

M O N T A N A  
**Policy Review**

A Publication of the Local Government Center Vol. 5, Numbers 1 & 2 Fall 1995

**A SENSE OF COMMUNITY**

Who is Revolting? Voting on Montana Tax Issues: 1986-1994  
*Douglas J. Young and Jiaping Zhu*

County Commission Form of Government  
*Jane Jelinski*

The Yellowstone Seminar: A Modern Day Rendezvous for Local Officials  
*Tim Swanson*

**REGULAR FEATURES**

Reflections on Local Governance

Legislative Cracker Barrel  
Community: Fragmenting Toward Me-First  
*by Emily Swanson*

Local Government Calendar

*A biannual analysis of public policy issues confronting Montana's communities and those who serve them.  
Made possible by the Northwest Area Foundation.*

# M O N T A N A Policy Review

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## REFLECTIONS ON LOCAL GOVERNANCE

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The local government review process is entering the home stretch. At this writing 113 local government review study commissions elected last November are now at least half way through the review process. Their purpose is, or at least should be, to study their local government and compare its structures and functions to the wide array of options available under Montana law.

Most will decide that their unit of local government "... ain't broke and don't need fixen!". So far 11 have already come to that conclusion and have filed their final report saying so. Other study commissions will work closely with the leadership of their local government to identify some fine tuning that may strengthen their county or community for the demands of the 21st century. Still others will no doubt recommend some pretty drastic changes, most of which will receive short shrift by an electorate who simply won't share the study commission's enthusiasm for change simply for the sake of change.

However, those study commissions that have worked cooperatively with their governments and that have taken the time to help their voters understand the need for change may well accomplish important service for their community. For example, several county and city study commissions have undertaken cooperative study aimed at the consolidation of their city and county governments. Such consolidation will almost certainly require the adoption of a self-governing charter, as was the case in 1976 for both Anaconda-Deer Lodge and Butte-Silver Bow. An even larger number of both city and county study commissions are in the process of drafting a charter to wrap around their

present form of government in order to acquire self-governing powers.

The Local Government Center simply doesn't advocate policy, but we do recognize straight thinking when we see it. We recognize those study commissions who have taken the time to listen to their local government officials and who have learned that the business of local government isn't getting easier - its getting harder! Every passing year since our new State Constitution was adopted in 1972, local government has become more complex, more time consuming and more costly. This despite the clear intention of the Framers of the Constitution that the local governments of our counties and communities be given every opportunity to assert self-governing authority to cope with the demands of the future. It would seem that the future is here.

Not one single county commissioner or treasurer and not one single mayor or council member we have talked to in the past year has suggested that local officials need less authority to deal with their problems. Uniformly and consistently they report to us that they need and want greater flexibility to respond to the changing needs of their taxpayers and more autonomy in dealing with the demands of the state. The time may be right for some of our units of local government to take another look at the language at Article XI, Sections 5 and 6 of the 1972 Montana State Constitution and to encourage their local government review study commissions to do the same.



Kenneth J. Weaver, Director  
Local Government Center

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WELFARE AND POLICY  
**VOTING ON MONTANA TAX  
ISSUES: 1986-1994**

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*What accounts  
for this “tax revolt?”*

*Are tax revolts  
more likely in the rapidly  
growing areas of western  
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values are appreciating,  
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1980s? How should tax  
policy be restructured in  
response to the revolt?*

*This paper sheds  
some light on these  
questions.*

This paper draws upon Young’s earlier work with Ken Weaver and Judy Mathre, Zhu’s Master’s thesis, and comments received at the Pacific Northwest Regional Economic Conference, May 4-6, in Missoula, MT. Support from the Agricultural Experiment Station, the Extension Service and the College of Agriculture is gratefully acknowledged. The authors are solely responsible for any errors.

**I. Introduction and Summary**

**M**ontanans have voted on eight major tax issues in the last nine years. Six of these resulted from citizens using the initiative process to put a question directly to the voters. Seven of the eight—including all of the initiatives—sought to limit or reduce taxes, or to make tax increases more difficult.

What accounts for this “tax revolt?” Does the revolt stem from dissatisfaction with the overall level of taxes, with rates of increase, or with specifics such as property tax reassessments? Are tax revolts more likely in the rapidly growing areas of western Montana where property values are appreciating, or in the eastern portions of the state, where many counties suffered dramatic losses in their property bases in the late 1980s? How should tax policy be restructured in response to the revolt?

This paper sheds some light on these questions by examining county level voting data. Basically, we seek to determine how property taxes affected voting on tax issues. For example, were citizens in counties with higher property tax levies more likely to vote for measures to limit or reduce taxes? Were counties more likely to support the tax revolt if they had been experiencing rapid appreciation of property values?

Our results may be summarized as follows:

There is a statistically significant link between property taxes and voting on tax issues, especially reassessments of residential property: Voters in counties with higher reassessments tend to support tax limitation or reduction measures.

Tax rates—as measured by mill levies—are less clearly linked to voting, perhaps because citizens have more influence over mill levies than over appraised values.

These results suggest that policy makers should focus their reform efforts on the reappraisal process, rather than limiting overall property taxes or mill rates.

The voting issues are summarized in the next section, while methods and statistical results are briefly described in Section III. Section IV concludes with a discussion of the implications for policy makers.

## II. The Issues

### CI-27 and I-105

Constitutional Initiative 27 (CI-27) and Initiative 105 (I-105) each sought to restrict property taxes. In the case of CI-27, property taxes were simply to be eliminated, and there was no provision for an alternative

***Indeed, the original backers of I-105 avowed that their principal purpose was to force adoption of a sales tax.***

source of government revenue. Initiative 105 sought to freeze property taxes at 1986 levels. CI-27 was defeated by a 44-56 percent margin, while

I-105 passed 55-45. (See Table 1 page 8 for county-by-county voting results.)

Votes on these issues occurred less than a month after taxpayers received their property tax bills, which were based on the first statewide reappraisal of properties since 1978. The total increase in taxable value was only 1 percent. However, residences that had appreciated more than the statewide average rose in taxable value, while

others declined. The change in taxable value varied greatly among counties, ranging from an increase of 45 percent (Ravalli) to a decline of 18 percent (Roosevelt). (See Table 2 page 9.)

The 1986 election may also have been influenced by some of the rhetoric surrounding I-105, which was not all based on tax limitation. Indeed, the original backers of I-105 avowed that their principal purpose was to force adoption of a sales tax. In essence, the I-105 petition language rebuked the state legislature for its “. . . failure to give local governments and local school districts the flexibility to develop alternative sources of tax revenue which will only lead to increases in the tax burden on the already overburdened property taxpayer.”<sup>1</sup> How such statements of *intent* may have affected voting patterns is unclear; what I-105 actually *did* was to freeze property taxes—not create a sales tax.<sup>2</sup>

### CI-55

Constitutional Initiative 55 (CI-55) appeared on the ballot in 1990. Its main provisions abolished all existing taxes—property, income, and selective sales taxes—and most permit, licensing and registration fees. Revenue for state and local government was instead to be raised from a 1 percent “trade charge” applied to certain financial transactions, including most purchases of goods and services. Backers of CI-55 claimed that taxes on a typical homeowner making \$25,000 per year would be reduced from \$1,975 to \$250, yet total revenues would exceed the yield from existing taxes.

CI-55 was opposed by most establishment groups, including both the Democratic and Republican parties, the Chamber of Commerce, and the AFL-CIO. The measure ultimately failed

when it was supported by only one-fourth of the voters. It is perhaps symptomatic of the depth of anti-tax feeling, however, that as many as one-fourth of Montanans did view CI-55 favorably.

### **SB-235**

Senate Bill 235 (SB-235) was probably the most significant piece of tax reform legislation in Montana in 20 years—that is, since the last serious attempt to establish a sales tax.<sup>3</sup> Besides adopting a sales tax, the reform package would have reduced residential and business property taxes, and flattened the very progressive income tax rate structure while eliminating many deductions. The net effect of the package would have increased revenues a relatively modest \$47 million.<sup>4</sup> Opponents criticized the package as a net tax increase, warned that a sales tax once enacted would be likely to increase further, pointed to a provision that repealed I-105 as additional evidence that taxes would be increased even more in the future, and characterized sales taxes as regressive.

SB-235 differed from most of the other issues examined here in that it was a product of establishment politics, as opposed to an issue that appeared as a result of the initiative process. Even so, the political establishment was sorely divided over the issue. The Democratic party has traditionally opposed a sales tax, even though their gubernatorial candidate in 1992 made support for a sales tax a key element of her campaign. Republicans had traditionally favored a sales tax and

the reductions in property taxes in the bill, but were split over the increase in total revenues and the restructuring of the income tax. Indeed, SB-235 only passed the legislature by one vote in each house, and then only when it contained a provision referring it to the voters (Legislative Resolution 111).

From the point of view of the individual voter, it was extremely difficult to figure how one would be affected by the legislation. Published tables showing the effects of the sales tax omitted the portion that would be “paid by business,” even though businesses are owned by, sell to, and employ people who would bear the tax burden, ultimately. Also, the income tax changes had offsetting effects for many voters. Finally, while SB-235 reduced residential and business property taxes, it did not specifically address the issue of rising property values.

In the end, SB-235 received the same support from the electorate—25 percent—as did that “radical” measure, CI-55.

### **HB-671**

As a backup to SB-235, the 1993 legislature passed House Bill 671 (HB-671), which was to come into effect if SB-235 were not approved by the voters. HB-671 contained many of the changes in income tax structure that were present in SB-235; namely, a flat tax structure combined with elimination of many deductions. Like SB-235, HB-671 was a tax increase, in this case of about \$35 million per year. The tax increases would fall largely on households with incomes above about \$30,000 who were hurt more by the loss of deductions than helped by the decrease in rates. Lower income households would, on average, receive reductions in taxes. The changes were

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*From the point of view of the individual voter, it was extremely difficult to figure how one would be affected by the SB-235 legislation.*

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quite asymmetric however: More households would see their taxes fall than rise, but the increases were much larger in magnitude (per household) than the decreases. Under these circumstances, households whose taxes were to rise might have been more aware of the consequences than households whose taxes would decline.

HB-671 was suspended and referred to the voters as the result of a petition drive that drew upon the state's United We Stand (Perot) organization. Opponents focused on the fact that HB-671 was a tax increase, and largely ignored the "reform" aspects of the measure. A special session of the legislature in the fall of 1993 reduced spending in light of the suspension. By the time the issue came to a vote in the fall of 1994, the state's budget fortunes had reversed to show a surplus, and a majority of politicians of both parties took stands against the tax increase. Thus HB-671 was borne of the establishment, suspended by a citizen initiative, and then criticized by most of the establishment that had created it. Like CI-55 and SB-235, HB-671 received the support of only about one quarter of the state's voters.

#### **CI-66 and CI-67**

The 1994 ballot also featured two constitutional initiatives that would have made it more difficult to increase taxes, fees, and spending. Constitutional Initiative 66 (CI-66), which was backed by United We Stand, required voter approval for tax increases. Constitutional Initiative 67 (CI-67) required tax, fee, and spending increases to be approved by super-majorities of two-thirds. Both measures would have applied at all levels of state and local government.

Establishment politicians generally opposed the measures. Most notably, the Republican gov-

ernor, the Chamber of Commerce, and the Taxpayers Association all argued that while they favored smaller, more efficient government and lower taxes, CI-66 and CI-67 were not the way to approach the problem, and would do more harm than good.

Both initiatives were defeated, but each attracted substantial support. In the case of CI-67, the defeat was by a thin 49-51 percent margin.

#### **C-28**

A final issue on the ballot in 1994 was Constitutional Amendment 28 (C-28), which sought to address voter dissatisfaction with rising assessed values under the property tax. C-28 would have allowed the legislature to base assessed value on acquisition value (rather than market value), and otherwise limit the annual increases in assessed value. The measure would have reduced property taxes for long-term owners

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*C-28 would create unfair disparities in taxation when homes of equal value pay very different property taxes.*

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in certain western Montana counties where property values were rising. Residents of most counties where property values were falling would not have seen their taxes decrease and might have experienced increases, depending on how C-28 would have been implemented.

C-28 was written by the legislature, but by the time it came up for a vote, some of the original sponsors had become opponents. Realtor organizations actively opposed the measure, arguing that it would create unfair disparities in taxation when homes of equal value pay very different property taxes. C-28 received the support of 41 percent of the voters.



### III. What Affects Support for the Tax Revolt?

The importance of property taxes can be statistically examined by relating county level data on voting to county data on average property taxes. Three possible relationships are examined below:

Tax revolts are more likely to occur in counties with *higher mill levies*.

Tax revolts are more likely to occur in counties with *more rapidly rising mill levies*.

Tax revolts are more likely to occur in counties with *more rapidly rising appraised values* of residential property.

The first specification relates voter discontent to the *level* of tax levies, while the latter two focus on the *rate of growth* of property taxes. While taxpayers may be concerned with the level of taxes (perhaps in relation to services received), "rising" property taxes are also often cited as a leading source of voter discontent.

As Table 2 page 9 indicates, both levels and growth rates of mill levies varied widely across counties. For example, in 1986 mill levies varied by a factor of five—from a low of 92 (Fallon) to a high of 476 (Silver Bow). Perhaps even more dramatically, in 1990 the percentage change in mill levies since 1987 varied from a decline of 12 percent (Silver Bow) to an increase of 100 percent (Big Horn).

Mill levies have historically been decided largely by voters or their representatives at the local level (county commissioners, city and town councils, school trustees, etc.), and thus may more or less reflect the preferences and constraints of individuals in the various communities. In other words, higher mill levies may reflect choices made by citizens, and, if so, would be unlikely to lead to a tax revolt.

Increases in appraised values, on the other hand, provide governments with revenue windfalls that have not passed through the usual gauntlet of political scrutiny. Thus a majority of taxpayers might be unhappy with the level of taxes, even if

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***Increases in appraised values... provide governments with revenue windfalls that have not passed through the usual gauntlet of political scrutiny.***

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the mill levy had previously been approved. Rising appraised values could, in principle, be offset by declining mill levies, but the offsets may not occur very quickly, leaving taxpayers angry and frustrated.

As Table 2 page 9 indicates, changes in appraised (assessed) values were, on average, very moderate—indeed, they declined after adjustment for inflation. As mentioned previously, however, statewide averages conceal the very different trends in value in the different parts of the state. In addition, the county averages reported here also conceal a great deal of variation in reappraisals from residence to residence. Even if one taxpayer's upward reappraisal of, say, 25 percent, is "offset" in the average by another's downward reappraisal of 25 percent, there will still be at least one taxpayer who is likely to be upset with his or her tax bill.

Table 3 page 11 reports the correlations between voting on the tax issues and the three measures of property taxes.<sup>5</sup> Consider first the relationship between voting and the average mill levy. The data suggest that high mill levy counties were significantly more likely to support CI-27 and CI-55, and, more weakly, to support I-105 and C-28. On the other hand, the data do not indicate any relationship with voting on CI-66 and

C-6), and suggest that high mill levy counties were more likely to support the tax increases involved in SB-235 and HB-671. In other words, the high mill levies show some association with the tax revolt in the earlier years, but very weak and sometimes unexpected relationships since 1990.

The relationship between growth in mill levies and voting is even weaker. Most of the correlations are nearly zero, and the three larger entries indicate that increasing mill levies were associated with *opposition* to CI-55 and C-28, and support for SB-235.

In sharp contrast, residential reappraisals are positively and strongly associated with all of the tax limitation measures (CI-27, I-105, CI-55, CI-66, CI-67 and C-28). There is little relationship with voting on SB-235, and a (surprising?) positive relationship with support for HB-671. Thus, the data fairly consistently suggest that people were more likely to vote for tax limitation measures in counties where residential reappraisals are relatively high.

#### IV. Conclusions and Policy Implications

Montana citizens have used the initiative process to bring six taxation issues to the voters in the last nine years. Only two of these (I-105 and HB-671) were confirmed by the electorate, but all except one commanded substantial support. Initially, citizens seemed to be objecting primarily to high property taxes. More recently, however, voters turned down a tax reform that would have reduced property taxes, stayed an increase in income taxes, and nearly passed two measures that would have made it more difficult for governments to increase *any* tax or fee. Thus, citizen concerns seem to go well beyond a narrow preoccupation with property taxes.

This study has nonetheless focused on property taxes as potentially a root cause of voter dissatisfaction. As expected, our findings indicate that voting on several of the issues has been significantly related to property taxes.

Perhaps surprisingly, however, mill levies do not appear to be a key cause of the tax revolt in recent years. While the level and/or growth of mill levies is associated with voting on some issues, more often than not no significant relationship is evident. Also, voting and

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property tax levies sometimes display an unexpected relationship. For example, voters in counties in which mill levies increased more rapidly were significantly more likely to *oppose* C-28.

One reason that tax levies display little relationship to the tax revolt may be that mill levies are subject to substantial citizen control either directly through voting or via local elected officials. That is, mill rates may be high or rising in some counties because citizens decided to tax themselves in order to provide public services. If tax levies reflect citizen preferences in this way, they would not be expected to be associated with support for tax limitation measures.

The tax revolt appears to be more closely associated with reappraisals of residential property. Voters in counties where property values rose more quickly were significantly more likely to support all but one of the citizen initiatives, in comparison with voters in counties with lower rates of property appreciation. One explanation for

this finding is that reappraisals are largely outside the control of both citizens and local officials, in contrast to mill levies. Thus, rapid property appreciation results in tax increases that have not been approved through the normal workings of the local political process. This seems to be resulting in citizen frustration and anger.

The 1995 legislature addressed a number of property tax issues.<sup>6</sup> The findings of this paper suggest that the most important legislation in relation to the “tax revolt” was House Bill 497, which provides a rebate on residential property where the 1992-93 reappraisal exceeded 15 percent. These refunds are a one-time occurrence (spread over two years), however, and there are no provisions to mitigate the impact of future reappraisals. In particular, a provision that would have phased in reappraisal values over three years was deleted from the bill.

Another approach considered by the legislature was to simply limit property taxes, or their rate of increase, regardless of the cause. For example, SB 274 would have limited property tax increases to a maximum 2 percent per year. SB 334 had a similar provision and, in addition, would have limited the total tax to 1 percent of assessed value.<sup>7</sup>

The findings of this paper suggest that these approaches are flawed, at least as a response to the tax revolt. There are many valid reasons why citizens may choose to increase the taxes that they levy on themselves, including funding for schools and other local government functions. In addition, local tax payers may choose higher taxes if some other part of the tax base declines, as happened in eastern Montana with the decline of natural resources. Thus, citizens may choose higher tax levies and the services they provide,

and the evidence from this paper indicates that mill levies themselves do not lead to a widespread tax revolt, in contrast to tax increases that result from appreciation of property values.

If property values continue to appreciate rapidly in parts of Montana, policy makers may well find it necessary to address the reassessment issue again. But there is little evidence that limits on locally-determined mill levies are needed.

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<sup>1</sup> See 15-10-401 MCA for a statement of the “Declaration of Policy” set forth by the petition.

<sup>2</sup> I-105 was subsequently modified several times by the legislature, melting much of the freeze for schools but retaining limits for cities and counties. See Douglas J. Young, *Montana Property Taxes Since I-105*, Extension Bulletin 129, Montana State University, Bozeman.

<sup>3</sup> The voters last looked at a statewide sales tax proposal in 1971. The measure went down to a decisive (70% against) and politically damaging defeat.

<sup>4</sup> Dennis Burr, *It Isn't Just a Sales Tax*, Montana Policy Review, (3-1), Spring, 1993, 1-6.

<sup>5</sup> Other factors besides property taxes affect voting as well. In other analyses, we include variables to control for political affiliation, state and local government employment, population growth, voter turnout, income, education, home ownership, families with school age children, and the elderly. The results change very little from those in Table 3 page 11.

<sup>6</sup> For an overview of tax changes, see Montana Taxpayer, (XXIX-4&5), April and May, 1995, Montana Taxpayers Association, Helena. Taxes on business equipment were also reduced, and the method of appraising farmsteads was altered. Property tax abatements were increased for low income and elderly Montanans.

<sup>7</sup> SB-334 would also have given tax payers a choice of their 1986 or 1993 assessed values.

**Table 1: Voting on Tax Issues (percentage voting “for” each issue)**

<b>County</b>	<b>CI-27</b>	<b>I-105</b>	<b>CI-55</b>	<b>SB-235</b>	<b>HB-671</b>	<b>CI-66</b>	<b>CI-67</b>	<b>C-28</b>
BEAVERHEAD	39	57	20	27	27	46	48	41
BIG HORN	37	49	23	28	29	48	49	39
BLAINE	38	57	20	19	26	41	44	40
BROADWATER	47	57	25	26	27	49	52	35
CARBON	54	55	26	32	15	47	49	42
CARTER	39	55	16	34	19	49	51	31
CASCADE	38	53	24	24	30	45	49	46
CHOUTEAU	37	54	18	25	25	41	47	39
CUSTER	40	55	22	37	28	42	45	39
DANIELS	48	57	16	13	19	40	40	33
DAWSON	47	48	23	39	24	43	46	31
DEER LODGE	46	52	29	16	26	43	44	44
FALLON	17	37	10	29	24	45	46	34
FERGUS	50	50	29	28	22	39	41	34
FLATHEAD	54	62	34	22	26	61	59	53
GALLATIN	40	53	34	37	29	44	47	41
GARFIELD	59	64	26	19	14	45	51	28
GLACIER	41	54	23	18	31	51	53	43
GOLDEN VALLEY	48	51	19	26	19	44	46	29
GRANITE	50	54	22	17	25	54	55	50
HILL	39	55	21	22	25	46	49	43
JEFFERSON	46	53	30	26	21	45	46	38
JUDITH BASIN	39	50	17	22	21	34	39	34
LAKE	51	55	31	21	17	54	54	52
LEWIS & CLARK	43	54	23	37	27	40	43	35
LIBERTY	31	56	23	22	25	36	44	40
LINCOLN	48	53	24	11	33	64	64	49
MADISON	46	57	30	25	26	46	51	46
MCCONE	52	54	21	21	20	42	44	36
MEAGHER	35	59	15	29	24	42	45	42
MINERAL	47	57	30	16	36	58	58	48
MISSOULA	39	53	20	23	34	44	50	45
MUSSELSHELL	51	57	31	27	22	48	50	36
PARK	48	64	18	24	27	48	49	46
PETROLEUM	37	54	21	25	11	36	44	33
PHILLIPS	46	59	27	22	23	42	49	38
PONDERA	33	47	23	22	28	43	48	40
POWDER RIVER	31	50	23	38	20	49	48	31
POWELL	44	53	24	22	28	46	46	40
PRAIRIE	47	53	21	37	22	41	46	34
RAVALLI	56	60	30	15	18	55	56	39
RICHLAND	42	58	23	21	21	48	50	25
ROOSEVELT	32	53	19	19	25	46	47	34
ROSEBUD	40	55	20	19	24	47	48	38
SANDERS	50	62	25	11	32	59	59	51
SHERIDAN	22	56	13	13	16	35	34	23
SILVER BOW	42	51	25	17	30	46	47	40
STILLWATER	52	56	27	26	15	48	50	39
SWEET GRASS	51	54	24	31	22	41	44	40
TETON	42	53	19	27	26	40	46	40
TOOLE	40	57	24	17	26	44	52	41
TREASURE	46	54	20	24	20	41	44	34
VALLEY	40	49	25	21	26	40	44	31
WHEATLAND	35	55	20	23	20	39	43	38
WIBAUX	36	48	18	21	18	41	44	35
YELLOWSTONE	49	57	26	32	17	44	45	35
<b>Statewide</b>	<b>44</b>	<b>55</b>	<b>25</b>	<b>26</b>	<b>26</b>	<b>47</b>	<b>49</b>	<b>41</b>

**Table 2: Property Taxes**

COUNTY	Tax (Mill) Rate			Growth in Mill Rate (% Change)			Residential Reappraisal (% Change in Assessed Value)		
	1986	1990	1994	1983-86	1987-90	1991-94	1983-86	1987-90	1991-94
	BEAVERHEAD	314	347	419	19	9	16	6	0
BIG HORN	117	244	209	7	100	-10	11	-10	12
BLAINE	175	325	333	-14	64	4	15	0	-1
BROADWATER	230	288	358	-5	16	31	3	0	12
CARBON	268	335	354	29	33	-2	11	-7	6
CARTER	333	274	336	38	-9	14	-7	-16	-11
CASCADE	413	388	414	17	-7	-1	-9	18	10
CHOUTEAU	268	301	375	20	11	13	5	0	-14
CUSTER	409	437	466	4	2	0	-11	-16	9
DANIELS	324	379	432	17	19	11	6	-16	-16
DAWSON	321	390	475	8	7	14	5	-23	-13
DEER LODGE	456	458	483	19	7	-5	11	0	2
FALLON	92	186	288	-7	52	45	2	-23	2
FERGUS	365	347	390	35	1	7	7	0	-2
FLATHEAD	340	399	411	16	-19	4	6	6	17
GALLATIN	341	362	403	2	4	5	6	13	16
GARFIELD	200	259	299	-8	18	5	8	-16	-6
GLACIER	223	233	439	0	-11	66	7	0	-3
GOLDEN VALLEY	230	235	302	19	6	19	4	0	-9
GRANITE	341	331	366	7	4	9	-1	0	17
HILL	269	311	392	2	9	24	-2	0	2
JEFFERSON	327	291	326	11	2	12	7	13	9
JUDITH BASIN	274	278	338	4	0	15	5	0	-11
LAKE	315	375	411	2	16	6	14	0	25
LEWIS & CLARK	391	406	441	3	5	8	14	0	7
LIBERTY	187	273	324	14	33	7	0	0	-22
LINCOLN	256	296	352	11	17	9	0	-4	3
MADISON	276	270	332	21	-1	14	-16	6	5
MCCONE	296	327	351	17	11	8	13	-16	-12
MEAGHER	226	254	318	13	17	23	-5	0	6



Table 2: Property Taxes

COUNTY	Tax (Mill) Rate			Growth in Mill Rate (% Change)			Residential Reappraisal (% Change in Assessed Value)		
	1986	1990	1994	1983-86	1987-90	1991-94	1983-86	1987-90	1991-94
MINERAL	381	369	426	15	16	14	10	-4	22
MISSOULA	378	426	491	17	9	8	-15	1	10
MUSSELSHELL	145	301	341	21	43	33	11	-7	-13
PARK	318	336	386	6	7	15	7	0	4
PETROLEUM	160	293	303	7	31	-2	6	-14	2
PHILLIPS	208	244	300	36	26	18	9	-14	0
PONDERA	275	323	396	28	11	19	4	0	-12
POWDER RIVER	120	312	466	42	61	38	34	-23	-9
POWELL	305	319	354	-1	-2	0	-9	0	10
PRAIRIE	258	353	434	8	22	20	1	-16	-16
RAVALLI	292	333	359	5	13	3	45	5	10
RICHLAND	142	289	371	16	65	44	13	-23	6
ROOSEVELT	170	281	323	-3	48	25	-18	-14	-5
ROSEBUD	107	139	173	-4	29	16	35	-10	-1
SANDERS	220	300	329	3	33	6	18	-4	14
SHERIDAN	129	323	358	12	41	36	4	-16	-10
SILVER BOW	476	442	545	5	-12	9	-4	11	14
STILLWATER	262	302	338	10	18	22	17	-7	9
SWEET GRASS	285	324	384	11	11	22	7	0	-18
TETON	301	387	462	9	21	16	27	0	-14
TOOLE	161	263	326	-3	50	25	8	0	-6
TREASURE	221	277	335	-6	23	20	15	-7	-12
VALLEY	218	348	393	-4	29	10	2	-16	6
WHEATLAND	260	280	328	11	11	10	-5	0	-9
WIBAUX	139	237	348	16	60	60	5	-23	7
YELLOWSTONE	314	352	406	14	8	14	9	-10	7
<b>Average</b>	<b>320</b>	<b>359</b>	<b>410</b>	<b>11</b>	<b>12</b>	<b>10</b>	<b>4</b>	<b>0</b>	<b>8</b>

Notes: Mill rates include state, county, municipal and school district levies. Average is weighted by the number of voters in each county.

**Table 3. Correlation Between Property Taxes and Voting**

	CI-27	I-105	CI-55	SB-235	HB-671	CI-66	CI-67	C-28
Mill Rate	0.39	0.10	0.32	0.20	0.30	0.02	-0.02	0.16
Mill Growth	0.04	-0.05	-0.19	0.13	-0.08	-0.03	-0.06	-0.32
Reappraisal	0.26	0.16	0.43	-0.07	0.31	0.56	0.49	0.53

## COMMUNITY: FRAGMENTING TOWARD ME-FIRST

**Emily Swanson**

Montana State Legislature

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*I sense me-first-ism has taken over for vision. We've become a society of reactionaries rather than visionaries.*

*Vision requires cooperation, a spirit of wanting what is good for the group, not just for the individual. We're losing our way. Western character, so known for its rugged individualism, is today so busy "making it." We've no time or energy, for cooperation, for volunteerism, for working through difficult problems to find common ground.*

**W**hat has happened to our sense of community in western towns? I feel it disappearing and that worries me. I want to "belong" where I live, feel that I'm contributing something to my community and that we're all better for it. But it's getting harder, even in small rural towns like Bozeman, Montana.

I am a state legislator so I'm out and about our community a lot. Speaking with folks at a cafe in the morning, visiting at noon with Rotary Club members, reading the local daily paper, attending meetings for the beginning of school or with other legislators about the university, I hear alienation and withdrawal. I hear fear of reaching out to other people. I see people frustrated and angry.

This fall, loading the last few bales of hay for our horses on my truck, friend Tutti and I watched the sun set amid deep reds and storm clouds across the valley. We mused about how fortunate we are to live in Bozeman. Bozeman sits in an agricultural valley in southwestern Montana, has Montana State University as its centerpiece, has a thriving downtown, good schools, families with all ages, outdoor recreational opportunities in all directions from town. What could be amiss in a setting so idyllic?

Our experience buying hay from Ken Goering was the old Bozeman. Ken worked all day with Tutti and me, driving his tractor to gather bales of hay from the field, lifting bales into the truck, stacking them for us to carry home. We got a bit over the six ton we agreed upon. We tried to pay Ken for the extra bales and he refused, saying, "I like working with you two." Ken's trust was at the cord of our musings about the value of community. His honesty and generosity added to our sense of community.

But times are changing, and experiences like ours with Ken are fewer and further between. More locks on doors. More mansions, less affordable housing, more people served by Food Bank. Volunteers harder to find. People too busy to be friendly. Low wages not growing with the times. War on government regulation. Citizen politicians feeling battered and under siege.

I ran into our county commissioner on the street recently. She is tired of being criticized constantly and fearful that extremists might do something awful to her personally. She has decided not to run again for county commission. Not many people want to offer themselves up for public service, particularly as an elected official.

So what has happened to our sense of belonging to community? I think we've lost our vision. Vision is that sense of knowing and cherishing where we are. It requires understanding what needs to be changed or protected, and understanding that comes with time and commitment. Vision comes from a humility about how hard goals are to reach. It springs from hope about the future.

I sense the me-first-ism has taken over for vision. We've become a society of reactionaries rather than visionaries. Even in Bozeman. Zoning codes are under attack because they impinge on the "rights" of the individual. We hear about "takings" more and more frequently, as if "taking" from the individual is anathema while everyone else in community pays the price. Sure, fill the wetlands. Don't build sidewalks if you don't want. Don't contribute to the education of our young. Build those mansions for two people.

Vision requires cooperation, a spirit of wanting what is good for the group, not just for the individual. We're losing our way. Western character, so known for its rugged individualism, is today so busy "making it." We've no time or energy for cooperation, for volunteerism, for working through difficult problems to find common ground.

Towns like Bozeman struggle to keep an identity. Montana State University continues to

be a defining element that attracts people here, but there's more. New residents flock to our valley, bringing values and experiences and fears from elsewhere. Some join in, some hide away in refuge from their urban past. Those of us who care about cooperation, who need help with community projects, have a challenge in reaching out to engage our growing, dissipating community.

There is hope. Ken Goering still does business on a handshake and trust. And there's Tom Wagner. Tom, President of Western Federal Bank, loves his horse Clyde. Tom has devised a way to ride Clyde and at the same time raise money for kids "at risk" in school. Each fall he sells \$5 envelopes to members of Bozeman Rotary Club, has people write a letter, then rides the letters over the hill to Livingston and mails them, in a re-creation of the pony express. The letters have a special logo on them signifying their origin, and Tom raises considerable funds to donate to work with children having a hard time making it in school.

The real glue of our community, and the richest part of our lives here, is volunteering. I am frequently told, "I could never run for office. I would hate being in the legislature." That's the point, I say. I would be worthless selling raffle tickets at ballgames or heading up a scout troop, but I like helping craft policy. With each of us chipping in as we can, we forge understanding greater than any of us. We appreciate one another's point of view, and find common ground. Without people willing to volunteer, which I'm seeing more and more, community will cease to be. As that happens, vision will become meaningless as it fragments into multiple me-firsts. Only the shell of why we live here will remain.



# COUNTY COMMISSION FORM OF GOVERNMENT

**Jane Jelinski**

Gallatin County Commissioner

*Discussions during the local government review process usually center around the issues of efficiency, responsiveness, and professionalism. The purpose of this paper is to examine these issues as they pertain to the current county commission form of government prevalent in the state of Montana.*

**L**ocal government study commissions around the state are now studying city and county government and exploring alternative models. It is important to point out at the outset that regardless of the form of government, it will be effective if competent people are elected to office. If incompetent officials are elected, no form of government will be effective. In addition, if competent people are denied sufficient resources to provide necessary services, they will not be effective, despite their best efforts. This being understood, let us look at some of the factors pertinent to effective county government.

Discussions during the local government review process usually center around the issues of efficiency, responsiveness, and professionalism. The purpose of this paper is to examine these issues as they pertain to the current county commission form of government prevalent in the state of Montana.

In Montana, some counties have full-time commissioners and in others commissioners work as few as two days a month. It is unreasonable to expect commissioners in such part-time service to keep up with continually changing legislative mandates, and the complexity of financial management, land use planning, and personnel concerns. It is generally understood that it is the full-time Clerk and Recorder in these counties who actually manage the affairs of the county on a day to day basis. Voters in counties with part-time commissioners need to decide if they are willing to accept this minimal administration of their local government. They also need to decide if they are willing to vest so much responsibility in their elected Clerk and Recorders whose limited statutory obligations are to record public records, administer elections, and provide clerical support for the county commissioners. Clerk and Recorders have no statutory responsibility for deciding public policy.

The function of full-time county commissioners is radically different from the function of part-time county commissioners. For this reason this paper will be limited to a discussion of the county commission form of government where commissioners serve on a full-



time basis. Unless otherwise indicated, specific examples of how a full-time county commission works will refer to Gallatin County. These ex-

amples of performance and policies are mirrored to some extent in all of the full-time county commission governments throughout the state.

## EFFICIENCY

When citizens analyze whether their government is efficient, the discussion usually centers around the issues of consolidation and privatization. There is a common assumption that consolidation of services is more efficient than having services duplicated by several entities. We assume that when several agencies provide a the same service, that there is duplication and administrative waste. Proposals to consolidate counties and to eliminate some offices are based upon this assumption. These assumptions do not take into account that in geographically large counties, it might be considerably more efficient to disperse service providers who can interact effectively, support each other's activities, and provide more localized response. The prevailing wisdom also argues that the private sector is more efficient than government. American humor is laced with references to the inefficiency and inanity of government bureaucracies. Nevertheless, there is ample evidence that, in Montana, local governments are functioning efficiently even with greater demands and fewer resources. There are two ways to consolidate local government in Montana: by consolidating service functions and by structural consolidation of the governments themselves.

### FUNCTIONAL CONSOLIDATION

Montana statutes provide broad authority for functional consolidation of services between governments. These consolidated services can be provided by contract, mutual aid agreements, by multi-jurisdictional service districts, or by interlocal agreements. This authority is frequently utilized throughout Montana. More than 100 interlocal agreements have been enacted in Montana between 1985 and 1991. Examples of these functional consolidations abound in Gallatin

County. The County Sheriff provides law enforcement to the Madison County portion of the Big Sky resort community in exchange for compensation for the cost of an extra deputy. The County Sheriff and the Bozeman City Police have combined their dispatch and 911 services to all of the municipalities and rural areas in the county.(1). The city of Bozeman has entered into a lease agreement with Gallatin County to rent space in the county owned Law and Justice Center for the use of the City Court and the Police Department. Under this agreement the city contributed needed funds for the county to rebuild and expand the Law and Justice Center, and eliminated the cost of duplicate records for city prisoners in the county jail. This also put the detective divisions and law enforcement personnel in close proximity. Efficiencies in service were immediately realized by both entities. The County Sheriff's Department also participates in a five county Drug Enforcement Task Force through an interlocal agreement.

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*There is a common assumption that consolidation of services is more efficient*

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Gallatin County contracts with the Bozeman Firefighters Association for wildland fire protection, and contracts with the Bozeman Fire Chief for service as the Disaster and Emergency Services Director. The City of Bozeman and Gallatin County share equally in the cost of the Hazardous Response Team which cleans up after spills of hazardous materials.

All County Fire Districts maintain mutual aid agreements with each other and with surround-

ing counties to assure that adequate resources and manpower are shared when needed.

These functional consolidations have provided highly efficient service delivery. They reduce the capital investments of each agency, and have a delivery multiplier effect on the available manpower.

In the full-time county commission form of government, these interlocal agreements can be readily maintained because the continuity of governance is assured when only one commissioner is replaced every two years. The six year terms provide an opportunity for commissioners to develop and maintain effective relationships with surrounding jurisdictions. The longer terms encourage commissioners to engage in long range planning because they will still be in office when the consequences of their decisions are felt by the public.

## STRUCTURAL CONSOLIDATION

Structural consolidation can be achieved by combining city and county governments such as is the case in Butte-Silverbow and Anaconda-Deer Lodge. Structural consolidation might provide some administrative efficiencies in counties which have a single municipality where a majority of the county population resides. It does provide the risk that rural residents' concerns will be diluted by attention to urban issues. It is important to understand that when city and county governments are consolidated, the joint governmental entity is required to provide services demanded of both municipalities and counties. Consequently, rural residents will share in the costs of providing general government services. City residents will share the cost of county funded services such as district court costs, jails, prosecution and defense of crimes, recording of legal records, the coroner's office, licensing of motor vehicles, and tax collections. City - County Consolidation costs need to be analyzed carefully so citizens can anticipate who will be the losers and who will gain if this

form of government is put to a vote. Special assessment districts may be necessary to assure equitable distribution of service costs.

Structural consolidation of city and county governments encounters particular barriers in

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***City - County Consolidation costs need to be analyzed carefully so citizens can anticipate who will be the losers and who will gain if this form of government is put to a vote.***

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counties with several incorporated cities and towns. Gallatin County has the unusual characteristic of having five incorporated towns, each having its own separate cultural and economic base. Bozeman is a University town and retail center; Belgrade is a small manufactur-

ing town; Manhattan's economy is based in agriculture; Three Forks' economy is dominated by the large industries of Trident Cement and the Luzanac talc plant; West Yellowstone is a tourist based economy. In addition, the unincorporated communities of Big Sky, Amsterdam and Willow Creek have distinctly individual local characteristics. Consolidation of county government with the county seat of Bozeman would deprive these smaller communities and the rapidly growing rural population of effective local representation.

## PRIVATIZATION

Contrary to popular belief, many county governments already contract out some public services to the private sector. Private companies build roads, and provide maintenance and snow plowing. Gallatin County analyzes the cost for the county to complete every road maintenance project and then compares their cost to private sector bids. If a private company can do the project more cheaply, they are awarded the bid. Many subdivisions are plowed by private contractors and remote areas in the county can be better served by private contractors located nearby and at a lower cost. On the other hand, there are certain functions that are not profitable, and the private sector is sim-

...of example, it is not profitable to plow out a whole county on a weekend or holiday so private businesses have no interest in acquiring this responsibility. They do not want to invest in the necessary capitol equipment to handle a widespread snowstorm which requires immediate and simultaneous service. If road maintenance equipment were liquidated by local government, they would be at the mercy of the limited competition of private companies to perform essential services, and costs would increase dramatically. In most rural areas of the state there is little or no competition for essential services.

When Gallatin County conducted research to decide whether to privatize or expand their nursing home, they learned that a mix of public and private facilities benefits the community. A public nursing home does not make a profit, but it can and does operate efficiently enough to fund itself with little or no tax dollars. A publicly run nursing home sets the standard of care in the community, and keeps costs to residents at a minimum. In order to compete for residents, the private sector needs to provide comparable care and rates. When Gallatin County expanded its nursing home recently, they achieved greater efficiencies with more residents. The kitchen was expanded sufficiently to provide meals for the county detention center. Staff needs were reduced in the county detention center and costly kitchen renovations were avoided. The first year that meals were transported from the Nursing Home to the detention center, \$25,000 was saved.

Garbage collection and disposal is another fundamental service that can best be provided with a mix of public and private enterprise. Many counties contract with the private sector to haul garbage and operate a landfill. However, if a county had only one hauler who also operated the landfill, they would be at the mercy of a monopoly to provide quality service at reasonable rates. The Public Service Commission in Montana does not regulate rates for landfills or garbage haulers. Gallatin County citizens contract with private garbage haulers but the county maintains the landfill. The landfill is operated on contract with a

private company. There are numerous cases throughout the nation where privately owned and operated landfills have created a serious pollution problem and did not have the resources nor the legal obligation to provide a remedy.

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***In most rural areas of the state there is little or no competition for essential services... costs would increase dramatically..***

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Local government then had to step in with a bond issue to clean up the problem. The liability was ultimately passed on to the public sector which has the responsibility to protect the public

health and safety. The quality control at these landfills was difficult during the operation by the private sector, but the burden of dealing with the consequences of poorly managed landfills eventually became the responsibility of the government and its taxpayers.

Mental Health Services in most counties in the state are provided by a private, non-profit corporation under contract with the state and local governments. Counties pay Mental Health Services, Inc. one dollar per capita to assure that the corporation will provide essential services such as crisis intervention and care for those unable to pay as well as services which can generate a profit. Mental Health Services, Inc. provides over \$500,000 worth of services in Gallatin County although the county subsidy to guarantee this service is only \$54,000.

Privatization is a good way for governments to perform many services efficiently as long as no company maintains a monopoly which would give them the opportunity to charge unreasonable rates or provide reduced quality of services. The Limits of Privatization by Paul Starr of the Economic Policy Institute is an excellent paper which provides a clear and detailed analysis of the benefits and deficiencies of privatization of government services. (2).

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Local government study commissions need to examine whether or not the governments they review are operating efficiently. They then need

to determine whether or not any inefficiencies they observe are a result of some structural deficiency or some other cause.

## PROFESSIONALISM

Discussions about professionalism in county government frequently revolve around consideration of a county manager form of government. The International City Managers Association refers to the manager form of government as "more" professional and asserts that a manager will provide more qualified, professional administration and leadership. Part-time elected commissioners make policy and the manager implements it. The manager hires and fires personnel and supervises all professionals who carry out government functions. What is missing from comparisons of county manager and county commission forms of government is that commissioners already have the authority to hire and fire and supervise professionals in any field they deem necessary for the professional operation of the county.

All urban counties in the state of Montana have hired professional staff to assist them with complex duties. While many of the smaller, rural counties have few hired professionals on staff, they often contract out for projects such as engineering, personnel management, risk management, and data processing.

In the case of Gallatin County, the board of county commissioners have hired a professional financial manager, a personnel director, a planning director, a road supervisor, a facilities operations director, a county health officer, a rest home administrator, a systems analyst, and have authorized the hiring of three accountants. Each of these professional department heads is highly

qualified, and has received recognition on both state and national levels for their expertise. If a county manager were to be hired, professionals in these separate disciplines would still be needed. Therefore county managers are necessarily generalists.

## FINANCES

Professional fiscal management has resulted in clean external audits year after year. The county has an excellent bond rating, low debt, and invests and manages tax dollars effectively and efficiently. The budget is always balanced, and reserves have been kept at a responsible level to provide for stabilized mill levies, adequate cash flow between tax collections, and unexpected contingencies. County expenditures have increased approximately one half the increase in inflation since 1987 in spite of the costs of delivering more services to a rapidly growing population and in spite of the county being required to carry out more and more responsibilities as a result of federal and state mandates.

In their popular book Reinventing Government, Osborne and Gaebler argue for changes in public budgeting processes to eliminate the "use it or lose it" mentality which is responsible for much government waste. As a corrective they cite numerous instances where government officials initiated a budget process which allowed department heads to carry over unspent funds in their departments to plan for long term improvements in their departments. This provides an incentive



budget year.

Gallatin County initiated this innovative approach to budgeting in 1987, four years before Reinventing Government was published. In April of 1987, the Gallatin County Commissioners kicked off the budget preparation season by hosting the first annual "State of the County" meeting with all department heads. At this meeting department heads were presented with facts about the current financial situation of the county and its implications. Commissioners explained the meaning of new legislation and revenue projections so the department heads would prepare their budget requests with full information about county resources. Department heads were taught that county revenues consist of four essential components: property tax revenue, nontax revenues, interest from investments, and the cash carry-over from the previous year. For the first time, department heads were shown how their personal management of money affected the entire county budget. They learned the importance of a positive cash carry-over to allow for raises in the next fiscal year. Government budgets must provide an adequate level of surplus to help control uncertainty, and to provide flexibility. The commissioners provided an incentive to not liquidate all budgeted monies the final few weeks of a fiscal year. They promised to rebudget unexpended monies to the next fiscal year.

Alternatives to increased revenues were discussed. Copying charges which were too low were doubled to cover real costs. All major purchases were to be delayed until they were critically needed in order to keep county monies invested for as long as possible and increase interest earnings. Everyone agreed to cut travel to a bare minimum and to reduce the number of long distance phone calls.

Department heads were able to prepare budget requests based on real possibilities and with some sense of being a part of a larger picture. Instead of competing for a bigger piece of the pie, they realized that the pie was smaller and everyone would get less. They further realized that waste and inefficiency in any county department would adversely affect all the other departments. The results were dramatic. Despite very difficult cut-backs and constraints, employee morale began to show improvement. Within nine months, cash positions had improved significantly in all departments. Cash-on-hand showed a phenomenal 55.8 percent gain over the cash-on-hand the previous year. Expenditures were up 5.04 percent but this was nearly offset by a 3.52 percent increase in nontax revenues. Department heads jealously scrutinized their expenditures, preparing for future capital improvements, improved staffing, and more efficient service delivery.

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*Department heads were able to prepare budget requests based on real possibilities and with some sense of being a part of a larger picture.*

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#### PERSONNEL ADMINISTRATION

Modern personnel management is crucial to the success of any organization. Numerous state and federal laws affecting hiring practices, equal employment opportunity, employee discipline, benefits, safety regulations, workman's compensation, union contract negotiation and the Americans Disabilities Act must all be implemented with effective knowledge and specific education about these complex requirements. Excellent employees cannot be hired and motivated to perform well when good personnel policies are not in place.

The fact that Gallatin County has a professional personnel director has resulted in the hiring and retention of an excellent staff to serve Gallatin County. The personnel policies in place have provided the county with a record of fairness and equity for employees. In 1987 a county employee filed a constructive discharge lawsuit against the county. The case was settled out of court only because the insurance company representing the county determined that it was cheaper to settle than to litigate. Other than this case, no wrongful discharge or hiring discrimination law-



suits have ever been successfully litigated since the personnel director was hired in 1984. Periodic market studies have kept salaries competitive, and a flexible benefits plan has met employees needs and has significantly reduced the costs of FICA for the county. A self-funded health insurance program has been developed which has kept Gallatin County's insurance rates among the

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***...personnel policies in place have provided the county with a record of fairness and equity for employees.***

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lowest in the state. The county has left the state's Workmans Compensation Program and joined the program of the Montana Association of Counties. The county realized a \$40,000 savings during the first year of this affiliation. Workman's compensation rates have been steadily reduced further by careful scrutiny of claims and an ongoing safety program. In addition, the county personnel department provides periodic education programs to all personnel so their skills are continually updated. They are trained in how to hire effectively, supervise employees well, and improve performance by applying modern professional management policies. An employee assistance program has been established to further assist employees who might be having problems which could affect their job performance. Gallatin County employees do not receive an annual step increase until they have been given a positive annual performance evaluation by their department head. During these annual performance reviews, goals are set for future activities and improvements which benefit both the employee and the county.

The Personnel Director is also the Coordinator for the implementation of the Americans Disabilities Act. A complete evaluation of facilities for compliance with accessibility requirements has been completed and the plan to implement necessary changes is nearly complete. A new ramp has been built at the Courthouse, power doors have been installed, the courthouse elevator has been modified, all county buildings have ADA compliant signage, and the phones and water

fountains have been lowered. Plans are underway to provide handicapped accessible restrooms in the Courthouse.

## LAND USE PLANNING

The Planning Department has grown from one planner in 1984 to four planners in 1994 to keep up with the rapid growth of the county. All four planners have Masters Degrees and two of the planners are accredited by AICP. The Planning Director was a charter member of AICP and a charter member of the initial Board of Examiners of the American Planning Association. In addition to twenty-five years experience as a planner, he is a corporate member of the American Institute of Architects and is a licensed Montana Architect.

A recently adopted zoning ordinance in the Springhill Zoning District received a national award for excellence in 1993. The county adopted a Comprehensive Land Use Plan in 1993 and the planning board is considering acceptable ways to implement the plan in the unzoned areas of the county. The county has fourteen planning and

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***Land use decisions are one of the most important functions of a county commissioner.***

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zoning districts. Zoning ordinances are periodically reviewed and updated. A Comprehensive Land Use Plan, Zoning Ordinance and Capital Improvements Plan for the Big Sky area has been drafted and public hearings are underway for its adoption. In addition, a nationally recognized expert on impact fees has recently been hired on contract to develop an impact fee policy for the county. This would be the first impact fee policy in the State of Montana.

Land use decisions are one of the most important functions of a county commissioner. The county commissioners review all subdivisions of property under 160 acres in size. The subdivision policies of the county are well developed and

are currently being updated. The goals of these policies are to preserve the quality of life in the county, provide adequate infrastructure to assure the public safety, require county standard roads which will adequately handle present and future traffic, and provide fire protection to new subdivisions. The policies also put the burden of the cost of new development on the developer, not on the citizens of the county. For example, all subdivision roads are required to be built by the developer and maintained by the homeowners association, not the county. County commissioners also sit on the fourteen zoning district boards, along with the Clerk and Recorder/surveyor and the Treasurer/Assessor. The Planning Department has provided ongoing training to the planning board and to the zoning commission so that they are continually updated regarding recent case law affecting land use decisions.

## ROADS

Gallatin County maintains 243 roads totalling approximately 1300 miles, 328 bridges, and nearly 5000 culverts. Most of the county roads are gravel and were constructed for rural traffic. The population of the county has increased by 16 percent between 1990 and 1994. This rapid growth has increased traffic on county roads and has challenged the ability of the county Road Department to keep them maintained. A gravel road can be effectively maintained at a maximum capacity of 100 cars per day. Most of Gallatin County's roads have more than 500 cars per day, so maintenance requirements have increased and major upgrades are required. However, the county road budget is frozen under the I-105 mill levy of 1986, and funds are simply inadequate for major road improvements. To compound this problem, in 1987, all counties in the United States lost federal revenue sharing. In Gallatin County this amounted to the loss of \$500,000 per year, the bulk of which had been used to purchase road equipment and to improve roads.

In spite of these constraints, the Road

Department has made at least one major road improvement each year. Twenty miles of gravel roads were resurfaced in 1994 alone. Priorities are set in the spring of each year, and reconstruction projects are phased in to the extent allowed by funds. The County Road Supervisor has dili-

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***.....county road budget is frozen under the I-105 mill levy of 1986.... To compound this problem, in 1987, all counties in the United States lost federal revenue sharing.***

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gently prepared plans and submitted them to the State Transportation Department to access state and federal assistance when it became available. The largest construction project in Gallatin County in 1994 and 1995 is the North 19th Interchange. The Interchange is a nearly \$13 million project, funded and planned cooperatively between the federal government, the state Transportation Department, Gallatin County and the City of Bozeman. When completed in the summer of 1995, the Valley Center Road will be improved and connected to the new Interchange. Other major construction projects for the same year include the reconstruction and paving of Sourdough Road, with the majority of the cost paid by the developer of Triple Tree Subdivision. Three miles of Little Bear Road and River Road were paved with recycled asphalt. These two projects were funded with county dollars and contributions from landowners. As part of the Little Bear Project, the county rebuilt a bridge on the road. County projects funded with state "Save the Secondary" dollars included a five mile overlay of Springhill Road and a thirteen mile chip seal on West Dry Creek Road from Belgrade to Manhattan.

The Gallatin County Road Supervisor has been appointed to numerous Task Forces and committees by the Governor and the state Transportation Department, attesting to his professionalism and expertise. He was also elected as the President of the State County Road Supervisor's Association.

## BUILDING MAINTENANCE

The difficulties of maintaining historic buildings and adapting them to modern functions are obvious. Since Gallatin County hired a Facilities Maintenance Director, the roof on the Courthouse has been replaced and insulated to reduce energy costs. The boiler has been rebuilt, all asbestos has been removed, the interior has been painted using labor provided by jail trustees, historically compatible light fixtures have been installed, and handicapped accessibility has been enhanced as described above. Energy efficient windows were installed years ago. A long range facilities planning committee was created to assess current and future facilities needs for county functions. The committee report is currently being implemented. An architect was hired on contract to do a complete code review of the Courthouse, as-built drawings were completed, and now the third phase of planning for future offices is near completion. Dropped ceilings are planned to provide for modern wiring for full computerization. The motor vehicle department has been remodeled to be more efficient and handicapped accessible, and many offices will be moved. The Clerk and Recorder's office was completely remodeled in 1992, using filing fees to pay for the improvements. A new phone system has been installed which provides the efficiencies of voice mail and better interoffice communications. County buildings are cleaned by a private cleaning firm.

## COMPUTERIZATION

In 1987, the only county function which was fully computerized was the assessment and taxation function. Payroll was computed manually as were tax collections. Today every office in county government is computerized to some extent. An entire position in the Treasurer's Office was eliminated by computerization. The legal system in the county has access to the Montana Codes on CD-Rom, the Planning department has a modern mapping system, the Road Department is currently implementing a CAD system to

map roads and keep the addressing system current. The Health Department and the Rest Home do all medicare and medicaid billing by computer. The budget process has been greatly expedited by utilization of computers. The accounting system is fully computerized. Plans are in progress to provide E-Mail to all county offices and in the future a GIS system. The county also plans to provide computer access to plats by scanning plats, and making them available by means of optical storage. These plans of course require significant capital expenditures and staffing for data input. The benefits are that citizens will be able to access public information more readily, fewer staff will be needed to assist the public with plat books, and paper records will be significantly reduced.

## HEALTH DEPARTMENT

The emphasis of the County Health Department has shifted from nursing activities to environmental health issues in recent years. The county is responsible for inspection of underground storage tank removal, septic system permits, air quality, and water quality. An air quality task force was appointed by the county commissioners and a draft ordinance is being considered for hearings this year. The ordinance was drafted with the goal of preserving our air quality before it fails to meet its current high standards. The commission has also proposed a Local Water Quality District to provide data on water quality and quantity throughout the county. The County Health Department continues to provide immunization clinics, blood pressure screening, aids screening, school health programs, restaurant inspections, the federal WIC program, maternal and child health programs, and nutrition programs.

## COMMISSIONERS

County Commissioners themselves are receiving more training to exercise their duties more professionally. New commissioner orientation is provided after every election by the Local Government Center and the Montana Association of Counties. This training includes budgeting, risk

management, ethics, planning and zoning issues, personnel administration, and disaster and emergency services. Experienced commissioners are also provided with ongoing training to assure that they keep current as legal requirements change and new problems arise. Training is provided twice a year at the MACO midwinter meeting in February and at the MACO annual convention in September. During the year MACO has numerous committees which study health issues, transportation issues, subdivision and impact fees, and solid waste disposal. These training efforts have increased steadily in the past years as the duties of county commissioners have been increased by state and federal mandates and by the problems associated with growth and fiscal constraint.

## RESPONSIVENESS

The characteristic that most clearly distinguishes the county commission form of government from other forms of government is the fact that essential government services are the responsibility of many elected officials. While this scheme appears at first glance to be confusing and fragmented, numerous attempts to replace the Commission form of government have been defeated nationwide. The reason for this support for the commission form of government is that it is unquestionably more responsive than any other form of government. If taxpayers are dissatisfied with the performance of the Sheriff, he is defeated in the next election. If they do not like the treatment they receive from any elected official's office, that official will make effort to improve performance or be removed by voters at the first opportunity.

A review of the attached organizational charts demonstrates clearly the differences in access of the citizen to the specific department heads in both the county commission form of government and the city manager form of government (which is essentially the same form as the county manager form of government). The county commission organizational chart shows that, in addition to the three county commissioners, there are ten elected officials directly responsible to the people. While this form might appear to be fragmented, the fact is that it provides essential checks and balances between the offices. The commissioners oversee the budgeting of all departments, but the auditor has the responsibility to assure that the policies follow the law and sound accounting principles. The auditor can deny claims that are not documented or that do not comply with the law and adopted policies. The interaction between the county attorney, the coroner, law enforcement and the courts again provides balances between the powers and duties of these offices.

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***....the commission form of government is unquestionably more responsive than any other form of government.***

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When the public is dissatisfied with any county services, they have direct and immediate access to the elected officials.

The organizational chart of the manager form of government provides a stark contrast to this accessibility. Commissioners in the manager form of government are prohibited by law from directly hiring, firing, directing or supervising county employees. Their concern about any employee's performance must be conveyed to the county manager who deals directly with all employees. If a commissioner is dissatisfied with the implementation of any policy, he or she can only deal with their concerns through the county manager. The manager, who is hired by the commission, never has to face the electorate, and exercises nearly total control of government operations.

The county manager also exercises a great deal of control over the information which is available to the commissioners. Commissioners meet once a week, make policy based on information provided to them by the manager then go home to their full-time jobs. Their part-time status can be an impediment to their ability to master all of the regulations and information pertinent to mak-



ing legally defensible decisions. The fact that they have no offices or staff accountable to them makes citizen access more difficult. Citizens must catch them at home to discuss their concerns about pending issues. These discussions are outside of the public hearing process and outside of the scrutiny of the public at large. In the county commission form of government, commissioners and other elected officials have regular full-time office hours and their meetings are scrutinized by the press and open to the public. Their meetings are recorded in the daily minutes for all to see.

Another important consideration when comparing the two forms of government is that in the manager form of government, the commissioners make policy, and the manager has to figure out how to implement it. In the commission form

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***...the closer government is to the people, the more people trust it.***

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of government, commissioners both make policy and are responsible for its implementation. Policy decisions have to be considered in all of their practical aspects and with attention to administrative feasibility. Commissioners will be unlikely to make sweeping

policy changes that can not be practically implemented.

Finally, the form of government selected needs to be compatible with the constituency being represented. The manager form of government has been highly successful in jurisdictions where the constituency is relatively homogeneous. Most county constituencies on the other hand, are usually very heterogeneous. The jurisdiction of county commissioners includes rural, agricultural, suburban and urban constituents. Balancing their diverse needs and political expectations requires the highest level of responsiveness. Elected officials with specific responsibilities to the public can best represent the diversity of interests in a county.

## CONCLUSION

In conclusion, study commissions need to study whether or not their governments are efficiently, professionally and responsively performing their duties. Gallatin County meets the test of all three criteria. The achievements in improving the quality of government functions, the efficiencies gained in providing for the needs of the public and the progressive professionalism of county staff members demonstrate the success of the commission form of government in Gallatin County during the last decade. Much remains to be accomplished to meet the requirements demanded by rapid growth. Whether the county will be able to meet the demands of the 21st century will depend not on the form of government, but on the leadership of those elected to serve. It will also depend a great deal upon its ability to acquire and utilize modern technology to gather and organize information, and deliver effective services.

In counties where the commission form of government cannot be judged to be successful, study commissions need to study whether deficiencies are the result of the form of government or the result of unqualified officials and hired personnel, inadequate resources, or overwhelming problems which are caused by other circumstances. Local government faces enormous challenges in the future. The United States Congress is in the process of a policy of rapid devolution, passing more and more responsibilities down to state and local governments. The reason they give is that the closer government is to the people, the more people trust it. Perhaps this is because local governments are doing a good job.

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## ENDNOTES

1. The Town of West Yellowstone maintains a separate dispatch because geographical features prohibit reliable radio reception between Bozeman and West Yellowstone.
2. Paul Starr, "The Limits of Privatization," (Washington, D.C. Economic Policy Institute), 1987.



## THE YELLOWSTONE SEMINAR: A MODERN DAY RENDEZVOUS FOR LOCAL OFFICIALS

**Tim Swanson:** President of the Greater Yellowstone Coalition Board

*Tim Swanson served as an interested and unusually well informed observer at the first Yellowstone Seminar for Local Government Officials held at Big Sky, Montana last fall. His commentary on this first ever meeting of commissioners, mayors and council members from the counties and municipalities in the three state region surrounding Yellowstone and Teton parks documents the common issues of concern in this rapidly growing region. The author also reports and assesses the participants shared sense of frustration with traditional land use planning processes that don't seem to work well in an environment of distrust of government. The Yellowstone Seminar convened once again this Spring when an even larger group of elected local officials assembled to discuss growth issues with one another and with the principal federal land managers of the Yellowstone ecosystem.*

*Mr. Swanson is also a former Mayor of Bozeman, Montana.*

**W**hat tone of discussion occurred when locally elected representatives from most of the twenty counties surrounding the Yellowstone-Teton Parks rendezvoused for the first time in the fall of 1994? Local leaders represented a broad political spectrum. Mayors of fast growing towns like Red Lodge, Cody and Idaho Falls were seated next to county commissioners from huge, slow growing, agricultural jurisdictions. The event was the Yellowstone Seminar for Local Government Officials. The place was the Lone Mountain Ranch at Big Sky, Montana.

The region's most difficult problems were anted up on the table for discussion. The gathering started with an overview presentation of the changing regional economy where immense "trophy homes" sprout like spring bulbs, in all too conspicuous view of too many long-time locals who struggle to find affordable places to buy or rent and whose incomes keep falling further behind the nation's.

Predictably contentious topics followed: county master planning, zoning and building permit initiatives, building moratoriums, impact fees, the lack of federal, state, and local government cooperation, and the troubling emergence of "wise-use" and "county supremacy" advocates.

Would long-winded, partisan accusations start flying? Anyone watching Congressional debates and the political free-for-all in the Idaho, Montana and Wyoming Legislatures might conclude this meeting of local government officials would have been extremely contentious. It wasn't.

The final moments of the second day of the Yellowstone Seminar were drawing to a close at the Ranch. Nothing like this meeting had ever happened before in Yellowstone country. Jackson's Mayor, Jeff Crabtree wanted the floor. Dr. Ken Weaver, Director of The Local



Government Center at Montana State University and the seminar moderator was struggling to bring the assembly to a timely closure. Nevertheless, Jackson's Mayor would like to make a comment. "Please keep it short Jeff. We all have lots of windshield time ahead of us." Mayor Crabtree began.

*"The hardest thing about working in local government is that nothing is positive. Everything works in a negative manner. You get depressed. It's hard to work this way. This was the most positive meeting I've attended in the last three years. It's a great step in the right direction. To see the positiveness that everybody carries with them will help all of us."*

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***A powerful magnet is at work in the Greater Yellowstone Region. We can expect 70,000 new residents over the next fifteen years to be lured into the twenty counties of the three state region with the collective promise of fresh air, clean water, vast open spaces, abundant wildlife, diverse recreational opportunities, and the chance for a safer, saner setting to work and to raise a family.***

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period their comments focused on how overdue and how important this meeting was. Other members of the team included Robert Chambers, economic development specialist from Idaho State University; Mike Morgan Executive Director of the Fremont County Wyoming Association of Governments;

Lill Erickson, Program Director of the Corporation for the Northern Rockies; Dennis Glick, Community Affairs Director for the Greater Yellowstone Coalition; and Tim Swanson, former Mayor of Bozeman. All recognized they had played a small role in a long overdue and perhaps historic event.

A powerful magnet is at work in the Greater Yellowstone Region. We can expect 70,000 new residents over the next fifteen years to be lured into the twenty counties of the three state region with the collective promise of fresh air, clean water, vast open spaces, abundant wildlife, diverse recreational opportunities, and the chance for a safer, saner setting to work and to raise a family.

If these twenty counties in Wyoming, Montana and Idaho were organized as a state, it would be one of the fastest growing in the nation. Yes, the quality of life in the Yellowstone region is a powerful magnet, and for the first time in history, it has pulled together the region's elected county and municipal officials. The time had finally come to sit down and talk things over.

In Ivan Doig's recent memoir, *Heart Earth*, he comments on his in-laws the Ringers who, in the early 1920s, were employed by the Ringling circus family near the community of White Sulphur Springs, Montana. The Ringlings could afford Montana as a hobby; the Ringers were "barely clinging to the planet". As far as the "barely clinging to the planet" part of the quote goes, there were numerous and powerful statements made by the Seminar participants that confirm the fact that too many residents throughout the Yellowstone country are struggling to make ends meet.

Mike Morgan, Fremont County, Wyoming described the economic climate in his county, "You hear about the taxpayer revolt. Well, it's a revolting situation." Fremont County lost population between 1980-1990. Eight out of ten of the new jobs created in the county during the period were in the generally low paying service sector. A study of wages from manufacturing jobs revealed surprising data. Even these supposedly high-paying jobs averaged a

meager \$4.75 per hour. State economists predict that per capita income in the county will have fallen from 100 percent of the national average in 1980 to 63 percent by the year 2000. Housing prices have risen as incomes have fallen, leaving many county residents in a position of not being able to afford to buy or rent homes in their own communities. Welfare payments have gone up 400 percent.

Morgan asked the group a pointed question, "When taxpayers don't have enough money to pay bills and their taxes, with enough left over to afford a decent quality of life, who are they going to take it out on?" Seminar participants knew the answer from personal experience.

Ample comment from elected officials spoke about folks coming into the region who could afford it "as a hobby". Drove of well-heeled newcomers are arriving in their communities ready to purchase second and third homes and trophy

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***Gallatin County, Montana Commissioner Jane Jelinski summed up the mood around the table, "We are growing so fast we can't fill the potholes."***

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ranches. A Teton County, Idaho Commissioner talked of wealthy doctors from Salt Lake City buying property and trying their hand at market disrupting, part-time ranching. Red Lodge's Mayor Brian

Roat described explosive growth in his small town. "We were a town where nothing was happening then all of a sudden everything started happening. I think pretty soon our region is going to be in the record books as far as growth goes." Gallatin County, Montana Commissioner Jane Jelinski summed up the mood around the table, "We are growing so fast we can't fill the potholes."

"It's time. It's time. It's time." Stillwater County, Montana Commissioner Fred Weiler, a rancher with decades of experience and commitment to local government, had finished dinner and was enjoying a final sip of his coffee and a nice visit with his new friends from Idaho and Wyoming. Gazing into the bottom of his cup, he looked as

though he had come to closure in an agonizing internal debate over the need for planning in his county.

With the prospect of thousands of new residents entering the region over the next decade, local officials were eager to share opinions, insights, successes, and mistakes concerning the issue of land use planning. "Everyone started yelling at each other and no one learned anything." Commissioner Jelinski described the meltdown of Gallatin County's efforts to initiate a land use permit system. After two failed attempts to create a master plan, the commissioners held a series of meetings throughout the county in 1989-90. They listened and explained. The dominant message from the public in Gallatin County during these "scoping" meetings was a contradictory one, "We don't want our neighborhoods to change *and* we don't want any planning."

Gallatin County Commissioners responded, "If you want a say in what happens in your community a master plan needs to be adopted and some form of zoning to implement the plan needs to be put into place. We are not trying to fool you. We want everyone to participate." The master plan process appeared to work; only four protests were received. When it came time to act on the permit system the commissioners seemed to make one critical mistake after another. In Jelinski's words, "We blew it".

Their ill-fated effort began with mailing out the *draft* document. The public never saw the word "draft"; suspected that they were looking at a done deal and got defensive. Rather than conducting or attending the public hearings on the draft, commissioners sent out a non-elected, inexperienced, and uninformed planning board. A small group of highly vocal anti-planning citizens traveled from meeting to meeting and dominated the public comment process. Most people never had a chance to say what they thought, according to Jelinski.

She maintains, "the problem was the way we did it, not the content of what we did." The

commissioners are letting the issue settle down. A clearer rewrite of the permit system is being drafted. When it's completed, they will take the plan to the citizens themselves and will conduct highly structured hearings to listen and to explain, making sure that everyone feels comfortable enough to state their opinions. Commissioner Jelinski, reflecting on the failure of the first round of the permit system proceedings, worries whether the public will come back or will just sit out the next round of hearings.

life, and Parks. The charters and mandates of these various agencies are unique and their differing objectives are not well understood by outsiders and are even more obscure to local officials and well informed county citizens. It is not an exaggeration to say that when these agencies make a move in Beaverhead County, Montana the tremors are like earthquakes.

How does a county with limited resources respond to the Goliaths among them? The "county supremacy" and "wise use" proponents want to declare war, arguing that because the land belongs to the people, the people should manage it themselves or sell it outright to private parties such as ranchers or developers. But most citizens and local officials accept the status quo and muddle along with limited knowledge and lots of frustration. Beaverhead County, Montana rejected the status quo and the belligerent "county supremacy" alternative. They decided to create something new.

Beaverhead County Commissioner Spencer Hegsted asked his fellow county commissioners a question regarding the "county supremacy" position "Do we want to replace all these agencies? If we do, we will have to grow our county government dramatically." The commissioners decided what they really needed was more information, input, and cooperation from the federal and state agencies. Commissioners initiated discussions with the Forest Service, Bureau of Land Management, and the other governmental agencies in the Beaverhead. They then negotiated and signed a "memorandum of understanding" concerning a coordinated ecosystem approach to planning in Beaverhead County. The document states the following:

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***The "county supremacy" and "wise use" proponents want to declare war, arguing that because the land belongs to the people, the people should manage it themselves or sell it outright to private parties such as ranchers or developers.***

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*The actions of state and federal land management agencies can and do have significant effect on the economic and environmental climate of Beaverhead County. The agencies have a responsibility and obligation to coordinate the preparation of these plans with local governments and agencies. Conversely, state and local government*

Park County, Wyoming Commissioner Jill Shockley-Siggins encouraged her own sister to get involved in the public hearing process regarding the county's draft master plan. As the hearing wound-up the commissioner's sister gave a terse assessment of the evening. "I can't believe you are foolish enough to walk into this den." The county's "wise use" advocates had taken over the meeting. Shockley-Siggins described their tactics. "I can tell you that these people are mean in their approach. When you talk about drawing lines in the sand, they draw them and they are unwilling to talk about a different approach. They fear the federal government. They want nothing to do with new regulations. They fear that county government is going to do what they perceive the federal government has done; take away their rights. If you don't see it their way you are not one of them; you are one of the bad guys."

Imagine living in the largest county in Montana. Two-thirds of this huge, five hundred thousand hundred square mile county is managed by federal and state agencies, including the Bureau of Land Management, the U.S. Fish and Wildlife Service, Forest Service, Montana Department of State Lands, and the Montana Department of Fish, Wild-

*agencies have an obligation to join with the federal agencies to ensure that the needs of the citizens of Beaverhead County are recognized and addressed in the resulting plans. Therefore, it is recognized that it is in the best interest of all parties to join together in a coordinated effort to develop and implement plans.*

An interagency steering group has been created in Beaverhead County and it acknowledges that their authorities are distinctly different but at the same time it "...recognizes the need to better coordinate with each other and share a broader vision of how their coordinated actions can contribute to implementing an ecosystem approach to resource management in the Assessment Area." The steering group recognizes the multiple-use philosophy of the BLM and the Forest Service and has agreed to share information, resources, personnel, funds, technical assistance, training, and workshops. The community values, opinions, and perceptions of Beaverhead County residents will be considered as a part of the commitment to overall public participation.

Commissioner Hegsted thinks that the toughest challenge is selling the concept to the public. He has enlisted the Montana Consensus Council to help in the county wide citizen education effort. Hegsted thinks the most practical benefit of the work so far is, "We can now talk to the federal and state land managers on a first name basis."

Hegsted, Shockley-Siggins, Jelinski, and Morgan all told stories of working in deeply disturbed communities. Shrinking incomes and rising prices, especially in the area of housing are dimming hope of attaining a decent quality of life for many people. Community values are being threatened as never before as thousands of new residents arrive. As a result, some of their citizens are looking for scapegoats. Elected officials, hired staff, and appointed boards too often fill that role.

Peter Drucker, world-acclaimed management consultant and social visionary, believes the

emergence of a knowledge-based economy is causing revolutionary change throughout the world. Drucker believes the future role of government will grow not shrink as is so commonly advocated in today's political debate, but it's services will be delivered in many new ways. The statistics seem to favor his thesis. Between 1970 and 1990 state and local government in the Yellowstone region has grown by 85%, as compared to 52% for the whole nation. The population of our region grew from 230,000 to 320,000, a startling 39% increase or 90,000 new people. With an additional 70,000 residents expected over the next fifteen years and a wave of new responsibilities passed to local government by the federal and state levels, local officials in the Yellowstone region will be under intense pressure to perform their already demanding duties even more effectively.

Challenging times confront those who serve their counties and communities. Public meetings dealing with land use and other equally complex public policy issues are degenerating into mean-spirited "dens" where elected officials are increasingly battered for the decisions their citizens expect and the law requires them to make. Perhaps the most important lesson from this first Yellowstone Seminar was that elected county and city officials must go back to the basics, concentrating on how to run fair meetings where people will feel assured that the democratic process will work and their interests will be heard and seriously considered. At the same time, citizens need to pay more attention to the local decision process and recognize that good community solutions will take more time, more patience and a greater tolerance for the legitimate views and interests of others.

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***Perhaps the most important lesson from this first Yellowstone Seminar was that elected county and city officials must go back to the basics, concentrating on how to run fair meetings where people will feel assured that the democratic process will work and their interests will be heard and seriously considered.***

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From such robust beginnings, the future of the Yellowstone Seminar seems assured. The counties, cities and towns who share responsibility for governing in this remarkable ecosystem have too much in common and too much to learn from each other to let the spirit of hope that permeated the Yellowstone Seminar's first gathering, fade away. No one has written more eloquently about the West's hopeful spirit than Wallace Stegner. In *The Sound of Mountain Water* he writes: "

*Angry as one may be at what heedless men have done and still do to a noble habitat, one cannot be pessimistic about the West. This is the native home of hope. When it fully learns that cooperation, not rugged individualism, is the quality that most characterizes and preserves it, then it will have achieved itself and outlived its origins. Then it has a chance to create a society to match its scenery.*

With the Yellowstone Seminar in the spring of 1995, local officials in Yellowstone country may be one step closer to achieving Stegner's vision. We wish them well.