

**REGULAR MEETING OF THE BOARD OF COUNTY COMMISSIONERS  
PONDERA COUNTY, MONTANA  
Held in July, 2012**

The Board of Pondera County Commissioners met daily in informal session and in scheduled meetings on July 5, 11, 18 and 25, 2012. Unless indicated, all Commissioners were present.

YEARLY RIGHT-OF-WAY FORAGE REMOVAL AGREEMENT APPROVED– July 5, 2012

Commissioner Christiaens moved to approve the following forage removal agreement:

<u>APPLICANT</u>	<u>ROAD AFFECTED</u>	
Monroe Bros	Blue Sky Rd	east/west sides
	Swanson Rd	west side from Don Monroe place to Campbell yard

Commissioner Broesder seconded; motion carried. Cheryl Gresczyk and Buck Traxler attending

EXCEPTION TO AFLAC PARTICIPATION POLICY DENIED – July 5, 2012

A part-time employee who is not scheduled for regular hours each month has been issued an AFLAC accident coverage policy by the AFLAC agent. Our policy does not allow from participation by employees who work less than 16 hours per week to participate in the group coverage. The agent had suggested we allow this employee an exception to the participation portion of the policy. After discussion, Commissioner Christiaens voted to deny the exception to the policy and to not amend the policy. Commissioner Broesder seconded; motion carried. Cheryl Gresczyk and Buck Traxler attending

DROUGHT DISASTER DISCUSSION AND LETTER IN SUPPORT – July 11, 2012

The Commissioners met with Llew Jones, State Senator for District 14, Troy Shirley, agricultural producer, Jeanne LaSort, Department of Natural Resources and Conservation, Duane VanDyke, Farm Services Agency Director, Cheryl Curry, Executive Director of the Pondera Regional Port Authority, and Dan Picard, County Extension Agent, regarding the current drought conditions in the county. The group inquired about the possibility of having Pondera County declared a drought disaster county so the CRP can be hayed and/or grazed. A declaration would open the CRP as well as disaster emergency programs including loans and tax breaks through the FSA. The western part of the county is extremely dry and, combined with other adverse growing conditions such as late frosts this spring, forage production has been severely impacted. The County shows a loss of precipitation, currently at 86% of the average annual amount and the western part of the county is extremely dry. Shirley requested a letter of support from the commissioners to the congressional delegation and the Governor.

Commissioner Christiaens made a motion to draft a letter requesting an emergency disaster declaration due to drought, addressed to the Governor and the Montana congressional declaration. Commissioner Broesder seconded; motion carried. Also attending was Buck Traxler, editor of The Independent-Observer

LETTER OF INFORMATION PRESENTED BY CLERK OF DISTRICT COURT, KARA THOMPSON – July 11, 2012

Clerk of the District Court, Kara Thompson, met with the commissioners and presented a written letter of information regarding the lawsuit against her filed by an attorney from Great Falls. Thompson advised the commissioners the lawsuit has been dismissed pursuant to a Stipulation to Dismiss filed June 18, 2012. No commissioner action is needed.

TAX ABATEMENT/ADD-ON APPROVED – July 11, 2012

Commissioner Broesder moved to approve tax abatement/add-ons 926 as follows:

<u>NUMBER</u>	<u>REASON</u>	<u>CANCEL</u>	<u>ADD-ON</u>	<u>PARCEL #</u>
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926 Business equipment on wrong parcel 317.84 0 1322200

Commissioner Christiaens seconded; motion carried.

YEARLY RIGHT-OF-WAY FORAGE REMOVAL AGREEMENT APPROVED– July 11, 2012

Commissioner Christiaens moved to approve the following forage removal agreement:

<u>APPLICANT</u>	<u>ROAD AFFECTED</u>	
Mike Koenig	Falcon Road	Both sides
	Midway West Road	Both sides from Don Koenig's to Terry Phillips'
	Healey Spring Road	Both sides

Commissioner Broesder seconded; motion carried. Buck Traxler also attending

ANNUAL REPORT FOR FISCAL YEAR 2011-12 FROM PORT AUTHORITY – July 11, 2012

Cheryl Curry, Director of the Pondera Regional Port Authority, presented the commissioners with the report of activities of the Port Authority for fiscal year 2011-12. Upon review of the report and the determination that the Port Authority had met its requirement for a loan and forgiveness of the loan for fiscal year 2011-12, Commissioner Broesder moved to approve the loan and forgiveness of repayment and to treat the loan as a transfer of funds. Commissioner Christiaens seconded; motion carried.

RESOLUTION #1 – LOAN TO PORT AUTHORITY FUND FORGIVEN AND TREATED AS A TRANSFER – ADOPTED- July 11, 2012

PONDERA COUNTY, MONTANA  
RESOLUTION #1 - 2012/13

LOAN TO FUND 7380 PORT AUTHORITY FUND FORGIVEN AND TREATED AS A TRANSFER

WHEREAS, Pondera County receives an annual payment from the City of Conrad for the Blue Sky Villa, currently in the amount of \$14,962.50; and

WHEREAS, the Commissioners have entered into an agreement with the Port Authority to loan the fiscal year 2010-11 and 2011-12 payments to the Port Authority to be used for Port Authority revolving loan funds to small businesses within Pondera County and/or as operating funds; and

WHEREAS, the County has received the fiscal year 2011-12 payment in the amount of \$14,962.50 and the funds shall be subject to repayment and/or forgiveness under the terms of the annual loan agreement, and

WHEREAS, the Port Authority has submitted its written report of activities for fiscal year 2011-12 and the same having met the criteria for forgiveness of the loan.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Pondera County that the Clerk and Recorder effect the loan of \$14,962.50 from the County General Fund to the Port Authority Fund and that the loan be forgiven and the transaction treated as a transfer under the terms of the October 26, 2011 loan agreement.

Adopted this 11th day of July, 2012 as moved by Commissioner Broesder, seconded by Commissioner Christiaens, and passed on a unanimous vote of the full board. Effective upon passage and approval.

**BOARD OF COUNTY COMMISSIONERS**

/s/ Cynthia A. Johnson  
Cynthia A. Johnson, Chairman  
ATTEST:

/s/ Sandra J. Broesder  
Sandra J. Broesder, Member

/s/ Janice Hoppes  
Janice Hoppes, Clerk & Recorder

/s/ Joseph Christiaens  
Joseph Christiaens, Member

AMENDED MEMORANDUM OF UNDERSTANDING – RECYCLING COALITION – APPROVED – July 11, 2012

Commissioner Broesder moved to approve the Amended Memorandum of Understanding among North Montana Joint Refuse Disposal District, City of Shelby/Shelby Recycling Association and City of Conrad and Pondera County/Pondera County Recycling Coalition amending the agreement to provide for equipment storage at the North Montana Joint Refuse Disposal District site. Commissioner Christiaens seconded; motion carried.

REQUEST FOR TEMPORARY COUNTY ROAD (MORTON AVENUE IN DUPUYER) CLOSURE APPROVED – July 18, 2012

The owner of Pierre’s Bar in Dupuyer has requested permission for temporary closures of the county road (Morton Avenue) adjacent to the business property for outdoor events on July 14, August 4, 6 and 14, 2012. Commissioner Christiaens moved to approve the request. Commissioner Broesder seconded; motion carried.

REQUEST FOR TEMPORARY COUNTY ROAD CLOSURE (MORTON AVENUE IN DUPUYER) APPROVED – July 18, 2012

The Dupuyer Community Club has requested permission for temporary closure of the county road (east end Morton Avenue) for the Grizzly Day celebration on August 4, 2012. Commissioner Christiaens moved to approve the request. Commissioner Broesder seconded; motion carried

YEARLY RIGHT-OF-WAY FORAGE REMOVAL AGREEMENT APPROVED– July 18, 2012

Commissioner Christiaens moved to approve the following forage removal agreement:

<u>APPLICANT</u>	<u>ROAD AFFECTED</u>	
Wylie Gustafson	Price Road	east/west sides from 1 mile south of Sollid Rod to Midway Rd

Commissioner Broesder seconded; motion carried.

RESOLUTION #2 – LOAN TO FUNDS HAVING NEGATIVE CASH BALANCES AT FISCAL YEAR END – ADOPTED – July 18, 2012

PONDERA COUNTY, MONTANA

RESOLUTION #2 – 2012/13

LOAN TO FUNDS HAVING NEGATIVE CASH BALANCES AT FISCAL YEAR END

WHEREAS, generally accepted standards for governmental accounting does not allow for negative cash balances in any fund, including reimbursable grant funds, at the close of the fiscal year; and

WHEREAS, nine County funds, Fund 2150, Predatory Animal Control, Fund 2865, Oil and Gas Plugging Grant, Fund 2927, Homeland Security Grant, Fund 2928, Homeland Security Grant – EOP, Fund 2945, CDBG – Community Center Grant, Fund 2955, Buckle Up Montana Grant, Fund 2971, Women, Infants & Children Grant, Fund 2978, Tobacco Use Prevention Grant, and Fund 2992, ARRA Hub and Spoke DEQ Grant have negative cash balances as of June 30, 2012 due to the nature of the funds as reimbursable grant funds; and

WHEREAS, Pondera County general fund and/or the State Allocated Federal Mineral Royalties Fund and the Oil and Gas Severance Accelerated Tax Fund have sufficient cash to loan the funds having negative cash balances on June 30, 2012 in order that the funds will not have a deficient cash balance; and

WHEREAS the funds shall repay the loan and interest at 0% per annum to the general fund from the revenue to be received, anticipated to be in July of 2012

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Pondera County that the Clerk and Recorder effect the loans to any and all funds having negative cash balances on June 30, 2012 from the county general fund and/or the State Allocated Federal Mineral Royalties Fund and the Oil and Gas Severance Accelerated Tax Fund and that the loans be repaid as stated above as soon as feasible.

Adopted this 18<sup>th</sup> day of July, 2012 as moved by Commissioner Broesder, seconded by Commissioner Christiaens, and passed on a unanimous vote of the full board. Effective June 30, 2012.

**BOARD OF COUNTY COMMISSIONERS**

/s/ Cynthia A. Johnson

Cynthia A. Johnson, Chairman

ATTEST:

/s/ Janice Hoppes

Janice Hoppes, Clerk & Recorder

/s/ Sandra J. Broesder

Sandra J. Broesder, Member

/s/ Joseph Christiaens

Joseph Christiaens, Member

**TREASURER'S SECURITIES REPORT – July 18, 2012**

June 30, 2012

Pondera County Commissioners  
20 4<sup>th</sup> Ave SW  
Conrad, MT 59425

Dear Commissioners,  
The following are the investments as of June 30, 2012

STIP \$2338.05 @.3805122%

**STOCKMAN REPURCHASE**

DESCRIPTION	CUSIP #	MARKET VALUE PAR AMOUNT	AMT OF USED MATURITY DATE	SECURITY % COUPON RATE
FHLMC .625	3134G3BF6	\$5,019,700.00 \$5,000,000.00	\$1,043,610.18 12/23/2013	20.7902 % .6250 %
FHLB V9-2014	3133XMHR5	\$1,554,818.88 \$1,482,460.01	\$1,554,818.88 07/15/2014	100.0000 % 5.2000 %
FHLMC 2649 FK	31394GFR9	\$187,660.03 \$188,034.22	\$187,660.03 07/15/2033	100.0000 % 1.6600 %
FNMA 384731	31377RLL2	\$486,936.18 \$433,136.32	\$486,936.18 01/01/2020	100.0000 % 6.9300 %
FHLMC GOLD47120	3128K74D7	\$303,415.31 \$281,247.39	\$303,415.31 09/01/2035	100.0000 % 5.0000 %
FHLMC GOLD42092	3128K2KD0	\$271,099.66 \$247,771.93	\$271,099.66 12/01/2035	100.0000 % 5.5000 %
FHLB 5L-2015-1	3133XRCT5	\$1,498,245.55 \$1,402,891.05	\$1,498,245.55 05/20/2015	100.0000 % 4.4800 %
GN439077	36207QXE2	\$981,292.85 \$895,160.51	\$981,292.85 02/15/2039	100.0000 % 4.5000 %
GN697782	36296QFX2	\$1,094,882.12 \$997,614.69	\$1,094,882.12 04/15/2039	100.0000 % 4.5000 %
FNMA 2006-128FH	31396PEZ0	\$1,371,206.99 \$1,373,211.88	\$1,371,206.99 01/25/2037	100.0000 % .7718 %
GN698116	36296QSD2	\$944,792.39 \$861,863.85	\$944,792.39 05/15/2039	100.0000 % 4.5000 %
FNMA 2006-92 KF	31396K5M0	\$1,692,034.54 \$1,689,095.51	\$1,299,335.35 10/25/2036	76.7913 % .7287 %

TOTAL MARKET VALUE..... \$15,406,084.50  
TOTAL COLLATERAL VALUE... \$11,037,295.49  
INTEREST RATE..... .3500 %

**STOCKMAN BANK –Collateral Report**

31331KQK9 \$820,000.00 FFCB 2000591 .57% Matures 7/5/2013  
 31331X3S9 \$475,000.00 FFCB 2000573 4.50% Matures 10/17/2012

**RBC WEALTH**

3136G0CM1 150,000.00 .50% Due 10/30/2015  
 3136FTVF3 250,000.00 1.000% Due 12/28/2016  
 3136FR2Z5 200,000.00 1.000% Due 9-26-2016  
 3136G0CX7 300,000.00 1.250% Due 4/26/2017

**MAY AND JUNE MINUTES APPROVED - July 18, 2012**

Commissioner Christiaens moved to approve the May and June, 2012, Minutes of the Commission. Commissioner Broesder seconded; motion carried.

**HEARING CONDUCTED – PROPOSAL TO INCREASE THE JUSTICE OF THE PEACE POSITION TO FULL-TIME – July 25, 2012**

Attending: Commissioners Broesder, Johnson and Christiaens, Clerk and Recorder Hoppes, Cheryl Grescyk, Deputy Clerk of Court, Audrey Brown, Justice of the Peace, Mary Ann Ries, County Attorney, and Adam Jerome for The Independent-Observer.

The notice of the hearing was published in The Independent-Observer and The Valerian in the July 11 and 18, 2012 issues.

Commission Chair Johnson opened the hearing at 10:05 a.m.

Commissioner Johnson asked Judge Brown to present the background for the request that the position be increased to full-time. Judge Brown stated that, due to increased ceilings for small claims and civil actions, more cases are coming into justice court that were previously handled in district court. There have also been increased criminal cases over the years.

Commissioner Christiaens stated that with the increases stated by Judge Brown it appears the need will continue. Cheryl Grescyzk asked if the hours for the office would change and Commissioner Johnson responded that the hours open to the public would not change; the Judge could use the additional hours for administrative work.

There being no further discussion, the hearing was closed.

**INCREASE OF JUSTICE OF THE PEACE POSITION TO FULL-TIME APPROVED – July 25, 2012**

Commissioner Christiaens moved that, effective July 1, 2012, the position of Justice of the Peace be a full-time elected position. Commissioner Broesder seconded; motion carried. Also attending: Cheryl Grescyk, Jeanne Moon, Mary Ann Ries and Adam Jerome for The Independent-Observer

**ENCROACHMENT AGREEMENT APPROVED- July 25, 2012**

Commissioner Broesder moved to approve the Encroachment Agreement requested by Russell Aiken to encroach upon the county right-of-way of at the west end of Frontier Road just before it joins Pike Road for placement of a 10” culvert to run an irrigation pipe under the road.

Commissioner Christiaens seconded; motion carried. Also attending: Cheryl Grescyk, Jeanne Moon, Mary Ann Ries and Adam Jerome for The Independent-Observer

**LEVY OF PERMISSIVE LEVY FOR INCREASE IN COUNTY CONTRIBUTION AMOUNT FOR EMPLOYEE MEDICAL INSURANCE PREMIUM APPROVED – July 25, 2012**

A public hearing was conducted on June 20, 2012 for the purpose of public input regarding the proposal to levy permissive mills to fund an increase the county portion of the employees’ health insurance premium for those employees participating in the county group health plan. At the time of the hearing, the matter was taken under advisement.

Commissioner Broesder moved to levy sufficient permissive mills to fund the increased premium to be paid by the county to pay the full premium of a full-time employee’s group health insurance coverage. The county portion paid toward part-time employees’ premium is pro-rated as stated in the County’s Personnel Manual. The increase will be effective July 26, 2012 which is the first date of the August pay period and will not be applied retroactively to July 1, 2012.

Commissioners Christiaens seconded; motion carried 2-0. Commissioner Johnson abstained stating since she benefits by being on the county health insurance plan, she feels voting for a tax to benefit self is inappropriate. Commissioner Christiaens seconded; motion carried. Also attending: Cheryl Grescyk, Jeanne Moon, Mary Ann Ries and Adam Jerome for The Independent-Observer

STATEMENTS REGARDING APPROPRIATENESS OF THE CLERK AND RECORDER ACTING AS ELECTION ADMINISTRATOR – July 25, 2012

Clerk and Recorder Hoppes raised the issue of the appropriateness of the commissioners contacting the staff in her office to see if there was interest in any of them serving as election administrator. Hoppes stated she would have liked to have been included in the discussion prior to her staff being approached to take on the election administrator duties. Commissioner Christiaens responded that he felt the clerk and recorder/election administrator had been wrong over the past 18 years in serving as election administrator in elections when she appears on the ballot. Commissioner Johnson stated there would be no changes made at this time. Also attending: Cheryl Grescyk, Jeanne Moon, Brent Gaylord and Adam Jerome for The Independent-Observer

CLAIMS APPROVED FOR PAYMENT - July 31, 2012

<i>FUND</i>	<i>AMOUNT</i>
GENERAL	\$ 20,945.83
ROAD	483.51
BRIDGE	152.72
WEED	232.72
AIRPORT	114.95
COMPREHENSIVE INSURANCE	86,108.86
AMBULANCE	2,332.61
COUNTY HOSPITAL & NURSING HOME	24,249.79
PUBLIC SAFETY (LAW ENFORCEMENT)	1,043.45
HEALTH INSURANCE - EMPLOYER CONTRIBUTION	1,193.38
NOXIOUS WEED GRANTS	434.00
911 EMERGENCY	19,877.50
LAND USE PLANNING	255.00
VICTIM & WITNESS ADVOCATE	1,155.00
BUCKLE UP MT	825.20
EMERGENCY PREPAREDNESS GRANTS	653.90
DEBT SERVICE HOSPITAL 95	145,168.75
REFUND FUND	9,012.30
TOTAL CLAIMS	\$ 314,239.47
TOTAL PAYROLL	192,926.66
TOTAL CLAIMS AND PAYROLL FUNDS	\$ 507,166.13

ADJOURNMENT

The meeting adjourned at 5:00 p.m. on July 31, 2012.

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CHAIRMAN, BOARD OF COUNTY COMMISSIONERS

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SECRETARY, BOARD OF COUNTY COMMISSIONERS  
PONDERA COUNTY, MONTANA