Montana Association of Counties
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DISTRICTS 1, 2 & 3 MEETING MINUTES

Broadus, MT – Community Center
August 14, 2018

District 1	District 2	District 3
__ Daniels	X Dawson	X Carter
X Phillips	X Garfield	X Custer
X Roosevelt	X McCone	X Fallon
__ Sheridan	X Prairie	X Powder River
X Valley	X Richland	X Rosebud
	___ Wibaux	X Treasure

MACo Staff: Eric Bryson, Executive Director; Jason Rittal, Deputy Director; Sheryl Wood, Associate Director; Shantil Siaperas, Communications Director

MACo President & Officers: Bill Barron, MACo President, Lake County Commissioner; MACo 1st Vice President; Shane Gorder, Richland County Commissioner, MACo 2nd Vice President; Todd Devlin, Prairie County Commissioner, MACo Immediate Past President (2016-2017)

Guests: Joel Krautter, HD 35 Candidate; Stephanie Verhasselt, Clerk & Recorder, Richland County; Ruth Baker, Clerk & Recorder, Treasure County; Cynde Jo Gatlin, Deputy Clerk, Powder River County; Carole Richards, Clerk & Recorder, Powder River County; Pam Castleberry, Clerk & Recorder, Carter County; Charlene Reddig, Senator Daines' Office; Jenna McKinney, Senator Daines' Office; Tory Kolkhorst, Senator Daines' Office; Tayla Snapp, Congressman Gianforte's Office

Pledge to Flag

Roll Call & Introductions: Commissioner Bob Lee, Rosebud County, welcomed everyone and called the meeting to order; Ms. Siaperas conducted roll call.

Approval of Previous Meeting Minutes: May 9, 2018 Minutes

- Motion/Vote: Commissioner Jerry Collins, Garfield County, moved to accept the May 9, 2018 minutes. Commissioner Gary Macdonald, Roosevelt County, seconded the motion. Motion carried unanimously.

District Chair/Vice Chair Elections:

- District 1: No Elections Until the June 2019 Meeting
- District 2: At the Spring District Meeting, Commissioner Jerry Collins, Garfield County, was nominated for the chair position, and Commissioner Gary Kartevold, Dawson County, was nominated for the vice chair position.
  - Motion/Vote: Commissioner Duane Mitchell, Richland County, moved to close nominations and cast a unanimous ballot for Commissioner Collins and Commissioner Kartevold. Commissioner Devlin seconded the motion. The motion passed unanimously.
- District 3: No Elections Until the June 2019 Meeting

Next MACo Districts 1, 2 & 3 Meeting: June 2019

- District 1 will host the next meeting: Phillips County—Malta.

MACo Officer Nominations: 2nd Vice President & Fiscal Officer
Shantil Siaperas announced that there have been two nominations for MACo 2nd Vice President, Commissioner Laura Obert, Broadwater County; and Commissioner Doug Martens, Rosebud County. This presidency would be during a legislative year. The Fiscal Officer position is a two-year term, which is ending this year. Commissioner Mike McGinley, Beaverhead County, was nominated as Fiscal Officer at the spring district meetings.

- Commissioner Macdonald nominated Commissioner Martens. Commissioner Richard Dunbar, Phillips County, seconded the nomination.

MACo Updates from MACo Staff: Eric Bryson, Sheryl Wood & Shantil Siaperas

- Staffing & Operations
  - Shuffling of offices:
    - MACo has 41 employees.
    - Feasibility Study: We're out of office space and not comfortable doing renovations or building a new building at this time.
    - Reconfiguring and maximizing office space—Claims and attorneys working in same area in the building two basement, Finance moving to building two on second floor, and moving Loss Control and Health Care Trust into building one top floor; will enhance the efficiencies in the departments
    - It will get people into offices; we will still have space problem, but it will be lessened.
  - Staff Positions
    - Retirement: Brian Hopkins, General Counsel—won't be replacing this position; elevating Associate General Counsel, McKenzie McCarthy.
      - Future Possibility: If we can get rid of hammer provision we could allow counties to access our attorneys and all of their experience; we would incentivize counties to contact us for our advice by waiving the deductible; this would increase our ability to give guidance; will require change to the manuscript policy
    - Resignation/Vacancy: Dave Fradette, Law Enforcement Loss Control Specialist, had a 20-year law enforcement career and thought this was enough of a separation, but it wasn't; we will be recruiting for this position; need someone with a law enforcement background that can then be trained in loss control; they would be continuing with the peer reviews, which is important, because peer reviews are keeping the legislature from doing mandatory jail standards, which would essentially close down jails in Montana.
    - Resignation: Laurie Goltry, Program Coordinator, Health Care Trust, left to be with family in Florida; we are going to try and get by with existing staff by recommendation of the Health Care Trust Administrator
    - Resignation/Vacancy: Collin Plancich, Facilities Director, got a full time job; we will be filling this position.
    - New Hire: Jason Rittal, Deputy Director, brings a wealth of experience and an Eastern Montana perspective to MACo.
- Budget Update
  - MACo: Balance sheet, previous year comparison (June 30, 2017-June 30, 2018)
    - QCI Investments: Net change negative $150,000; we didn't lose money on the investment; we changed the way we booked the assets to market
    - Total Assets: Net change negative $75,000; again, we didn't lose money; booking them to market is an unrealized loss.
    - Total Liabilities: Net change of negative $107,000
    - Equity: Net profit $32,000
  - MACo HCT: Continues to show strong financial results; costumer service is excellent; we've had several good years, but there will be some bad years, because you can't always have good years.
    - Service agreement is $1,153,240 and actual is $1,030,451.
    - Total Assets: Net positive of $1.7M

- MACo PCT: "Excess Insurance Receivable," we had some pretty high claims, it's likely we'll see an increase in excess premiums; we did a good job looking at claims history and seeing the money we get back; even though we had some large claims, the trust did well over the last couple of years.
  - Service agreement is $2,726,146 and actual is $2,355,143.
- MACo WCT: Balance sheet looks good; the performance this last year was good; rates were set at a level that we could cover the costs.
  - Service agreement is $1,340,677 and actual is $1,262,856.

- Trust Updates
  - Royalty Agreement: BOD passed a royalty agreement; there is a "do not compete clause" in the royalty agreement; meaning that like-entities cannot come and set up at our conferences.
  - HCT: Successfully implemented reference-based pricing; all medical facilities in the state of Montana have agreed to participate for the HCT with the exception of St. Pete's; there are a few stragglers that have not yet signed the contract, but they have confirmed that they will accept the RBP reimbursements as payments in full (and will not balance-bill our members) while they continue to actively work with Allegiance to reach an agreement.
    - Counties are strongly encouraged to visit the website for more information, including what it is, what's the point of it, and what medical facilities have officially committed to participating.
    - The HCT is also implementing an online enrollment platform with the goal of eliminating all paper forms and materials in the future.
    - The HCT is in the middle of an RFP for a new Pharmacy Benefit Manager that will be effective January 1, 2019.
    - The Annual Membership Meeting will be on September 19th at the Annual Conference; all counties are welcome to come.
  - WCT: Members will be able to key in their "first report of injuries" (FROIs) directly into the portal to start the claims process; members will be able to run template reports on their claims; it is a dashboard kind of portal; members will have a limited view but can see their own claims; security is set up adequately so claimant privacy is protected and claim record confidential records are secure; we are going to do initial web training for all members then two or three regional trainings as well.
- Annual Survey: We've been doing the same survey for many years; we get the same comments; and we want to revamp it and target it to the areas that you would like to see. This year's will be basically the same, but we'll be trying to make it more interactive; we'll ask "what do you want to know?"
- AGRiP (Association of Governmental Risk Pools): Recent conference in Vancouver; focus on the future
  - "Generational Theory:" Shifting mindsets; WWII, Baby Boomers, Generation X, Millennials (GenY); identifying generational issues and mindset
    - 80 million baby boomers in the workforce retiring; GenX is waiting for the boomers to leave, but they don't, so GenX moves on; Millennials move quickly, don't stay in jobs long, want flex time, and want to work remotely.
  - Humanology vs Technology: Taking the humans out of jobs
  - Systems & Process Mappings

- MACo Communications: We'll be doing some design changes over the next few months: newsletter and website branding. We'd like counties to answer the questions, "What is MACo to you? How would you define MACo? These questions will be added it to the annual survey.
- MACo Resolutions Process/What's Next?
  - After these meetings, all resolutions will be gathered up, and the MACo Resolutions & Legislative Committee will convene to review all submissions on August 30th. The committee will make assignments to committees for review at the MACo Annual Conference; MACo Committees will meet for three hours to review the resolutions, make recommendations to membership, and review/adjust their policy statements.
  - Important: If you bring forward a resolution, you'll want to be in whatever committee it is assigned to in order to speak to and explain the resolution—sometimes resolutions die because of a lack of understanding

    - Members will vote on the recommendations during the business session on Wednesday of the conference
- Annual Conference: Missoula—September 16-20 at the Holiday Inn Downtown
    - Registration information is on the MACo website; including who to call for rooms and overflow rooms at the Comfort Inn
    - Pre-legislative Conference: Committees and coalitions meeting: attend even if not on committee—your input is valuable
    - The main agenda contains a couple of things to prepare us for the upcoming legislative session:
        - Panel on Medicaid Expansion
        - Simplification in the 21st Century, aka "The Big Bill," the history and what it means to you
    - Still finalizing speakers: Congressman Gianforte is confirmed; there will also be an educational/informational session on I-186.

MACo President's & Officers' Report

Commissioner Bill Barron, Lake County, MACo President

- The NACo Annual Conference was in Nashville in July—member of the NACo Justice & Public Safety Steering Committee.
- We are respected at the national level; we have a very strong voice; the committees listen when we speak; we are a 100% membership state, which gets us more votes.
- Get involved in MACo; the more you're involved, the stronger our voice is.
- MACo is an important organization; get on a committee if you're interested; attend committee meetings and give your input; get involved; get your spouse and family involved.
- MACo has a presence at the legislature.
- Enjoyed being your president; the year went by quickly; building the relationship with the sheriffs was a great accomplishment and remains a priority.

Commissioner Shane Gorder, Richland County, MACo 2nd Vice President

- Attended Montana State Day at the White House
- Congressman Gianforte and Senator Daines gave us a phenomenal tour of the U.S. Capitol and took time out of their schedules until 10:45 p.m.

MACo Legislative Report: Eric Bryson, Jason Rittal, Sheryl Wood & Shantil Siaperas

- Contract with Clerk & Recorders Association for MACo to provide lobbying services for them; we're going to use existing staff to do this in the beginning.
- Special Session Letter: We did not support it; some legislators were upset; we weren't contacted by any legislators about the call for a special session in July, and we were expected to act, so we did; we want legislators to work with us.
- I-186 & Electioneering Communications: Many counties have adopted resolutions regarding I-186; as of the day it was certified and listed on the ballot, county resolutions could be seen as an electioneering communication. MACo as an organization can oppose an initiative—there is an AG opinion; Title 2 prohibits you as elected officials from supporting or opposing something on the ballot you are voting as a member of MACo with your MACo hat as members of this association, not as commissioners.
    - We believe this issue should not be addressed through the initiative process, because of the lack of public process and ability of clarifying definitions and other generic language in I-186.
        - Commissioner Todd Devlin, Prairie County, motioned to support MACo developing a policy regarding I-186. Commissioner Duane Mitchell, Richland County, seconded the motion. Motion passed unanimously.
- Legislative Council: Adopted a revised Legislator Training Schedule to include training the week before session begins--includes Entitlement Share Training (requested by the Local Government Committee). The council also adopted a tentative 2019 Legislative Session Calendar; Session will begin on Monday, January 7, 2019.
- Children, Families, Health & Human Services: Additional meeting to hear testimony on where the DPHHS should use the additional funding/budget restorations that will be made available to the agency this fall; the committee itself is unable to require that the money be used in a way; the executive branch has the authority to spend any of the additional funds as it believes is appropriate.

- Environmental Quality Council: Trying to find funding for fire preparedness—we'll discuss this later on the agenda—and aquatic invasive species.
    - AIS: Current funding mechanisms from the 2017 session are sunsetting (hydroelectric coop fees--$3.7M--and anglers fishing license--$3M); EQC's original bill draft had a mix of general fund money, gas tax carve-out generated by motorboat use, and angler and watercraft fees—no hydroelectric; the gas tax carve-out was ultimately removed and they added $2 to migratory game bird hunter pass; they aim to cut the anglers fishing license fee in half for residents and let the hydroelectric fee expire; all fees and the general fund ask would be a total of $6.5 million.
    - They also had a couple of bills that would allocate additional gas tax funds to snowmobiles and off-highway vehicle projects—lots of testimony about not taking the money that is intended to be used for roads and bridges and put toward these other issues. Committee discussion shifted to possibly reducing the amount of money in these programs and putting more toward roads and bridges. Ultimately, no changes were made to the proposals, and they will be revisited at the September meeting.
- State Administration & Veterans' Affairs (SAVA): Committee bill to study voter qualifications for all special purpose districts.
    - Commissioner of Political Practices: Electioneering—MACo is working together with COPP; we will likely be coming forward with a staff resolution to redefine electioneering communications.
- Local Government Interim Committee
    - LCVFF1: A bill requiring workers' compensation coverage for all volunteer firefighters starting in 2021.
    - LCVFF3: A bill with a 5% fireworks tax to potentially generate $250,000 per year designated for assisting local fire agencies with workers' compensation for volunteer fire fighters and the remainder of the revenue for emergency medical and trauma services grants. The bill is effective October 2019 and terminates September 2023.
    - LCSAA1, Strict Accountability Act: The original bill held the elected official personally liable, took discretion away from Department of Administration (DOA); and allows putting the county under conservatorship.
        - Current draft took the personal liability out of it.
        - We met with the bill sponsor, Representative Mary Ann Dunwell, and retired Supreme Court Justice, Judge James Nelson, to talk about amendments to the bill draft: they accepted every recommendation we made to this bill; it's substantially better; we didn't say that MACo would support it.
        - The bill will be introduced without the suggested amendments, but the amendments will be introduced with the bill by the sponsor in front of the committee.
- 911 Quarterly Distributions
    - HB 61 (2017), rewrote the 911 laws: Quarterly distributions change as of November: The local government hosting the primary PSAP receives the quarterly distribution.
        - If there is a Tribe in your county that was previously receiving money, the county will now be receiving that money to distribute to the tribe if you have the primary PSAP: Big Horn, Rosebud (Northern Cheyenne); Hill, Chouteau (Rocky Boy); Glacier, Pondera (Blackfeet); Roosevelt (Fort Peck) – Crow hasn't received money in last 7 or so year. The money doesn't lose its identity when it comes to the county; the county still has to report what the money was used for to the state 911 program office--can't just hand the money over to the tribe, because that's not an "allowable expense."
        - If an agreement can't be reached, then the 911 Program Office will keep the funds (they won't distribute them to you).
        - Contact: Quinn Ness (with the state 911 program): qness@mt.gov, 444-6134

Resolutions

- Resolutions vs. Policy Statements: Resolutions turn into legislation; policy statements give us the authority to support/oppose legislation outside of our legislative package.
- Recap of Resolutions Submitted During Spring District Meetings:

- Districts 1, 2 & 3: Garfield County (Commissioner Jerry Collins) – Resolution Regarding Revising the Definition of Wild Buffalo & Wild Bison
- Districts 1, 2 & 3: Dawson County (Commissioner Gary Kartevold): Resolution Making Water/Sewer Statutes Consistent
- Districts 1, 2 & 3 and Districts 6 & 7: Big Horn County (Commissioner George Real Bird III) & Rosebud County (Commissioner Doug Martens) – Resolution, Allow Counties to Establish a Coal Trust Fund
- Districts 6 & 7: Yellowstone County (Commissioner John Ostlund) – Resolution to Allow Inflation on Mill Levies
- Districts 6 & 7: Fergus County (Commissioner Carl Seilstad) – Resolution Regarding Elector Qualifications in School Districts
- Districts 8, 9 & 12: Park County (Commissioner Bill Berg) – Resolution Regarding the Creation of a Gateway Counties Local Option Tax

- New Resolutions Submitted During the Summer District Meeting:
  - Districts 1, 2 & 3: Phillips County (Commissioner Richard Dunbar) – Resolution Supporting the Development of New U.S. Natural Resource Export Facilities
  - Districts 1, 2 & 3: Prairie County (Commissioner Todd Devlin) – Resolution Defining Residency for County Attorney; amend the provision that you must live in the county; be resident of the county or adjacent Montana county and pass the bar county must be 4000 or less
  - Districts 1, 2 & 3: Rosebud County (Commissioner Bob Lee) – Possible Resolution Regarding Non-residents Paying Higher Tax Rate Than Residents; people coming from out-of-state and buying up ranches; they would pay higher—was not officially carried forward
  - Districts 6 & 7: Yellowstone County (Commissioner John Ostlund) – Resolution Allowing County Auditor to Have a Part-time Office; would only effect 6 counties

Other Business

- Wildland Fire Protection
  - Environmental Quality Council: Trying to find funding for fire preparedness.
    - Landowner fees currently pay for about one-third of the preparedness budget, more than $4 million, but are paid only by certain landowners in forested areas of the state. The EQC is considering spreading that amount amongst other property owners.

Meeting Adjourned