



BOARD OF DIRECTORS

January 8, 2010 Minutes

The Association of Minnesota Counties (AMC) Board of Directors met in the AMC Board Room on Friday, January 8, 2010 AMC President Jon Evert called the meeting to order at 10:00 a.m. A quorum was present. The following were in attendance:

EXECUTIVE COMMITTEE:

President, Jon Evert (Clay)	<u> X </u>
1st Vice President, Duane Bakke (Fillmore)	<u> X </u>
2nd Vice President, Randy Maluchnik (Carver)	<u> X </u>
Secretary/Treasurer, John Baerg (Watonwan)	<u> </u>
Immediate Past President, Jim McDonough (Ramsey)	<u> </u>

DIRECTORS:

District I	Dennis Fink (St. Louis)	<u> X </u>	District IX	Bruce Kubicek (Steele)	<u> X </u>
District II	Joe Vene (Beltrami)	<u> X </u>	District X	Dennis Berg (Anoka)	<u> X </u>
District III	Charlie Pazdernik (Mahnomen)	<u> X </u>	District X	Jim Ische (Carver)	<u> </u>
District IV	Paul Anderson (Douglas)	<u> </u>	District X	Nancy Schouweiler (Dakota)	<u> X </u>
District V	Jack Russek (Wright)	<u> X </u>	District X	Peter McLaughlin (Hennepin)	<u> </u>
District VI	Gary Hendrickx (Swift)	<u> X </u>	District X	Rafael Ortega (Ramsey)	<u> </u>
District VII	Tom Warmka (Faribault)	<u> </u>	District X	Barbara Marschall (Scott)	<u> X </u>
District VIII	Marvin Tinklenberg (Pipestone)	<u> X </u>	District X	Lisa Weik (Washington)	<u> X </u>

NACO REPRESENTATIVES:

Tony Bennett (Ramsey)	<u> X </u>
Randy Johnson (Hennepin)	<u> </u>
Harlan Madsen (Kandiyohi)	<u> </u>
Paul Wilson (Olmsted)	<u> X </u>

POLICY COMMITTEE CHAIRS

ENRPC:	Victoria Reinhardt (Ramsey)	<u> X </u>
GGPC:	Tom Warmka (Faribault)	<u> </u>
HSPC:	Toni Carter (Ramsey)	<u> X </u>
TPC:	Alan Johnston (Roseau)	<u> X </u>
PSPC:	Richard Larson (Kandiyohi)	<u> </u>

COUNTY AFFILIATES:

Trish Klein (Roseau) (MACA)	<u> X </u>	Patty O'Connor (Blue Earth) (MACO)	<u> </u>
Robert M.A. Johnson (Anoka) (MCAA)	<u> X </u>	Mark Erickson (Renville) (MACPZA)	<u> </u>
Lisa Meredith (MCCC)	<u> </u>	Jim Franklin (MSA)	<u> </u>
Darrell Pettis (Le Sueur) (MCEA)	<u> </u>	Ann Busche (St. Louis) (MACSSA)	<u> X </u>
Mark Lohmeier (Becker) (MACLC)	<u> </u>	Richard Walter (Houston) (MACS)	<u> </u>
Cheri Lewer (Waseca) (LPHA)	<u> </u>	Theresa Anderson (Norman) (MACVSO)	<u> </u>
Jerry Vitzthum (MWCA)	<u> </u>	Bob Swanberg (Stearns) (MAPCED)	<u> </u>
Bev Wangerin (McLeod) (MAGIC)	<u> X </u>	Kathy Langer (Todd/Wadena) (MACCAC)	<u> </u>
Robyn Sykes (MCIT)	<u> </u>	Deb Paige (Washington) (AMEM)	<u> </u>
Mjyke Nelson (Washington) (MNCLITA)	<u> X </u>		

STAFF:

Jim Mulder, Executive Director	<u> X </u>
Scott Simmons, Intergovernmental Services Mgr	<u> X </u>
Suzanne LaPalm, Membership Assistant	<u> X </u>
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GUESTS

Molly O'Rourke (Washington) MACA	<u> X </u>
Nick Riley, (Ramsey)	<u> X </u>
Toni Smith (U of M Extension)	<u> X </u>

CALL TO ORDER

President Jon Evert called the AMC Board of Directors' meeting to order at 10:00 a.m. on Friday, January 8, 2010 in the AMC Board Room.

APPROVAL OF AGENDA

MOTION by Victoria Reinhardt, seconded Jack Russek to approve the January 8, 2010 AMC Board of Directors' meeting agenda as presented, and with the addition of two items under IGS, Septic Systems and County Audits. The motion carried.

PRESIDENT'S REPORT – COMMISSIONER JON EVERT, CLAY COUNTY

President Evert reported that the Executive Committee met regarding legislative issues and dealing with GAMC. He has sent a couple of letters to Sen. Bakk regarding GAMC and a letter will go to all legislators outlining AMC's willingness to work with the Legislature to be part of the solution to the problem rather than have costs shifted to counties. Jon and Jim Mulder will be going to Washington, DC for a White House briefing next week.

President Evert welcomed new members, 2nd Vice President Carver County Commissioner Randy Maluchnik, Washington County Commissioner Lisa Weik from District X, MACSSA representative Ann Busch, MACA representative Trish Klein, and MNCITLA representative Mjyke Nelson.

SECRETARY/TREASURER REPORT

MOTION by Marvin Tinklenberg, seconded by Dennis Berg to approve the November 2009 Financial Statement pending AMC 2009 annual audit. The motion carried.

MOTION by Jack Russek, seconded by Victoria Reinhardt to approve the December 6, 2009 Board meeting minutes as presented. The motion carried.

MOTION by Duane Bakke, seconded by Joe Vene to approve the 2009 Annual Conference business meeting minutes as presented. The motion carried.

INTERGOVERNMENTAL SERVICES REPORT – Scott Simmons

State Budget – Simmons explained the current budgetary issues and how they will affect the upcoming legislative session.

Unallotment Litigation- Discussion on AMC's position regarding unallotment litigation, whether counties should be part of the litigation or whether it would be more effective to avoid litigation, whether AMC should take action on behalf of everyone else, or if AMC should provide assistance for one county to take action. Mulder noted AMC recommends continuing to make a strong statement that what the Governor did was wrong and stress that the Governor and Legislature need to work together with AMC being part of the process to find solutions; he noted that litigation wouldn't get to court until next May or June.

MOTION by Dennis Fink, second by Alan Johnston to support the current AMC position and have the position put into writing and sent to all County Boards. The motion carried.

National Health Care Reform – Kate Lerner and Patricia Coldwell presented an update. Mulder noted that it would be difficult for AMC to take a position on this issue as an association without information that isn't yet available. His advice is to put the issue on hold and staff will keep the Board informed as we receive more information. The consensus was this is the best way to move forward.

General Assistance Medical Care (GAMC) – Patricia reviewed the handout “County Perspectives on GAMC.” She pointed out that 70,000 people per year will lose coverage, greatly impacting counties. The Executive Committee’s position was outlined as contained in the handout.

MOTION by Gary Hendrickx, second by Jack Russek to affirm the Executive Committees recommendation (below). The motion carried.

- The elimination of the GAMC program will create substantial additional financial exposure to counties in the form of increased costs for mental health, law enforcement, health care and other county services. With these potential financial liabilities in mind, and assuming no additional state resources are available, counties are open to participating in solutions to the GAMC funding dilemma that will provide better outcomes for clients and do not increase costs for counties beyond those that would be incurred if no further action is taken on the GAMC issue.
- Counties prefer solutions that will maintain or improve services for GAMC recipients and prevent elimination of health coverage which would lead to increased costs, poorer health outcomes, and reduced quality of life for all county residents.
- Any county financial assistance must be temporary or one-time and not require any new property taxes. Before looking to counties and/or their property taxpayers for assistance, all other resources should be exhausted, including any savings to the general fund as the result of not transferring GAMC recipients to MinnesotaCare as currently planned by the administration.
- “County share” mechanisms to secure local funding are unacceptable because they allow the state to balance its budget with local property taxes and afford no realistic opportunity for counties to control their own costs for the GAMC population. Counties paid a county share in the past, but this was eliminated simultaneously with changes in state program aid to counties; counties did not experience a windfall when the county share was eliminated.
- If an additional county contribution is required, the amount of the contribution should consider the cumulative effect on counties of the GAMC coverage and eligibility reductions, provider payment cuts affecting county agencies, the requirement to pay MinnesotaCare premiums, the termination of coverage for jail inmates, and other changes that will increase county costs.

County Program Aid – Jim reviewed numbers and projections. Joe Mathews explained the DOR group work.

County Audits – Joe explained that the State Auditor is against private audits, however counties who have gone this route show their costs drop and there is more efficiency. The State Statute reads that the State can conduct audits even if a county obtains an audit from a private CPA firm.

MOTION by Joe Vene, second by Bruce Kubicek to maintain the status quo and not push to change this legislatively.

AMENDED MOTION by Joe Vene, second by Bruce Kubicek to seek more flexibility on private vs. State audits through administrative and not legislative action. Motion carried.

Planning & Zoning (Septic Systems) – Annalee Garletz explained the issue and noted that MACPZA would like to ask the PCA committee to extend the time required to adopt the new rules until it is known what the rules will actually be and to open it up for input before the rules are finalized.

MOTION by Alan Johnston, second by Jack Russek to request of the PCA that input be taken on the rulemaking and a two year extension be implemented after regulations are finalized before they are required to be adopted. Motion carried.

Volunteer Transportation – Kate reviewed the issues, explaining that transportation to medical appointments for MA clients in rural areas relies on volunteer driver programs. The costs for no load miles are not reimbursable and this may cause elimination of some volunteer driver programs. MACSSA is working on options for recommendations and will bring them to either the Legislative Steering Committee or Board.

CHIPS Update (Oral Argument) – Rice and Crow Wing Counties are involved in lawsuits. More information will be provided soon when it's available.

Service Delivery Authority – Update was given and it was explained the strategy is to keep working with the department and key legislators.

EXECUTIVE DIRECTOR REPORT

Redesign – Jim reviewed the January memo and highlighted key actions and the work plan. Legislators will be invited to wear Redesign lapel pins. Meetings will be set up via televideo with newspaper editorial boards and between the northwest counties and their legislators during session.

A \$5 million grant proposal is being prepared to submit to the Minnesota Foundation Community that would fund the following: 1) continuing and broadening the Cohort program, 2) making funding available for Redesign concepts and ideas, and 3) to contract with Toni Smith to facilitate community discussions led by the Cities, Counties and School Boards, with AMC committing \$50,000/year for hard and soft costs over three years.

MOTION by Joe Vene, second by Victoria Reinhardt to approve submission of the grant proposal. Motion carried.

Conflict of Interest – The Executive Director review the policy.

Reserve Policy and Investment Guidelines – Due to time constraints, the two documents were removed from the agenda and will be discussed at the next Board meeting.

MOTION by Marvin Tinklenberg, second by Jack Russek to approve the Rules & Bylaws Committee Appointments and the Nominating/Screening Committee Appointments as follows:

- **Rules & Bylaws Committee Appointment:**
 - Jon Evert, Chair (Clay)
 - Duane Bakke (Fillmore)
 - Jim McDonough (Ramsey)
 - Robert M.A. Johnson (Anoka)

- **Nominating/Screening Committee Appointment:**
 - Jim McDonough, Chair (Ramsey)
 - Paul Wilson (Olmsted)
 - Bob Fenwick (Cook)

The motion carried.

NACo Dues – Jim explained that Red Lake and Rock Counties will not be paying their NACo dues this year. We will lose a member on the NACo Board (Paul Wilson) if we're not a 100% participating state. This needs to be addressed before the Legislative Conference. Jim suggested Paul, Tony, and Harlan follow up with Red Lake and Rock and if they still chose not to pay their dues, it will come back to the Board to make a onetime decision on how to proceed.

MOTION by Victoria Reinhardt, second by Gary Hendrickxs that after negotiation with Red Lake and Rock Counties, the Executive Committee be given the authority to address this within reason, which could include funding the 2010 NACo dues for both counties. The motion carried.

AFFILIATE MEMBERS REPORT

MACA – Trish Klein, incoming President, thanked the Board for their support on the County Handbook and noted that MACA is looking forward to their role in the Redesign Project.

LPHA – Julie Ring explained they are looking at their appointments and a representative will be at the next Board Meeting. Their new Chair is Lowell Johnson. H1N1 is their main topic currently and vaccines are finally available. They will share legislative items as the session moves forward.

MACSSA – Ann Bushe, the MACSSA President-Elect thanked the Board for a warm welcome. They are looking at their legislative positions and will send on to the Board as they develop.

MAGIC – Bev Wangerin explained that PFM and FAM are waiving fees on the first \$250 million. Interest rates at zero.

DISTRICT REPORTS

District II –Joe Vene stated a more thorough discussion of PILT is needed along with continued diversification of the Rural Counties Caucus. Jim will put a packet together on Federal and State PILT.

Jon Evert will be meeting with Sen. Pogemiller and they will work together to get legislation through.

ADJOURN

Board of Directors meeting adjourned at 2:00 p.m.

Prepared by Suzanne LaPalm, for John Baerg, Secretary/Treasurer of the AMC Board of Directors, at the direction of Jim Mulder, AMC Executive Director.

James A. Mulder, AMC Executive Director

John Baerg, AMC Secretary/Treasurer