008.


Cynthia Johnson, MACo President


L. Harold Blattie, MACo Executive Director

AGREEMENT AMENDMENT

This document hereby amends section 2.3 of the Agreement entered into on the 27th day of June, 2007, by and between the Montana Association of Counties Health Care Trust, hereafter referred to as MACo HCT, 2715 Skyway Drive, Helena, MT, and the Montana Association of Counties, hereafter referred to as MACo, 2715 Skyway Drive, Helena, MT.

Section 2.3 is amended as follows: The fee for the period January 1, 2008 through June 30, 2008 shall be based upon actual costs incurred by MACo for services provided for in this agreement and shall not exceed \$255,285 unless specifically amended and agreed to by the parties.

IN WITNESS OF THE FOREGOING, MACo HCT and MACo have authorized this Agreement Amendment to be signed by their duly authorized officers.

MONTANA ASSOCIATION OF COUNTIES, HEALTH CARE TRUST

Date: Dec. 10, 2007

By: Cynthia A. Johnson, HCT Trust

MONTANA ASSOCIATION OF COUNTIES

Date: DEC 10, 2007

By: L Harold Blundell, MACo

MONTANA ASSOCIATION OF COUNTIES

BOARD OF DIRECTORS RESOLUTION 2007- 01

National Association of Counties Election Reform

A Resolution urging the National Association of Counties to take corrective actions to avoid future disputes in the NACo election process and to provide for representation on the committee appointed to study election reforms from the National Council of County Association Executives (NCCAE).

Whereas, the National Association of Counties (NACo) is a voluntary association comprised of thousands of member county governments throughout the nation; and

Whereas, the purpose of NACo is to represent all counties who are members of the organization regardless of population; and

Whereas, NACo assists counties in improving and strengthening their voice in Congress and advocates for issues that are a benefit to all members; and

Whereas, NACo also promotes the exchange of information and advise and conducts other activities that benefit and improve the services provided by all counties; and

Whereas, all active member counties contribute annually to the financial support of the association; and

Whereas, each officer of the association is elected by those members qualified to vote; and

Whereas, current voting procedures permit non-attending counties to vote by proxy; and

Whereas, the 100% of the counties in Montana are members of the association and actively participate in the activities and events of the association; and

Whereas, serious voting irregularities and questions occurred during the 2007 NACo elections; and

Whereas, the NACo Executive Committee has formed a committee to review and make recommendations concerning changes in the NACo voting policies and procedures to the association Board of Directors and members;

NOW THEREFORE BE IT RESOLVED, that the Montana Association of Counties Board of Directors respectfully requests that the NACo Board of Directors take corrective actions to avoid future election disputes including:

1. assuring that voting credentials are accurate and obtainable under the deadlines established by the Board;
2. certification or validation process for NACo officials be established to verify the votes of a state;
3. non-attending county wishing to cast it vote(s) by proxy must be registered and annual conference fees paid prior to the start of the annual conference.
4. providing for representation on the committee appointed to study election reforms from the National Council of County Association Executives (NCCAE); and

BE IT FUTHER RESOLVED, that copies of this resolution be forwarded to the National Association of Counties.

Adopted this 10th day of December, 2007
Montana Association of Counties
Board of Directors



Cynthia Johnson, President