



# Montana Association of Counties

*Serving Montana Counties Since 1909*

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**MACo Board of Directors (MACo)  
MACo Joint Powers Authority Trustees (JPA)  
MACo Joint Powers Insurance Authority Trustees (JPIA)  
MACo Health Care Trust Trustees (HCT)**

**JOINT BUDGET ADOPTION  
1:00 P.M. - Wednesday, June 29, 2011  
MACo Conference Room - Helena, MT**

## MINUTES

### MACo BOARD OF DIRECTORS

<input checked="" type="checkbox"/> John Ostlund, President	<input checked="" type="checkbox"/> Russ Tempel, District #4
<input checked="" type="checkbox"/> Connie Eissinger, 1 <sup>st</sup> Vice President	<input checked="" type="checkbox"/> Arnold Gettel, District #5
<input checked="" type="checkbox"/> Greg Chilcott, 2 <sup>nd</sup> Vice President	<input checked="" type="checkbox"/> Ken Ronish, District #6
<input checked="" type="checkbox"/> Carl Seilstad, Past President	<input checked="" type="checkbox"/> Maureen Davey, District #7
<input checked="" type="checkbox"/> Cynthia Johnson, Fiscal Officer	<input checked="" type="checkbox"/> Gail Vennes, District #8
<input checked="" type="checkbox"/> Andy Hunthausen, Urban Co. Rep.	<input checked="" type="checkbox"/> Randy Taylor, District #9
<input checked="" type="checkbox"/> Richard Dunbar, District #1	<input type="checkbox"/> Tony Berget, District #10
<input checked="" type="checkbox"/> Doug Buxbaum, District #2	<input checked="" type="checkbox"/> Jean Curtiss, District #11
<input checked="" type="checkbox"/> Donald Reiger, District #3	<input checked="" type="checkbox"/> Tom Rice, District #12
	<input checked="" type="checkbox"/> Kim Buchanan, Treasurer's Assoc.

### JPA

John Ostlund, Chair  
 Connie Eissinger  
 Greg Chilcott  
 Carl Seilstad  
 Cyndi Johnson  
 Andy Hunthausen  
 Harold Blattie

### JPIA

Mike Murray, Chair  
 Richard Dunbar, Vice Chair  
 Paddy Trusler  
 Dave Schulz  
 John Ostlund  
 Connie Eissinger  
 Harold Blattie

### HCT

Mike McGinley, Chair  
 Dave Schulz, Vice Chair  
 Herb Townsend  
 John Prinkki  
 Connie Eissinger  
 Arnold Gettel  
 Harold Blattie

**Others present:** Sheryl Wood, MACo Associate Director; Tom Swindle, MACo Finance Officer; Mike Sehestedt, MACo JPA/JPIA Chief Counsel; Sara McGowan, MACo Accounting Technician, Greg Jackson, JPIA/JPA Trust Administrator.

1. **Proposed Bylaw Amendment:** Director Blattie reported that the Board of Directors approved the presentation of a Bylaw amendment to the MACo membership at the 2011 Annual Conference. With the passage of HB 212, which eliminated county classifications, the term "Class 1A" representative no longer applies and the amendment will propose changing the term to "Urban County" representative.

2. **Professional Development:** President Ostlund reported that the Executive Committee is recommending that \$5,000 be allocated in the FY 12 budget for professional development for the Executive and Associate Directors (MACo \$1,750/HCT \$1,000/JPA \$1,000/JPIA \$1,250).

**MACo:** Commissioner Hunthausen moved and Commissioner Johnson seconded to approve. Motion carried unanimously.

**HCT:** Trustee Schulz moved and Trustee Eissinger seconded to approve. Motion carried unanimously.

**JPA:** Trustee Johnson moved and Trustee Hunthausen seconded to approve. Motion carried unanimously.

**JPIA:** Trustee Schulz moved and Trustee Dunbar seconded to approve. Motion carried unanimously.

3. **FY 2012 Salaries:** Director Blattie reported that the Tax, Finance and Budget Committee had recommended that the proposed 1.6 COLA increase be calculated to an hourly rate based on the Executive Director's salary, which calculated to be \$.80 per hour. He also reported the Executive Committee recommendation is \$.50 per hour. Director Blattie requested proposed an increase of \$1.00 per hour for all staff for FY 2012.

Discussion: Trustee Trusler asked what the prior year increase was. Director Blattie reported that salaries were frozen for FY 11. Commissioner Dunbar asked what the hourly rate was for the lowest paid employee. Commissioner Seilstad noted that the health insurance increase is \$.28 per hour. Director Blattie distributed a handout showing COLA increases versus the State's average weekly wage. Commissioner Davey and Trustee Schulz commented they cannot support a lower increase due to the wages being frozen last year.

The motion was made to approve a \$.50 per hour increase for staff salaries for FY 12.

**MACo:** Commissioner Tempel moved and Commissioner Ronish seconded. Motion carried 15-2.

**HCT:** Trustee Eissinger moved and Trustee Gettel seconded. Motion failed 2-2.  
Motion carried unanimously.

**JPA:** Trustee Chilcott moved and Trustee Johnson seconded. Motion carried unanimously.

**JPIA:** Trustee Schulz moved and Trustee Dunbar seconded. Motion carried unanimously.

**HCT:** Trustee Schulz moved and Trustee Gettel seconded to approve a \$1.00 per hour increase. Motion failed 2-2. The meeting was recessed for the HCT Trustees to caucus. The meeting was reconvened. Trustee Eissinger moved and Trustee Gettel seconded to approve a \$.50 per hour increase. Motion carried unanimously

4. **Adoption of FY 2012 Budget including Termination Reserve Transfers and Designated Reserve Funds:**

**MACo:** Commissioner Ronish moved to approve and Commissioner Johnson seconded. Motion carried unanimously.

**HCT:** Trustee Gettel moved and Trustee Eissinger seconded to approve. Motion carried unanimously.

**JPA:** Trustee Johnson moved and Trustee Hunthausen seconded to approve. Motion carried unanimously.

**JPIA:** Trustee Dunbar moved and Trustee Schulz seconded to approve. Motion carried unanimously.

5. **MACo/JPA/JPIA Lease Agreement Renewal:** Director Blattie reported that Interoperability Montana will be vacating the space they were leasing on June 30. Director Blattie contacted the State regarding current rates for commercial space. They responded that while there is a perception of a softening of the market; there was no way to quantify the amount. Director Blattie reported that the HCT Trustees had discussed the issue and had decided not to re-negotiate the rate, but would request that the Marketing Coordinator be allowed to use the vacant corner office when they are in town. Trustee Trusler asked if there are any future leases for the space being considered. Director Blattie responded that he would prefer not to lease space to outsiders, as there have been problems with the tenants and disruptions for staff.

It was moved and seconded to renew the Lease Agreement for an annual amount of \$23,898 at the current rate of \$21.00 per square foot,

**MACo:** Commissioner Johnson moved and Commissioner Hunthausen seconded to approve. Motion carried unanimously.

**JPA:** Trustee Johnson moved and Trustee Hunthausen seconded to approve. Motion carried unanimously.

**JPIA:** Trustee Dunbar moved and Trustee Trusler seconded to approve. Motion carried unanimously.

6. **FY 2012 HCT/JPA/JPIA Service Agreement Renewals:** It was moved and seconded to approve the FY 2012 Service Agreements with MACo:

**HCT:** Trustee Eissinger moved and Trustee Schulz seconded to approve. Motion carried unanimously.

**JPA:** Trustee Johnson moved and Trustee Hunthausen seconded to approve. Motion carried unanimously.

**JPIA:** Trustee Trusler moved and Trustee Schulz seconded to approve. Motion carried unanimously.

Trustee Trusler inquired as to Exhibit A of the Service Agreement regarding duties and questioned how the service of local agents is evaluated. Greg Jackson responded that the engagement/evaluation and payment of the agents is a Trust function and the commissions are paid through the Trusts. Trustee Trusler requested that the Trusts consider discussing at an upcoming session how to evaluate the agent agreements, clarification on their services to the counties, commission payments, etc.

7. **FY 2012 MACo Service Agreement Renewals:** Commissioner Seilstad moved and Commissioner Rice seconded to approve the MACo Service Agreements with HCT, JPA and JPIA for FY 2012. Motion carried unanimously.

8. **Other Business:**

- a. **FY 2012 Organizational Chart:** Director Blattie distributed the FY 2012 Organizational Chart and noted there have been no changes since FY 2011.
- b. **FY 2011-2013 Auditor's Engagement:** Director Blattie reported that the agreement with JCCS to conduct the audits has expired. Director Blattie noted that JCCS has done a commendable job of catching up and keeping current on our audits and that they are a pleasure to work with.

Director Blattie requested authority to enter into a letter of engagement with JCCS for the FY 2011 – FY 2013 audits.

**MACo:** Commissioner Dunbar moved and Commissioner Hunthausen seconded to approve. Motion carried unanimously.

**HCT:** Trustee Gettel moved and Trustee Schulz seconded to approve. Motion carried unanimously.

**JPA:** Trustee Hunthausen moved and Trustee Chilcott seconded to approve. Motion carried unanimously.

**JPIA:** Trustee Schulz moved and Trustee Trusler seconded to approve. Motion carried unanimously.

**NOTE:** Executive Director/Trust Secretary Blattie abstained from all voting.

There being no further business to come before the Board and Trusts, the meeting was adjourned at 2:00 p.m.

<b>FY 2012 Budget Authority, Termination Reserve Transfers, and Service Agreement Amounts</b> <b>Approved by the MACo Board of Directors and the</b> <b>Trustees of the HCT, JPA &amp; JPIA</b> <b>June 29, 2011</b>					
Item	MACo	HCT	JPA	JPIA	Total
<b>FY 2012 Budget Authority</b>	<b>\$ 615,513</b>	<b>\$ 519,971</b>	<b>\$ 879,182</b>	<b>\$1,427,601</b>	<b>\$3,442,266</b>
<b>FY 12 Termination Leave Liability Transfer Amount</b>	<b>\$ 7,973</b>	<b>\$ 476</b>	<b>\$ 4,167</b>	<b>\$ 1,312</b>	<b>\$ 13,928</b>
<b>Total FY 2012 Service Agreement Amounts</b>	<b>\$ 623,486</b>	<b>\$ 520,448</b>	<b>\$ 883,348</b>	<b>\$1,428,913</b>	<b>\$3,456,194</b>

<b>FY 2012 Board/Trust Designated Fund Amounts</b> <b>Approved by the MACo Board of Directors and the</b> <b>Trustees of the HCT, JPA &amp; JPIA</b> <b>June 29, 2011</b>					
Designated Fund	MACo	HCT	JPA	JPIA	Total
<b>Auto</b>	<b>\$ 1,030</b>	<b>\$15,589</b>	<b>\$18,089</b>	<b>\$23,236</b>	<b>\$57,944</b>
<b>Building I</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$10,000</b>
<b>Building II</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$10,000</b>
<b>Technology (Other) {Undesignated}</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>(\$10,000)</b>	<b>(\$52,250)</b>	<b>(\$62,250)</b>
<b>Technology (Server)</b>	<b>\$ 1,374</b>	<b>\$ 1,897</b>	<b>\$ 3,542</b>	<b>\$ 5,187</b>	<b>\$12,000</b>
<b>Total</b>	<b>\$ 2,404</b>	<b>\$17,486</b>	<b>\$21,631</b>	<b>(\$13,827)</b>	<b>\$27,694</b>

Approved this \_\_\_\_\_ day of September, 2011

\_\_\_\_\_  
 President/Chair, Board of Trustees

\_\_\_\_\_  
 Executive Director/Trust Secretary