



Montana Association of Counties

Serving Montana Counties Since 1909

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BOARD OF DIRECTORS
Monday, February 12, 2018
Billings, MT
6:00 P.M.

MINUTES

- 1. Pledge to the Flag:** President Barron led the Pledge to the Flag.
- 2. Special Presentation:** A video from Matt Chase, NACo Executive Director, was played thanking Executive Director Blattie for his service. Director Blattie was presented with a gift from NACo.
- 3. Roll Call and Introductions:** Introductions and roll call were conducted.
- 4. Approval of Minutes:** Commissioner Ostlund moved and Commissioner Chilcott seconded to approve the minutes of December 4, 2017. Motion carried unanimously.
- 5. Finance Report:** Finance Director Johnson reviewed the financial statements as of December 31, 2017.
- 6. QCI Investments:** Paul Roland provided the Board with a performance report for FY 18. The report showed that the MACo portfolio has exceeded the benchmarks, and that superior short-term performance results from the practice of not marking securities to current market value. The strategy is to remain extended beyond the very short term to capture yield, and to limit maximum maturity to minimize potential realized losses if funds are required.
- 7. Executive Director Report:** Executive Director Blattie reported that the 2017 CPI is 2.1%, and was largely driven by the price of fuel. Director Blattie noted that Cathy Watson is a new Legal Assistant in the Defense Services Department, and Jim Muskovich, Loss Control Administrator, submitted his resignation.

Director Blattie discussed concerns regarding recent decisions made by the Department of Justice related to motor vehicles. The Department has reclassified cranes to vehicles rather than business equipment, and also is incorrectly applying the administration fee.

Discussion was also held regarding the Department of Administration proposed RFP for online services. Shantil Siaperas reported that many state agencies, cities and counties use Montana Interactive for credit card payments, burn permits, etc. The state has the option of extending the contract or going out for bid. A working group is recommending extending the contract, to slow the process down and conduct more due diligence. The state is pushing to issue an RFP as soon as possible. MACo staff has met with the Governor's Budget Director on the issue.

- 8. Executive Director Transition Plan Report:** Executive Director Blattie reported that he is in the process of handing things off to Deputy Director Bryson, as well as notifying state and other agencies to change their point of contact to Deputy Director Bryson. Staff will work on getting signature authority changed with the appropriate entities such as banking, investments, etc.

9. **TSEP Grant Funding:** Deputy Director Bryson reported that the Department of Commerce has changed the project list and funding based on their interpretation of legislative decisions made in the Special Session. Counties that received letters to begin incurring costs and were assured of funding are now being told the funding is not available. Several meetings have been held with the Department of Commerce and the League of Cities and Towns trying to resolve the issue. The concern is there will be a large amount of unspent money in the TSEP account that could be swept by the next Legislature.
10. **NACo & NW Presidents & Execs Meetings Report:** President Barron reported that the NW Presidents & Execs meeting was very interesting, and allowed leaders to discuss common issues and problems and learn about issues other areas deal with. He added the NACo P&E meeting was the same but on a larger scale, and noted that many of his classmates from the County Leadership Institute are now serving as President of their Associations.
11. **Council of County Officials Meeting Report:** President Barron reported the CCO meeting focused on MACo providing lobbying for the Clerk & Records and Treasurers. A menu of options for lobbying services was provided and, as of now, the proposal will be for an in-house lobbyist that will be subsidized by the Associations. Discussion was held regarding the dues structure of the Associations, the loss of the institutional knowledge with retirements, and the lobbying efforts and subsidies provided to MACo by the Hard Rock Mining Coalition and the Road Superintendents.
12. **NACo Live Healthy Prescription Program MOU:** Executive Director Blattie reported that NACo and CVS have a new MOU for the Live Healthy U.S. Counties Prescription Program. The highlights of the MOU are that the term of the agreement is extended until December 31, 2020; the Association fee received will increase from \$0.40 to \$0.45 per prescription; and NACo will be able to recoup the additional fee for all of 2017, but Associations may not receive it until 2018. It was questioned whether the effective date should be January 2017 or January 2018. Staff will follow up on the effective date.

Commissioner Chilcott moved and Commissioner Devlin seconded to approve the amended and restated NACo/State Association Discount Prescription Drug Card Program Marketing Agreement, with the effective date amended if necessary. Motion carried unanimously.

(Follow Up Note: As the increased fee is retroactive and effective for all of 2017, the effective date of the amended agreement is January 2017).

13. **Trust Operations Update:** Trust Operations Director Spears reported that the new claims system is up and running and fully functional. Director Spears is looking forward to visiting counties in the spring and providing training on how to utilize the system. He is working with the HCT on the issuance of an RFP for an online enrollment system, and working towards follow-up claims audits for the PCT and WCT.

Deputy Director Bryson added that the Law and Justice Interim Committee had requested information on claims in detention facilities, and the information was easily and quickly provided by Director Spears with the new system. He added the new claims system has the ability to make information readily available and provide an extended level of detail for analysis and tracking.

14. Association Reports:

- a. **Clerk & Records:** Ruth Baker reported that election training is being held in Billings this week, and it seems the Secretary of State is now more willing to work together with the Clerks and Election Administrators.

- b. **Magistrates:** Linda Cantin reported that the Magistrates will be meeting the last week of April, and will hold a newly elected certification training in December. She added that there is quite a bit of turnover of Magistrates due to retirements and elections.
 - c. **County Attorneys:** Leo Gallagher reported that the County Attorneys will be proposing legislation regarding victim/witness fees, tougher DUI laws, and drug diversion programs. Mr. Gallagher noted they have not determined who their lobbyist will be yet. Discussion was also held regarding the possibility of Marsy's Law being reintroduced as a ballot initiative or as legislation.
 - d. **Sheriffs:** Brian Gootkin reported that the Public Safety Coalition will be meeting next month, and they have invited the Attorney General and his staff to attend. The Coalition is hoping to be more aggressive with legislation and heading off bad bills. He added that the Law & Justice Committee is doing a study on solitary confinement and will be touring the Yellowstone County jail this week, along with the ACLU and Disability Rights. Additionally, MSPOA is working with MACo to clarify issues related to accountability and the roles and responsibilities of their respective elected offices.
 - e. **Clerks of District Court:** Liz Ball reported that the Clerks are happy to be a part of local government and appreciate the support to not be assumed by the State. She noted they have just finished their certification school and there are lots of new Clerks in the State. She added the state is implementing a new filing system that has been in the works for two years. They launched it as a pilot in Flathead County last week.
15. **Upcoming Meetings:** President Barron reviewed the list of upcoming meetings, noting the Board and Budget meetings will be held on June 20, 2018 in Helena.
16. **Gas Tax/Sales Tax:** Deputy Director Bryson reported that, at a meeting regarding gas tax, alternative forms of local revenue were discussed, including a sales tax. Director Bryson requested the authority to look at new revenue generators and/or offsets, including a sales tax option. Commissioner Macdonald noted that the Department of Commerce reported there was \$7.2 billion in tourist dollars brought into the state last year. Discussion was held regarding the prior session sales tax proposals and stakeholder positions.

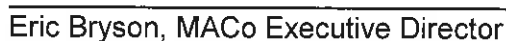
Commissioner Davey moved and Commissioner Hendrickson seconded to authorize Deputy Director Bryson to work on developing ideas for alternative forms of revenues for local governments, including a sales tax proposal and tax offsets. Motion carried unanimously.

There being no further business to come before the Board, the meeting adjourned at 8:05 p.m.

Approved this 20th day of June 2018.



Bill Barron, MACo President



Eric Bryson, MACo Executive Director

Executive Committee

- Bill Barron, President
- Jim Hart, 1st Vice President
- Shane Gorder, 2nd Vice President
- Todd Devlin, Immed. Past President
- Mike McGinley, Fiscal Officer
- Andy Hunthausen, Urban Representative

Past Presidents

- Maureen Davey
- Joe Briggs
- Greg Chilcott
- John Ostlund
- Carl Seilstad
- Carol Brooker
- Bob Mullen

District Chairs

- Gary Macdonald, District #1
- Janet Wolff, District #2
- Bob Lee, District #3
- Larry Hendrickson, District #4
- Ron Ostberg, District #5
- Sandy Youngbauer, District #6
- Bill Wallace, District #7
- Susan Good Geise, District #8
- Steve White, District #9
- Tony Cox, District #10
- Laurie Johnston, District #11
- Tom Rice, District #12

Association Representatives

- Leo Gallagher, County Attorneys
- Ruth Baker, Clerk & Recorders
- Elizabeth Ball, Clerks of Court
- Valerie Hornsveld, Clerks of Court
- Vacant, Coroners
- Linda Cantin, Magistrates
- Brian Gootkin, Sheriffs & Peace Officers
- Sandy Christensen, Treasurers
- Sherry Long, School Superintendents

Others present: L. Harold Blattie, MACo Executive Director; Eric Bryson, MACo Deputy Director; Sheryl Wood, MACo Associate Director; Kathy Johnson, MACo Finance Director; McKenzie McCarthy, MACo Associate General Counsel; Jerry Spears, MACo Trust Operations Director; Shantil Siaperas, MACo Legislative Analyst & Communications Specialist; Paul Roland, QCI Asset Management.