

**MACo District 1, 2 &3 Meeting**  
**June 9, 2009**  
**Town & Country Club, Miles City, MT**

**Welcome and Introductions:**

Chairman Donald Rieger called the meeting to order and the Pledge of Allegiance was said.

Guests were introduced: Sietz Insurance – Jeremy Norby, David Sietz, and Jason Rittal – Eastern Plains Economic Development, MACo staff from Helena Harold Blattie, Sheryl Wood, and Greg Jackson, MACo President Mike McGinley, MACo 1<sup>st</sup> Vice President Carl Seilstad, Willie & JoAnne Duffield, Vern Person from Joint Powers Trust, Jerry Martinson with Tractor & Equipment.

Roll call was taken with the following counties present:

District 1 – Daniels County, Phillips County, Roosevelt County, Sheridan County,

District 2 – Dawson County, McCone County, Prairie County, Richland County, Wibaux County,

District 3 – Carter County, Custer County, Fallon County, Powder River County, Rosebud County

**Minutes:** Dan Watson made a motion to approve the minutes from the past MACo District 1, 2 & 3 Meeting. Jim Shanks seconded. Minutes approved.

**Seitz Insurance:** Mark Rehbein introduced Seitz insurance. Jeremy Norby presented a safety program to the 3 districts. Sietz insurance has helped a few counties get their safety programs on their feet and creates a new hire safety manual. David Sietz stated that within 5 years, he believes that we will see all business having to have a specific safety program implemented. Greg Jackson, MACo JPA/JPIA Trust Administrator, stated that MACo would endorse Sietz on the insurance side of this safety program. The cost of the program will be determined on an individual basis, with travel being a factor in the cost.

**Nominations:** Donald Rieger asked for any nominations for the 2<sup>nd</sup> VP & Fiscal Officer.

Harold Blattie, MACo Executive Director reported there are currently 3 nominations: Vic Miller, Greg Chilcott, and Andy Hunthausen for 2<sup>nd</sup> VP, and Cyndi Johnson for Fiscal Officer.

Mark Rehbein moved to postpone nominations until after lunch. Todd Devlin seconds the motion. All in favor, motion passed.

**Staff Reports:**

- 1) Forest payments and Title III dollars.
- 2) Energy Performance Contracting. You can have an energy performance contractor come in and do an energy audit of your facilities. The cost of these new changes will be offset by the money that will be saved in energy expenses.
- 3) Interoperability Montana: A lot of very expensive equipment is going to be purchased and it will be handed over to the counties. Harold's recommended making sure it is listed on your insurance.
- 4) MERLIN - vehicle licensing program. The state now understands that the program was not ready to roll out. The company that was doing most of the programming filed for bankruptcy in January. 3M

Company purchased what was left of the programming company. They now have agreed to send programmers to Helena to possibly fix the issues that are being faced.

- 5) Weed survey: When the weed survey was sent out a few weeks ago, there was nowhere to fill in your county's name, so all surveys that have been turned in, thus far, have no means of identification. Anyone who has not yet turned in their survey was asked to please put what county it is from.
- 6) Clean Water Restoration Act. There is a new version of the clean water restoration act in the energy and environment committee. It will probably be voted on this week.
- 7) Inmate medical program: There are two parts to this program. The first is where the county purchases excess insurance, and pays the deductible of \$10,000. There is an excess layer of up to \$250,000 worth of coverage for inmate medical costs. The second component of the program is the Medical Review of provider billing. This company receives and reviews the bills from the hospital or provider, looks for discrepancies, and charges a small percentage of the savings as their fee.
- 8) MACo Annual Conference: September is the MACo Centennial conference. MACo is trying to gather past elected officials names and addresses so they can be invited to the meeting to be recognized.
- 9) Texting, twittering, tweeting, etc: Sheryl reminded counties that email, texting, twittering, and blogging messages could be seen as public record, if used for county business. Sheryl advised everyone to be cautious of what is said in these electronic messages.
- 10) County Attorney Salaries: HB12, passed in the 2007 session changed the way the state pays for county attorney services. Previously the state paid for 50% of the County Attorney's salary. Now the County Attorney's salary is set by the compensation board. They are entitled to the same increases as other elected officials. The only stipulation is that they cannot be paid more than a District Court Judges.
- 11) PERS-SRS Employer contribution rates: In July, PERS & SRS will increase due to HB131 passed in the 2007 session.
- 12) 2010 NACo WIR Conference: Will be held in Billings and Lewis & Clark County Commissioner Mike Murray will be inducted as president.
- 13) County budgets: Effective July 24, 2009, the Federal minimum wage goes up to \$7.25. This year's COLA is 3.8%.
- 14) Appropriations: The entitlement share amounts were just mailed out and the County Attorney information will go out shortly. The Department of Revenue plans to have certified values out between the 25th and 31st of August. The recommendation is to build your budget using last year's taxable value and adjust when you receive this year's taxable value.

#### **FY 2010 MACo Proposed Budget:**

Revenues: The % of remaining unrestricted cash balance would an unrestricted cash reserve of 36.52%. MACo anticipates revenue conservatively, so will most likely end up with a higher percentage of remaining cash. The anticipated revenue for the upcoming year is \$534,358. Per the By-Laws, the dues may be increased by the board of directors, and is predicted to be the same percent increase as the cost of living adjustment.

Expenses: This is zero based budgeting – MACo goes over every expense for that last 15 months and decides if it was a one-time only expense or if it needs budgeted for the upcoming year. There were basic equipment needs, staffing numbers, and insurance that was discussed in regards to the budgeting of MACo’s expenses.

**District Meetings:** Donald Rieger announced that the group should split into districts and have their own meetings before lunch. The attendees break into districts. Meeting resumed after lunch.

**District 1:** Re-elected Richard Dunbar, of Phillips County as Chair and Dave Reinhart of Valley County as Vice-Chair for two year terms. The District also discussed the safety program available through Sietz Insurance.

**District 2:** The District discussed the possibility of needing a crisis plan for mental health, and the legal proof that is needed to keep a public road open along historic and public sites was also addressed.

**District 3:** had no re-elections and nothing further to report.

**Nominations were re-opened:**

Mark Rehbein, District 2 Chair, nominated Connie Eissinger, of McCone County for 2<sup>nd</sup> VP. Donald Rieger asked for those in favor of Connie Eissinger as MACo 2<sup>nd</sup> VP. Vote: All in favor.

Nominations for MACo Fiscal Officer were held. Cindy Johnson was previously nominated; no new nominations were brought forward at this time.

**MACo President’s and Officer’s Report:** Mike McGinley thanked the organization for his time as President. He discussed his time at the Legislative Session and thanked Harold Blattie and Sheryl Wood for all that they do at the Session. Carl Seilstad is looking forward to next year and working with everyone.

**MACo Legislative Report:**

HB190 – Clarify the Status of Fences attached to Bridges – This bill did not come out exactly as originally introduced. MACo was concerned with the 2004 resolution that clarified that those fences did not constitute an encroachment. This bill did pass.

HB279 – Statewide Cost Allocation Plan – This bill edits MT law to require state agencies to elect unallocated costs on Federal money coming through the state. As a result, the state is taking 14.6% as unallocated costs. It is limited to CTEP projects, so these projects will no longer be subject to this requirement.

HB331 – Food Service Inspection Fee – The state is paying 25% of the cost of administering the restaurant license inspection service. What the bill would have done was let the department determine the fees that establishments would pay for those licenses.

HB488 – School District Boundary Adjustments - This bill worked with the boundaries between school districts in 2 different counties.

HB678 – Open Cut Mining –This bill requires you to pay, on an annual basis, the amount of \$.025 per cubic yard based on the amount of material extracted. The permitting process is going to be changed. The field people will no longer be issuing permits, they will do onsite reviews and inspections, but the

permitting will all be done in Helena. There will be two application processes, one for non controversial applications and one for more controversial applications.

Jack Murnion asked if counties owed tax for production year for 2008. Harold answered yes; the reason is to immediately generate some revenues so that the department can expand staffing for the permitting and compliance division, so that the application process can happen in a timelier manner.

SB057 & SB058 – Special Purpose Districts – This committee had local representatives appointed. There were three city positions, and 3 county positions, Clerk & Recorder, Treasurer, and County Commissioner. In the end, the bill repealed over 200 sections of statute and lets you create special purpose districts. You can change them or alter them for any governmental work. This gives you some governing power over special districts.

Todd Devlin asked if you can take SRS money and put it in that special district and it would not count as a prior year payment. Harold answered yes, you can put that money into a special district, but it would need to be constructed carefully. The main issue would be that the County Commissioners could never have control over that money. The money cannot go through the Treasurer, and it is must benefit the communities.

SB148 – Obsolete Statutes – Revised and clarified local government laws.

LC0659 – Short Term Investment Pool (STIP) – A bill was not needed because it was determined by the Code Commissioner that there was already sufficient authority in the inter local government statute.

Richard Dunbar asked if anything came up that restricted the county's to invest only in Freddie, Fannie, and Farm Credit? Harold answered that the state is investing in things that the counties cannot invest in. County's can invest in the state pool, and then the state can invest where counties cannot. If MACo wanted to create a pool for counties to invest, we do not need a statutory authority, it's already there.

HB230 – Revised local government employee incentive program – You are now able to offer incentives to your employees for participation in health screening or job safety programs. Prizes cannot exceed \$50. If there are gifts offered such as a coffee cup, that is not taxable, but if cash or a gift card is offered, that is taxable and needs to be reported on a W2.

HB244 – Clarify law on absence by county officer - Now any elected official can be absent from the state without permission from the Commissioners for up to 30 days. Anytime longer than 30 days requires permission from the Commissioners.

HB245 –Provides the authority to set up a termination leave liability fund.

Mail ballot election bills – These bills did not pass.

HB276 - Inmate medical – This bill did not pass.

SB169 – Drug testing – This bill did not pass.

HB645 – Implement receipt of and appropriate federal stimulus and recovery funds. The state shifted expenditures that would have normally been general fund expenditures. These funds are subject to the accountability and reporting requirements. At this time, you cannot be paid for any expenditure that incurred before the governor signed the bill, which was May 14, 2009.

Connie Eissinger asked if using HB645 money in combination with DEQ Appropriations from stimulus, are all federal requirements going to apply. Harold replied that this probably would be true.

Fire Bills – About half of these billed passed.

Search & Rescue Bill – When there is a search mission, you can apply to the state for reimbursement of up to \$6000.

HB466 – Providing paid military leave for all public employees – The guard and reserve members must accrue military leave time at a rate of 120 to 240 hours. This is not payable on termination.

HB545 – Revise membership of county compensation boards . After October 1, the 3 elected officials may now each designate another citizen member.

HB563 – Legalization of county roads – If there is a question of road legality, the information about the road can be given to the judge. The judge can look at the paperwork and issue an order and who can look at the paperwork and make a final decision about the county road. The court has to notify the County Commissioners, land owners, and directly affected parties.

HB670 – Provide local government discretion in reducing tax value for certain property – This bill would allow you in, conjunction with the school, to abate up to half of the property taxes.

SB74 – Revised fire chief duties – After the session adjourned, there was a problem that was found. The entity that creates the fire district is responsible for appointing the fire chief. This bill corrected that issue and changed it to say that the local fire district is responsible for appointing the fire chief.

SB369 - Revised county process and penalties for violations of noxious weed laws – This bill took out the 30 day appeal process before the board of county commissioners. Now the weed district can notify the landowner and the landowner has a limited time to correct the issue or get a hold of the weed district.

SB208 – Include nonprofit hospital employees in county health plan – This was a resolution brought forward by the MACo Health Care Trust, This bill allows nonprofit nursing home, hospital, or health center employees join your county plan. This is optional and at the discretion of the Commissioners.

HB85 – EMS grant program – This bill took money out of the Department of Transportation to help with training and medical care. The EMS has to have been in service for at least 12 months, and the EMTs have to be volunteers.

HB130, 131, 132 – These are the mental health bills that 1) create a matching grant program , 2) allows the state to contract secure beds around the state, and 3) create a 14 day voluntary diversion program. Carl Seilstad commented that the South Center Regional Health Center removed support from those bills. He thought that we would be better off not supporting that bill and instead supporting some other program that is already in place and underfunded.

HB634 – Revise law on transportation of mentally ill – county participation is optional. The liability is an issue at this moment.

SB157 – Audio-video hearing for certain mental health proceedings – This bill gives the authority to the mental health professional, if he/she believes that the person can be properly represented on audio visual, they will not need to be transported.

HB534 – Require audio-video recording of custodial interrogations – The bill requires law enforcement to have all felony interrogations recorded on an audio recorder.

SB 86 - Raffles – Counties are no longer required to do raffle permits or 50/50 permits. Department of justice will not be issuing permits but they will be investigating violations.

HB 82 & HB 118 – 911 Funds: HB 82 placed 911 funds that were put into the general fund back into the 911 fund. HB118 – Revised the distribution of 911 funds and fixed the distribution formula.

Questions were asked about the reappraisal bill. Harold Blattie replied that the Department is scrambling, they are trying to have values by the last week in August. It increases the exempt amount, and it reduces the affective rate or conversion rate to achieve a state basis and approximation of revenue neutrality. Gary asks if the East is going to be supporting the West. Harold Blattie replied that the problem with reappraisal has to do with the huge increases in value in the west. This was probably the safest way out for them, did not really solve anything, but may have been the only way out.

#### **New Business:**

Richard Dunbar stated that the CMR is doing their CCC Process, which includes the 6 counties surrounding Fort Peck Lake. The process is now down to dealing with roads. In Philips County, they have some petitioned roads that go back to 1918, and the CCC Process does not want to recognize those roads. Philips County is starting to look into old road laws and get advice from the county attorney about how valid these county petitions are. He just wanted to bring it to the counties attention, because others may be in the same situation.

Donald Rieger responded that the sooner we can get these roads addressed and the issues behind us, the better.

Jim from Carter County stated that if they had been maintaining a road, then they would declare. If they had not been maintaining it, they did not declare it.

Todd Devlin of Prairie County said that the county is trying to go against the Federal Government; they are not trying to recognize public roads. If a road goes across an area of environmental concern then they cannot use that path. Donald Rieger asked Todd Devlin of Prairie County, if they got the Attorney General's opinion or if they took it before the Supreme Court? Todd Devlin said no.

Carl Seilstad said that they have what is known as RS2477 roads that were surveyed out in the early 1900's. They are public roads that are in the exact location that they were when they were originally surveyed out.

Mark Rehbein reminded the group of the Oil & Gas & Coal Counties Conference in Sidney next week. There will be a BBQ on Tuesday night and a golf scramble & tour of the new building.

**Adjourn:** Dan Watson moved to adjourn the meeting. Jack Nesbit seconded the motion. Meeting adjourned at 3:15.