



Montana Association of Counties

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www.mtcounties.org

DISTRICTS 8, 9 & 12 MEETING MINUTES

Livingston, MT – City-County Complex, Community Room

May 21, 2012

District 8

- Broadwater
- Jefferson
- Lewis & Clark

District 9

- Gallatin
- Meagher
- Park

District 12

- Anaconda-Deer Lodge
- Beaverhead
- Butte-Silver Bow
- Granite
- Madison
- Powell

MACo Staff: Harold Blattie, Executive Director; Sheryl Wood, Associate Director; and Shantil Siaperas, Legislative Coordinator

MACo President & Officers: Connie Eissinger, McCone County Commissioner, MACo President

Guests: Eric Bryson, Lewis & Clark County Chief Administrative Officer

Welcome & Introductions: Randy Taylor, Park County, called the meeting to order and conducted roll call.

Approval of Previous Meeting Minutes: June 6, 2011 Minutes

- MOTION: Mike Murray, Lewis & Clark County, moved to accept the June 6, 2011 minutes. Leonard Wortman, Jefferson County, seconded the motion. Motion carried unanimously.

MACo Officer Nominations

- MOTION: Mike McGinley, Beaverhead County, moved to nominate Tony Berget, Lincoln County, for MACo 2nd Vice President. Cele Pohle, Powell County, seconded the motion. Motion passed unanimously.
- There were no further nominations from the Districts 8, 9 & 12 meeting.

MACo FY 2013 Proposed Budget

- Revenue, Harold Blattie
 - Higher cash reserves than anticipated, due to higher revenues and not extending the budget.
 - DEQ SWIM Grant: MACo is not eligible anymore, as it was decided that we are not a public entity, so we don't administer that anymore.
 - New source of revenue: Caremark Prescription Discount Card Revenue Sharing Program
 - Budget Authority: A little over \$500,000 for expenditures
 - Reserves: Auditor said the appropriate reserve for a nonprofit is 6-12 months of operating costs; we're in good shape.
 - Dues: 17 different tier levels based on taxable value of your county
 - Asterisks are counties that have gone up or down.
 - Tax & Finance Committee recommended to add CPI/COLA to dues; better to do small incremental increases rather than one large increase.
 - PILT Assessment: Pays for WIR Dues; rest goes to travel costs for participation in WIR (two board members: Mike Murray, Lewis & Clark County; and Lesley Robinson, Phillips County).

- Commissioner Robinson was elected as WIR 2nd Vice President; Connie Eissinger, McCone County, and Mike Murray were also previous presidents--Montana has a strong presence in WIR.
 - NACo Dues: NACo BOD is considering a change in dues; the minimum would go from \$400 to \$437.
- Expenses, Sheryl
 - MACo Admin: Bulk of expenses
 - Auto Expense
 - Legislative: Tracked separately for reporting purposes - this year it was low (not a legislative year); next year it will be higher.
 - Conferences: Annual and Midwinter - We track how we're doing
 - Majority of revenue is from vendors and sponsors; vendor participation is trending down; we encourage you to get involved.
 - Building Remodel Expense - Snow-slides
 - Contracted Services
 - Commissioner's Handbook: Combine the three manuals so there is one source (Commissioners, Clerks, and Treasurers handbooks); working with the Local Government Center
 - IT - Equipment repairs, maintenance, and server
 - The need for IT help has outgrown us; we're pursuing alternatives for IT support/helpdesk.
 - Education & Training for Staff: Has been good and opened communication as well as promoted more cohesiveness.
 - Scholarship - Leadership Montana
 - Health Insurance: \$50 increase per month - Lewis & Clark County is giving us a good deal; we looked into Allegiance and it was way too much.
 - NACo Involvement: Working with President Eissinger on a new travel policy, as we would like to cut some costs.
 - Want to maintain presence; we're very influential.
 - Payroll
 - MACo salaries frozen - asking for 3.5% increase (subject to change)
 - Printing
 - Counties on the Move: Local Government Center is about done; ready to go to press.
 - Public Lands Handbook: Removed \$1500 from budget, because they are making it web-based.
 - The budget will be voted on at the June BOD meeting. If you have questions, please get them to your District Chair before that meeting.

MACo Staff Report

- NACo Prescription Discount Card Program, Shantil Siaperas
 - Free to counties and residents; saves underinsured and uninsured; savings are an average of 24% off full retail cost (pet meds too).
 - 9 out of 10 pharmacies participate; discounts are negotiated with pharmacies.
 - New Marketing Fee Reimbursement: If you sign up, you'll receive \$1 per prescription when the card is used and a discount is received. We suggest you earmark these funds and allocate them to something that benefits for your residents.
 - This is not the CVS Extra Care Card.
 - Additional information is available on our website.
- NACo Rx w/Inmate Medical Program, Sheryl Wood
 - We are working with NACo to get something set up.
- Commissioner Redistricting, Harold Blattie
 - Statutes: Now says within 6 months of primary election
 - May 2011 Newsletter Article
- Department of Natural Resources & Conservation (DNRC) Floodplain Management Program, Harold Blattie

- New Model Floodplain Regulations
 - At the time of installation, must withstand 100-year event (rip rap)
 - Can't implement anything less stringent than the State program
 - Tara DePuy, JPIA/MACo Land Use Attorney, is working on resolving issues.
 - Comment: Donna Young, Powell County - Banks are using different floodplain maps than FEMA.
 - There was discussion about perhaps have a workshop at the Annual Conference.
- Montana Disaster & Emergency Services (DES) Grant Funds, Harold Blattie
 - Issues getting funds: They failed a federal audit and the person administering the grants is no longer there.
- Floating Mills/Business Equipment Tax (SB 372, Senator Bruce Tutvedt), Harold Blattie
 - Reduced from 3% to 2%
 - There is a loss in property tax due to equipment tax (about 1/3 loss of taxable value) that you should receive in June; you will receive reimbursement, but not until August (next fiscal year). It will be an extra entitlement share payment.
 - Timing of reimbursement is due to fiscal note.
 - Set up a receivable; DOR will provide the number, but we don't know how they are getting it.
 - New spreadsheet: The new economist at Tax Policy and Research said we don't need to do anything with it, because of the newly taxable property number. He sent me the new worksheet and I sent it to Scott Turner, Director, Yellowstone County Finance Department. I can't understand it, and I haven't heard back from Scott Turner as of yet.
 - There may be a new spreadsheet coming out to calculate your floating mills.
- JPA Workers' Compensation Rates, Sheryl Wood
 - Renewal: Not raising class-code rates.
 - Mod factor will adjust based on loss.
 - Training: Safety National Webinar (credits)
- JPIA Appraisals, Harold Blattie
 - Valuations Northwest Contract
 - They are finding hundreds of buildings that are not on property schedules (they been reported or are reported incorrectly--undervalued), creating an inequity situation.
 - Non-reported buildings must go on now.
 - The changes for valuation will be phased in.
 - Policy says that all buildings are covered.
 - Three Options: take appraised value, stated value coverage, decline coverage
 - Be sure your interoperability towers are insured.
- Department of Environmental Quality (DEQ) Drinking Water State Revolving Fund - MACo Representative, Harold Blattie
 - The previous MACo Representative, Rebecca Guay, is no longer on the board--she has taken a new job, so there is an opening on the board. Let us know if you're interested.
- RideShareMT.com, Harold Blattie
 - They match up riders for carpooling.
 - They are losing some funding and asked if we'd talk to you: county donations of \$30/month per county.
 - Is anyone interested in donating? (Consensus: not a lot of interest.)
- ARCH Coal Otter Creek Tours, Harold Blattie
 - Commissioners are invited to attend one of three tours: May 30, June 27, August 30. If you're interested, let us know.
- Staff Changes, Harold Blattie
 - Jack Holstrom, MACo Personnel Services Administrator, is retiring at the end of August. We feel strongly that his replacement must be an attorney, so he/she can communicate with county attorneys. We won't be able to fill the position with what we are paying now.
 - Fran Monro, JPA/JPIA Member Services Representative, retired and was replaced by Shannon Shanholtzer; she's doing a great job. We weren't able to hire her for what we were paying Fran.

- Fred Hansen, Loss Control Specialist, left almost a year ago, and we haven't been able to fill his position even though we advertised nationally. We are unable to attract the kind of applicants we need with the salary range we offer, and we are paying for it in claims.
- Mike Sehestedt, MACo Chief Legal Counsel, has asked for an increase for the attorneys. This has been a very successful department--we pay by month as opposed to hourly, so they are getting a lot done. Mike has also asked for a paralegal position for prep work.
- The Health Care Trust Administrator position was advertised nationally, and we received five applicants. None of them were qualified for the position. The Trustees regrouped and created a Marketing position; we hired Traci Thatcher.
- We are looking at the salary allocation of myself, Sheryl, Sara, and Tom, which frees up some association funds. We are going to the Board of Directors to restore the Legislative Associate position with these funds. This position's primary function will be lobbying and interim committees, which will free up some of Sheryl's time for administrative duties. This is an FTE, but still a lower FTE that we were at ten years ago.
 - Things, legislative-wise, have gotten more demanding and complicated, due to term limits, loss of institutional knowledge, turn-over in state employees (legislative services and DOR)--we spend a lot of time educating; no one has any idea about county budgeting. Our phones are always ringing. Also, the interim committees and the studies they do are increasing; the work they do is becoming more complicated.
- Nationwide Retirement Program, Harold Blattie
 - Endorsed by MACo and NACo.
 - 457 Deferred Compensation Program for employees: Tax-deferred, so you're not paying the employer contribution for that. It's good for you and good for your employees.
 - We now have a Montana Representative out of Helena, Margaret Rodgers. If she hasn't been to your county yet, she will be.
- Executive Director Performance Evaluation, Sheryl Wood
 - We'll be getting that out in the next few weeks. Comments are anonymous; it's important that you respond.
- MACo Performance Survey, Sheryl Wood
 - We'll be getting this out in September. Let us know what we're doing right and what we're doing wrong.
- BLM Desk Guide, Harold Blattie
 - Look for it in the mail.
 - Cynthia Moses-Nedd was the BLM & DOI liaison; now she's just BLM, so we lost our connection to FWP.
- Newsletter, Website, & Emails, Sheryl Wood
 - Check often.
- TSEP Litigation, Harold Blattie
 - Successful: Court ruled in favor of the counties. The integrity of the program has been maintained.
 - Funding for the projects has been restored.
 - The unused money from the litigation was roughly \$7000; the Tax Committee is recommending the BOD that the money be dispersed to the non-plaintiff contributors.

MACo President's & Officers' Report

- Connie Eissinger, McCone County, MACo President
 - NACo Involvement/Travel
 - Montana's voice is very strong at NACo.
 - Each state can have eight people on a committee.
 - Kathy Bessette, Hill County Commissioner, is retiring, so there is a NACo Agriculture Committee opening. I have appointed Maureen Davey.

- If you are interested, there are ways to save money. If you go to just committee meetings, you don't have to register; then you just have plane fare and only two nights lodging and meals to cover.
 - MACo Turnover/Upcoming Retirements
 - We have one of the best staffs an organization can have.
 - Issues filling positions and retirements are on the horizon--not sure we can replace staff at current salary levels.
 - Might be a good idea to increase current salaries slowly.
- Andy Hunthausen, Lewis & Clark County, Urban Counties Representative
 - Reiterate what Connie said: We need to figure out how to keep staff.
 - Reality of the organization is that if we want to keep the high level of support we receive, then we need to invest in them.
 - In the next few years, we're going to have to make some hard decisions.

Break for Lunch

MACo Legislative Report: Harold Blattie & Sheryl Wood

- Harold Blattie
 - Ballot Initiative List
 - LR-123 (SB 426), Income Tax Credit - Referendum to contingently provide taxpayers refunds of surplus state government general fund balance through an income tax credit based upon property and individual income taxes paid -- Will be on the ballot.
 - Money in excess of budget would go back to taxpayers as property tax credits.
 - Problem could be that if there isn't enough money to fund, they will look to you.
 - MEA-MFT Letter - Trying to defeat it; they asked if we would participate; BOD will decide in June.
 - AG Op Volume 51, No. 1
 - MACo can participate in Ballot Initiatives, but counties cannot.
 - MCA 2-2-121 - Rules of Conduct
 - As an elected official, you can voice your stand, but you can't use county time or resources. You can inform but not support or oppose.
 - School Budgeting Timeline Bill - Cleanup
 - Letter to Revenue & Transportation Committee
 - Proposed Bill Draft Language
 - Water Policy Interim Committee - Exempt Wells
 - Limiting exempt wells to low rates, limiting size, seems like a statewide fix; one solution does not fit all; watersheds differ.
 - We urge your involvement.
 - Tara DePuy has been very involved.
 - Interoperability/SIGB - Here to stay
 - Governor's Committee/Working Group - Mike McGinley, Beaverhead County, is the Chair.
 - Policy Bill - Structurally similar to 9-1-1; not asking for funding from you
 - MACo will be asked to support the policy bill.
 - HB 10 - Infrastructure funding proposal
 - HB 2 - Operations and maintenance funding proposal
 - Comment: Mike McGinley - If a county doesn't want to participate in Interoperability, they don't have; if they want to do it as a group of counties they can--if they can't do it singly. Maintenance is still the county responsibility.
- Sheryl Wood
 - Department of Corrections (DOC) Jail Cost Survey
 - Have any of you heard from the Department?

- We were told that they would contact you for training on how to fill out the form. So far the consensus has been "no." Our concern is that when the agencies bring their bills in June, they will say that we didn't cooperate. It was our hope to solve this issue without legislation.
 - Designate a point of contact in your county.
 - Form: Fill out and send to the Department; this will be used to calculate your costs.
 - Working Group: Rural Rep. Carl Sielstad, Fergus County and Urban Rep. Joe Briggs
- Harold Blattie
 - Highway Patrol Insurance Verification
 - Database - Available in August
 - It is incomplete, for example it won't include vehicles in our Pool; it only has private sector insurance companies--pooling is not part of it nor are vehicles covered under blanket policies. It may not be complete, but it's a big step in the right direction.
 - Treasurers are the ones renewing the plates; we advocated that Treasurers should be the enforcers; they would renew the plates and inform the person. Surprisingly, many treasurers (not all) are for enforcing--don't know how that will pan out.
- Harold Blattie & Sheryl Wood
 - Pension Funding
 - Legislative Fiscal Division is looking under every rock; looking at revenues to fill the hole including county revenues.
 - They don't understand how a county budget is built; they are just seeing your revenue as one lump sum; they aren't seeing the expenditures.
 - Comment: Cele Pohle - Every county is different.
 - They've charted out your revenues (available on the state website).
 - We need policy direction from our members on two pieces:
 - Unfunded liability
 - Employer Contributions
 - They are saying that local government needs to pay to fill the hole; they are saying that you are the drain.
 - We're working to get "local government" separated, because right now they have "local government" lumped into one: counties, cities, community colleges, special districts, etc.
 - They basically think that everything that isn't "state" is "local government."
 - Local government signed a good faith contract with PERB to manage the program.
 - We don't sit on the board; they adjusted the plans and sent local government the bill.
 - We got the employer contribution taken out last year; don't know if we can do it again.
 - Investment Strategy: We've lost nothing; they lost 20%.
 - Asking for Input: We haven't taken a position on anything yet.
 - Possible Solutions: 1. Local government needs a seat at the table; 2. Small incremental long term increases that are manageable and budget-able; 3. Reserve level/rainy day fund - if there is more in that fund, then there is a trigger that makes the contribution go down
 - Governor's Office made the statement that you can do this without raising taxes; you need to talk to your legislators; we have to be more proactive.
 - We need to start building a proposal for the legislature.
- Sheryl Wood
 - Magistrates - Limits with civil filings; want fees increased
 - They would like us to ask that the fees be increased; talk to your JPs
 - Ravalli County will likely bring a resolution forward: Justice Court - remove some independence related to staff and budgets
 - 911 Laws Discrepancy - payphones, party lines, cell phones
 - Holidays - Christmas on a Saturday, can't close on a Friday; isn't an issue until 2015.
 - Commissioner Vacancy - Number of days; currently 75 days, needs to be 85 days
 - Emergency Detention Bill - Mike Menahan

Proposed Resolutions

- There was discussion on the possibility of one resolution that may be presented to the full membership at the Annual Conference:
 - Coordination Resolution (Dan Happel, Madison County): Will provide tools for such things as large predators, forests, etc.; working with legislative drafter
- There three resolutions and one notion presented:
 - Equipment & Auction (Park County--Presented by Marty Malone): Remove \$60,000 cap
 - MOTION: Mike Murray moved to adopt Park County's resolution. Cele Pohle seconded the motion. Motion carried unanimously.
 - Special Fuel Permit (Park County--Presented by Marty Malone): Conceptual Resolution
 - MOTION: Mike Murray moved to adopt Park County's concept of the resolution. Dave Schulz, Madison County, seconded the motion. Motion carried unanimously.
 - Montana Land Information Act Modification (Lewis & Clark County--Presented by Mike Murray): Funds Allocation
 - MOTION: Gail Vennes, Broadwater County, moved to adopt Lewis & Clark County's resolution. Tom Rice, Beaverhead County, seconded the motion. Motion carried unanimously.
 - Discussion ensued concerning the amounts of money: Flip flop numbers so that state would receive \$0.25 as opposed to \$0.75 and counties would receive \$0.75 as opposed to \$0.25
 - MOTION: Gail Vennes moved that the resolution would include that the counties would receive \$0.75 and the state would receive \$0.25. Leonard Wortman seconded the motion. Motion carried unanimously.
 - Notion: School Zones on State Highways (Lewis & Clark County--Presented by Andy Hunthausen) - speed change methodology; something to reduce speeds in those areas
- Further Resolution Discussion
 - Question: Dan Happel - Would there be any support for a resolution to increase reserve ratios to hold more money in reserves with the economy how it is?
 - Response: Harold Blattie - Tried to run a bill at 50%, but the Legislature wanted to keep it at 1/3. The reasoning is because of property tax refunds and the issue of "how much public money should you save?" Do a resolution and find out the fate.
- MACo Legislative Process, Sheryl Wood
 - 122 place-holders for bill drafts already, and 52 are on our watch list
 - MACo Legislative Guidelines & Model Resolution (on website)
 - Trying to educate legislators on our process:
 - We gather resolutions at the May and August District meetings.
 - Resolutions Committee reviews the gathered resolutions and assigns them to the other MACo Committees.
 - MACo Committees review their assigned resolutions and make their recommendations to the full membership at the Annual Conference.
 - Resolutions Format
 - Make sure they are drafted.
 - Be clear on the statute, but give us latitude at the Capitol for amendments.
 - Be careful when opening up a statute; everyone comes in with amendments.
 - Policy Statements vs. Resolutions
 - Policy Statements are guidelines/conceptual.
 - Resolutions become bills.

Other District Business

- Bison Lawsuit Update, Marty Malone, Park County
- Large Predators Discussion

DNRC - County Coop Agreements & Workers Compensation for Volunteer Firefighters (Legislation)

- Wildland Fire Protection

- Direct Protection Units
- Provide training, equipment, and assistance
- Dependence on rural volunteer fire department for initial contact on state lands
- Equipment all over the state
- Workers Compensation for Volunteer Firefighters
 - Current contract/agreement includes work comp coverage
 - Subcommittee working on this - Senator Tom Facey

MDOT -- STIP & Secondary Roads: Wayne Noem, MDOT

- Projected List for Secondary Roads
- Emergency Projects
- Off-System Bridges
- Forest Highways
- STIP

Meeting Adjourned