

**May 22, 2017 Regular Session of the Beaverhead County Commissioners**

The Board of Commissioners, in and for Beaverhead County, Montana, met in session on Monday, May 22, 2017 at 9:00 a.m. in the Commissioners' Room of the Beaverhead County Courthouse. Present: Chairman Tom Rice, Commissioner Mike McGinley, Commissioner John Jackson and Secretary Cindy Decker.

**Updates on County Projects:**

Road Supervisor Scott Jones and Road Secretary Jamie Flynn joined the meeting. Scott asked about the cattle guard on Lemhi Road and what had been decided. Discussion ensued and it was determined that the cattle guard belongs to the county. The crew will remove it this week. There was much discussion regarding cattle guard estimates and resolutions. Scott reported that the truncated domes are installed with only one step remaining to completion. He will call Joe Walsh when this project is completed. Scott advised the commissioners that the crew will put "pit run" on Minor Lake Road this week. There will be MSHA training tomorrow, May 23, 2017, for the Road Crew here at the courthouse. Jamie mentioned the fuel bids. She will advertise in the paper on June 7 and 14 and then bid opening will be on June 19<sup>th</sup> at 9:30 a.m. Mike asked Jamie to keep track of all the advertisement documentation as it may help with using the gas tax money. It must be spent on projects that have gone out to bid. Mike will look up the state law to see if the commission is allowed to raise the local option tax. Discussion ensued. It has been said that out of state tourists in Montana actually pay 40% of the gas purchased in a year.

The following Road Department Report was submitted and scanned into the minutes:

BEAVERHEAD COUNTY ROAD WORK  
May 14<sup>th</sup> to May 20<sup>th</sup>, 2017  
Dillon, Lima and Wisdom Areas

DILLON AREA

- Bladed on the following roads: Medicine Lodge, Blacktail, Flynn, Buster Brown, Bond, and Ten Mile.
- Applied magnesium chloride on Ten Mile Road and Bond Road.
- Installed the truncated domes on the walking path on Ten Mile Road.
- Rebuild an approach off of Webster Lane.
- Moved equipment.
- Road checked Dillon area roads.
- Equipment service and repair.

LIMA AREA

- Bladed on the following roads: Sage Creek, Big Sheep Creek, and South Valley.
- Bridge repair on Bimat Lane.
- Moved equipment.
- Shop maintenance.
- Road checked Lima and Dell area roads and bridges.
- Equipment service and repair.

WISDOM AREA

- Bladed on the Upper North Fork Road.
- Repaired a culvert on Upper North Fork Road.
- Shop maintenance.
- Moved equipment.
- Road checked Jackson and Wisdom area roads.
- Equipment service and repair.

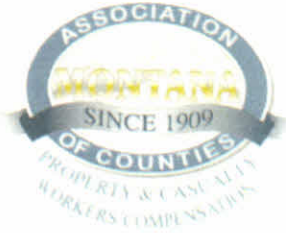
**Action on Previous Meeting Minutes:**

The minutes of the May 15, 2017 meeting were read and the following motion was made:

MOTION: Commissioner McGinley moved and Commissioner Jackson seconded that the minutes of the May 15, 2017 meeting be approved. A verbal vote was taken and the motion carried unanimously.

**Anna Cossel & Shannon Shanholtzer – MACo Renewal**

MACo WCT/PCT Insurance Trust Administrator Shannon Shanholtzer, HUB Insurance Agent Anna Cossel and Safety Coordinator Scott Marsh joined the meeting. Shannon distributed the following agenda:



MACo Property & Casualty/Worker's Compensation  
2017-2018  
RENEWAL MEETING

**AGENDA****A) MACo Property & Casualty Trust**

1. 2017 – 2018 Renewal by Cost Center Compared to 2016 – 2017
  - Liability Loss Fund including 5 year average loss ratio adjustment
  - Property Loss Fund including 5 year average loss ratio adjustment for Auto Physical Damage
  - Liability Premium (Bond)
  - Liability Reinsurance Premium (BRIT)
  - Cyber Liability
  - Property Excess including Fidelity & Crime and Boiler & Machinery
  - Administrative Costs
2. Liability Policy Changes
  - Buildings For Lease or Rent – Manuscript Agreement
  - Drone Exclusion – Manuscript Agreement
  - Workplace Violence Coverage Endorsement – BRIT
4. Property Policy Changes
  - Watercraft Endorsement – The Hartford
  - Builders Risk Policies – The Hartford
  - False Pretense Endorsement – Hanover Fidelity & Crime
  - Auto Physical Damage Deductible Increase
6. Loss Control Report
  - MobileEye Program
  - BRIT Online Training
  - Cyber Security Resources – MACo Website
6. Claims Update
  - New Equipment Valuation System
  - Salvage Title Form
7. Other Business

**B) MACo Worker's Compensation Trust**

1. 2017 – 2018 Class Code Rates/Mod Factors
  - Loss Control Credits
2. OnTrack Safety/Loss Control Program Update
3. By-Law Changes
4. Work Comp Payroll Audits
5. Other Business

Shannon reviewed the following property and liability information with the Commissioners:





MONTANA ASSOCIATION OF COUNTIES  
PROPERTY & CASUALTY TRUST

RENEWAL COMPARISON

Beaverhead County

	COMPARISON		
	2016-2017	PRELIMINARY 2017-2018	
Liability Loss Fund	\$63,441	\$60,192	
Property Loss Fund	\$59,382	\$63,819	
Liability Premium (Bond)	\$4,986	\$4,986	
BRIT Reinsurance Premium	\$6,799	\$6,799	
Cyber Liability Premium	\$1,901	\$1,654	
Property Excess Premium <sup>1</sup>	\$4,560	\$6,060	
Administrative Costs <sup>2</sup>	\$30,118	\$38,102	
<b>TOTAL</b>	<b>\$171,187</b>	<b>\$181,612</b>	<b>6.09%</b>

LOSS RATIO ADJUSTMENTS	ADJUSTMENT DOLLARS	LOSS RATIO
Loss Ratio Adjustment included in LLF	-\$2,538	8.89%
Loss Ratio Adjustment included in PLF-APD	\$404	78.05%

ADDITIONAL NOTES
<sup>1</sup> <b>Property Excess Premium</b> includes Earthquake (Axis Surplus and Hudson Specialty), Fidelity & Crime (Hanover) and Boiler & Machinery (Hartford). As always, this premium is an estimate and contingent on the finalization of appraised locations which may include additional premium.
<sup>2</sup> <b>Administrative Costs</b> include agent commission, claims fees and operational expenses.



PCT- PROPERTY & CASUALTY LOSS RATIO  
BY YEAR AS OF 12/31/2016

	Beaverhead County					TOTAL
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	
<b>Incurred Liability Loss</b> (less Deductibles)	\$4,972	\$0	\$21,653	\$0	\$0	\$26,625
<b>Liability Premium</b>	\$55,648	\$58,273	\$59,924	\$62,306	\$63,426	\$299,577
<b>Liability Loss Ratio</b>	9%	0%	36%	0%	0%	9%
<b>Incurred Property Loss</b>	\$12,439	\$32,286	\$55,522	\$80,866	\$60,921	\$242,033
<b>Property Premium (1)</b>	\$54,713	\$60,451	\$66,017	\$64,608	\$66,190	\$311,979
<b>Property Loss Ratio</b>	23%	53%	84%	125%	92%	78%

(1) Includes both Property Excess Premium and Property Loss fund assesment

The loss ratios across the state are not good. There will be a 6.09% in the Liability Loss Fund increase for Beaverhead County while the average for the entire pool is almost 20%. Beaverhead County was rewarded for our low Liability Loss Ratio which brought our percentage increase way down.

The most significant increase was the auto physical damage. The rate went up from 60 cents per 100 to \$1.00 per 100. The Trustees did increase the deductible for auto physical damage only, to \$2500.00 beginning July 1, 2017.

Overall, Beaverhead County is doing great compared to several other counties. Shannon reviewed each individual claim in detail with the commissioners. She also discussed any changes in the Liability Policy.

There was discussion regarding the new Safety Training Videos and that they are free and very helpful. She encourages the use of these videos to help with loss control.

Shannon reviewed the following Workers' Compensation information with the Commissioners:



**MACo WORKERS' COMPENSATION TRUST**  
 2715 Skyway Drive, Helena, MT 59602  
 (406) 449-4370

After careful consideration, the MACo Workers' Compensation Trust Trustees adopted **new rates** as presented by the actuary. These rates will **take effect July 1, 2017**, with the first payment to be included with the Payroll Report for the **quarter ending September 30, 2017**.

**BEAVERHEAD COUNTY**

2016-2017 Mod Factor       2017-2018 Mod Factor

The new Class Code rates for the reporting year of July 1, 2017 through June 30, 2018 are as follows:

<u>Class Code</u>	<u>Description</u>	<u>Current Rate (7/1/16-6/30/17)</u>	<u>New Rate (7/1/17-6/30/18)</u>
7704	Firemen and Drivers (Volunteer)	\$130/yr Annual	\$130/yr Annual
7704	Firemen and Drivers (Paid)	\$9.96	\$10.18
7720	Policemen and Drivers	\$4.98	\$6.32
8743	Professional or Administrative Employees	\$0.63	\$0.62
8810	Clerical Office Employees	\$1.19	\$1.24
8824	Nursing Homes	\$22.66	\$22.73
9016	Amusement Park Employees	\$5.35	\$5.36
9040	Blending Nursing Home/ Hospital Patient Care Handlers	\$24.25	\$26.20
9410	Administrative or Nonprofessional Employees	\$6.52	\$7.21
9420	All Other Employees and Drivers	\$9.09	\$10.12

The County's modification factor increased from 1.03 for fiscal year 2016-17 to 1.04 for fiscal year 2017-18. This MOD factor is based on a 3 year loss ratio.

After Amelia's evaluation, the Trustees set aside \$100,000.00 to be given back in loss control credit. This amount is for the entire pool and then split among the member counties. The checks will arrive sometime in September.

Shannon reviewed the changes to the bylaws.

Scott Marsh asked how many counties are in the Worker's Comp pool. She advised that there are 42 counties in the Workers Comp pool and 49 counties in Property Casualty.

Shannon and Anna thanked the commissioners and left the meeting.



**Action on Resolution 2017-10 – Acclamation of Election for Lima Volunteer Fire District #1 Trustee Positions**

Commissioner McGinley advised that all these Resolutions may be voted on with a "Consent Agenda". After reading all the Resolutions aloud, Chairman Rice called for a motion:

MOTION: Commissioner Jackson moved and Commissioner McGinley seconded that Resolution 2017-10 – Acclamation of Election for Lima Volunteer Fire District #1 Trustee Positions be adopted. A verbal vote was taken and the motion carried unanimously.

A copy of the Resolution is included below:

106225 Fee:\$ 0.00 File: 2017-10 Page:1  
BEAVERHEAD COUNTY Filed 5/22/2017 At 2:00 PM  
Debra L. Scott, Clerk and Recorder  
By: *[Signature]*

RESOLUTION NO.: 2017- 10

RESOLUTION OF ACCLAMATION OF ELECTION  
FOR LIMA VOLUNTEER FIRE DISTRICT #1 TRUSTEE POSITONS

WHEREAS, there are three (3) open positions on the Board of Trustees for Lima Volunteer Fire District #1; and

WHEREAS, only three (3) candidates have filed nominating petitions; and

WHEREAS, under the provisions of section 7-33-2106 (4) MCA, the Commissioners shall declare those candidates who filed nominating petitions elected by acclamation

NOW, THEREFORE, BE IT RESOLVED, that the Beaverhead County Commissioners declare Les Duffner, Richard Roden and Wayne Potter elected by acclamation to the positions of Lima Volunteer Fire District #1 Trustees to serve three (3) year terms with their terms expiring May 31, 2020.

ADOPTED THIS 22<sup>nd</sup> day of May 2017

BEAVERHEAD COUNTY COMMISSION

BY: *[Signature: C. Thomas Rice]*  
C THOMAS RICE  
CHAIRMAN

*[Signature: John H. Jackson]*  
JOHN H. JACKSON  
COMMISSIONER



*[Signature: Michael McGinley]*

**Action on Resolution 2017-11 – Acclamation of Election for Beaverhead Volunteer Fire District #2 Trustee Positions**

MOTION: Commissioner Jackson moved and Commissioner McGinley seconded that Resolution 2017-11– Acclamation of Election for Beaverhead Volunteer Fire District #2 Trustee Positions be adopted. A verbal vote was taken and the motion carried unanimously.

A copy of the Resolution is included below:



106226 Fee:\$ 0.00 File: 2017-11 Page:1  
BEAVERHEAD COUNTY Filed 5/22/2017 At 2:01 PM  
Debra L. Scott, Clerk and Recorder  
By: \_\_\_\_\_

RESOLUTION NO.: 2017-11

RESOLUTION OF ACCLAMATION OF ELECTION  
FOR BEAVERHEAD VOLUNTEER FIRE DISTRICT #2 TRUSTEE POSITON

WHEREAS, there are two (2) open positions on the Board of Trustees for Beaverhead Volunteer Fire District #2; and

WHEREAS, only two (2) candidates have filed a nominating petition; and

WHEREAS, under the provisions of section 7-33-2106 (4) MCA, the Commissioners shall declare those candidates who filed nominating petitions elected by acclamation

NOW, THEREFORE, BE IT RESOLVED, that the Beaverhead County Commissioners declare Leslie A. "Will" Staudenmeyer and Jim Watkins elected by acclamation to the positions of Beaverhead Volunteer Fire District #2 Trustees to serve three (3) year term with their terms expiring May 31, 2020.

ADOPTED THIS 22<sup>nd</sup> day of May, 2017.

BEAVERHEAD COUNTY COMMISSION

BY: C. Thomas Rice  
C. THOMAS RICE  
CHAIRMAN

John H. Jackson  
JOHN H. JACKSON  
COMMISSIONER



**Action on Resolution 2017-12 – Acclamation of Election for Big Hole Valley Volunteer Fire District #3 Trustee Positions**

MOTION: Commissioner Jackson moved and Commissioner McGinley seconded that Resolution 2017-12 – Acclamation of Election for Big Hole Valley Volunteer Fire District #3 Trustee Positions be adopted. A verbal vote was taken and the motion carried unanimously.

A copy of the Resolution is included below:

106227 Fee: \$ 0.00 File: 2017-12 Page:1  
BEAVERHEAD COUNTY Filed 5/22/2017 At 2:02 PM  
Debra L. Scott, Clerk and Recorder  
By: \_\_\_\_\_

RESOLUTION NO.: 2017-12

RESOLUTION OF ACCLAMATION OF ELECTION FOR  
BIG HOLE VALLEY VOLUNTEER FIRE DISTRICT #3 TRUSTEE POSITION

WHEREAS, there is two (2) open positions on the Board of Trustees for the Big Hole Valley Volunteer Fire District #3; and

WHEREAS, only two (2) candidates have filed nominating petitions; and

WHEREAS, under the provisions of section 7-33-2106 (4) MCA, the Commissioners shall declare those candidates who filed nominating petitions elected by acclamation.

NOW, THEREFORE, BE IT RESOLVED, that the Beaverhead County Commissioners declare Joe Johnson and Larry Christiansen elected by acclamation to the position of Big Hole Valley Volunteer Fire District #3 Trustee to serve three (3) year terms with their terms expiring May 31, 2020.

ADOPTED THIS 22nd day of May 2017.

BEAVERHEAD COUNTY COMMISSION

BY: C. Thomas Rice  
C. THOMAS RICE  
CHAIRMAN

John H. Jackson  
JOHN H. JACKSON  
COMMISSIONER

Michael I. McGinley  
MICHAEL I. MCGINLEY



**Action on Resolution 2017-13 – Acclamation of Election for Grasshopper Valley Volunteer Fire District #4 Trustee Position**

MOTION: Commissioner Jackson moved and Commissioner McGinley seconded that Resolution 2017-13 – Acclamation of Election for Grasshopper Valley Volunteer Fire District #4 Trustee Position be adopted. A verbal vote was taken and the motion carried unanimously.

A copy of the Resolution is included below:





106228 Fee:\$ 0.00 File: 2017-13 Page:1  
BEAVERHEAD COUNTY Filed 5/22/2017 At 2:03 PM  
Debra L. Scott, Clerk and Recorder  
By: \_\_\_\_\_

RESOLUTION NO.: 2017-13

RESOLUTION OF ACCLAMATION OF ELECTION FOR  
GRASSHOPPER VALLEY VOLUNTEER FIRE DISTRICT #4 TRUSTEE POSITONS

WHEREAS, there is one (1) open position on the Board of Trustees for the  
Grasshopper Valley Volunteer Fire District #4; and

WHEREAS, only one (1) candidate has filed a nominating petition; and

WHEREAS, under the provisions of section 7-33-2106 (4) MCA, the Commissioners  
shall declare those candidates who filed nominating petitions elected by acclamation.

NOW, THEREFORE, BE IT RESOLVED, that the Beaverhead County  
Commissioners declare Shelly Boyd elected by acclamation to the positions of Grasshopper  
Valley Volunteer District #4 Trustees to serve a three (3) year term with her term expiring May  
31, 2020.

ADOPTED THIS 22<sup>nd</sup> day of May 2017.

BEAVERHEAD COUNTY COMMISSION

BY: *C. Thomas Rice*  
C. THOMAS RICE  
CHAIRMAN



*John H. Jackson*  
JOHN H. JACKSON  
COMMISSIONER

*Michael J. McGinley*  
MICHAEL J. MCGINLEY  
COMMISSIONER

**Action on Resolution 2017-14 – Acclamation of Election for Wise River Volunteer  
Fire District #5 Trustee Positions**

MOTION: Commissioner Jackson moved and Commissioner McGinley  
seconded that Resolution 2017-14 – Acclamation of Election for  
Wise River Volunteer Fire District #5 Trustee Positions be adopted.  
A verbal vote was taken and the motion carried unanimously.

A copy of the Resolution is included below:





106229 Fee:\$ 0.00 File: 2017-14 Page:1  
BEAVERHEAD COUNTY Filed 5/22/2017 At 2:04 PM  
Debra L. Scott, Clerk and Recorder  
By: *[Signature]*

RESOLUTION NO.: 2017-14

RESOLUTION OF ACCLAMATION OF ELECTION FOR  
WISE RIVER VOLUNTEER FIRE DISTRICT #5 TRUSTEE POSITONS

WHEREAS, there are two (2) open positions on the Board of Trustees for the Wise River Volunteer Fire District #5, and

WHEREAS, only two (2) candidates have filed nominating petitions; and

WHEREAS, under the provisions of section 7-33-2106 (4) MCA, the Commissioners shall declare those candidates who filed nominating petitions elected by acclamation.

NOW, THEREFORE, BE IT RESOLVED, that the Beaverhead County Commissioners declare Elizabeth Jones and Marv Johnson elected by acclamation to the positions of Wise River Volunteer District #5 Trustees to serve three (3) year terms with their terms expiring May 31, 2020

ADOPTED THIS 22<sup>nd</sup> day of May 2017.

BEAVERHEAD COUNTY COMMISSION

BY: *[Signature: C. Thomas Rice]*  
C. THOMAS RICE  
CHAIRMAN

*[Signature: John H. Jackson]*  
JOHN H. JACKSON  
COMMISSIONER

*[Signature: Michael J. McGinley]*  
MICHAEL J. MCGINLEY  
COMMISSIONER



**Action on Resolution 2017-15 – Acclamation of Election for Public Hospital District of Beaverhead County Trustee Position**

MOTION: Commissioner Jackson moved and Commissioner McGinley seconded that Resolution 2017-15 – Acclamation of Election for Public Hospital District of Beaverhead County Trustee Position be adopted. A verbal vote was taken and the motion carried unanimously.

A copy of the Resolution is included below:



106230 Fee:\$ 0.00 File: 2017-15 Page:1  
BEAVERHEAD COUNTY Filed 5/22/2017 At 2:05 PM  
Debra L. Scott, Clerk and Recorder  
By: \_\_\_\_\_

RESOLUTION NO.: 2017-15

RESOLUTION OF ACCLAMATION OF ELECTION  
FOR PUBLIC HOSPITAL DISTRICT OF BEAVERHEAD COUNTY  
TRUSTEE POSITIONS

WHEREAS, there is one (1) open position on the Board of Trustees for the Public Hospital District of Beaverhead County; and

WHEREAS, only one (1) candidate has filed a nominating petition; and

WHEREAS, under the provisions of section 7-24-2117 (3) MCA the Commissioners shall declare the candidates who filed nominating petitions elected by acclamation.

NOW, THEREFORE, BE IT RESOLVED, that the Beaverhead County Commissioners declare Lawrence Morrisroe elected by acclamation to the position of Public Hospital District of Beaverhead County Trustees to serve a three (3) year term with his term expiring May 31, 2020.

ADOPTED THIS 22<sup>nd</sup> day of May 2017.

BEAVERHEAD COUNTY COMMISSION

BY: C. Thomas Rice  
C. THOMAS RICE  
CHAIRMAN

John H. Jackson  
JOHN H. JACKSON  
COMMISSIONER



**Recess**

At 12:00 noon, Chairman Rice recessed the meeting. At 1:30 p.m., Chairman Rice reconvened the meeting with Commissioner McGinley, Commissioner Jackson and Secretary Cindy Decker present.

**Appointment of Current Compensation Board Members**

County Attorney Jed Fitch and Superintendent of Schools Linda Marsh joined the meeting. Jed advised the commissioners that according to MCA 7-4-2503(4) there are three elected officials that need to be appointed.

After brief discussion, the following motion was made:

MOTION: Commissioner McGinley moved and Commissioner Jackson seconded that Clerk and Recorder Deb Scott, Sheriff Frank Kluesner and Superintendent of Schools Linda Marsh be appointed to the Beaverhead County Compensation Board with no term limits. A verbal vote was taken and the motion carried unanimously.

**Recess:**

At 2:00 p.m., Chairman Rice recessed the meeting for the Compensation Board Meeting.

**Reconvene:**

At 3:00 p.m., Chairman Rice reconvened the meeting with Commissioner McGinley and Commissioner Jackson present.



**Discussion & Action Repealing Resolution 2010-10 – Resolution to Approve Credit for Years of Past Service for Deputies Certified in Peace Officer Standards Training (Post) With Previous Experience**

County Attorney Jed Fitch joined the meeting and gave his explanation and advice regarding this Resolution. This Resolution hasn't worked to attract the deputies that the county had hoped to attract, and it has obviously been very costly to the county. After brief discussion, the following motion was made:

MOTION: Commissioner Jackson moved and Commissioner Rice seconded that Resolution 2010-10 – Resolution to Approve Credit for Years of Past Service for Deputies Certified in Peace Officer Standards Training (Post) With Previous Experience **be repealed**. A verbal vote was taken and the motion carried unanimously.

*A copy of these minutes will be attached to the repealed resolution.*

**Budget Discussion**

The Commissioners began to work on the Preliminary Budget.

Commissioner McGinley mentioned that the Museum Board would like the commissioners to be ring men at the June 8 fund raiser auction in the Lewis & Clark Room. Tom and John agreed to do that.

Also, Mike brought up the "wool warehouse" building being acquired for the museum. He stated that the Museum Board of Trustees gave a very good presentation.

**Unfinished Business/Other Topics of Discussion:**

Detention Supervisor Javier Negrón joined the meeting to advise the commissioners that the food cooler for the jail will be here in approximately 4 weeks. He will work on getting the old gas stove removed.

County Treasurer Cathy Hucke joined the meeting to advise the commissioners that she has gotten emails about abatements. Mike responded that if it isn't advantageous to the county, we shouldn't do it because it is a huge hassle.

She also mentioned that the verbiage on the tax bills will be changed to include "you may lose your property due to an assignment".

Superintendent of Schools Linda Marsh joined the meeting to ask if anyone has been appointed to replace Garth on the Transportation Committee. It was determined that Commissioner Jackson will be glad to sit on that committee. The meeting usually takes place the third week of July.

Scott Marsh rejoined the meeting to advise the commissioners about a meeting tomorrow at 10:00 a.m. in the Grasshopper Valley regarding the County Co-op Program and the delivery of a new truck. Commissioner Rice will attend that meeting.

The Commissioners opened their mail and email and responded accordingly. The Commissioners worked on their individual County projects.

**Payment of Invoices:**

The Commissioners reviewed and approved invoices for a total of \$23,579.77, beginning with check #196839 and ending with check #196865. The Invoice Payment Schedule is located in the Financial Administrator's Office.

**Public Comments on Subjects Under County Jurisdiction:**

There were no public comments.

**Adjourn:**

There being no further business to come before the Board, the meeting was adjourned at 5:00 p.m.

Attest: Debra L. Scott

Clerk of the Board

Approved: C. Thomas Rice

Chairman of the Board