



## SPRING 2019

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# NEWS & VIEWS



(photo courtesy Travel Montana)

## Changes Ahead for the Employee Benefits Program

By Amanda Burkhart, *Employee Benefits Member Relations Strategist*

After careful consideration, the MMIA Employee Benefits program has decided to go back to basics when it comes to our wellness program. That means participants will not log into the Engage wellness portal or work with DHS next year.

**Participants will have until June 30, 2019, to log into the Engage portal and collect any incentives earned for the 2018/19 Get Wellthy program.**

**Participants have two options to get their money for 2018/2019:**

1. Set up direct deposit ASAP. Money will go into your bank account the first week of the following month.
2. Select digital gift cards from the Rewards Mall. These can be redeemed immediately.

MMIA is doing custom and general outreach to all participants to make sure everyone knows how to retrieve their incentives.

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### MMIA BOARD OF DIRECTORS

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Montana Municipal Attorneys

2019 Jim Tillotson Service Program

May 8-10, 2019

Best Western GranTree Inn

**BOZEMAN**

Registration closes May 1

# Firefighter Workers' Compensation Presumption Bill

By Alan W. Hulse, CEO, ARM, AIC

Senate Bill 160, titled, "Provide Workers' Compensation for Presumptive Diseases of Firefighters," has gained much attention from both our members and the public. This bill legislates if a firefighter is diagnosed with certain cancers and other diseases, the illness is presumed to be work-caused and must by law be covered by workers' compensation. In the past, an employee would have had to prove the condition was work-caused in order for workers' compensation to pay. This bill has now passed both chambers of the legislature and Governor Bullock has signed it.

The MMIA has worked diligently throughout this legislative session to minimize the impacts of this bill on our cities and towns. Preliminary actuary reports indicated a possible increase of up to \$3 million in the firefighter coverage code if the bill passed as written. We were able to get amendments

in the bill, which lower that estimate to \$1.2 million. While we are pleased with this result, it still amounts to an approximate 60% increase in the rate for the firefighter class code.

We also tried to include a permissive levy in the bill to help cities and towns pay for this cost increase. Unfortunately, those efforts were not successful.

The MMIA is committed to providing high-quality coverage and stable rates to Montana's cities and towns. We thank the Board of Directors and other city and town leaders who have helped us work toward good and fair lawmaking in this legislative session. ■

CEO'S CORNER



## Employee Benefits...(cont'd)

### Employee Benefits New Website

MMIA is thrilled to announce a new website specifically for MMIA Employee Benefits plan participants and city/town benefit administrators.



Please visit [www.mmiaEB.net](http://www.mmiaEB.net) for access to resources, contact information, plan documents and more!

### Open Enrollment is coming!

May 15 – June 15 is employees' chance to make changes to their benefits. It's also a great time to make sure they know about all the valuable resources available to all MMIA Employee Benefits members that can save money and increase wellbeing!

The Employee Benefits Program will be sending an Open Enrollment USB containing important benefit information for the coming plan year including details on next year's wellness program! This should hit participants' mailboxes in mid-May.

### 2019/20 Wellness Program

- ♥ \$50 – Get a health screening
- 👥 \$50 – 80% Employee Participation
- 🍏 \$50 – Health Screening Review with a Take Control health coach about health screening results. Take Control will have Nurse Practitioners available for more in-depth questions.
- 📖 \$50 – Watch a video on our website, then complete a short quiz.

No logging in. No waiting for claims to be filed. Physical gift cards will be sent to cities and towns.

### Up-to-Date Information

Please remember to relay up-to-date information to MMIA Employee Benefits. This includes changes to:

- Name
- Address
- Phone number
- Marital status, even if the spouse isn't on the plan.

You can send these changes to Nikki Willoughby at [nwilloughby@mmia.net](mailto:nwilloughby@mmia.net). If a participant has a qualifying event like a death, birth, marriage or divorce, please use the Benefits Enrollment, Termination or Change Form found at [www.mmiaeb.net/forms/](http://www.mmiaeb.net/forms/). ■



# POLICIES

## Policy Highlight: Grievance Policy and Process

By Angela Simonson, *Human Resource/Employment Practices Specialist*

This year I will select a number of policies commonly found in personnel handbooks and will highlight one in each of the MMIA newsletters. Personnel policies are a tool to help both management and employees understand expectations and working conditions for a specific organization. Some policies, such as harassment prevention, are required by law. Other policies, such as payroll processing, are specific to internal procedures.

Employee discipline often arises from an employee's failure to follow a stated policy. An organization must also follow a policy or work to change the policy to align with practice (assuming the law does not prevent the policy from being changed). When a policy that affects an employee is not followed by management, the employee may file a grievance.

This newsletter's highlighted policy is the grievance policy. I've received a number of questions in recent months on grievance policies and procedures. These questions have ranged from what can be grieved to what occurs if a response is not made in a timely manner. The following Q&A is intended to help all members understand the importance of the grievance policy and process.

### Why should an organization have a grievance policy?

Providing an internal process to resolve conflicts helps ensure employee concerns are heard and allows management to address issues in a fair and timely manner.

### What types of things can normally be grieved?

Per MT Administrative Rule 2.21.8012, a Grievance is defined as "a complaint or dispute initiated by an employee regarding the application or interpretation of written laws, rules, personnel policies or procedures which adversely affects the employee". Therefore grievances will normally center on a policy, rule, or law that the employee alleges

being violated. Disciplinary action, including terminations, are common topics of grievances.

### Are there actions where a grievance is normally not appropriate?

There are a few areas where a grievance is normally not appropriate. These include:

- Citizen complaints. A grievance is used only by employees. Complaints are processed differently.
- Termination of a probationary employee.
- Performance evaluations, unless they create an adverse action such as loss of pay or disciplinary action.
- Harassment, which is best to handle outside of the grievance process. While timely reporting of workplace harassment is ideal, such a claim should not require reporting within a structured number of days like the grievance policy requires. Harassment prevention policies normally encourage employees to report such behavior in a timely manner and then promise a prompt investigation.

### What should be included in a grievance policy?

A grievance policy should always include the following:

- A requirement for the grievance to be put into writing, clearly stating what action/policy is being grieved and what remedy is being sought.
- Identifiable steps that list timelines for responses and to whom each step of the grievance is reported to. The steps need to normally include a person who has not previously been involved. For example, if the manager and/or Mayor have determined appropriate discipline that is now being grieved, then always

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# Liability Mod Factor Change

By: Alan W. Hulse, CEO, ARM, AIC

Each year, our actuary calculates what we need to charge members in order to pay for claims and administration of each of our programs. In our Liability Program, we then look at each members' claims experience for the last five years and modify individual rates up or down to take their individual experience into account. We call this the experience modification factor (MOD).

After careful consideration, and at the recommendation of our actuaries, the MMIA Board of Directors has decided to adjust the way this MOD factor is calculated. The new calculation will give more weight to individual loss experience while retaining the benefits of being part of a self-funded pool. This new calculation is more actuarially sound and brings the MMIA more in line with standard industry practices.

As with most changes to calculations, there will be "winners" and "losers." That is, some may see their rates go down because of this change and some may see their rates go up. In order to soften the impact of any change to our members, this change will be phased in over a five-year period, beginning July 1, 2019.

The most significant benefit of this change is it puts you, the member, more in the driver seat to manage your annual assessment costs. You will see more reward for low loss experience. If you would like to learn more about how to reduce your risk and improve your loss experience, contact our Risk Management Department at [riskmgmt@mmia.net](mailto:riskmgmt@mmia.net) or call (800) 635-3089 Option 0 and ask for the risk management staff.

The MMIA is here to serve you! ■

## MMIA Public Captive Reinsurance Company Open for Business

By: Alan W. Hulse, CEO, ARM, AIC

I am proud to announce that as of January 11, 2019, Treasure State Public Captive, Inc. (TSPC, Inc.) was issued a certificate of authority from the Commissioner of Insurance and began reinsuring risk of the Montana cities and towns that participate in the MMIA Liability Program.

The rationale in starting this public, nonprofit corporation, of which the MMIA Liability program is currently the sole shareholder, was to invest a portion of the Liability programs excess reserves to give Montana municipalities additional long-term control over their insurance destiny. Building off the very successful model established 33 years ago when the MMIA was formed, TSPC, Inc. will allow cities and towns to insure more of their own risk; this will result in increased long-term stability in both coverage and price. This company will act as a hedge against traditional insurance market volatility and disruption. TSPC, Inc. will also help create additional leverage in pricing and coverage negotiations with commercial reinsurers.

I commend the MMIA Board of Directors and our members for having the courage and insight to embrace this new venture. I am confident that 33 years from now, Montana municipal leaders will enjoy the success of TSPC, Inc. the same way they currently enjoy the success of the MMIA! ■





(photo courtesy Travel Montana)

## 2019 Municipal Summit Dates and Locations Announced

By Janel Favero, *Communication Specialist*

The Municipal Summits are statewide educational and networking events that bring together stakeholders in local and state government to share ideas and discover resources, coordinated by the Montana League of Cities and Towns (MLCT), the Montana Municipal Interlocal Authority (MMIA), and the MSU Local Government Center (LGC).

The Municipal Summits are open to all city staff and elected officials, and we encourage all to participate in the Summits. MMCT&FOA credits are available to those who attend.

### 2019 Dates and Locations are:

- **May 21 – Deer Lodge:** Elks Club, 230 Main St
- **May 23 – Hamilton:** Hamilton City Hall, Community Room, 223 S 2nd Street
- **May 28 – East Helena:** East Helena City Hall, Room 110 306 E Main St
- **May 29 – Conrad:** Norley Hall, 300 N. Virginia St
- **May 30 – Lewistown:** Fire Training Hall, 305 W Watson St
- **June 4 – Columbia Falls:** Fire Hall, 624 1st Ave West
- **June 5 – Thompson Falls:** City Hall, 108 Fulton St
- **June 6 – Bozeman:** Bozeman City Hall Building, City Commission Room, 121 N Rouse
- **June 11 – Sidney:** Richland County Extension, 1499 N Central Ave
- **June 12 - Colstrip:** City Hall Council Chambers, 12 Cherry St

### 2019 Summit Topics include:

- Legislative Update - MLCT
- Public Records Requests - MLCT
- Child Abuse Prevention for Municipal Operations - MMIA
- Liability 101 - MMIA
- Roles and Responsibilities - LGC

Lunch will be provided.

Please RSVP online at [www.mmia.net](http://www.mmia.net). There is no cost for registration. If you have any questions, please contact Janel Favero, MMIA Communication Specialist at 406-495-7016 or via email [jfavero@mmia.net](mailto:jfavero@mmia.net). ■

### DO YOU WANT MORE MMIA NEWS?

You can sign up to receive the quarterly newsletter by contacting Janel Favero, MMIA Communication Specialist, at [jfavero@mmia.net](mailto:jfavero@mmia.net). By signing up for this quarterly communication, you may elect to receive electronic, hard copy, or both. This is a great way for you to stay up-to-date on upcoming events, policy changes, and information on how we are working to serve Montana's municipalities.

If you would like to view our past issues archive, visit [mmia.net/news-events/archive/](http://mmia.net/news-events/archive/). ■

## Policy Highlight...(cont'd)

ensure one step at minimum is a person such as the City Attorney or Council Chair who has not yet been involved.

### Who normally serves as the decision makers in each step of the grievance?

Grievance policies are unique to each organization. Within municipalities the steps of grievances typically include:

- Step I** Formally submitted to immediate supervisor.
- Step II** Formally submitted to Department Head.
- Step III** Formally submitted to the City Manager, Mayor or Human Resources.
- Step IV** Final Step for unionized employees is arbitration. For non-unionized employees (unless there is also an arbitration clause for them as well), the final step typically has either the City Manager/Mayor (if not in a prior step), Council Chair (not the full council) or the City Attorney as the final decision maker.

### Can the full City/Town Council be involved in the grievance process?

It is not a good risk management practice to have the full council as a decision maker for the grievance process. Requiring a full legislative body to investigate a grievance is quite cumbersome. While discussion of personnel matters is often done in a closed meeting, the employee has the right to waive his/her privacy—requiring the meeting to be public. Discussing sensitive personnel matters in a public meeting poses many risks. Furthermore, the council's role does not allow for management of staff. Far too often, when a full council gets involved in a grievance, they then naturally move to question how the employee has been managed and make recommendations for such actions going forward. This puts the municipality at risk when elected officials work outside their roles and responsibilities.

Designating one person from the council to serve as a decision maker in the grievance process is different because they only have legislative powers when present in a quorum. Individually, they hold no such power and are serving as a neutral individual who has been outside the management decision-making process. Serving in such a role requires the information to remain confidential and not be delivered to the full council at a later time.

### What happens if the employee fails to meet the initial deadline to file a grievance?

If an employee fails to meet the initial deadline for filing, the grievance will be denied. In these situations, the employer should respond that the grievance was received, but not within the required timeline presented in policy and is therefore denied. Most grievance policies will allow for an extension of deadlines with mutual agreement being made prior to the deadline.

### What happens if the employer or employee fails to meet deadlines for steps, once the grievance has been accepted?

While missing the initial step of the grievance process results in denial, missing future steps is not as clear cut. It is good risk management for a grievance policy to clearly state what action occurs when deadlines for steps within the grievance policy are missed. Normally, if a step is missed then the prior decision holds.

**Example #1:** If an employee fails to appeal the Step II response by the employer, then the employer's decision will hold and the grievance ends.

**Example #2:** If an employer fails to respond to a grievance by the deadline, then the employee prevails on the grievance step and it automatically moves to the next step. If the final step is ignored, it could be grounds for a constructive discharge claim or an additional grievance related to the employer failing to follow its own policies.

### Is the final decision of a grievance binding?

If the final step in a grievance policy is arbitration, then the decision found is legally binding. This means there is not an additional appeals step that can take place. If the final decision maker is not an arbitrator, then the employee can appeal the decision by filing a lawsuit.

After reviewing the above Q&A, it is my hope that all members understand the benefits of having a grievance policy, what elements are typically found in a quality grievance process and the importance of always taking a grievance seriously while working to avoid missed deadlines. Keep in mind, formal grievances can be time-consuming. Management and employees should always be open to initially resolving an issue before it rises to the level of a grievance through candid and open conversations. Feel free to contact me at [asimonson@mmia.net](mailto:asimonson@mmia.net) if you have questions about this or any personnel policy. ■

# Rural Water Systems Announces 2018/2019 Clerk of the Year

The Rural Water Systems 2018/2019 Clerk of the Year Award was presented to Stacey Amundson with the City of Glasgow.

Working very diligently to maintain a fiscally-sound municipality for over 13 years, Stacey continues to provide the critical communication and coordination with the Mayor, council, and city departments to maintain an efficient operating system.

Noted by her peers as one who is constantly furthering her knowledge to continue to provide the best service for her community, she is also a valuable asset to all Montana clerks and exemplifies a great example of the position.

Typically the first to respond to questions, she is always ready to roll up her sleeves and help others solve problems. Providing ideas and samples to utilities, new clerks have come to rely upon her wisdom and expertise, and her upbeat and positive attitude is contagious.

A Certified Montana Municipal Finance Officer, Stacey is a member of the International Institute of Municipal Clerks and serves as their representative at the Montana Municipal Clerk, Treasurer, & Finance Officer Association conventions. She is active with the Association's Education Committee and also serves as Vice President of 3rd Class Cities. ■



## Employee Spotlight: Chris Beskid

Document Processing Specialist

Chris joined the MMIA as the Document Processing Specialist in November 2018 after 12 years as a project manager with a consulting firm. He graduated from North Central College in Illinois with bachelor degrees in English and Religious Studies in 2001. Chris is also the Head Boys Cross Country coach at Capital High.



In his free time, Chris enjoys running, camping and spending time with his wife and newborn son, Charlie.

## Pam Forsman

Administrative Assistant

Pam joined the MMIA after working for the State of Montana for 31 years and is happy to be here; this is a nice change!



Pam grew up in Key West, FL and moved to Helena in 1979. She has four children, and two granddaughters and loves spending time with them. She enjoys camping, floating, 4-wheeling and watching football; her teams are the Miami Dolphins, Bob Cats, and Alabama.

**Welcome to the MMIA, Pam and Chris –  
We are excited to have you!**

**Calendar of Events**

- |                                   |  |                                  |   |
|-----------------------------------|--|----------------------------------|---|
| <p><b>May</b><br/><b>5-9</b></p>  | <p><b>MMCTFOA Institute</b><br/>Best Western Gran Tree Inn,<br/>Bozeman</p>              | <p><b>May</b><br/><b>30</b></p>  | <p><b>Lewistown Municipal Summit</b><br/>Fire Training Hall<br/>305 W Watson St., Lewistown</p>             |
| <p><b>May</b><br/><b>8-10</b></p> | <p><b>Jim Tillotson Program</b><br/>Best Western Gran Tree Inn,<br/>Bozeman</p>          | <p><b>June</b><br/><b>4</b></p>  | <p><b>Columbia Falls Municipal Summit</b><br/>Fire Hall<br/>624 1st Ave West, Columbia Falls</p>            |
| <p><b>May</b><br/><b>21</b></p>   | <p><b>Deer Lodge Municipal Summit</b><br/>Elks Club<br/>230 Main St, Deer Lodge</p>      | <p><b>June</b><br/><b>5</b></p>  | <p><b>Thompson Falls Municipal Summit</b><br/>City Hall<br/>108 Fulton Street , Thompson Falls</p>          |
| <p><b>May</b><br/><b>23</b></p>   | <p><b>Hamilton Municipal Summit</b><br/>City Hall<br/>223 S 2nd Street, Hamilton</p>     | <p><b>June</b><br/><b>6</b></p>  | <p><b>Bozeman Municipal Summit</b><br/>City Hall<br/>121 N. Rouse, Bozeman</p>                              |
| <p><b>May</b><br/><b>27</b></p>   | <p><b>Memorial Day</b><br/>MMIA office closed</p>  | <p><b>June</b><br/><b>11</b></p> | <p><b>Sidney Municipal Summit</b><br/>Richland County Extension Building<br/>1499 N Central Ave, Sidney</p> |
| <p><b>May</b><br/><b>28</b></p>   | <p><b>East Helena Municipal Summit</b><br/>City Hall<br/>306 E Main St, East Helena</p>  | <p><b>June</b><br/><b>12</b></p> | <p><b>Colstrip Municipal Summit</b><br/>City Hall<br/>12 Cherry St, Colstrip</p>                            |
| <p><b>May</b><br/><b>29</b></p>   | <p><b>Conrad Municipal Summit</b><br/>Norley Hall<br/>300 N. Virginia Street, Conrad</p> | <p><b>July</b><br/><b>4</b></p>  | <p><b>4th of July</b><br/>MMIA office closed</p>  |

Member Owned. Member Driven.  
**We Are you.**