An Editorial
by Bob McEvoy, Managing Editor

Now is the time to prevent the next shooting of our children, grandparents, and other innocent Americans, here in the home of the free and the brave. As you know, a brave senior citizen recently sat on the arm of a very disturbed shooter and prevented his reloading another magazine which would have been used in killing many more than he had already killed. We are better than this, especially in county government where we prevent children’s deaths from abuse and neglect over and over again. Let’s stop debating the second amendment. It is not about the right to bear arms. It is about preventing those with mental illnesses from obtaining the guns that have tragically killed our children and other loved ones. This great nation has tasked us in county government to care for and help those with mental illnesses—and we do it every day. Let’s do this also.

As I was doing the research for this issue of The Journal of County Administration, I was drawn to Harvard Medical School and the work of Dr. Ron Schouten, Professor and Director of the Law and Psychiatry Service at Massachusetts General Hospital where he currently works on assessing the mental state of criminals. I spoke with Dr. Schouten and asked him to introduce the startling results of his research which is presented for you here accompanied by his wisdom to guide us in preventing this continuing tragedy.

Introduction
by Ronald Schouten, MD, JD

As county administrators, you attend to every aspect of the day-to-day lives of our communities, ensuring the effective and efficient operation of the systems that serve the public. No matter how well organized and managed, any system can be disrupted by individuals—either members of the public or county employees—who say or do things that distract managers and coworkers from their service to the community. No doubt every county administrator has had at least one such encounter. Whether it involved hostile and threatening behavior, pathological lying, excessive demands, stealing, or any of a host of other antisocial behaviors, you may have been left scratching your head and wondering, “What was that about?” In my book, *Almost a Psychopath*, my co-author and I help you answer this question.

Psychopaths—people who consistently exhibit antisocial behavior, aggressive self-interest, lack of empathy, and a disregard for right and wrong—make up about 1% of the population. But a much larger group, up to 15% of people you know or come into contact with, exhibit serious and destructive psychopathic traits that fall short of a diagnosis while still causing serious harm. They are subclinical psychopaths, or what we call “almost psychopaths.” You’ve met some of them already and will encounter these folks at various times in your work.

In *Almost a Psychopath*, we describe psychopathic behaviors, the possible causes of them, and ways to approach the problem in a variety of settings, including the workplace, relationships, and the community. We are delighted that the Journal is excerpting part of the book, and hope that you find it useful in the important work that you do.

Setting the Stage
by Ronald Schouten, MD, JD

One of our colleagues regularly opens his talks on malingering and deception by asking how many people in the audience have ever told a lie, even the smallest fabrication. Nearly every hand goes up. Then he asks how many have ever taken something that does not belong to them, no matter how insignificant, perhaps a paper clip or pen from work. Again, nearly every hand goes up. He then says, “It’s nice to know that I’m speaking to an audience of liars and thieves.”

(continued on page 3)
by Peter Crichton, County Administrator, Cumberland County, Maine

Our summer NACA meetings in Allegheny County were very productive! Your NACA Board is continuing to develop and build on the strengths of the association to add more value for our members. The leadership team of NACA, including your officers, directors, committee chairs, and past presidents, know full well the challenges that you are all facing today as managers and administrators. This is truly a period of real transformation for towns, cities and counties throughout the United States, and it is vitally important that NACA continue to take steps that will help to enhance the position of county administrators in this country.

The good news is the leaders of NACA are working together with ICMA and NACo to strengthen our communications and find more ways to encourage professional excellence and to improve the management of county government. NACA hopes to achieve these goals by:

- Sharing knowledge, information and experience among the members of the association
- Assisting counties with the establishment or improvement of effective county administration in the United States
- Encouraging continued professional development of county administrators
- Developing and maintaining our professional association with the International City/County Management Association (ICMA)
- Assisting the National Association of Counties on matters having an impact on county government.

It has been said that in order to achieve success, you have to know where it is that you want to be. Well, I am sure you would agree that this is easier said than done. But, fortunately, over a year ago Veronica Ferguson (veronica.ferguson@sonoma-county.org), Sonoma County, California, Administrator and NACA West Region Vice-President, agreed to chair a strategic planning effort for NACA. And like Eleanor Roosevelt’s statement that “The future belongs to those who believe in the beauty of their dreams,” this strategic effort has definitely pointed us in a good direction as an association with a survey of county administrators nationwide that we have taken to heart and are utilizing to move forward in the future.

With the survey completed, Veronica has accepted a new appointment as chair of a new sponsorship committee with the strategic committee now under the leadership of Pete Austin (pbaustin@co.mchenry.il.us), McHenry County, Illinois, Administrator and Midwest Region Director. The Board views the responses that we received to our 2011 survey of county administrators as a call to action and that we should continue moving ahead with our plans on building our relationships with ICMA and NACo, and developing programs at our gatherings that inspire and excite! I am confident that with Pete’s leadership and the support of our NACo liaison Gene Smith, County Manager for Dunn County, Wisconsin, and Lee Worsley, Deputy County Manager for Durham County, North Carolina, and Southeast Vice-President for ICMA, that we will do exactly that.

(continued on page 9)
Bad Men Do What Good Men Dream. The famed Swiss psychiatrist Carl Jung theorized that everyone has a “Shadow” as part of their unconscious and that it contains repressed desires, weaknesses, and primitive animal instincts. Jung pointed out that the less the Shadow is acknowledged and “the less it is embodied in the individual’s conscious life, the blacker and denser it is.” In other words, denying that we have such dark thoughts puts us at risk of being controlled by them. Others who study personality and its disorders (including psychopathy) have attributed these gaps in moral reasoning to superego lacunae—tiny holes in the superego, the part of us that tells us what is right and wrong.ii

Research psychologists David DeSteno and Piercarlo Valdesolo, in their book Out of Character, explore the origins and consequences of our rigid notions of character, as well as the potential we all have for acting “out of character.”iii Through discussion of multiple experimental studies and examples drawn from recent headlines, they show that character is not as fixed as we might believe, and even those who profess the highest moral principles are not immune from often spectacular departures from the standards they expect others to follow, including former New York Governor Eliot Spitzer and political commentator Rush Limbaugh. The number of fundamentalist preachers and other religious leaders who also have had dramatic falls from grace are further evidence that even those who profess the strictest moral tenets can fail in their struggles with their own darker sides. Swiss psychoanalyst Adolf Guggenbühl-Craig suggests that some of the people most at risk for major transgressions of appropriate conduct are those who fight against their own darker impulses by adopting and proclaiming the strictest of moral principles. Unable to deal with their own emotions and moral ambiguity, they think in black and white and identify themselves with rigid moral codes and righteous causes, thus justifying their own behavior.iv

Nevertheless, just as we recognize that some missteps are part of being human, we also know that there are people in this world who regularly and systematically do truly bad things, who seem to operate without the moral constraints experienced by the rest of us. These people seem different from everyone else—and in some very fundamental ways, they are. By virtue of the frequency and degree of their deviance from socially acceptable behavior, they are regarded as exhibiting psychopathy: a psychological condition that represents particular ways of behaving and viewing the world. They are psychopaths.

Psychopathy involves a major abnormality in how people interact with the world around them, characterized by a lack of empathy for other people’s feelings as well as behaviors that are considered inappropriately deceitful, aggressive, and indifferent to the rights or feelings of others. The psychopath ignores social, legal, and moral standards of conduct in order to meet his or her own needs at the time, often ignoring potential long-term consequences in deference to immediate gains. The rest of us may violate those standards of behavior when our inherent sense of right is overridden by factors that may include a sense of obligation to a group or cause or the ability to rationalize that it is okay “just this once”—allowing us to do something that we would ordinarily disapprove of for ourselves or others. True psychopaths don’t need to rationalize (although they will if their behavior is questioned). Antisocial behavior is their norm, not the exception. Of course, there are others who do not meet the full criteria for psychopathy and yet engage in heinous acts that most of us would turn away from in disgust and horror. If this were not the case, world history would not be full of tales of apparently normal people and societies committing acts (continued on page 7)
In Cyber Security, the Enemy Is Us

Many years ago, the cartoon character Pogo made this line famous and popular: “We have met the enemy, and he is us!” Well, with all the talking and worrying about cyber attacks both on our personal devices as well as on the county systems that make our work possible, the same can be said today: The real enemy is not the bad guy, but rather it is ourselves! Many of the most devastating problems would never happen if people like you and me, my dear reader, exercised a bit of caution, and thought before we clicked through many an email!

So how did we get here? Today, one cannot imagine a county that is not dependent on a well-behaved system of bits and bytes running over networks—from payroll information to police maps and work orders for street paving—every part of a county operation now depends on a computer. And this dependence means that if somehow the system is disturbed or, worse still, stopped, a lot of things we take for granted will not be done. Cyber security is that part of our operations that makes sure that such a disruptive event does not happen.

Many county officials (especially our elected officials) have a tendency to think that cyber security is something that technical folks handle, and that it has to do with the way devices and computer systems operate. Although this is of course correct, it is alas a necessary but not sufficient condition! The way to ensure a good and safe digital environment free from attacks and hackers lurking behind each keystroke is to spend time and effort making sure that our employees are well trained in what to do when they face a suspicious email or are asked to share a file or to respond to a request from someone who sounds just like a good friend. “Social Engineering” is how the computer and social scientists describe strategies of attackers who disguise themselves as our friends and convince us to click on an email address on a web site; once we do that, malicious instructions can be snuck into our computers and worse still, our county networks, that can harm many individuals and compromise information.

Is there a way to fend off such attacks? Can we buy more expensive or more modern equipment so that we can relax, comfortable in the knowledge that our systems are secure? In my mind, the answer must be a strong “No!” Because the best systems cannot shield us from human frailty or ignorance—from simple acts of stupidity where the password for entering our office system is written on a yellow sticky that is posted in plain view, to thoughts of “just this once, I can download a file from an unknown site,” and the list goes on.

This month of October is cyber security awareness month. Many counties are putting on special education programs for their citizenry and training programs for their employees. NACo’s new president, Chris Rodgers, has identified cyber security as one of his presidential initiatives and many specific events will be taking place during the month. A special Task Force on Cyber Security, chaired by Commissioner MaryAnn Borgeson from Douglas County, Nebraska, is exploring ways to increase the visibility of cyber security. A simple yet effective first step already announced by NACo is a series of webinars regarding cyber security. And the federal and state governments are doing their bit as well to raise awareness of the security threats that abound in all walks of life.

As an administrator, there are a few things you can do to ensure that your county is not left behind in this important effort:

• Make sure your IT department develops and implements a strong Cyber Security Master Plan
• Support and ensure training (either face-to-face or on line) for each and every employee on cyber security challenges and how to respond to them
• Engage your elected officials in a discussion that can help them understand the risks and danger, and then become strong ambassadors with a message of cyber safety to the community outside the county courthouse.

Just like the days of the Y2K crisis, it is our elected officials that have to take the message of responsible education and preparation on cyber security to the people, as well as to ensure funding for the important internal efforts within the county. The enemy is much closer than we think, and it is vital that we protect ourselves through training from the harm we can cause our vital digital systems!

[Ed. Note: This is Dr. Costis Toregas’ 48th Technology Corner submission to the NACA Journal of County Administration. We are grateful for his ongoing analysis and insights in the area of technology.]
What Have We Learned?

by Amanda Relyea, ICMA Credentialing Program

Three dead and two injured at an Ohio high school. Seven killed and three wounded at a California university. Twelve killed and over 50 wounded in a Colorado movie theater. Seven dead at a temple in Wisconsin.

We’ve all read this year’s headlines, discussed possible causes and solutions, and talked about what we have and haven’t learned. What can we, as individuals, do? What can county mental health services do? Is it possible to identify at-risk people early? If so, does treatment work? The questions are many, and the answers are complicated.

It is possible to identify at-risk people early, but only if they are already in the public health system or if family members, friends, and educators feel empowered to call local government officials for help. Of course, people cannot be treated against their will if they have not yet made threats or committed crimes—and most mass murderers have no criminal history.

So how do we reach individuals who are at risk of acting out their dark thoughts? The truth is, many of them want help or at least want people to know that something is not quite right. They may not call their doctors or the county mental health services department or stand in the street with a sign, but they speak or send messages to people around them—sometimes clearly, sometimes cryptically.

In fact, a U.S. Secret Service study released in 2002 said, “Almost every attacker had engaged in behavior before the shooting that seriously concerned at least one adult - and for many had concerned three or more different adults.”

Another example is James Holmes, the man who is on trial for shooting up a Colorado movie theater. In the weeks leading up to the tragedy, he contacted both a psychiatrist and a fellow student. It is reported that he sent texts, mailed a package, and placed a phone call. One of his texts to the student spoke of dysphoric mania and told her to stay away from him because he was “bad news.”

Unfortunately, for a variety of reasons, disturbing behavior and statements do not always prompt us to report concerns to authorities or encourage others to get help. Maybe the individual in question has a history of making plays for attention, and we have become immune to the odd or shocking communications. Maybe we are concerned, but know that the authorities cannot really do anything until the person makes a threat. Maybe we want to encourage someone to get help, but are afraid of the response or know that the person cannot afford an office visit.

So, what to do? Answers do not come easy, but ideas include awareness programs, free crisis hotlines with easy-to-remember numbers, and guarantees of anonymity for people who report concerns. Make sure students, employees, and other members of the community know how to spot warning signs, how to encourage friends and acquaintances to get help, and who to contact if they won’t. Offer free classes, but also conduct an awareness campaign for people who do not have time to attend classes. Provide a short, memorable, three-step directive in public service announcements and on billboards and flyers.

Of course, even when people agree to treatment, we have no guarantee that it will prevent a violent incident. The treatment may or may not work. The therapist may notice odd behavior, but not think the person is dangerous or think the person is dangerous, but not have enough information for law enforcement to do anything about it.

Still, early identification and treatment are promising. Dave Cullen, the author of Columbine, says that despite what we may have heard on television, most mass murderers are not psychopaths. “Far more often, they are suicidal and deeply depressed.”

So, what have we learned? On an organizational and societal level, we have learned that it is important to increase awareness of warning signs, to empower people to report concerns, to provide anonymity, and to try to remove the stigma and reduce the cost of getting help. On an individual level, we have learned to pay attention to our friends and family, always take shocking statements seriously, and report threats.

Let’s change future headlines.
Public Retirement Plans Vulnerable to Post-Election Tax Reform and Ongoing Treasury/Internal Revenue Service Consideration of “Government Plan” Definition

by Joan McCallen, President and CEO, ICMA-RC and John Saeli, Vice President, Marketing Services & Industry Analytics, ICMA-RC

Tax reform on the horizon. As the election season moves toward its conclusion, immediate legislative activity that significantly impacts public retirement plans is not expected. Debate in the Lame-Duck Session regarding the fiscal cliff—the automatic year-end implementation of spending cuts and expiration of tax cuts—alongside broader consideration in 2013 of long-term fiscal challenges could set the stage for fundamental tax reform. This has the potential of significantly changing the landscape for public retirement plans. Options on the table include reducing contribution limits; restricting the amount of “tax expenditures” each taxpayer can claim; consolidating Sections 401, 457 and 403 of the Tax Code; and mandating that new public employees participate in Social Security.

Legislation. While Congress considers tax reform, Members of Congress have not introduced new bills of significant importance to public sector retirement plans. In July, however, Senator Tom Harkin (D-IA), Chairman of the Senate Health, Education, Labor and Pensions Committee, issued a report on “The Retirement Crisis and a Plan to Solve It.” The report includes a blueprint for Universal, Secure and Adaptable (USA) Retirement Funds, which the Senator described as “a middle ground between pensions and 401(k)s.” The Senator’s proposal would mandate employers that do not offer a retirement plan to automatically enroll employees in his envisioned system, and to make contributions to each covered employee’s account. Contributions would be privately managed by a Fund governed by employer, employee and retiree trustees. Benefits would be portable for employees who change jobs, and at least a portion of a participant’s account would be required to be distributed as a lifetime income stream through retirement. In the coming year, Chairman Harkin plans to develop this concept into a bill. While the advancement of such a bill is not likely in the current legislative climate, the initiative illustrates the coverage agenda of one of Washington’s retirement thought leaders.

“Governmental Plan” definition. As part of their regulatory project to define “governmental plans” under Internal Revenue Code Section 414(d), the Internal Revenue Service (“IRS”) and Department of Treasury (“Treasury”) conducted a joint hearing in July. The project focuses on defining which entities are eligible to sponsor a government plan. The hearing follows the agencies’ issuance of an Advance Notice on Proposed Rulemaking last November, town hall meetings in Oakland and Cleveland last spring and receipt of nearly 2,000 written comments from the public. ICMA-RC partnered with the National League of Cities to inform entities that might be affected. This outreach included meeting with various entity representatives at conferences, communicating on an ongoing basis with plan sponsors and encouraging those who may be affected to submit comments.

The hearings featured testimony from representatives of state municipal leagues, the National Association of State Retirement Administrators (NASRA), the National Council on Teacher Retirement, and several charter school networks. Overall, comments generally concerned the proposal’s potential exclusion of many entities currently sponsoring a “governmental plan” and the potential inability of entities disqualified from sponsoring such plans from hiring and retaining high-quality employees. Witnesses also warned that the regulations could potentially force affected organizations to adopt a “two-tier” retirement plan system, one for employees currently enrolled in the retirement plan and a second for new employees.

Hearing witnesses requested that any final regulation add factors beyond the criteria the agencies proposed and include safe harbors enabling entities that do not meet enumerated criteria to establish and maintain a government plan under certain circumstances. The IRS and Treasury were also asked to consider grandfathering existing government plans for both current and future participants of entities that do not satisfy the new standards articulated in the final rule.

The next phase of the regulatory process: release of a formal rule proposed by the IRS and Treasury—is not expected until 2013. That release will (continued on page 9)
of genocide like the Holocaust and the mass killings in Rwanda.

But even routine patterns of deception or attempting to take advantage of others do not necessarily mean that a person is a psychopath; context and culture play important roles and are important factors to consider in assessing the nature of behavior. Take lying and conning others as an example. Generally speaking, in the United States, a person who relies on inflated representations and continually makes promises that he or she doesn’t anticipate fulfilling is likely to be considered a psychopath (at least in casual terms)—unless the person is a politician stumping for votes. Similarly, in a Middle Eastern bazaar, where exaggeration and haggling are an expected part of the experience, efforts to convince a tourist to visit a shop owned by my “cousin” and buy “the finest” carpets in the region at an inflated price are the first steps in a well-established, time-honored way of doing business. The hapless tourist who buys the rug at face value is the one with the problem and may even be insulting the merchant by refusing to bargain. On a more serious note, prisoners of war who intentionally and repeatedly deceive their captors in order to save their lives or the lives of others will be considered heroes, not psychopaths. The difference between these people and a true psychopath is that the psychopath will have exhibited a pattern of manipulating, conning, and perhaps violence in multiple settings—not just on the campaign trail or in the rug market—in a manner that is considered antisocial in his or her culture. No thought, no weighing of moral pros and cons is involved. Psychopaths are on automatic pilot, and their moral compass is either absent or, if present, always pointing in the direction of their self-interest.

In other words, perhaps the main difference between psychopaths and the rest of us is that they are not concerned about the difference between right and wrong. They know the difference; they just don’t care—their only concern is what’s “right” for them. Psychopaths target the vulnerable, steal from the unwary, and deceive the weak (or, even more to their delight, the strong if they can get away with it), but no matter how much pain they cause with their deceit or whom they hurt, they don’t experience the moral dilemma the rest of us do when we drift toward the darker side of behavior. While their ways can be violent and callous, their demeanor is often the opposite; psychopaths commonly have a glibness and charm that enables them to manipulate others and sometimes achieve success and apparent normalcy in their work and personal lives.

Even when their membership in this distinctive psychological category is discovered—perhaps when they are evaluated after having been charged with or convicted of a crime—it is unclear what to do with psychopaths, as current treatments for psychopathy have low to moderate rates of success. This lack of success may be partly attributed to the psychopath’s self-motivation for treatment, which is generally low. Why actively participate in treatment if you think nothing is wrong with you? Even when forced into treatment, psychopaths are likely to have only superficial and temporary motivation, lasting only as long as it is mandated or until the psychopath can generate a reason to be excused.

While neither medications nor psychotherapy have consistently proven effective in treating psychopathy, a 2011 study by researchers at Emory University presents something of a good news—bad news story. The study found that after psychopaths with major depression began taking a standard antidepressant medication, they experienced a decrease in the very negative psychopathic traits of impulsivity and blaming others for their problems. On the other hand, this treatment appeared to lead to an increase in the socially adaptive psychopathic traits of glibness, social charm, and boldness in both their interpersonal and physical behaviors. In other words, they became less aggressive and reckless, but better able to manipulate and con others. Interestingly, those personality changes were unrelated to changes in symptoms of depression.

Psychopaths are part of our (Ron Schouten and Jim Silver) professional lives. Ron is a former attorney who left the practice of law to pursue a career in medicine. Planning to treat patients, he ended up devoting a good deal of his professional life to forensic psychiatry—the application of clinical psychiatry to legal matters. In his career, he has assessed men and women who were victims (and perpetrators) of child abuse, domestic violence, and other trauma, as well as offenders who murdered and assaulted multiple victims. Jim is a former federal prosecutor and criminal defense attorney who has tried cases and handled appeals on offenses spanning the gamut of illegal behavior from shoplifting to murder. We have seen our share of true, diagnosable psychopaths.

Nevertheless, we much more frequently find ourselves dealing with people who don’t meet the current technical definition of a psychopath, but who have more than the usual amount of difficulty following rules, fulfilling obligations, or understanding how to treat others. They end up in our offices after the devil on one shoulder overpowers the angel on the other. The Shadow gains full control, however briefly, and those superego lacunae leave them blind to the implications and consequences of their actions. These people may get small things wrong regularly, leading to a string of problems in their personal or professional lives, or they may go off the rails in a dramatic and significant fashion that leads them to personal disaster or even the courthouse.

Whether because of the nature of (continued on page 8)
their behavior—simply beyond what most of us can comfortably ignore—or because they violate social or legal norms so frequently, these people live their lives somewhere between the boundaries of commonplace “not-so-bad” behavior and psychopathy. In that balancing of influences, their calculations more commonly lead them toward behaviors that most of us would find offensive and contrary to social norms. They are “almost psychopaths” because they exhibit some of the behaviors and attitudes of psychopathy but not to the extent that they meet the current formal criteria. In medicine, we refer to this as a subclinical disorder or subsyndromal condition.

We believe that all too often, those whose behaviors make them almost psychopaths are not recognized for what and who they are—subclinical psychopaths with problematic behaviors and attitudes that should be addressed before they cause more harm to others and themselves. We’ve written this book to help you and those you care about identify and deal with the almost psychopaths in your lives and to tell you that, unlike with a true psychopath, in many cases there are things that can be done to help address the behavior of an almost psychopath.

Since you’ve picked up this book, you probably at least suspect you have come into contact with an almost psychopath. They are spouses, co-workers, bosses, children, people in the news, and, some people may wonder, perhaps themselves. On the surface at least, like true psychopaths, many almost psychopaths appear to live normal lives and have solid relationships at home and work. Yet, somehow, something is off. You’ve met these almost psychopaths, whether or not you knew it at the time, and after the fact have ended up scratching your head. “What was that about?”

We will offer some insights into what that was (and is) about. Drawing on scientific research and our own experiences, we describe the behavior, attitudes, and characteristics of almost psychopaths so that you can recognize them for what they are. Our case examples are drawn from real life but, except where noted, we have changed identifying characteristics, including names, in order to protect the privacy of those involved. For some examples, we’ve even combined aspects of different real cases in order to make specific points as well as to further obscure the identities of these real life characters.

Ultimately, this book is not about labels, as attractive as they may be for helping us organize our thinking about the world. Rather, it’s meant to shed light on certain complexities of human behavior to encourage situational awareness. Our goals are to help you make sense of interactions you’ve had with almost psychopaths in the past and provide strategies for dealing with them in the present and future. And for those who recognize some of these concerning behaviors in themselves or who think they might be almost psychopaths, we describe the practical help that is available to help you understand and change your behavior and improve your life and the lives of those around you.

1 In this book, we will be using the conceptualization of psychopathy developed by Dr. Robert Hare and his colleagues for the professional tool known as the PCL-R: the Psychopathy Checklist-Revised. We will also refer to their work and that of others in extending the checklist’s principles to non-criminal populations. We will describe that work in more detail in the following chapter.

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**NACA is grateful for the support of participants in the Friends of NACA Program:**

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**Visit the NACA Web Site**

The NACA members-only area of ICMA.org can be accessed at [http://icma.org/nacamembers](http://icma.org/nacamembers).
Fee disclosure. The Department of Labor (“DOL”) has provided further clarification regarding implementation of fee disclosures to participants of ERISA-governed plans. In May, DOL issued Field Assistance Bulletin 2012-02, which provided “Question and Answer” guidance on issues arising under the new fee disclosure rules. While these rules and guidance do not apply to public-sector plans, many providers serving governmental clients are delivering comparable disclosures as a matter of best practice.

In its initial Bulletin, DOL called into question the viability of offering brokerage windows in private sector 401(k) plans, specifically by suggesting that plan sponsors might have a fiduciary duty with respect to investments in the window. One item in the Question & Answer guidance focused on how the disclosure regime applies to self-directed brokerage windows. Providers and plan sponsors lodged strenuous objections and persuaded the DOL, in July, to revise the Field Assistance Bulletin. New supplemental guidance essentially negates the application of the participant disclosure regulation to brokerage windows. DOL did indicate, however, that it may engage in a regulatory project addressing self-directed brokerage windows in the future.

Money market funds. The Securities and Exchange Commission (“SEC”) and other Federal agencies continue to implement new regulations following the financial crisis of 2008 and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Following the financial crisis, the SEC established rules to enhance money market fund liquidity and transparency; the SEC has been considering additional, more significant changes to money market fund regulations. These contemplated changes, which include basing the value of shares on the daily value of securities held (rather than a fixed $1 per share), raised concern with many institutional investors that use money market funds, including retirement plan sponsors. In August, SEC Chairman Mary L. Schapiro announced that she lacked the votes to move the contemplated proposal forward. In the coming months Federal agencies likely will contemplate alternative approaches to enhancing regulation of money market funds.

In short, fundamental changes are not anticipated in the coming months. But between the Treasury and IRS’s government plan definition project and the potential for Congress to take up tax reform, public plans may face considerable challenges from Washington in 2013.

In addition to the strategic plan, I have also appointed a new committee for Programs that is chaired by Robert Reece (rreece@pottcounty.org), County Administrator for Pottawatomie County, Kansas, and the President-Elect of NACA. We are looking for volunteers to help us put together programs that will be of real value to county administrators and managers. And with the support of the Board, I have asked Lori Curtis Luther (lcurtisluther@peoriacounty.org,) County Administrator for Peoria County, Illinois, to chair a newly created committee for Membership, and Jeff Greene (jeffgreene@elpasoco.com), County Administrator for El Paso County, Colorado, and Midwest Region Vice-Chair, to chair a new Communications committee.

As you can see, we are trying to get some things done and could use some help to further our goal of advancing and encouraging professional development and excellence of county administrators. There are a number of ways that you can help make a difference and help us put together programs that will be of real value to county administrators and managers as we work together with ICMA and NACo to advance our profession. We have about 500 administrators and managers in the association and would love to see more active participation in the work we are doing.

Finally, I am always pleased to see the latest Journal published by our dear friend and colleague Bob McEvoy.

The theme of this issue of the Journal is mental health and the significance of this problem on American society today cannot be denied. All of us—whether it is through our personal life or public life—can relate to the severity of this issue and how it can devastate individuals and families. I hope there is a time when we can say that this problem is in the rear view mirror and that we have learned how to address it more effectively. Take care and thank you for all that you are doing to enhance our profession and county governments nationwide.
ICMA Annual Conference Highlights

Almost 3,000 members, partners, and exhibitors gathered in Phoenix, Arizona, for ICMA’s 98th Annual Conference, October 7–10, 2012.

The country’s sixth largest city, Phoenix is set in the heart of the Sonoran Desert. Although temperatures remained in the 90s, low humidity and the city’s striking LEED-certified convention center made it the perfect location to learn, brainstorm, swap experiences, and reconnect with old friends and colleagues.

Representatives from 16 countries were at the conference this year, including Australia, Canada, China, Denmark, India, Kosovo, Mexico, Nepal, Netherlands, New Zealand, Norway, Slovakia, Sweden, Taiwan, Nepal, Netherlands, New Zealand, Norway, Slovakia, Sweden, Taiwan, Uganda, and United Kingdom.

The conference theme of “Building Community: Rising to Seize the Opportunities” was reflected by a rich educational program designed by the 2012 conference planning committee under the leadership of ICMA member Magda Gonzalez, Redwood City, California. Educational sessions focused on:

• Shared and regional service delivery approaches and alternative business models
• Engaging citizens by building communities online
• Managing employee benefits
• Finding pathways from polarization to civility
• Dealing with personal and family stresses of local government management.

The program also included career tracks of sessions developed specially for small community managers; assistants, deputies and other non-CAOs; and senior and ICMA credentialed managers.

In the exhibit hall, two Solutions Track theaters featured case studies of local governments that have overcome challenges through innovative public-private partnerships.

The 2012 Conference Host Committee, co-chaired by Phoenix City Manager David Cavazos, Queen Creek Town Manager John Kross, and Maricopa County Manager Tom Manos, planned a wide variety of social events, tours, and field demonstrations that showcased the region’s cultural heritage and attractions.

ICMAtv returned this year to cover the conference sessions and events with on-site interviews and video news stories. This year’s program included special segments highlighting the work and innovations of local governments across the country. To view conference programming and community highlights, visit ICMAtv.com.

You Are There: Conference Social Media

ICMA offered its conference mobile application for the second year, which kept attendees connected to daily news and scheduling information along with the conference Twitter feed and other social media.

For the fourth year in a row, ICMA also offered a virtual conference option, which included coverage of the Sunday, Monday, Tuesday, and Wednesday keynote addresses plus 18 educational sessions.

Blog posts by conference attendees provided personal perspectives on conference topics, speakers, and events.

Sunday Opening General Session

Outgoing President Sam Gaston, city manager, Mountain Brook, Alabama, presided over the Sunday Opening General Session. Highlights of the program included:

• A welcome from Joan McCallen, president and CEO of conference Principal Sponsor ICMA-RC, which is celebrating its 40th anniversary
• International greetings from Ross McLeod, chief executive of Hastings District Council, New Zealand, and President of the New Zealand Society of Local Government Managers, and Karen Thomas, chief executive officer of the New Zealand Society of Local Government Managers
• An official welcome from Phoenix Mayor Greg Stanton and Maricopa County Board of Supervisors Chairman Max Wilson
• Introduction of the incoming members of the ICMA Executive Board
• Recognition of the 2012 Service Award Winners

Gaston also acknowledged the generous support of Cigna, the conference’s Diamond Level sponsor. He announced that Cigna, a long-time ICMA strategic partner, has begun a three-year partnership with ICMA that enables it to reinforce its goal of helping local governments improve the health and wellness of their employees and dependents, while serving as the exclusive health care sponsor for ICMA.

Gaston updated the audience on the progress of the Life, Well Run campaign, which was launched at last year’s annual conference. To date, the campaign has raised more than $1.2 million in pledges and receipts, with almost $600,000 coming from ICMA members and state associations. He acknowledged four organizations that have made significant contributions to the campaign since last year’s conference: ICMA-RC ($50,000); Florida City and County Management Association ($50,000); North Carolina City and County Management Association ($54,000); and Virginia Local Government Management Association ($40,000).

He noted the launch of the ICMA Center for Management Strategies in partnership with the Alliance (continued on page 11)
Leading a Culture of Innovation

Sir Ken Robinson helped set the tone of the conference with his opening keynote, *Leading a Culture of Innovation*. An internationally recognized leader in the development of creativity, innovation, and education, Sir Ken posited that creativity is a characteristic of being human. City and county leaders must use their own creativity to meet the extraordinary challenges and opportunities their communities face, which include:

- **Economic**: Many of the cities that grew up around industry and manufacturing are decaying, having lost their purpose.
- **Cultural**: Today is a time of cultural complexity.
- **Personal**: How do we make places where people want to be?

To lead, city and county leaders must believe in the human capacity to innovate, think differently about talent, and find new ways of doing things. They must create a culture that facilitates innovation.

Watch Sir Ken’s conference interview with ICMAtv.

Monday: Immigration Reform: Truth, Myths, and Politics

Distinguished academic and journalist Edward Schumacher-Matos discussed the complexities of immigration in his Monday morning keynote address.

He began setting the record straight on a misconception about immigration today: more immigrants are actually leaving the U.S. than arriving because enforcement is working and demographic and economic trends in other countries are improving.

Because immigration is an emotional issue, complicated by 24-hour media and the Internet, facts are supplanted by beliefs and half-truths. For instance, illegal immigrants commit far fewer crimes than legal white Americans and even though illegal immigration has increased, violent crime has decreased. Although costs increase in the short term, over the long term immigrants become entrepreneurs, pay taxes, raise productivity, and contribute to the overall government revenue so the cost-benefits are a wash economically.

Everyone believes in the need for comprehensive immigration reform. How we get there will depend in part on dispelling the myths and addressing the need for some pathway to citizenship.

Watch Mr. Schumacher-Matos’s conference interview with ICMAtv.

Tuesday: Great by Choice

Author and researcher Jim Collins began his Tuesday keynote by cautioning that “good is the enemy of great.” Greatness, he said, is a matter of conscious choice and discipline, not a matter of circumstance.

Leadership in local government, he said, exists only when people follow by choice. He listed the three behaviors that distinguish successful leaders:

1. **Fanatic discipline**: In a true culture of discipline, disciplined thought leads to disciplined action. Collins uses a “20 miles a day” analogy: set a goal that will be maintained regardless of the circumstances. The key is consistency.

2. **Empirical creativity**: Great leaders obtain empirical evidence for what works. Creativity is a human trait; discipline is not. Discipline and creativity must be blended together so that the former enhances the latter.

3. **Productive paranoia**: Successful leaders understand that the only mistakes you learn from are the ones you survive. Shock, disruption, and volatility are the historical norm; you must have the resources and buffers you need to survive uncertainly and chaos.

Great leaders hold tight to core principles and stimulate progress. We don’t give up our values; we change our practices.

Watch Jim Collins’s interview with ICMAtv.

Watch Jim Collins’ 2006 interview with ICMA Executive Director Bob O’Neill at icma.org/leadingideas, at the bottom of the page.

Wednesday: Priorities for the Next Year

Incoming President Bonnie Svrcek opened the closing session by outlining her priorities for the coming year:

- Doubling the number of ICMA student chapters from 17 to 34
- Attracting more women members and supporting ICMA’s Task Force on Women in the Profession
- Increasing member engagement and retention
- Renewing and refreshing ICMA’s strategic plan
- Preparing for ICMA’s 100th anniversary in 2014
- Promoting and expanding the *Life, Well Run* campaign.

Revitalizing Urban Space with Public Art

Internationally known artist Janet Echelman delivered the closing keynote of the conference on the role public art can play in revitalizing communities. Echelman listed the questions that guide her in her creative process:

- How do you create sense of place?
- How do you create a destination, a place of home, a place with an identity?
- How do you take something you’ve seen a million times and turn it into public art?

Over the course of a career creating living, breathing sculpture environments that become focal points for civic life, Echelman has learned valuable lessons that apply to the business of managing communities as well, including:

(continued on page 12)
You gain strength through your ability to adapt.
Try to see the familiar with new eyes.
Look at situations and resources for what they are, not for what they aren’t.
Constraints are the key that opens the door to discovery.
When you reach the limits of existing tools, find partners who can help you create new ones.
Nontraditional partners may be able to help you accomplish your vision.
Watch Janet Echelman’s interview with ICMAtv.
Plan now to join us for the 99th ICMA Annual Conference in Boston, Massachusetts, September 22–25, 2013.

**Does NACA Have Your E-mail Address?**

Members are encouraged to alert NACA staff of changes to their e-mail addresses. New addresses or corrections to addresses can be e-mailed to naca@icma.org.

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**Idea Exchange Generates Discussions at 2012 ICMA Annual Conference**

More than 45 county managers gathered for NACA’s traditional two-hour Idea Exchange during ICMA 98th Annual Conference in Phoenix/Maricopa County on Sunday, October 7. Several topics had been circulated in advance and these stimulated much conversation and sharing of experiences among attendees. Topics included:

- Cutting-edge budgeting methodologies; budgeting for outcomes, priority-based budgeting
- Strategic planning
- Performance appraisals and compensation programs for management/confidential employees
- Recruitment and retention of volunteer fire fighters and EMS providers
- Consolidation of services with other governmental entities
- Workforce demographics

For detailed notes of the discussions, go to the new NACA website and click on Idea Exchange.

In addition to the Sunday Idea Exchange, the NACA Executive Board held a meeting on Saturday, October 6; a no-host luncheon on Tuesday, October 9; and a past presidents breakfast on Wednesday, October 10.

The next series of NACA meetings will coincide with the March 2013 NACo Legislative Conference in Washington, DC. The tentative schedule is as follows:

<table>
<thead>
<tr>
<th>EVENT</th>
<th>DATE</th>
<th>TIME</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Committee Meeting</td>
<td>Saturday, March 2</td>
<td>9:30am to 11:00am</td>
<td>Washington Hilton</td>
</tr>
<tr>
<td>Executive Board Meeting</td>
<td>Saturday, March 2</td>
<td>3:00pm to 5:00pm</td>
<td>Washington Hilton</td>
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<tr>
<td>Idea Exchange &amp; General Membership Meeting</td>
<td>Sunday, March 3</td>
<td>1:30pm to 5:00pm</td>
<td>Washington Hilton</td>
</tr>
<tr>
<td>Reception sponsored by ICMA-RC</td>
<td>Sunday, March 3</td>
<td>5:30pm to 6:30pm</td>
<td>Washington Hilton</td>
</tr>
<tr>
<td>No-Host Dinner</td>
<td>Sunday, March 3</td>
<td>7pm</td>
<td>Washington D.C. / Dupont Circle–Adams Morgan area (TBD)</td>
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<tr>
<td>Past Presidents’ Breakfast</td>
<td>Monday, March 4</td>
<td>8:30am</td>
<td>Washington Hilton</td>
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