



Montana Association of Counties

Serving Montana Counties Since 1909

2715 SKYWAY DRIVE, SUITE A, HELENA, MT 59602

(406) 449-4360 Fax (406) 442-5238

www.mtcounties.org

BOARD OF DIRECTORS

Sunday, September 21, 2014

3:00 P.M.

Glacier II & III Rooms

Hilton Garden Inn, Kalispell, MT

MINUTES

1. **Call to Order, Roll Call and Introductions:** President Briggs called the meeting to order. Roll call was conducted. Outgoing Board members were thanked for their service to MACo.
2. **Dewberry Proposal for HUD CDBG Grant Program:** Bruce Vincent, of Environomics provided an overview of Environomics history and activities. Mr. Vincent reported that HUD has launched a \$1billion national disaster resilience grant competition. Mr. Vincent noted it was recently learned that MACo is not an eligible grant recipient, and requested a stakeholders letter from MACo be sent to the state supporting their grant proposal.

Commissioner Prinkki moved and Commissioner Brooker seconded to authorize the MACo Executive Committee to work with Environomics and review and determine MACo's involvement level. Motion carried unanimously.

3. **Approval of Minutes:** Commissioner Ronish moved and Commissioner Hendrickson seconded to approve the minutes of the June 25, 2014 Board and Joint Budget Meetings as presented. Motion carried unanimously.
4. **FY 2014 Audited Financial Statements:** Finance Director Johnson introduced Greg Peck and Sonal Shaw of JCCS. Ms. Johnson also acknowledged the work of the MACo staff in assisting with the audit.

Mr. Peck reviewed the FY 2014 Audited Financial statements, noting it was an unqualified opinion and there were no findings of weaknesses on internal controls.

Commissioner McGinley moved and Commissioner Chilcott seconded to accept the FY 2014 audit as presented. Motion carried unanimously.

5. **QCI Investments Report:** Finance Director Johnson reviewed the investment report provided by QCI. She also noted that Jim Turcotte of Raymond James has merged into Yellowstone Partners. Yellowstone Partners has reviewed the QCI investments and reports there are no hidden fees.
6. **2014-2015 CRS Inmate Medical Program Renewal:** Associate Director Wood reported that the underwriter is proposing no rate increases for the upcoming policy year of November 1, 2014 to October 31, 2015.

Commissioner Prinkki moved and Commissioner Murray seconded to renew the contract for Inmate Medical Insurance with CRS for the upcoming policy year, with no change in rates. Motion carried unanimously.

7. **Resolutions Committee Report:** Commissioner Murray, Resolutions Committee Chair, reviewed the actions of the Committee. Recommendations for Resolutions are:
 - a. Clarifying Eligible Voters in Certain Elections: Do Pass
 - b. Generally Revise Laws Applicable to Co. Gov't.: Do Pass as Amended
 - c. Carry-over resolutions (2012-12, 2012-16 & 2012-17): Do Not Pass – no longer needed.
 - d. Late Resolutions:
 - i. Three resolutions related to passport execution fees: Do Not Pass
 - ii. Retirees as Independent Contractors: Do Pass – refer to TFB Committee
 - iii. Volunteer Firefighter Income Tax Credit: Do Not Pass

Commissioner Murray also reported that the Committee recommends that resolutions that passed legislation be dropped as they are no longer necessary.

Commissioner Murray stated that the Committee approved their policy statement as written with no amendments.

Commissioner Murray moved and Commissioner McGinley seconded to accept the Resolutions Committee report as presented. Motion carried unanimously.

8. **Nominations Report:** President Briggs convened the Board as a Committee of the Whole for the purposes of Nominations. The nominations are:
 - a. MACo President: Dave Schulz, Madison County
 - b. MACo 1st Vice President: Maureen Davey, Stillwater County
 - c. MACo Immediate Past President: Joe Briggs, Cascade Count
 - d. MACo 2nd Vice President:
 - i. Todd Devlin, Prairie County
 - ii. Mike Wendland, Hill County
 - iii. It was noted that Commissioner Ron Stoltz, Ravalli County and Commissioner Andy Hunthausen, Lewis and Clark County were previously nominated for MACo 2nd Vice President, but had withdrawn their names from nomination.
 - e. MACo Fiscal Officer: Mike McGinley, Beaverhead County
 - f. Urban County Representative: It was noted the Urban County Representative would be elected at their upcoming meeting.

President Briggs provided Commissioners' Wendland, Devlin and McGinley an opportunity to address the Board and thanked them for putting their names forward.

President Briggs adjourned the Committee of the Whole and reconvened the Board meeting.

9. **MACo Annual Performance Evaluation:** Director Blattie reported that the responses to the survey had been compiled to show the responses of each elected office. It is clear that the sentiment among elected officials is that MACo only serves the Commissioners, and it is clear that MACo needs to expand interaction beyond just the leadership of elected officials associations.

President Briggs reported that he and Harold had reviewed the responses thoroughly and takes them seriously. It is difficult to respond as the answers are anonymous, but the overall responses were positive.

10. **Executive Succession Plan:** President Briggs reviewed the process and recommendations of the Succession Planning Committee and the proposed Succession Plan for the long term replacement of the Executive Director and key management personnel. He noted that procedures have already been put in place by the Board and Trusts establishing designated reserves for national searches and overlap of key staff during training. President Briggs added that an organizational chart is being changed to show a clearer definition and separation between day-to-day operations and policy, with the Associate Director's position being responsible for the day-to-day operations. It was also noted the document provided the Executive Director with the authority to take extra measures as necessary, including financial incentives to postpone retirements, and/or contracting for services. President Briggs thanked the Committee for their work and the staff for their patience with the process.

Director Blattie reported that he was very pleased with the end product. The Committee did their homework by reviewing the skillsets of all staff, including the Executive and Associate Directors, and recognizing the need to restructure the organization to separate policy from operations.

Director Blattie noted that the new organizational chart is to show the difference between administration and operations. For example, administration side decides if work needs to be done, and operations side makes it happen and gets the work done.

Commissioner Schulz commended President Briggs for his work and drive to complete this task. He added that it was a job well done and it is also due to the good work of the people within the Association.

Commissioner McGinley recommended that since the Board had not had opportunity to review the documents, that the decisions should be deferred to the December Board meeting. Commissioner Murray opposed that suggestion, stating that some of the committee members will no longer be on the board.

Commissioner Murray moved and Commissioner Mullen seconded to adopt the Executive Succession Plan Committee Report and the Executive Succession Plan.

Discussion: Commissioner Seilstad expressed concerns that he wanted time to visit with some key individuals, and recommended postponing adoption. Commissioner Chilcott also expressed concerns that there hadn't been adequate time for the Board to review the documents.

The question was called. The motion failed 9-11.

Director Blattie noted that by postponing the decision to December he had no clear guidance on filling the vacant Legislative Analyst Position.

Commissioner McGinley moved and Commissioner Ronish seconded to add the Executive Succession Planning Committee Report and proposed Executive Succession Plan to the Thursday, September 25, 2014 meeting agenda. Motion carried unanimously.

- 11. Proposed Bylaw Amendments:** Associate Director Wood reported that there were two bylaw amendments being presented to the membership:
- a. Executive Director Performance Evaluation and Salary Setting
 - b. Annual Conference Site Selection and Site Selection Guidelines

Ms. Wood added that the Board had approved forwarding them to the membership at their June, 2014 meeting, and the enclosures were for informational purposes only.

- 12. Vendor/Exhibitor/Sponsor Non-Compete Policy:** Commissioner Chilcott stated that he is opposed to the policy, as he believes it is in the best interests of counties to have options for vendors, and it is good business for competition to get counties the best deal. Commissioner Seilstad noted he agreed with Commissioner Chilcott. Commissioner Curtiss also expressed her opposition to the policy.

Director Blattie reported that there is a non-compete clause in our agreement with Nationwide Retirement Services regarding marketing of the 457 plan, and has had to ask a vendor to not exhibit those products.

President Briggs stated that NACo, the Association and the Trusts should all have exclusivity on their products and this policy protects "the brand".

Commissioner Dunbar moved and Commissioner Murray seconded to deny adoption of the Vendor/Exhibitor/Sponsor Non-Compete Policy.

Commissioner Barron stated that this needs to be looked at as a Board member, and not as an individual commissioner.

The question was called. The motion carried on a vote of 12-8 to not adopt the policy.

- 13. NACo Public Employees Benefits LLC Agreement:** Director Blattie reported that NACo, NACo Financial Services Corporation and state associations of counties that support the NACo Deferred Compensation Program are no longer required to register as Municipal Advisors with the SEC. As a result, NACo RMA LLC will deregister and a new LLC structure will be retained and renamed to NACo Public Employee Benefit LLC (PEB LLC). Director Blattie requested authority to execute the appropriate documents.

Commissioner Chilcott moved and Commissioner McGinley seconded to approve Executive Director Blattie executing the necessary documents for the NACo LLC name change. Motion carried unanimously.

- 14. 2016 Convention Bids:** Director Blattie reported that Yellowstone County had submitted a proposal to host the 2016 convention.

15. **NACo County Leadership Institute Report:** Maureen Davey, MACo 2nd VP reported that the training at the Institute was a very deep and introspective program. It began with completing an adaptive leadership profile and the training helped attendees become deeper thinking leaders.
16. **Other:**
 - a. **NACo Financial Services:** Director Blattie reported that NACo Financial Services had established a new partnership with Multi-Bank Securities, Inc. and their new solution, eConnectDirect. The new tool will assist counties with checks and balances regarding investments. Staff will be participating in a webinar with NACo to learn more about the program.
 - b. **Request for WIR funds to host NACo Rural Action Caucus Retreat:** Director Blattie reviewed a letter from Yellowstone County Commissioner Bill Kennedy, requesting up to \$2,500 of the designated WIR funds to be used towards hosting the NACo Rural Action Caucus meeting in Billings in November. Director Blattie reviewed the history of the funding in the WIR designated fund.

Commissioner Prinkki moved and Commissioner Malone seconded to approve the request to authorize Yellowstone County to use up to \$2,500 of the designated WIR Conference funds to host the NACo NACo Rural Action Caucus Retreat meeting. Motion carried unanimously.

There being no further business to come before the Board, the meeting was adjourned at 5:02 p.m.

Approved this 1st day of December, 2014.



Dave Schulz, MACo President



L. Harold Blattie, MACo Executive Director

Executive Committee

- Joe Briggs, President
- Dave Schulz, 1st Vice President
- Maureen Davey, 2nd Vice President
- Greg Chilcott, Immed. Past President
- Mike McGinley, Fiscal Officer
- Jim Reno, Urban Representative

Past President's

- Connie Eissinger
- John Ostlund
- Carl Seilstad
- John Prinkki
- Bill Kennedy
- Carol Brooker
- Bob Mullen

District Chairs

- Richard Dunbar, District #1
- Doug Buxbaum, District #2
- Doug Martens, District #3
- Larry Hendrickson, District #4
- Ben Ober, District #5
- Ken Ronish, District #6
- Jerry Dell, District #7
- Mike Murray, District #8
- Marty Malone, District #9
- Bill Barron, District #10
- Jean Curtiss, District #11
- Jim Hart, District #12

Association Representatives

- Leo Gallagher, County Attorneys
- Paula Jaconetty, Clerk and Recorders
- Connie Mattfield, Clerks of Court
- Valerie Hornsveld, Clerks of Court
- Vacant, Coroners
- Linda Budeski, Magistrates
- Kathy McGowan, Sheriffs & Peace Officers
- Betty Romo, Treasurers
- Susan Beley, School Superintendents

Others present: Harold Blattie, MACo Executive Director; Sheryl Wood, MACo Associate Director; Shantil Siaperas, MACo Legislative Coordinator; Kathy Johnson, MACo Finance Director; Mike Sehestedt, MACo General Counsel; Greg Peck and Sonal Shaw, JCCS; Gary Macdonald, Roosevelt County; Susie Mosness, Sweet Grass County; Mike Wendland, Hill County; Todd Devlin, Prairie County; Jeff Burrows, Ravalli County; Laurie Johnston, Mineral County; Ron Ostberg, Teton County; Bruce and Chas Vincent, Environomics.