

June 15, 2016

The Lincoln County Board of Commissioners met for a regular session on June 15, 2016, in the Lincoln County Annex, Eureka, Montana. Present were Commissioner Cole, Commissioner Larson, and Clerk and Recorder Robin Benson and Accounting Deputy Wendy Drake. Commissioner Peck was absent.

Commissioner Cole opened the meeting with the **Pledge of Allegiance**.

9:00 AM **Bob Denning/FY 14/15 Audit Exit Meeting:** Present were Seaborn Johnson and Nikki Meyer.

Denning, Downing and Associates, P.C. has given an unmodified opinion to Lincoln County for FY 14/15. This is the highest opinion from a county auditor: There were two errors (findings) which were corrected during the budgeting process for FY 15/16. Bob expressed his thanks to the Clerk & Records Office especially Robin Benson and Wendy Drake stating they were up against a lot of challenges and both Robin and Wendy rose to the plate and worked diligently to improve the accounting and budgeting practices.

Bob commented how the accounting and budgeting rules are growing and changing by leaps and bounds due to mismanagement in California and Detroit which affects more rules and regulations being implemented at the county level. There are significant changes in healthcare benefits and retirement benefits (PERS) as well. Bob said the PERS program is not healthy and should the PERS program fail, liability falls to the counties. Should that happen, Lincoln County's net pension liability would be 5,021,937. Bob encouraged the commission to talk to legislatures to do something about this sooner rather than later. There are also big changes and rules on federal grants regarding documenting, accounting, tracking and allowable expenditures. Bob commented that training at the county level is vital to good grant management. Bob stressed to the commission the importance of the Clerk and Recorder and Treasurer Departments because all the new rules and regulations flow through their offices. Bob discussed with the commission how more counties are separating departments, hiring grant managers, budget managers or finance departments to help manage the increasing workload and responsibilities of the Clerk and Recorder and Treasurer Departments. Commissioner Cole stated that Lincoln County is fortunate to have very diligent hard working elected officials.

Bob commented that the county is spending approximately 1.4 million more than revenues brought in or overspending by 10% of the expenditures, but at the same time to keep in mind this includes the PERS liability (pension) and depreciation. Bob recommended to the commission to have him come in before final budget adoption for FY 16/17 to review the Department of Revenue (DOR) assessment records because the county bases many decisions on information provided to them by the DOR and he has found errors within DOR records in other counties.

Other comments by County Auditor Bob Denning were as follows:

- Lincoln County has some payroll checks not cashed that are as old as 8 years. These checks may be small, but this needs to be reported to the State and the state puts the transactions on a website called: missingmoney.com.
- County Certification of Title III funds have to be submitted to the USFS by February each year and there needs to be a 45 day written comment period before money can be expended. Bob said this has not been done since 2008 but is aware that Robin has completed this for FY 15/16.
- The Permissive Levy for health insurance increases was under levied. Robin noted that Denning, Downing & Associates, P.C. prepares the Permissive Levy calculation/budget and submits it to her.
- Emergency Levies should zero out and not hold any cash balances after all the expenditures for the emergency has been paid.

9:30 AM **USFS Update:** Cancelled

10:00 AM **Fortine/Trego Cemetery District Board:** John Linn, Gayle McCarron, Betty Pomeroy and Nikki Meyer.

The board discussed the recent board appointments moving their board from 3 members to 5 members saying the County Board Vacancy Policy has been very beneficial to them. John said the cemetery board would like approval to place a public informational kiosk at the cemetery showing a map of the cemetery grounds. **Motion** by Commissioner Larson to allow an informational kiosk. Second by commissioner Cole, motion carried by consent of the board.

Gayle mentioned she has visited the Clerk and Recorder's Office several times to conduct research and has been able to verify people who are buried at the Fortine/Trego Cemetery. Monuments have been voluntarily made for those plots. Robin commended the board and wanted the commission to realize the cemetery is fully funded without taxpayer dollars and the maintenance is community volunteer based. President of the board John Linn gave a brief history of the cemetery going back to the early 1900s. The land was deeded to the county in 2014. Robin asked for clarity for proper records management that the cemetery is legally called the Fortine/Trego Cemetery. Commissioner Larson thanked the board for all their hard work and diligence, stating the commission appreciates their commitment to the cemetery and community.

10:30 AM **Administrative Issues:** Present were Nikki Meyer.

The commissioners read the minutes for June 1 and June 8, 2016. Robin said she will be adding a couple sentences to the June 8, 2016 minutes because she did not put in the Memorandum of Understanding/Mutual Aid Agreement that was signed between Lincoln County and the Lincoln County Rural Fire District. **Motion** by Commissioner Larson to approve minutes dated June 1 and June 8, 2016 with the above mentioned addition to the June 8, 2016 minutes. Second by Commissioner Cole, motion carried by consent of the board.

11:00 AM **Public Comment Time:** Present were Nikki Meyer.

Nikki asked if the online commission calendar/agenda could be more specific or more detailed to allow the public more information of what is being discussed. Commissioner Larson said this is an issue that is currently being looked at. The county is in need of a new system for getting the calendar out to the public and being more informative. The Outlook calendar is not sufficient.

11:30 AM **Robin Benson/Budget Meeting:** Present were Nikki Meyer.

Robin said that last year the county held public hearings in June in Eureka and in Libby. At that time, we discussed that the information provided in June was not accurate enough. For example, state and federal revenues, cash balances, and insurance costs are not known in June. Robin suggested the public hearing to be held mid to late July so we can really know the state of the county and provide better information to the public. July public hearings are late enough in the budgeting process to provide accurate information but early enough in the process to give ample time for public comment and input to consider before final adoption. Commissioner Larson and Commissioner Cole agreed July would be a better time for the FY 16/17 preliminary budget public hearings.

M.C.A. 7-6-4025 allows counties to conduct business and spend money between July 1 (new fiscal year) and the date of the final budget adoption end of August or early September. Robin said she has contacted other counties including the finance department in Flathead County and she could not find a county that has budget public hearings in June. Robin said she will ask the commission for a motion to allow for spending as of July 1, 2016 during the June 29th regular commissioner meeting.

Robin submitted a summary of budgets that are asking for increases that she will need the commission to approve/disapprove before she can prepare a preliminary levy spreadsheet for review. Robin reminded the commission that last year they (the commission) held special budget working sessions outside of the regular Wednesday meeting dates to review the budget proposals, meet with department supervisors and accomplish the extra workload to meet the budget legal timelines.

1:00 PM Aubyn Curtiss/Partisan Non-Partisan Issue: Present were Jennifer Curtiss, Lynn Warwick, Pattiann Bennett, Steven Benson, and Nikki Meyer.

Aubyn Curtiss was not in attendance, but Jennifer Curtiss will be speaking on her behalf. Jennifer read a letter from Aubyn Curtiss to the Lincoln County Commission in its entirety. Aubyn Curtiss is the Chairman of the Lincoln County Republican Central Committee. The letter is written in reference to the 2009 special ballot sent out in an off-election year for a school election which included on that ballot the determination of partisan or non-partisan elections. In conferring with the Local Government Review Study Board, the Central Committee has come to the knowledge that it has been indicated beyond a doubt that said inclusion of the partisan non-partisan election was illegal. As the 2009 County Commissioners were operating under the assumption they were a Commission Form of government when in fact they were an Elected Official form of government, this incorrect assumption resulted in their successors also continuing to operate illegally. We (members of the Central Committee) are here to protest about what has evolved and strongly advise you, the current commissioners to right these wrongs. The Central Committee believes there is only one logical way to repair the damage done with the illegal election that made Lincoln County elections non-partisan thereafter. The logical way being the county commission write a resolution admitting the incorrect assumption of the previous commissioners, and stating the only legal form of election that can be held by Elected Official form of government is partisan, returning Lincoln County to the same. The Central Committee does not believe the legislature can solve this dilemma, nor do it in a timely manner. Action must be taken to assure that our commissioners are not obliged to continually act outside the law. The Central Committee does not believe seeking a solution from a District Judge would be effective unless some party were to bring a legal action of some kind. The Central Committee feels the burden is placed on the current county commissioner to provide the remediation that will bring Lincoln County into compliance with Montana law. *The letter from Aubyn Curtiss will be filed in its entirety in the Clerk and Recorder's Office.*

Jennifer said the Central Committee voted unanimously to send a copy of the letter to MACo Director, Harold Blattie, requesting the commission to bring this issue in compliance with the law.

Commissioner Larson commented the commission does not have the authority to right this wrong, and cannot arbitrarily change the votes from the 2009 special election. Jennifer said if a ballot issue is illegally placed before the voters, can the results be considered a legal act? Commissioner Cole said the letter will be taken under advisement.

1:30 PM Rick Ball/Library Mill Levy Resolution: Present were Election Administrator Leigh Riggelman, Lincoln County Library Director Rick Ball, Robin Ball, Pattiann Bennett, Steven Benson, Noel Duram, and Nikki Meyer.

Rick is here to discuss a resolution to be approved placing a levy increase to the voters on the November 8, 2016 General Election ballot. Rick said he is trying to stabilize funding for the Lincoln County libraries. Expenditures are consistently increasing while the county revenues are decreasing. Rick said it is his job to keep the county libraries open and maintain its services to the public and would like for it to go to the voters. Currently the library has been approved for 3.49 mills from a voted levy in 1996. The remainder of his budget to fund the libraries is at the discretion of the county commission. The levy will seek an additional 13 mills for a total of 16.49 mills. Robin asked for clarity if the increase dollar amount of \$410,826 is for the additional 13 mills only or is it the total dollar amount (16.49 mills). Ric said the dollar amount is for the additional 13 mills only.

Commissioner Cole asked if the resolution and ballot language has been vetted through the county attorney's office. Rick said the resolution and ballot language has been approved by the county attorney. Election Administrator Leigh Riggelman said she worked alongside Rick on the ballot language but there is some time left if the commission felt there needed to be clarity. Commissioner Larson made suggestions to clarify the dollar amounts showing the current amount, increased amount and total amount because the public will expect that kind of transparency and clarification.

Commissioner Cole asked for comments from the public.

Noel Duram said that public education will be key between now and the general election in November.

Commissioner Cole clarified that the resolution allows for the issue to be placed on the ballot, leaving the decision to the voters. Pattiann asked for clarity on the current process for the library budget. Rick said he is approved for the 3.49 mills but every year he has to make a request to the commissioners for the county to fund the remainder of the necessary funds for the library budget using taxpayer dollars.

2:00 PM Tour with Border Patrol on Lake Koocanusa

2:00 PM Meeting Adjourned

LINCOLN COUNTY BOARD OF COMMISSIONERS

ATTEST: _____

Robin A. Benson, Clerk of the Board

Mike Cole, Chairman