Montana Association of Counties
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DISTRICTS 6 & 7 MEETING MINUTES

Roundup, MT – Currant Creek Sale Barn
May 8, 2018

District 6		**District 7**	
X	Fergus	___	Big Horn
X	Golden Valley	X	Carbon
X	Judith Basin	X	Stillwater
X	Musselshell	X	Sweet Grass
___	Petroleum	X	Yellowstone
X	Wheatland		

MACo Staff: Eric Bryson, Executive Director; Shantil Siaperas, Communications Director

MACo President & Officers: Bill Barron, Lake County Commissioner, MACo President; Jim Hart, Madison County, MACo 1st Vice President; Maureen Davey, Stillwater County Commissioner, MACo Past President (2015-2016); John Ostlund, Yellowstone County Commissioner (2010-2011); Carl Seilstad, Fergus County Commissioner, MACo Past President (2009-2010)

Guests: Jenna McKinney, Senator Daines' Office; Mike Waters, Congressman Gianforte's Office

Pledge to Flag

Roll Call & Introductions: Commissioner Nicole Borner, Musselshell County, welcomed everyone and called the meeting to order; everyone introduced themselves in place of roll call.

Approval of Previous Meeting Minutes: June 6, 2017 Minutes

- MOTION: Commissioner Maureen Davey, Stillwater County, moved to accept the June 5, 2017 minutes. Commissioner Ross Butcher, Fergus County, seconded the motion. Motion carried unanimously.

District Chair/Vice Chair Nominations: Elections Not Until August Meeting

- District 6: No Elections Until the June 2019 Meeting
- District 7
  - Chair: Commissioner Bill Wallace, Sweet Grass County, was nominated by Commissioner Davey.
  - Vice Chair: Commissioner George Real Bird III, Big Horn County, was nominated by Commissioner Wallace.

Next MACo Districts 6 & 7 Meeting: August 2018

- District 7 will host the next meeting: Yellowstone County

MACo Officer Nominations: 2nd Vice President & Fiscal Officer

Shantil Siaperas announced that there have been no nominations for MACo 2nd Vice President yet, and 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 last district meeting.

- There were no nominations.

MACo FY 2018 Proposed Budget: Eric Bryson

- General Expectations for Future Budget Presentations: MACo has been presenting the budget as a county would present their budget—fund accounting—but MACo is not a county. Future years will be more concise:
  - Summary Balance Sheet: Know from year-to-year where we're sitting; will be included in your budget packets going forward.
  - 5-Year Trend Analysis: We received a suggestion to see trends over a few years, so we'll start doing that and including it in your packets.
  - We don't want you think we're not being transparent; we just don't want to get into the weeds; you have full access to our financials, and we'll answer any questions; if you'd like anything more, please let us know.
- Total Liabilities & Equity: Positive net of $72,249 – We spent less money than was authorized, and we generated more revenue.
- Budget variance between 2018-2019: Personnel & transition costs
- Total projected expenses for FY 2019: $707,498; we always underspend our budget authority; this year will close 18% below projected expenditures.
- MACo HCT Balance Sheet: Change in net assets of $2.4 million in the positive; low utilization, excellent member service, and good plan design.
- MACo PCT Balance Sheet: Change in net assets of $2.9 million in the positive, but it's not a profit, as there are still many claims out there, and the Trust has had a rough couple of years at no one's fault (heavy snows, buildings falling down, disasters); this is rate stabilization; we need to do everything we can to reduce claims; we're competitive and not worried about PCT.
- MACo WCT Balance Sheet: Change in net assets of $392,000 in the positive; trend for our reserving practices in the past has been a little high; we're having a lower claims history than in the past; when claims decrease, we save money; we need to be competitive—rate stability, excellent member service
- We are proposing status quo budget; no big changes this year.
- Reorganization: We're going to look at the staff we have and how we allocate costs and time.
- Pay Matrix: Market evaluation/salary study; we don't pay everyone average; we hire them at a lower rate; we budget for the average rate.
- Dues: Tax, Budget & Finance Committee is recommending 2.1% cost of living adjustment to the Board of Directors—little amount every year rather than large amount every couple of years.
  - If you see a significant increase, it's because you've grown enough to jump up in your mill tier.
- NACo Dues: Every county's dues (100% member state) go through MACo—makes it easier.
- Board of Directors meets June 20th to review the proposed budget.

MACo Updates from MACo Staff: Eric Bryson & Shantil Siaperas

- Staffing & Operations & First Week as Executive Director
  - First week as Executive Director:
    - Held First Staff Meeting as New Executive Director on May 1st
      - Compensation for Staff Travel—We've advocated legislatively to tie per diem to federal rates; but MACo's internal policy for staff is state rate or actual reimbursement rates with itemized receipts; we would like to tie our internal policy to the Federal GSA rate.
      - Department Heads—Empowering more management of their budgets and staff
  - Vacancy: Deputy Director—We already have a considerable number of applicants; helps with association management and lobbying; closes May 18th
  - Vacancy: Loss Control Specialist—Interviews will be held soon; we have good applicants
  - Communications Director: Shantil Siaperas' title changed; she has a new email address (shantil@mtcounties.org)—she will be carrying a portfolio of legislation

- Field Services Representative: Harold Blattie is on a leave of absence for two months; in July he will travel around the counties on a limited basis to talk with counties, troubleshooting and providing education and guidance
- Building Update & Space Utilization: Back stairs are almost done; but that doesn't change that we're out of space; we did a feasibility study and talked to an architect; we're going to live with what we have for a year; no new construction planned as of now
- Directory: We hear often from other elected officials that MACo is an association of county commissioners, so we want to address this assumption; one thing we can do is change the directory a little in formatting to make it more of a directory of county elected officials as opposed to primarily centered around county commissioners (for example, the back index is just commissioners; we'd make it all local elected officials); interested in putting it online to keep it consistently updated; we'll still do the hard copies.
- Newsletter: We are going to repackage it; we want to change the content and length to make it more succinct; we have a lot of ads that increases the length, and we don't make much money on them
- Website: Loaded with information, but it's in need of a redesign; we're going to simplify it and have a more visible presence for the trusts; send us your thoughts.

- Local Government Services Bureau: Budget Training in June 2018—Great Falls, Missoula, Butte, Wolf Point, Kalispell, Miles City, Billings
- SRS-PILT: Consolidated Appropriations Act of 2018 (a.k.a. Federal Omnibus Spending Bill) was signed about six weeks ago, which reauthorized Secure Rural Schools (SRS) for FFY 2017 & 2018 and fully funded PILT at $530 million; we don't know what is going to happen with prior year payments; for SRS the amount for 2017 will be 95% of the FFY-15 payment; the FFY-18 amount will be 95% of the FFY-17 payment; the omnibus stated that SRS payments had to go out within 45 days of enactment, which was May 7.
  - SRS: There is still a big effort, so don't give up on it yet

MACo President's & Officers' Report

Commissioner Bill Barron, Lake County, MACo President

- It's been an amazing year so far: New Executive Director; Special Legislative Session in November; sent Harold off into retirement; attended several meetings in Washington, D.C. and Oregon
- Biggest Effort: Building a relationship between commissioners and sheriffs; communication and understanding
- Jail Peer Review Program: Been very beneficial, affects about 39 counties; keeping the state from moving on mandatory jail standards, which would likely close many jails, because they wouldn't be able to comply with them
- Regional Jails: Time to start having some discussions about regional jails
- Deceased Elected Officials: We announce commissioners who have passed away at our annual conference in our memorial resolution; we want to extend that to all elected officials, so please let MACo staff know even if it's not in your county.
- Enjoyed being President

Commissioner Jim Hart, Madison County, MACo 1st Vice President

- President Barron focused on our relationship with the Sheriffs. I want to continue that conversation. We spend a lot of our budgets on incarceration, rehabilitation, and education; intend to focus on the education part.
- Forest Counties: Went to Washington, D.C. to talk to our representatives about PILT & SRS; a county in Utah brought four different schools' student council president/class president to talk to delegation—very effective; kids talked about not having enough teachers and losing programs and bus routes because they've lost SRS funding

MACo Legislative Report: Eric Bryson & Shantil Siaperas

- 911 Advisory Council
  - Laws RE 911 rewritten after 2015 session & adopted during 2017 regular session: The different accounts that accrued money from fees on wireline/wireless users were combined to create one account
    - The stranded fund turned into grant fund to be used for 911 purposes; open to providers and local government entities hosting a PSAP that are working with a provider.
    - The Council is currently working on the rules for how exactly the grant fund would work
    - Group has to report to Energy & Telecom IC on efforts to distribute grant funds before September 1st.
- eGov Reprocurement Workgroup
  - What is eGov?
    - State contracts with Montana Interactive (MI) for electronic services that state agencies have to use unless they are given an exception to use something else—counties use it for things like online burn permits, property tax payments, over-the-counter payments; If you use the out-of-the-box services, it's free to counties and agencies, but if you want something new, that's when you pay; MACo uses it for our conference registrations at no cost to us.
    - The state uses MI for MANY services, the main one being vehicle registration fees, which brings in the most money.
    - MI collects a certain amount of money from each transaction; this money goes into a pot of money that helps pay for other services, so a user pays for something over here and gets something for free over there; it's a user-fee supported approach where one company has the contact for all a slew of services (we call it "bundled").
  - Contract due to expire
  - Workgroup created to make a recommendation that would float up to the Gov's office regarding the RFP for MI's contract on eGov services in MT
    - Current Workgroup Recommendations leaning toward unbundling the approach; they would like to create a state-controlled fund that is managed by the Information Technology Board.
    - MACo has been advocating for keeping one contract with a bundled approach funded by user fees, because it allows for hundreds of services to be created and utilized at little-to-no cost to counties and agencies: 30 services subsidize 236ish.
- Interim Committees: Committees are working on committee bills and will be submitting bill drafts by September
  - Environmental Quality Council: Trying to find funding for forest fires and aquatic invasive species (AIS)
    - Looking at Landowner Assessment fees for fire costs: The committee is looking for possible funding equalization statewide—department needs to provide more information on going to acres
    - AIS: Current funding mechanisms are sunsetting (hydroelectric coop fees and anglers fishing license); throwing some ideas into a committee bill and see what the public has to say about it
  - Legislative Council: Traveling around MT with their meetings to bring government closer to the residents
    - Looking into legislators' email: what constitutes a public record & for how long and in what manner the messages need to be archived; looking into legislator pay.
    - Eric recently attended their subcommittee and participated in the per diem discussion; essentially there is a wage disparage for traveling state employees under current per diem rates, because it's simply not enough, so people must dip into their own pockets to pay for meals when traveling; MACo has in the past advocated for tying the state per diem rates to the federal rates.
    - Looking at the size of the legislature (the MT constitution provides that the legislature may be between 40-50 senate districts and 80-100 house districts)
  - State Administration & Veterans' Affairs (SAVA)

        - Top two issues: Aging voting systems and Actuarial Funding of the Public Employee Retirement Systems
        - In the federal omnibus package (Consolidated Appropriations Act of 2018) that passed March 23, there was $380 million designated in Help America Vote Act (HAVA) funds to states for "election security improvements," including enhancing "election technology." The legislation directs the EAC to distribute this funding within 45 days of the act being signed into law, which will be on or near May 7, 2018. The appropriations bill does require a five percent federal fund matching requirement from states, which must be made available no later than two years after a state is awarded the grant: According to the US Election Assistance Commission, MT is set to receive $3M in grant funds (the 5% match is $150K). We've asked the SOS to keep us in the loop in regard to the grants.
    - Local Government Interim Committee: New Interim Committee – 4 meetings – last one is in July
        - Budget & Entitlement Share Training: Committee approved a letter to the Legislative Council requesting that information about the origins and intent of the entitlement share funding program be incorporated into legislator training scheduled for late this fall and early 2019.
        - Fire Studies: SJR 21, Comprehensive study of local fire and emergency service providers; & HJR 25, Study of municipal fire
        - Revise enforcement provisions of the Local Gov Single Audit Act: Committee is considering draft legislation to allow DOA to accept simplified financial reports from certain small local entities;
        - Fireworks management: County authority to control fireworks; concerns including pushing fireworks out of city limits and into the forested areas; concerns about one county banning and pushing them into other counties (ripple effect)
        - Gateway Community Tax: Park County, 1+ million visitors; disproportionate impacts on both public safety and infrastructure; small population, unique geographic area; want to be able to put something in front of their voters; they have a local problem—looking for a local solution; Legislators traditionally don't like local option tax
        - Leanne Kurtz, committee staff, retiring
    - Economic Affairs Interim Committee: Studying workers' compensation & the StateFund—Shannon Shanholtzer, PCT/WCT Administrator has been participating
    - Revenue & Transportation Interim Committee
        - FY 2018 revenues through end of April are looking better; income tax, property tax, oil & gas, corporation tax
        - Some restorations possible if things continue to improve; however, there is no scenario where money goes back to TSEP without legislative action
        - TIFs/TEDs: Legislative Audit Division did an audit of tax increment financing; report said all tax districts they looked at were generally created legally and generally expended their revenue legally; however, they made suggestions for additional sideboards. We hope for only one TIF bill next year.
- MNA Bill/Right to Privacy: HB 123 (2015) public records bill made it so an entity cannot profit from public lists (the bill text said lists couldn't be "shared"); MNA is interested in public meeting sign-in sheets, but they can only look it, because it's a public record, but if they publish anything like it, it's a misdemeanor, because you can't "share" it. If you have any lists that you generate, they ought to be able to be released but not for sale; the creation and sharing of a list should be fine if you're not using it for political or marketing purposes.
- Commissioner of Political Practices—Electioneering Communications (13-1-101) 60 Days in Advance of an Election: If you engage in an electioneering communication and the issue is on a ballot, you must report all expenditures including your time and your staff time in creating a document if you distribute something that can be reviewed by more than 100 people; even if it uses public time/resources for education. Talk to your county attorneys and contact the Commissioner of Political Practices.

- Brophy Case: Residency requirements—case dismissed
- Actual Fiscal Impacts of Budget Cuts: Help us track some costs; we can start with anecdotal examples.
- Hard Rock Mining in Montana: I-186—Require that new hard-rock mines in Montana have a reclamation plan that provides that the mine will not require perpetual treatment of water polluted by acid mine drainage or other contaminants such as arsenic, lead, or mercury; encourages DEQ to not issue permits on any mines in perpetuity if it involves water and any kind of repository
    - We need more information and would like to know how it impacts existing mines
- Treasure State Endowment Program: Special November Legislative Session took some TSEP dollars; Department of Commerce drew a line and isn't funding the projects below that line after award letters were sent out; talk to your Legislators; those projects should be funded when the money is available
- Lobbying Next Session: Loss of institutional knowledge—Treasurers and Clerk & Recorders' lobbyists are gone as is Harold Blattie; legislators would often to come to Harold before something happens. What we need from counties is your help. Start developing relationships with your legislators now.

Resolutions

- Resolutions vs. Policy Statements: Resolutions turn into legislation; policy statements give us the authority to support/oppose legislation outside of our legislative package.
- Resolution Guidelines & Policy Statements: Please utilize to draft your resolutions.
- Current Resolutions
    - Six-mill Levy to Fund the Montana University System
        - We had a resolution of support ten years ago; every 10 years since 1948, the voters have passed this legislative referendum.
    - Lifting of Agricultural Covenants in Limited Situations
        - Amends the Subdivision & Platting Act to allow commissioners to lift ag covenants in limited situations without a subdivision review; would have to hold a public hearing, consider the information and evidence provided at the hearing, and issue written findings of fact based on the info and evidence to support the approval or denial of lifting the ag covenant.
- Proposed Resolution: Stillwater County (Commissioner Davey): Clarifying County Attorney as Legal Advisor; county attorney showed up with a client against the commissioners. This would clarify that the obligation is to the governing body.
- Potential Resolutions (For Possible Presentation at August District Meetings)
    - Lake County (President Barron): Bringing two resolutions; sponsors are lined up
        - Proposing 80-hour work period for dispatchers (deputies and detention officers can do it); would be able to do different kinds of schedules.
        - Trust Lands: Tribes have to submit an application for land to be in trust, and when that happens, the land comes off the tax rolls for five years; counties don't know what's going on, and it's difficult to get information; resolution would propose taking that provision out; if it's not possible maybe something like protest of tax fund, where the money goes into a fund for holding; Lake County is out hundreds of thousands of dollars.
    - Fergus County (Commissioner Carl Seilstad): Would like to bring a resolution in August to clarify voting eligibility in school districts; can't vote in school district that imposes levy if you don't live it; if it impacts you, you should be able to vote on it.

Other District Business

- Commissioner Seilstad: Four counties wrote a letter of support to Senator Daines to remove the WSA designation on forest lands; opponents of the lawsuit said we broke the open meeting law; it's put everybody in a "do I" or "don't I" mode, because many of us send in letters for various federal plans; the decisions are made in DC.
    - Bill Barron: If the commissioners are going to do it, we put it on our agenda. We went through this with the Water Compact, and our attorneys advised us to put it on our agenda.

Secondary Roads Program, FLAP & STIP: Wayne Noem, Stephanie Brandenberger, and Jeff Olsen, Montana Department of Transportation

- Off System Bridges: Owned by counties, cities, and towns; potential projects can be rehabilitation/bridge replacement
    - The off-system bridge program applies to the entire state, not just counties
    - Two counties can get together and support a nomination
- Federal Lands Access Program (FLAP): Approximately $16M
- Statewide Transportation Improvement Program (STIP)
    - Programming document (isn't planning document): Helps plan out programming of each phase
- Secondary Roads Program
- Emergency Projects: If you have a road you are maintaining, and it is damaged by whatever natural disaster, be sure to let us know it's an off-system road (Governor now has a statewide declaration of emergency)

Meeting Adjourned