



Montana Association of Counties

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**MACo Board of Directors (MACo)
MACo Workers Compensation Trust Trustees (WCT)
MACo Property & Casualty Trust Trustees (PCT)
MACo Health Care Trust Trustees (HCT)
Joint Budget Adoption Meeting**

June 24, 2015

1:30 P.M.

MACo Conference Room

MINUTES

President Shulz (MACo), Trustee McGinley (HCT), Trustee Murray (PCT), and Trustee Schulz (WCT) convened a meeting of the whole.

- 1. FY 2016 Supplemental Request – Employee Salaries:** Director Blattie reported that the preliminary budget was developed with a 1.6% cost of living adjustment included for all staff. He added that department heads had submitted requests for supplemental increases based on additional job duties. He has reviewed and evaluated the requests and found them to be valid, so would like to request additional budget authority for the supplemental salary adjustments.

Director Blattie also noted that an internal analysis was done regarding staff salary allocations to MACo and the Trusts, and the outcome was that some of the staff salaries were reallocated for FY 16.

MACo: Commissioner Prinkki moved and Commissioner Davey seconded to approve the request as submitted. Motion carried unanimously.

HCT: Trustee Malone moved and Trustee Prinkki seconded to approve the request as submitted. Motion carried unanimously.

PCT: Trustee Seilstad moved and Trustee Davey seconded to approve the request as submitted. Motion carried unanimously.

WCT: Trustee Devlin moved and Trustee Reno seconded to approve the request as submitted. Motion carried unanimously.

Director Blattie informed the Board and Trustees that as a result of a recent analysis of the Claims Department Operations, there will be changes in how services will be provided. He added that there may be a realignment of some staff, and salaries for claims related staff will be frozen pending the outcome.

- 2. FY 2016 MACo Final Budget Adoption:** Commissioner Reno moved and Commissioner Chilcott seconded to approve the MACo FY 2016 final budget of \$677,363. Motion carried unanimously.

3. FY 2016 Lease Agreements for HCT Space

- a. **Building 2:** Associate Director Wood reported that the conference room in the lower floor of building 2 had been reassigned to Defense Services so the square footage was removed from the calculation of the rental space, and the agreement was amended to reflect the new space allocation and rental amount. The new rental agreement for the space in Building 2 is for 1,949 square feet at \$21.00 per. The annual amount of the lease is \$40,939.00.

PCT: Trustee Chilcott moved and Trustee Schulz seconded to approve the Lease Agreement as presented. Motion carried unanimously.

WCT: Trustee Reno moved and Trustee Davey seconded to approve the Lease Agreement as presented. Motion carried unanimously.

MACo: Commissioner Ostberg moved and Commissioner Hendrickson seconded to approve the Lease Agreement as presented. Motion carried unanimously.

- b. **Building 1:** Associate Director Wood informed the Board that staff had determined the HCT should be paying rent for the proportionate share of office space of the staff assigned to HCT services. Two options were presented: Option 1 included the proportionate office space in the upper floor and the proportionate space of the conference room in the lower floor. Option 2 included the proportionate office space in the upper floor only.

HCT: Trustee McGinley spoke in opposition of the proposal. Trustee Malone moved to not accept the proposal. Trustee Underdal spoke in favor of the proposal. Motion died for lack of a second.

Trustee Prinkki moved to approve Option #1, which included the proportionate space of the offices and the conference room. Trustee Seilstad seconded. Motion carried 3-2 on a roll call vote.

MACo: Commissioner Reno moved and Commissioner Hendrickson seconded to not approve the Lease Agreement with the HCT for space in Building 1. Commission Barron spoke in opposition of the proposal, and Commissioners Burrows and Chilcott spoke in favor of the proposal. Motion died on a 9-11 roll call vote.

Commissioner Prinkki moved and Commissioner Devlin seconded to approve the Lease Agreement with Option 1, the proportionate space of the offices and conference room space. Director Blattie reported that he felt including the lower floor in relative proportion to staffing was not reflective of the cooperative relationship between MACo and the Trusts.

Commissioner Prinkki amended his motion to approve the Lease Agreement with Option 2. Commissioner Devlin seconded. Motion carried.

PCT: Trustee Chilcott moved and Trustee Seilstad seconded to approve the Lease Agreement with Option 2. Motion carried unanimously.

WCT: Trustee Chilcott moved and Trustee Davey seconded to approve the Lease Agreement with Option 2. Motion carried unanimously.

HCT: Trustee Prinkki moved and Trustee Underdal second to approve the Agreement with Option 2, and authorize the budget authority of \$10,125 in the Health Care Trust budget. Motion carried.

4. FY 2016 MACo Service Agreements:

HCT: Trustee Malone moved and Trustee Underdal seconded to approve the FY 2016 MACo Service agreement in an amount not to exceed \$801,471. Motion carried unanimously.

PCT: Trustee Schulz moved and Trustee Chilcott seconded to approve the FY 2016 MACo Service agreement in an amount not to exceed \$1,156,186. Motion carried unanimously.

WCT: Trustee Davey moved and Trustee Devlin seconded to approve the FY 2016 MACo Service agreement in an amount not to exceed \$2,218,606. Motion carried unanimously.

5. FY 2016 MACo HCT/PCT/WCT Service Agreements: Commissioner Chilcott moved and Commissioner Barron seconded to accept the FY 2016 Service Agreements from the Health Care Trust, the Property and Casualty Trust and the Workers Compensation Trust. Motion carried unanimously.

6. Audits: Associate Director Wood reported that the auditing firm of JCCS has been conducting the audits for all four entities since 2008, and their service agreement expires with the completion of the FY 2015 audits. Ms. Wood requested guidance for staff to either issue an RFP for auditing services, or renew the agreement with JCCS.

Discussion was held regarding “changing eyes” and issuing an RFP. Finance Director Johnson noted that that the auditors working now have “spun off” from JCCS, and we have different staff auditing our accounts.

Commissioner Reno moved and Commissioner Seilstad seconded to authorize staff to enter into negotiations with JCCS regarding the renewal of the auditing agreement with JCCS for the FY 2016 and FY 2017 audits. With all four entities voting jointly, motion carried with five (5) no votes.

There being no further business, the meeting was adjourned at 2:44 p.m.

MACo Board of Directors

Executive Committee

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

Past President's

- Greg Chilcott
- John Ostlund
- Carl Seilstad
- John Prinkki
- Bill Kennedy
- Carol Brooker
- Bob Mullen

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- Doug Buxbaum, District #2
- Doug Martens, District #3
- Larry Hendrickson, District #4
- Ron Ostberg, District #5
- Richard Moe, District #6
- Susie Mosness, District #7
- Leonard Wortman, District #8
- Marty Malone, District #9
- Bill Barron, District #10
- Jeff Burrows, District #11
- Tom Rice, District #12

Association Representatives

- Leo Gallagher, County Attorneys
- Bret Rutherford, Clerk and Records
- Connie Mattfield, Clerks of Court
- Valerie Hornsveld, Clerks of Court
- Vacant, Coroners
- Linda Budeski, Magistrates
- Brian Gootkin, Sheriffs & Peace Officers
- Jane Stene, Treasurers
- Susan Beley, School Superintendents

WCT

- Dave Schulz Chair
- Maureen Davey
- Greg Chilcott
- Mike McGinley
- Jim Reno
- Todd Devlin
- Harold Blattie

PCT

- Mike Murray, Chair
- Dave Schulz
- Carl Seilstad
- Richard Dunbar
- Greg Chilcott
- Maureen Davey
- Harold Blattie

HCT

- Mike McGinley, Chair
- John Prinkki, Vice Chair
- Joe Briggs
- Marty Malone
- Carl Seilstad
- Allan Underdal
- Harold Blattie