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Indices struggle to keep up with reality

By Harold Blattie, MACo Executive Director

Prior to 2001, county elected officials salaries were set by Montana statute. For first- through fifth-class counties, the salary was \$25,000, plus \$10 for each 100 hundred residents. For sixth- and seventh-class counties, the salary was \$18,000, plus \$10 for each 100 hundred residents. For both, there was then added a Cost of Living Increment for each year after 1990. This Cost of Living Adjustment (COLA) increment was cumulative, so to arrive at the salary, you had to take the base and the population increment, plus the cumulative COLA dollar increments.

Recognizing that often this mechanism was not providing a salary sufficient to attract and retain good candidates and that many elected officials were leaving office because they could receive a significantly higher salary in the private sector or with a school or city, the Council of County Officials worked with the Local Government Center at MSU on finding a different means for determining elected officials salaries. From this collaborative effort, the County Compensation Board was created by legislation in 2001. In that legislation, the language that referred to the COLA adjustment was repealed.

The repealed text reads:

".....up to 100 percent of the previous calendar year's Consumer Price Index (CPI) for all urban consumers, U.S. Department of Labor (DOL), Bureau of Labor Statistics (BLS), or other index that the Bureau of Business and Economic Research of the University of Montana-Missoula may in the future recognize as the successor to that index."

Since that time, we have continued to

work with the Bureau of Economic Research at the University of Montana to provide you with what that COLA amount for each year would have been using the index that had traditionally been used so that counties had some measurement of the COLA. The COLA calculation is based upon the CPI for All Urban Consumers, as determined by the DOL. The CPI is used as the basis for a multitude of annual adjustments, which will be discussed later in this story.

Many of you have heard me repeatedly state that using the CPI-COLA does not keep pace with the true cost of living in Montana and that if you simply take an employees salary and add the COLA year after year, that salary will eventually become out of sync with the real world and that a catch-up adjustment is needed.

Because of the rapidly rising energy costs this past year, when the 2.8 percent COLA was published, we received numerous calls and e-mails asking how such an instance could be possible. The primary reason is that is a measurement of the cost of a "basket" of goods in the past that always lags behind today's cost. This is exacerbated when inflationary factors are rising more rapidly than in other times.

I have been on a search for alternate indexes that could be considered in setting elected officials and other employee's salaries. Recall that since the statutory requirement to use the CPI was repealed in 2001, you are free to use any means or method you wish to determine "a" [emphasis added] COLA, not "the" COLA. The COLA section of statute was amended to remove

"The CPI-COLA does not keep pace with the true cost of living in Montana."

*-Harold Blattie,
MACo Executive Director*

Please see "CPI, COLA..." on next page



MACo News

CPI, COLA don't keep pace with Montana cost of living

Continued from page 1

all reference to any index and just simply states the COLA is based upon a schedule developed by the County Compensation Board:

"7-4-2504, MCA. Salaries to be fixed by resolution -- cost-of-living increments. The county governing body shall by resolution on or before August 1 of each year adjust and uniformly fix the salaries of the county treasurer, county clerk, county assessor, county school superintendent, county sheriff, clerk of district court, county auditor (if there is one), justice of the peace, and county surveyor (if the surveyor receives a salary) by adding to the annual salary provided for in 7-4-2503(1) a **cost-of-living increment based upon the schedule developed and approved by the county compensation board** provided for in 7-4-2503(4), MCA."

The point of the discussion is that counties are not required to use any particular index to determine a COLA that will be used for elected officials salaries, just that a COLA will be used, based upon the schedule developed and approved by the County Compensation Board. You have the latitude to use any means or any information available to determine the COLA for your county you may wish.

I have conducted a fairly extensive amount of research into alternative indexes that could be considered and am providing information about several alternatives, including some historic numbers of the annual percent adjustment. Note that I'm using the most-recent index informa-

"Counties are not required to use any particular index to determine a COLA that will be used for elected officials' salaries, just...a COLA."

*-Harold Blattie,
MACo Executive Director*

tion available. While it may be labeled 2006 or 2007, it is the most recent data available.

I would like to briefly discuss one number in particular because it is based upon Montana information: that is the Montana Average Weekly Wage. It is calculated pursuant to statute as the basis for indemnification for both temporary and permanent benefits for Workers Compensation. Does it measure the annual cost of living? No. What it measures is average wages paid in Montana.

I pose the question: Are you adjusting your salaries to account for higher living costs or are you adjusting salaries to keep pace with other salaries in Montana?

If you are trying to be competitive in the labor market place to attract and retain elected officials and employees, it would appear to be reasonable to use a wage-based index, rather than a cost-of-living index.

A look at the table (left) comparing the Montana Average Weekly Wage and the CPI for the past ten years shows an cumulative increase in the weekly wage of 39.4 percent while the cumulative increase in the CPI is 26 percent, an overall difference of 13.5 percent.

For more information on CPI and COLA, please visit the MACo Web site for a comprehensive version of this story, complete with data tables from the DOL, the Social Security Administration, and the Montana Department

COMPARISON OF INCREASES			
Montana Average Weekly Wage Consumer Price Index			
For use in State Fiscal Year	Annual Increase Montana Average Weekly Wage	Annual Increase Consumer Price Index	Annual Percentage Difference
2000	3.5%	1.6%	1.9%
2001	3.2%	2.2%	1.0%
2002	3.5%	3.4%	0.2%
2003	4.1%	2.8%	1.2%
2004	3.1%	1.6%	1.5%
2005	3.5%	2.3%	1.2%
2006	3.4%	2.7%	0.7%
2007	4.7%	3.4%	1.3%
2008	5.1%	3.2%	1.9%
2009	5.4%	2.8%	2.6%
Total	39.4%	26.0%	13.5%

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MACo News

HCT signs 23rd county, reaches record annual premiums

By Owen Voigt, MACo Health Care Trust Administrator

MACo recently welcomed Madison County as the newest member of the MACo Health Care Trust (HCT). With the addition of Madison County, the trust now has 23 member counties and 31 special districts with 1,440 participants and nearly 2,000 covered lives. The 2008-09 total annual premiums are projected at nearly \$11 million.

The MACo HCT was started by a handful of counties who saw the need to have alternative health benefit plans for county and special district employees. Petroleum County started with the trust effective May 15, 2005, followed by Anaconda-Deer Lodge, Granite, McCone, Musselshell, Powder River, Treasure and Valley counties effective July 1, 2005. These counties knew the importance of having a MACo health benefits pool available and just how critical membership is to the stability of the trust.

Showing a small operating gain the first year and a small loss the second year, the trust has steadily increased reserves. With the improving financial strength, the HCT is able to assume more risk and accordingly has raised its specific stop-loss level (SIR) to \$200,000 per claim. The premium savings over renewing at the previous \$150,000 SIR was nearly \$300,000. These are premium dollars that would have been paid to an out-of-state re-insurer that are now available to pay claims and stabilize premiums to our members.

The MACo HCT is governed by a seven-member board of trustees: MACo President Cyndi Johnson; MACo 1st Vice President Mike McGinley; at large Trustees Patrick Eggebrecht, McCone County, Jim Durgan, Park County, Herb Townsend, Meagher County, Dave Reinhardt, Valley County; and MACo Executive Director, Harold Blattie. Together with MACo HCT dedicated staff, this team has developed affordable alternatives for county employee health insurance needs.

To provide the needed services, the trust has entered into an annual agreement with MACo for administrative services. Additionally, MACo HCT has entered into contracts for services with Allegiance Benefit Plan Management for the administration and payment of claims, Actuaries Northwest for actuarial services, Caremark prescription benefit manager for prescription drug management, and several other vendors for specialty services such as peer medical claims review and nurse case management.

Prior to July 1, 2007, the trust contracted with the Montana School Services Foundation (MSSF) for administrative services. Under that contract, the trust paid MSSF a percentage of premiums. With MACo providing administrative services, the actual cost of services provided is paid by the trust rather than a percentage of premiums. If the trust was still under the same contract with MSSF, administrative services for the trust would be nearly \$535,000 for fiscal year 2008-09. Under MACo's umbrella, the trust has been able to save more than

\$150,000 in administration costs alone. These are dollars that are directly reflected in lower premiums. As the membership grows administrative costs continue to be reduced on a per member per month basis as economies of scale continue to dilute the fixed costs.

The relationship MACo HCT initially established with the Montana Unified School Trust (MUST) continues to pay significant dividends as MACo HCT joins with MUST for service vendor contract negotiations. The association of the schools and counties allows both trusts to enjoy vendor contract rates of self insured groups in the 20,000-covered-lives size.

For information on how your county or special district can become a MACo HCT member, contact MACo HCT Administrator Owen Voigt at (866) 669-6428 or ovoigt@macohct.com or Pam Walling, the trust's Lewistown-based marketing/member services representative, at (406) 535-6893.



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After



MACo News

Insurance menu choices are more important than fast food

By Owen Voigt, MACo Health Care Trust Administrator

When I travel, I enjoy watching and listening to people order food. Some can take forever to order. They go through item after item weighing the pros and cons of eating this compared to that or comparing what they ate yesterday to what they'll eat the next day. By watching and listening to these folks, I think they must have to change from breakfast to lunch or lunch to dinner menus because the kitchen quits making the food off that menu before they order. Hence the 24-hour breakfast menu that was made just for these people.

My philosophy is, barring some catastrophe, I will eat again either later in the day or tomorrow, so I just pick something and order. When I sit down to graze, I think a chunk of meat, some potatoes and maybe greens. I know my philosophy is not universal, but I believe restaurants and cafes create the problem by putting more than three items on the menu. If your options were chicken, beef or salad, think of the time waitresses would save. We are all used to hearing, "Yes, the flame-broiled, pavement-seared quiche is wonderful, but have you tried our sundried tomato rigatoni with leeks, artichoke hearts and kiwi vinaigrette?" When I hear that, my electrical system overloads. Being from North Dakota, I may have been a bit sheltered from the world, but what is a leek?

It seems, like menu choices, the same is true of health plans and plan options. The HCT offers four different plans. Two plans have four different deductible levels and one has two different deductible levels. Then there is the co-pay amounts for each plan. We also offer two different prescription plans, dental, vision and three life insurance options. With health benefits, options are extremely important to the buyer and they should be to the

carrier. One of the main reasons they should be to the carrier is so it can accurately compare plans, giving you the chance to make an informed decision.

When you call the county next door and ask about its rates, invariably one of yours will be lower. Of course, there is the immediate thought the county with the lower rates must have a better deal or be with a better carrier. It just is not so. There are too many variables. When you do look at other plans, carriers and options, make sure you get an apples-to-apples comparison. The comparison needs to include items such as deductibles, co-pays, benefits and premiums and premiums for each group level. Some carriers count the deductible as part of your out-of-pocket maximum and some do not. That alone could mean as much as \$2,000 more per year in medical expenses to your employees and their dependents. There are usually two sets of premiums for retirees: one for non-Medicare and one for Medicare eligible.

Some insurance salespeople will tell you their rates are better, so you look and see their single rate is, in fact, some amount less than yours. You're thinking, "Ah ha, we have finally solved the insurance crisis in our county!" So the move is made to the new carrier and you come to find out the rate for the dependent coverage (parent/children, two party or family) are higher. Those employees who had dependents on their plans can no longer afford it, so they move to the single coverage and now your county or group, as an employer, has lost many of its employee's dependents. Not only that, but on renewal, the one-year-old carrier says, "Well, your demographics have changed, so we need to adjust the rates to account for that." Instead of saying "Ah ha!" you are now saying, "Aargh!" The whole thing now seems like a quagmire. Once again, make the proposed carriers give you an apples-to-apples comparison looking at all these issues before you buy.

The HCT knows how important options are, so we clearly and fully disclosing all issues when you are considering the HCT as your new benefits provider.

Next month, the fine art of ordering beer: domestic or import; bottle, can or tap.

Health Care Trust Calendar of Events

May 1-June 15	July open enrollment period
Oct. 10	January renewal rates mailed
Nov. 1-Dec. 15	January open enrollment period
Nov. 10	Annual MDCR Part D notice mailed out
Nov. 14	January renewal rates deadline
Dec. 21-27	2009 Rx formulary mailed out



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Cybersecurity: An Overview of Key Issues

Fourth in a series

Network and application passwords

How many different passwords do you personally have? How many for just your organization?

When was the last time you gave someone your password so he or she could get something they didn't have access to otherwise?

Do you write down passwords somewhere so you can remember them? How many are sitting in your email inbox because you couldn't remember them and had to have an administrator send you a reminder?

Are any of them in this list?

asdf

1234

admin

password

spooky

buster

webster

machoman

bootsie

sparky

badboy

qwerty

Data classification

It's great when we can build solutions that give customers access to real-time data so they can make utility payments, pay court fines, view crime statistics, and track permits over the web.

Problems arise when we don't clearly define those customers and what information should be exposed and what should not.

So, now I can see what permits are active within your development process and who the developers are - right along with their Social Security Numbers. Oops!

By defining access controls, confidentiality status, backup procedures, retention schedules, output (report) controls, and destruction guidelines, data classification helps ensure data is handled properly.

A typical organization may have from three to six categories based on their requirements. Data Classification often relates to the criticality of an application.

A good starting point for data classification may be to look at your organization's Business Continuity Plan, or even the Y2K plan, as a starting point.

by Randy Land and John Krusemark, City of Scottsdale, Ariz., via PERI

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County News

D'Alton case serves as reminder to follow personnel policies

By Jack Holstrom, MACo JPIA Personnel Services Administrator

A Yellowstone County District Court ruled in favor of a former Billings assistant city attorney who claimed she was wrongfully discharged and also claimed a multitude of violations of her constitutional rights (D'Alton v. City of Billings, Montana Thirteenth District Court, Yellowstone County Cause No. DV-04-0265).

District Court Judge Russell Fagg stated at the beginning of his decision, "At the outset the court will note the City has a plausible argument that D'Alton should be discharged", but instead of considering the reasons for discharge, he decided he would first review whether the city had followed its written personnel policy in carrying out the discharge. He stated: "The issue is not whether there was good cause to justify her termination, but rather whether the City violated its written policy."

In the case, the city had adopted an administrative order which stated an employee would be given an opportunity to respond to charges and present "all information that the employee believes to be pertinent." D'Alton was unable to call witnesses who would testify in her behalf, and could only call witnesses who had been interviewed by the city during its investigation. Her attorney was not allowed to fully examine witnesses at the termination hearing. The judge held the city did not follow its written policy and that constituted a wrongful discharge. He cited 39-2-904(1), MCA, which states: "a discharge is wrongful only if...the employer violated the express provisions of its own written personnel policy."

Judge Fagg also provided a very good discussion of

the due process rights that a public employee has before the employee may be terminated. He quoted the Montana Supreme Court decision in *Mysse v. Martins*, 279 Mont. 253, 926 P.2d 765 (1996), which stated: "In *Boreen*, this Court examined the United States Supreme Court's analysis of the extent of process due a person who has been terminated from their employment in which he or she enjoyed a property interest. The Court in *Cleveland Board of Education v. Loudermill* (1985), 470 U.S. 532, 105 S. Ct. 1487, concluded that due process simply required oral or written notice to the employee of the reasons for the termination, including an explanation of the employer's evidence and an opportunity for the employee to respond in 'something less' than a full evidentiary hearing before termination, coupled with a full post-termination hearing 'at a meaningful time.'"

The judge held the city did not afford D'Alton a full evidentiary hearing and that was a violation of her due process.

The D'Alton case illustrates two very important points to consider in termination cases. First, **any failure to follow written personnel policies will subject an employer to a summary judgment under the Montana Wrongful Discharge in Employment Act.**

Second, an employee is entitled to notice of the reasons for the proposed termination, including an explanation of the employer's evidence, and an opportunity for the employee to respond prior to termination coupled with a full post-termination hearing afterward.

IRS raises mileage rates through December

Effective July 1, the optional standard mileage rates for the final six months of 2008 have been increased by the IRS. The rate will increase to 58.5 cents a mile for all business miles driven through Dec. 31. This is an increase of eight (8) cents from the 50.5 cent rate in effect for the first six months of 2008.

For more information, visit www.irs.gov.

Keith Montgomery, 1951-2008

Keith Montgomery, 57, died in Billings on June 17. He was a former Yellowstone County deputy coroner.

Montgomery, a Montana native, went to work for the county as a relief jailer in 1972. In 1988, he became deputy county coroner, a post he held until retiring last October due to health issues. A reserve deputy for 24 years, Montgomery also led a drunk-driving prevention program.



The National Association of Counties (NACo), in Partnership with Nationwide Retirement Solutions (NRS), and state associations of counties, provides county employees with a Section 457 Deferred Compensation Program.

Since its inception in 1980, NACo's 457 Deferred Compensation Program has grown to become the largest supplemental retirement program available to county employees.

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County News

New I-9 form required for new hires

U.S. Citizenship and Immigration Services has created a new Form I-9 (effective June 16, 2008) that all U.S. employers will be responsible for completing and retaining for newly hired individuals. Also, several other changes were made, including acceptable documents, Social Security numbers, and electronic filing. The new I-9 is available at <http://www.uscis.gov/files/form/i-9.pdf>. For more information, visit <http://www.uscis.gov/i-9>.

Governor's safety award apps due July 30

The Governor's Award for Health and Safety recognizes commitment to excellence in the workplace safety and health arena. It promotes greater awareness of workplace health and safety across the state and offers the opportunity for leaders to share model programs.

The awards are the highest honor given by the State of Montana in recognition of health and safety excellence. If you believe your county models safety and health systems, you're encouraged to seek this recognition.

Winners will be recognized at a formal awards ceremony, to be held this year during the Annual Governor's Conference on Workers Compensation and Occupational Safety & Health at West Yellowstone Oct. 1-3, and will be presented with a banner and plaque suitable for display.

For more information, call (406) 444-1605 or visit <http://erd.dli.mt.gov/safetyhealth/sbhome.asp>.

Minimum wage hike goes into effect July 24

Under the Fair Labor Standards Act (FLSA), the federal minimum wage for covered nonexempt employees rises to \$6.55 per hour effective July 24, and exceeds the Montana minimum wage. When the employee is entitled to both the state and federal minimum wage laws, the employee is entitled to the higher minimum wage rate.

If you have the Job Service 5-in-1 poster (with a publication date of July 2007), this change is already included. To request a 5-in-1 poster, please contact the Helena Job Service office at (406) 447-3200 or Helenaajsc@mt.gov. The posters also are available for print at <http://wsd.dli.mt.gov/service/posters.asp>

Joe Gottfried, 1920-2008

Joe Gottfried, 88, died in Shelby on June 3. He was a former Toole County commissioner and served on MACo's executive committee.

Gottfried, a North Dakota native, moved to a Toole County farm as a child. After serving in the U.S. Army Air Force during World War II, he earned a business administration degree from the University of Montana, then began working on the family farm 1951.

He served Toole County as a commissioner from 1977 to 1988, and was MACo's fiscal officer from 1979 to 1985. Gottfried also served on state and local boards.

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WIR committee report: Agriculture/Rural Affairs

By Kathy Bessette, Hill County Commissioner and NACo Agriculture Subcommittee Chair

The Farm Bill was on everyone's mind when the Agriculture and Rural Affairs Steering Committee met in Utah. Eric Johnston, NACo's associate legislative director, promised the Farm Bill would be passed within an hour – and vetoed by President Bush by the end of the meeting! He was half right.

Carl Stephens, deputy commissioner of the Utah Department of Agriculture and Food, was the first speaker. He gave an overview of the department and functions provided by the agency. The department provides conservation and resource management, lab services, marketing and development (both national and international), studies for grazing improvement, plant industry inspections, regulatory services in the animal industry (including elk farms), brand inspections and food inspections. It has a Web-based plant and animal inspection program, is actively involved in COOL (Country of Origin Labeling) and

promotes buying locally. He said the department supports the Animal ID initiative and has 74 percent of its producers registered.

Tim Raphael, director of government affairs and communications for Pacific Ethanol, Inc., spoke about the publicly traded company. Pacific Ethanol is the leading marketer and producer of low-carbon renewable fuels in the Western U.S. The company owns and operates ethanol production facilities in Madera, Calif., Boardman, Ore., Burley, Idaho, and Windsor, Colo. It is constructing plants in Stockton and Calipatria, Calif. The company has announced plans to build 220 million gallons of annual ethanol production by 2008 and 420 million gallons by the end of 2010.

Erik Johnston updated the committee on the progress of the Farm Bill; he said the bill had passed and was on its way to the White House.

WIR committee report: Public Lands

By Alan Thompson, Ravalli County Commissioner and NACo Public Lands Steering Committee member

Committee Chair Elizabeth Archuleta, Coconino County (Ariz.) supervisor, started with introductions of all in the room. We are seeing much better attendance in the last couple years as more counties understand how important these meetings are to set our national policies.

Mark Rey, natural resources and environment undersecretary for the U.S. Department of Agriculture, spoke about Plum Creek Timber and the issue of road easements. He asked the following: does Plum Creek have the right to develop its private lands? Is Plum Creek being treated differently than others? Is it being treated differently than an old rancher who wants to develop his lands?

He then discussed federal policies that have led to this issue and how right of ways were established. Rey read specific parts of the enabling language that grants the right and then asserted Plum Creek can do what it wants without interference from the federal government. He specifically spoke about a Montana county that is challenging the right of Plum Creek to develop and the process that is going on at the moment with the county. I assume he is referring to Missoula County, although others may also be in on the discussion. A question and answer period then followed and took up quite a bit of time.

Presentation-PLSC Platform Revisions

The chairman of this committee was absent because of a family emergency so the report was short and offered by Commissioner Ben Boswell of Oregon. He said our platform is too long and needed to be condensed so it was more concise and understandable. They are hoping to have a document that can be folded and carried in the

pocket and be easily read and understood. Some committee members felt too much had been left out. Commissioner Lesley Robinson felt there was not enough explanation about our stance on federal grazing practices. The committee they would attempt to footnote the document to include many of these issues in the notes.

NMAC Illegal Dumping Initiative

Joy Esparsen, intergovernmental relations manager of the New Mexico Association of Counties (NMAC) and Joyce Fierro, the U.S. Bureau of Land Management (BLM) liaison to NMAC started their presentation by showing pictures of dumping problems that exist in New Mexico and NMAC's concern with the problem. The association began this initiative two years ago and formed an organization called Partners for a Clean New Mexico. The organization consists of individuals, community groups, state and federal agencies. Its purpose is to educate, develop new strategies, do site clean up and enforcement. Private, state, federal and tribal land is included.

One of the speakers said there are three types of people: those that make things happen, those that watch things happen, and those who wonder what happened. New Mexico wanted to make things happen.

Public meetings were held in October 2007 to inform people what they were doing and accept public input. They needed to learn what different agencies were doing and how positive practices could be used. Final plan adoption is set for July 2008.

Please see "WIR committee report: Public Lands" on next page



WIR committee report: Rural Action Caucus

By Bill Kennedy, Yellowstone County Commissioner and NACo Rural Action Caucus member

The WIR Conference was very successful as the Rural Action Caucus (RAC) met and discussed plans for the fall retreat and priorities for the year. Our number one priority was passage of the Farm Bill. With such a great response from the rural county commissioners, the Farm Bill passed overwhelmingly and we were able to override President Bush's veto. At our meeting, we heard the Farm Bill went back for some technical corrections. Congress has approved the Farm Bill and overridden the president's veto again. I have been informed that all 15 titles of the 2008 Farm Bill are now officially law.

Thanks to Senator Max Baucus for his relentless push for disaster relief and thanks to our congressional delegation for supporting the Farm Bill.

The next priority for the RAC is to push to get funding

for the Secure Rural Schools program. At this time, there is some hope we may see funding by the end of the year. With the presidential race heating up, we know the highway bill and health care will be our second number one issue for next year. All in all, we had a great turnout for our RAC meeting at the WIR.

I had the opportunity to join the Large Urban County Caucus commissioners for a day on the hill as we tackled their number one issue for counties. The issue is an unfunded burden placed on counties for medical care for inmates. This issue does not address convicted criminals, but people sitting in county jails that need medical care. Because of an administrative rule, we no longer get Medicaid assistance (these people have not been convicted

Please see "WIR committee report: Rural..." on next page

WIR committee report: Public Lands

Continued from previous page

Update on Public Lands Legislative Priorities

This update was given by Ryan Yates, our NACo liaison. He said Congress will authorize PILT funding at the same level as last year: \$229 million. That's \$3 million less than two years ago but \$39 million better than what is in President Bush's budget. NACo is still working for full funding and believes that goal is achievable, just not this year. Regarding SRS, Yates reported there was support for a one-year extension and NACo was continuing to work for an authorization of four to five years.

We also learned the Senate had passed a one-year extension by a veto-proof margin of 70 votes for the reauthorization and was sending it to the House. In a private conversation, Yates said Congress supports it but won't fund the bill for a long period of time. NACo will support a one-year extension; after this election year, it will work with the new Congress for multi-year funding. So, the good news is with all our lobbying and the money the Forest Coalition spent on ads, we have a one-year extension and funding of PILT.

Grazing Issues on Public Lands

This is an ongoing problem with permit renewal/transfer on public lands. The concern is the anti-grazing groups are going to insist on NEPA being used and the language will conflict with existing language. Speakers discussed having permits generations before either the U.S. Forest Service or BLM existed.

Before the renewal, there has to be an environmental impact study to see if it conforms to NEPA. The agencies are spending all their time on paperwork instead of being in the field taking care of the land. NEPA is a process and can clog the courts for many years at the detriment of the

ranchers.

The organization was frustrated something that had been going on for five generations could be stopped by these antis. They asked us to accept a resolution stating our support for their point of view. The legal way to put forth a resolution was given to them and we will see action on it at the NACo Annual Conference in Kansas City later this month.

We did then spend some time on resolutions and there was some limited discussion before time ran out.

I thought this was the best WIR conference I've attended. There were some great speakers on various issues. Two separate speakers spoke of oil shale deposits in the corner of Utah, Wyoming and Colorado that contain 800 billion barrels of recoverable oil. That's twice the oil reserves of Saudi Arabia, but the federal government has put 85 percent of all public lands off limits to any development. I don't know how many of you have been in the southwest corner of Wyoming but believe me, there isn't much there and each of these states could use the economic values they would gain. One speaker said the shale could be recovered in an environmentally safe way and the oil would be sold for \$60 a barrel. There was also information given to us about global warming.

Next year's WIR conference will be held in Pendleton, Ore. Once again, I thank the members of the coalition for allowing me to represent you. I've greatly enjoyed the experience.

If there is anything for me to present in Kansas City, please let me know immediately so I can comply with NACo rules for submitting resolutions.



Western Interstate Region board of directors report

By Mike Murray, Lewis & Clark County Commissioner and Lesley Robinson, Phillips County Commissioner

The Waters of the U.S. Task Force met to review its progress. The task force was created to come up with a list of alternative proposals and language on ways to improve the Clean Water Act. The task force is charged with developing a list of recommendations in time for the

WIR committee report: Public Lands

Continued from previous page

and, if they post bond, they're still eligible for Medicaid, just not when they're in our jail facility).

I met with the Florida delegation along with our Montana senators and let our senators, congressional delegates and their staffs know the hardship this puts on counties around the country. This medical burden creates a large budget item for most counties. Hopefully, with emphasis on Medicare and budgetary constraints on local governments, we will see some type of help from Congress next year.

This was a great opportunity to solidify our relationship with the Large Urban County Caucus members from across the country.

I look forward to seeing as many Montana commissioners as possible at the NACo Annual meeting in Kansas City this month.

NACo Annual Conference. The task force was appointed by NACo President Eric Coleman; Commissioner Bill Hansell is our chair. Author Murray is one of two WIR representatives.

Public Lands subcommittees met to act on several resolutions. During our meetings, Commissioner Todd Devlin also presented his revised proposal for PILT funding. In a contested vote, his formula was supported. Time also was spent in discussions of SRS and PILT funding.

The WIR board discussed Waters of the U.S. legislation and the NACo task force. We also saw a presentation on digital TV and getting a \$40 credit toward the required converter. Kate Winthrop spoke on energy corridors.

The application form for the 2010-2011 conferences will go out this summer.

During our WIR annual business meeting, we had Dr. Laura Nelson speak about EcoShale. There is an abundance of oil deposits in the U.S. in shale. They want to remove the oil from the shale. They have developed a process that can be used to do this.

James M. Taylor, the Heartland Institute, spoke about "Global Warming: A Scientific Overview." The gist of his talk was that there should be scientific data to back up statements being made about global warming. He

Please see "WIR board report" on next page



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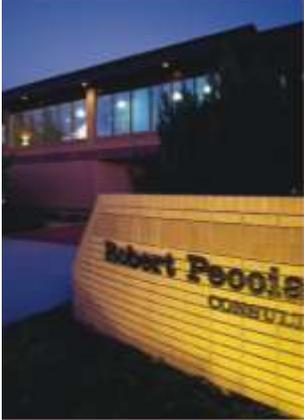


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Hunthausen attends leadership program

From a NACo/County Leadership Institute news release

Lewis and Clark County Commissioner Andy Hunthausen was one of a select group of twenty-two county leaders and two state association executive directors from across the U.S. who were selected to come to New York City in June to participate in the fourth annual County Leadership Institute, a rigorous four-day program developed by New York University's Robert F. Wagner Graduate School of Public Service in partnership with NACo. The

institute focused on how elected county officials could exercise leadership to address complex challenges facing counties.

"The institute provided an opportunity not only to hear from nationally recognized experts but to work with my colleagues from across the country on ways to address the challenges that all counties share," said Hunthausen. "The intensive program of instruction provided invaluable insights that will help me better serve the people of Lewis and Clark County."

CLI participants heard a number of unique perspectives on how they might exercise creative leadership on difficult challenges. Adjunct Professor Allen Zerkon discussed how to build and sustain collaborations. Steve Swendiman of NACo's Financial Services Center facilitated a roundtable conversation - involving executives from ESRI, NACo's Financial Services Corporation, Zions Bank, and Nationwide Retirement Solutions - about how to address "leadership and sustainability."

Marty Linsky, adjunct lecturer in public policy at Harvard's John F. Kennedy School of Government, co-author (with Ronald Heifetz) of *Leadership on the Line: Staying Alive through the Dangers of Leading*, and faculty director for the Institute, led participants throughout the week in discussions examining the difficulties faced by elected officials when they attempt to move public discourse toward new and unexplored approaches.

Conference registration via NACo site ends July 3

Attendees of NACo's 2008 Annual Conference & Exposition, to be held July 11-15 in Jackson County (Kansas City), Mo., can register online and receive a \$25 discount on registration fees.

The registration fee includes entry to all workshops, symposia, and mobile workshops, as well as general sessions.

To register, visit https://www.exposoftevents.com/secure/shows/naco_an08/public/RegFull.asp.

WIR board report

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showed several published statements about global warming and scientific data he had to dispute every one of those statements. The main thing is to research what you are being told before you buy into it. This is true about anything, not just global warming.

There were breakout educational sessions during the conference. One in particular author Robinson found interesting was the Cooperating Agency Status session. We had speakers from U.S. Bureau of Land Management (BLM), the U.S. Forest Service and U.S. Fish and Wildlife Service. The BLM seems to be leading the way for all agencies in cooperating. The other agencies are making strides. I also attended a session on Building a High Performance Work Team. It was informative and gave us tips on how to better communicate with our employees.

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Around Our Counties

Law Enforcement

CASCADE COUNTY fired a detention officer following his late May arrest for felony theft. The 23-year-old Great Falls man is accused for stealing money from two inmates at the county detention center. The man could be sentenced to up to 10 years in jail and fined up to \$50,000.

FLATHEAD COUNTY arrested one of its former

deputies for assault with a weapon in May after he allegedly threatened to shoot a process server. The 39-year-old man had been dismissed from the sheriff's department in 2002 for unwarranted use of lethal force. In the May offense, he faces a maximum penalty of 20 years in prison and a \$50,000 fine.

LINCOLN COUNTY set a public hearing for August in the case of a justice of the

peace accused of offering female defendants leniency in return for sexual favors. Eleven women, six named and five Jane Does, have filed complaints against the man, who is in his second term on the bench. If guilty, his punishment could range from reprimand to removal from office.

Personnel

GLACIER COUNTY School Superintendent Jetta Johnson resigned in May; commissioners appointed Darryl Omsberg to fill the part-time position until Dec. 31. Johnson, who was re-elected in 2006

to a second four-year term, did not disclose her reasons for resigning.

Zoning

RAVALLI COUNTY won a lawsuit in May that alleged it violated federal and state laws regarding subdivision review deadlines. The three developers who filed the suit did so because they opted out of a recent settlement between the county and 11 other developers. The ruling federal district judge said, in a 28-page decision, the developers' claims of the county taking personal property were without merit.



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Announcements & Reminders

Mark Your Calendars

July

- 1 State Admin. & Veterans' Affair Int. Committee*
- 4 Independence Day (state holiday)
- 10-11 Revenue & Transportation Interim Committee*
- 11-15 NACo Annual Conference, Jackson Co., Missouri
- 14-15 Environmental Quality Council*
- 16 Energy & Telecom Interim Committee*
- 17-18 Economic Affairs Committee, Bozeman
- 18 District Court Council, Bozeman
- 29 HB 49 Subcommittee*

August

- 1 Law and Justice Interim Committee*
- 4-15 District Meetings (tentative/locations TBD)
- 12-13 Water Policy Interim Committee*

August, cont.

- 18-22 MT Assoc. of Clerks & Records Annual Conference, Missoula
- 21 State-Tribal Relations Interim Committee*
- 21-22 Children, Families, Health, and Human Services Interim Committee*
- 24-27 National Council of County Association Executives Execs/Insurance Staff Conf., Harrisburg, Pa.
- TBD Resolutions Committee Meeting

Upcoming Events

- Sept. 21-25 MACo Annual Conference, Hamilton
- Nov. 18-20 MACo Joint Ins. Pools Trustees Retreat (location TBD)

*All meetings are held in Helena unless noted.

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