

## SECURING.GOV WISELY

by Dr. Costis Toregas, The George Washington University



Dr. Costis Toregas

When the story about the data breach at Target stores broke, it sent chills down the spines of many government officials. If it can happen to Target with its global reach and major IT budgets, it may certainly happen to us here...and indeed that is the case – almost no system is immune from the kind of cyber attacks which are happening with increasing regularity.

So how can a county administrator approach this problem? Is it a dollar issue? Is there a “silver bullet” out there that can fortify systems and protect governmental data? I must admit that the first, very hard truth to appreciate is that there is no zero-risk strategy. There is a risk of a breach, and it is most certainly not zero! So this means that instead of spending dollars and attention on building a system that we assume will not be breached, we must shift to a Risk Management posture, where we

appreciate that risk is there, and the question is not to avoid harm but reduce the risk and manage its effects when it occurs. It is not IF, but WHEN a security breach will happen to you.

If we admit to this, the obvious response is to establish a two-tiered strategy: an active defense to minimize the risk of attack, and a wise plan to manage the aftermath of a successful breach. And rather than talk in generalities, we can see how an actual public organization (the University of Maryland) dealt with a breach. The “day after” decisions they are making now could be your “day before” actions that will prepare your county and its businesses in an effective manner. The reason I have picked this example is that their selected strategy is outstanding and could be used by all government entities tomorrow morning....

A few days after the major breach that occurred, Maryland University President Loh issued a letter which, among other things, outlined three steps that were to be taken in the next 90 days:

“... First, we will scan every database to find out where sensitive personal information might be located. Then, we will either purge it or protect it more fully in that database, as appropriate. There are thousands of databases throughout the campus, many created years ago when the environment for cyber threats was different.

Second, we will do penetration tests of the security defenses of our central and local information systems to identify and seal any possible technological gaps through which cyber

criminals could get in to search for any information. These probes will be performed on an ongoing basis.

Third, we will review the appropriate balance between centralized (University-operated) versus decentralized (unit-operated) IT systems. There must be policy changes to accompany technical fixes. We understand the needs of individual units to control their own servers and databases. We must also ensure that safeguards at central and local levels are equally robust and tightly coordinated. Our University’s entire cybersecurity system is only as strong as its weakest link....”

The first step deals with the past and the many data bases created long ago, with weak defenses, that any governmental or academic institution maintains which are “easy pickings” for smart hackers. Smart administrators will develop a quick inventory and make some decisions regarding their relevance, defense cost and risk reduction strategies.

The second step is purely technological—having the “good guys” trying to attack the current system (something called penetration testing) and finding weaknesses in time to fix them. This allows the technological innovation that exists in the market place to help us.

The third step is the most interesting one, as it is not technological but organizational: it is a call to re-examine the way departments and agencies have grown over the years with separate systems that become harder (and more expensive) to maintain and secure. President Loh is not looking to completely re-centralize a system that has

*(continued on page 7)*

by Robert Reece, County Administrator, Pottawatomie County, Kansas



**NACA President,  
Robert Reece**

In the last issue of the NACA Journal, NACA Past President, Peter Crichton reflected on changes implemented in the NACA organization over the past couple of years to enhance membership and participation. Through the continued growth in membership on the following committees: Communications, Membership, Strategic Planning, Programming and Sponsorships, NACA has been able to realize some notable successes since the last issue. In February NACA and our longtime friend ICMA-RC finalized an agreement that identifies ICMA-RC as a NACA Strategic Partner.

What does that mean for you as members and to the NACA organization you ask? Many of you participated in creating the vision, through your feedback for NACA's Strategic Plan. Our three year agreement with ICMA-RC will allow the organization to implement key components within the Strategic Plan that will enhance and serve members better. A very special thank you goes out to Joan McCallen, President and CEO, ICMA-RC, Gregory Dyson, Senior Vice President, ICMA-RC, Tom Lundy, Chair of the ICMA-RC Board of Directors and County Manager Catawba County, NC, and Shannon Flanagan-Watson, NACA Treasurer and Assistant County Manager Arlington, VA., for making this happen.

Many of you have heard by now that Joan McCallen will be retiring at the end of the year. One of the first persons I met as a new member of NACA at the NACo Legislative conference almost 15 years ago was Joan McCallen. I recall how she took the time to talk to the organization about ICMA-RC and the many things they were doing. As NACA President I personally would like to express a heartfelt thank you to Joan for her years of commitment and service to ICMA-RC, her leadership will be missed. As you peruse this issue of the Journal be sure to catch ICMA-RC's Capital Review by Joan and RC's VP of Marketing, John Saeli as they identify potential impacts of Retirement Initiatives introduced by Congress and the Administration. Also, Dr. Toregas front page article on cyber security is another good read and very timely. Gene Smith, NACo Representative, NACA Past President and County Manager, Dunn County, WI, touches base on some breakthroughs with NACo on a couple of new programs they rolled out at the NACo Legislative conference.

For those of you that can make it to the July 11-14, NACo annual conference this year in Orleans Parish/New Orleans, Louisiana, NACA has worked with NACo to put on two educational sessions at this year's conference. The first is "Refocus on Health Care Services" which looks at innovative ways of healthcare delivery and the second session is "The Value of Professional Management". I would like to thank David Keen for his continued support of the NACA and many thanks to our program committee for their hard work in advocating for more exposure at these conferences.

Many thanks also to the NACA Program Committee members able to attend the ICMA Conference Planning Committee meeting last fall. This September is ICMA's 100th anniversary annual conference in Mecklenburg County/Charlotte NC. For those of you that have had the opportunity to participate in these planning sessions you will agree they are very intensive but the work is worth it as evident by the turnout last year in Boston. ICMA has put out the call for presenters and speakers and I hope you will consider answering the call as I can attest that many of you have much to share with your experience in county management.

Finally I would like to make an appeal to you to become more involved in NACA. We are always looking for people to serve on any of the boards mentioned above. We would also like to hear your thoughts and ideas for future programs and educational sessions. Thank you and I hope to see you in Orleans or Mecklenburg County. ■

*Robert Reece,  
County Administrator, Pottawatomie County, Kansas  
NACA President*



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## Inside

President's Corner	2
ICMA-RC's Capitol Review	3
Leadership Task Force	5
From Your NACo Representative	6
Technology Corner	7
Tax Issues	8
NACA Events at NACo	9
NACA Events Registration	10

# Joan McCallen has announced her retirement as President and CEO of ICMA-RC, Effective December 31, 2014

by Tom Lundy, Chair of the ICMA-RC Board of Directors

Joan's extraordinary leadership as President and CEO of ICMA-RC the past eleven years has helped build financial security for over 1.2 million local and state government participants. As participants, we can all be grateful for her unwavering commitment to the public sector, the strong customer service of ICMA-RC Associates and the remarkable success of the Corporation. Joan has assembled and led an exceptional management team that puts clients first. ICMA-RC is financially sound and well positioned for growth due to her vision. Joan has been a friend to local government and to the National Association of County Administrators. The ICMA-RC Board of Directors, on behalf of itself and ICMA-RC clients, expresses its deep appreciation for her guidance, wisdom and outstanding leadership. ■



ICMA-RC officials Gregory Dyson, Senior Vice President and Chief Operations and Marketing Officer and Joan McCallen, President and CEO, join NACA President Robert Reece at the ICMA-RC hosted reception during the NACo Legislative Conference in Washington, DC, on March 2.

## ICMA-RC'S CAPITOL REVIEW

by Joan McCallen, President and CEO, ICMA-RC  
and John Saeli, Vice President, Market Development and Government Affairs, ICMA-RC

### Congress and Administration Introduce Array of Retirement Initiatives



#### **Congress and Administration Introduce Array of Retirement Initiatives**

Following the federal budget agreement this January, a number of pension and retirement savings proposals and initiatives were introduced. These focused on either expanding coverage for workers that lack retirement savings opportunities or retargeting tax expenditures as part of broader budget and tax reform initiatives. In addition, with many Affordable Care Act regulations now finalized, regulators are anticipated to address a number of long-standing projects related to retirement plans in 2014.

#### **Chairman Camp Tax Reform**

**Proposal.** Representative David Camp (R-MI), Chairman of the House Ways and Means Committee, introduced a

“discussion draft” of a comprehensive tax reform bill in February. The draft—which is the most comprehensive release since the Tax Code was last overhauled in 1986—reduces the number of individual income tax brackets from seven to two (10% and 25%), with an additional 10% “surtax” on modified adjusted gross income (“MAGI”) in excess of \$450,000 for joint returns (\$400,000 for all others).

The draft requires that new IRA contributions be made to Roth IRAs. Most defined contribution plans, including government 457 plans, would be required to include a Roth feature. Participants would be allowed to contribute no more than 50% of the annual maximum elective deferral amount (\$17,500 in 2014 or \$23,000 for participants age 50 and above) on a pre-tax basis. Participants would be required to make additional contributions in a Roth account. These requirements only apply to plans established by employers with at least 100 employees.

The draft would have a significant impact on government 457(b) plans, as it both eliminates the special catch-up contribution rules for government 457(b) plans, and also subjects government 457(b) plans to the 10 percent penalty for early distributions that currently applies to other plan types. All defined benefit plans, as well as state and local government defined contribution plans, will be allowed to make in-service distributions at age 59½ (as opposed to age 62 under current law).

Finally, the draft freezes through 2024 all inflation adjustments for contribution limits under qualified retirement plans, including elective deferral limits, catch-up contributions and maximum benefits under defined benefit plans.

#### **Chairman Harkin Introduces USA Retirement Funds Legislation.**

Senator Tom Harkin (D-IA), Chairman of the Senate Health, Education, Labor and Pensions Committee, in January

*(continued on page 4)*

*(“Capitol Review” from page 3)*

introduced the Universal, Secure and Adaptable (“USA”) Retirement Funds Act of 2014. The bill would mandate that employers with 10 or more employees enroll workers in a new quasi-public fund (a USA Retirement Fund), unless the employer offers either a defined benefit plan or a defined contribution plan with automatic enrollment and a lifetime income option. Government employers would be exempt from the mandate, but could offer USA Retirement Funds on a voluntary basis. USA Retirement Funds would be managed by an independent board of trustees (who would be fiduciaries), and benefits would be paid out over the course of a participant’s retirement, with survivor benefits and spousal protections.

Beyond this new structure, the bill includes a series of retirement plan reforms. These include a requirement that qualified defined contribution and defined benefit plans provide participants lifetime income disclosures that include an annuity illustration, and modification of safe harbor regulations related to annuity selection to enhance access to annuity alternatives in retirement plans.

**President Obama Introduces MyRA Retirement Accounts.** President Obama announced the creation of a new retirement savings vehicle, “MyRA,” in the State of the Union Address in January. Intended for workers who lack access to a workplace retirement plan, the MyRA initiative will be a voluntary employer program that gives employees a way to establish a retirement savings account with as little as \$25, with subsequent payroll deductions of at least \$5 (employer contributions will not be permitted). MyRA accounts will consist of a Roth IRA held in custody by the Treasury Department (“Treasury”), with the sole investment offering being similar to the federal workers’ Thrift Saving Plan Government Securities Investment Fund, which

invests exclusively in short-term US Treasury securities. Upon accumulation of \$15,000 (or 30 years of participation, if sooner), the account balance must be transferred to a private provider. Treasury will begin developing a pilot program shortly. The program is expected to be finalized by the end of the year.

**President’s Proposed Budget for Fiscal Year 2015 (“FY15”).** President Obama’s FY15 budget proposal includes provisions that either expand coverage or effectively reduce retirement incentives.

Consistent with the theme of expanded retirement coverage, the centerpiece of the President’s retirement policy continues to be the Automatic IRA, which was again in the FY15 budget proposal. Most employers that do not offer a retirement plan would be mandated to enroll employees in a payroll deduction IRA provided by a private-service provider.

On the other side of the ledger, the FY15 budget proposes to reduce retirement incentives in a number of ways. The budget would limit the tax rate at which upper-income taxpayers can use itemized deductions and other tax preferences to reduce tax liability to a maximum of 28 percent. This limit would apply to pre-tax employee contributions to IRAs and retirement plans (including 457 plans), as well as interest on tax-exempt bonds and employer-sponsored health insurance. To avoid double taxation, if a taxpayer’s deductions or exclusions for contributions are limited, the taxpayer’s basis would be adjusted to reflect the additional tax paid.

The budget also re-proposes a cap on retirement plan contributions and accruals, which generally would prohibit additional retirement plan contributions/accruals in years in which an individual’s aggregate IRA and employer based defined contribution plan (401(k), 403(b) and governmental 457(b) plans) account balances and defined benefit plan accruals exceed

a fixed level. The cap would be based on the actuarial present value at which an individual could purchase an annuity, with an annual payment equal to the current maximum benefit permitted under a defined benefit plan (currently \$210,000 per year). For a participant age 62, the threshold would be approximately \$3.4 million in 2015. Because the cap would be based on actuarial assumptions tied to DB plan benefit limits, the cap could potentially decline significantly should interest rates rise, and could be far lower for younger participants. The proposal continues to receive little support in Congress. If the cap applied, contributions (or accruals) would be prohibited for the current year.

Another provision would require that non-spouse, non-dependent beneficiaries of deceased IRA and retirement plan participants receive the proceeds of plan assets within five years of the death of the participant/owner. Under current law, payments can be “stretched” over the beneficiary’s life or life expectancy.

Finally, the President’s budget seeks to eliminate Required Minimum Distribution (“RMD”) rules for any individual age 70½ and above whose aggregate balance across tax qualified plans and accounts (including Roth IRAs) is \$100,000 or less. However, the President’s Budget also proposes that RMD rules apply to Roth accounts during the lifetime of the owner—reversing current rules that impose RMDs for Roth IRAs generally only after the owner dies.

#### **Department of Labor (“DOL”)**

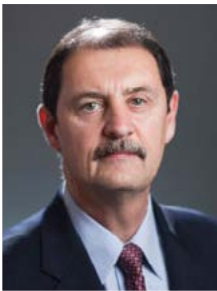
**Regulatory Agenda.** The DOL has added two new projects to its 2014 regulatory agenda. First, DOL plans to release a request for information (“RFI”) relating to brokerage windows in defined contribution plans. The RFI will facilitate DOL’s consideration of fiduciary and disclosure obligations that should apply to brokerage windows. The RFI, likely to be released

*(continued on page 5)*



Simon Farbrother

This year the International City/County Management Association (ICMA) marks its 100<sup>th</sup> anniversary, a milestone that has impressed on us how greatly our profession has changed since it first began.



Tom Lundy

Every village, town, city or county runs a 24/7 operation and delivers services from A to Z. It's a complex job, and it is growing more

complex as expectations from our citizens for more transparency and involvement in decision making increase. City and county managers today are more facilitators of community dialogue than technical experts.

In the face of ever rising demands, city and county managers need to make the most their financial resources, technology and staff. We have the most to gain by increasing the capacity of our staff, which means cultivating employee engagement, organizational culture and values-based leadership.

ICMA struck a task force to look at what leadership means in today's world

and how we can support our members to develop those key skills.

Thirty-three ICMA members gathered in Phoenix at the end of January to answer the question: how do we elevate leadership as essential to who we are and what we do, and how can ICMA foster leadership skills and better position the profession for success in our communities around the world?

After identifying many challenges that will affect managers in the next twenty years, the task force settled on the top five drivers of change:

- The accelerating pace of technological change
- Sustainability of the environment, economy and social equity
- Demographic shifts
- Changing public expectations, including greater demands for transparency, engagement and services
- The manager's responsibilities for leadership, truth-telling, collaboration, engagement

We narrowed a long list of skills necessary for effective leadership to twenty-seven, many of them not often taught in graduate school programs such as:

- Facilitation
- Team-building and managing relationships
- Versatility, adaptability and resiliency (for ourselves, our organizations, our communities)

- Technology and financial management
- Negotiation
- Understanding of the political environment (without being political)
- The ability to inspire, motivate and exhibit visionary and aspirational thinking

We also talked about what success would look like when tomorrow's managers and assistants develop and effectively use these skills. How would local government be better? Our answer was:

- More trust, evidenced by less polarized politics and higher turnout of a better informed electorate
- Engaged communities, working in partnership with local government
- Measurable progress towards a more robust quality of life

The task force will make several recommendations to the ICMA Board at the annual conference in Charlotte-Mecklenburg County this September. Essentially, they ask that ICMA make leadership development one of the association's key member services and realign the organization, work plan and budget accordingly.

Many thanks go to the task force members and ICMA staff for their insight and thoughtful consideration of our professions priorities. The task force hopes this new approach can be approved for launch at the 2015 annual conference in Seattle. ■

## ("Capitol Review" from page 4)

in summer or fall 2014, will collect information in preparation of formal regulations or guidance.

Secondly, DOL is examining the modification of the safe harbor regulations for the selection of an annuity provider in a defined contribution plan. DOL is developing proposed amendments to the annuity selection safe harbor, which will

focus on the annuity provider's ability to make all future payments under the annuity contract. DOL has targeted January 2015 for release of the proposed amendment.

## Target Date Fund Developments.

DOL and SEC continue to work toward finalizing rules requiring additional disclosure to plan participants and investors regarding target date

funds. The SEC reopened comments in April to consider requiring the disclosure of standardized risk-based glide path illustrations, in order to make it easier for participants to compare the risk levels of different target date funds. The DOL also has reopened the period for public comment on its target date fund disclosure proposal to seek comment on the issues the SEC has raised. ■

# FROM YOUR NACO REPRESENTATIVE

by Eugene Smith, NACA Past President, County Manager, Dunn County, Wisconsin



I think that those of you who serve large boards will understand when I say that the NACo Board of Directors meeting is generally anticlimactic.

Most of the work leading up to the Board meeting is accomplished at the steering committee and subcommittee level. This year's legislative conference Board of Directors meeting was no exception. The board did adopt the positions of its steering committees on various legislative issues with only two areas of significant debate. One was related to the source of funding for certain community mental health programs, the other related to proposals to change the minimum wage.

Two other events are of significant note in this report to our membership. NACo unveiled two new programs which I think can be of significant use to counties. We have made note of both of these as discussion items on our LinkedIn group, NACA, the Journal of County Administration.

The first program is COIN, County Innovation Network, a collaboration between NACo and Solutionize, a private sector partner. COIN is a private, managed online community for local government leadership and staff. The goal of COIN is to enable counties to share the wisdom of the crowd nationally, for learning, discussion and decision-making.

COIN brings the following opportunities to extend collaboration beyond the county elected officials to include staff members from counties, state associations, NACo affiliates, economic development authorities and municipalities. The COIN community includes services for: Member-to-Member Connection to search and

communicate with local government members locally or nationally; information exchange to share relevant documents and media files; helping hands get local government's questions answered online by subject matter experts; groups that organize subject-specific sub-communities to support NACo practice areas and your special interest groups; Community Hot Topic Conversations foster open discussions among local government members about practice areas and special interest topics; Top of Mind for public discussions among counties and the corporate community; Supplier Zone for suppliers to present relevant products, services and solutions in storefronts to engage with prospects in a standardized way and Link to the NACo Application Store (a partnership between NACo and Oakland County, Michigan) to share knowledge about deployed IT solutions across counties

Coming Soon: Link to NACo's County Intelligence Connection (CIC) 2.0 to obtain a wealth of county data to help make accurate, informed and publicly justifiable decisions. CIC 2.0 will be available in July 2014, and its user-friendly interactive design will capitalize on developments in big-data analytics and web mapping, providing 61 datasets with 640 indicators for the 3,069 counties, ranging from county financial data to the demographic characteristics of counties. CIC 2.0 will enable users to select their county, dataset and the latest annual value of the desired indicator, and benchmark against other counties of similar population size. See <https://www.countyinnovation.us/wapps/user/register> to register.

The second program, actually introduced a few weeks ago, is the County Tracker. Currently displayed on the NACo website banner is the invitation to learn more about County Tracker 2013. Drilling down one level gives

the viewer the opportunity to click on an interactive map displaying all the counties of the United States and opening some fundamental economy related data gathered since entering the recession and recovery. My experience with it thus far only allows me to say that it works and has piqued my interest. Apparently there is also a free webinar for those interested in learning more about the tool, its development and use. Our County Economic Development Director has commented to me on several occasions that he has found use for the information found.

Until the next time keep up the good work and don't hesitate to let others know of your county's successes.

## **NACo 2014 Western Interstate Region (WIR) Conference**

Anytime that a meeting facilitator enters and circles the room on a dog sled pulled by live sled dogs you know that the content of the meeting will be exciting.

Once again, it was my privilege to represent the National Association of County Administrators (NACA) at a meeting of the NACo Board of Directors. I participated in the National Association of Counties (NACo) 2014 Western Interstate Region (WIR) Conference held in Anchorage Borough, Alaska May 21-23. The conference brought together hundreds of Western officials, major stakeholders in decisions being made at the federal level.

With critical legislative and regulatory issues being debated in the nation's capital, county leaders discussed and addressed issues particularly important to local communities. These issues include reauthorizing MAP-21, the cornerstone surface transportation bill; securing long-term funding solutions for counties through the Payment in Lieu of Taxes (PILT) and

*(continued on page 8)*

## Open Data and Climate Change: An Opportunity We Must Seize



The front page article in this issue of *The Journal of County Administration* argues for urgent action on the cyber security front, and care with data bases

that are unprotected. An intriguing countercurrent is flowing across governments at the same time: that of the Open Data movement. The wealth of information that is buried in county, state and federal “data vaults” has immense value to the residents and businesses of this country. Unlocking this data and delivering it through apps on smart phones and data-driven service offerings can have an immediate impact on the competitiveness of the nation and the safety and economic activity of each county. In addition, the launch of many entrepreneurial businesses who can develop the apps and create the service models that take advantage of the data is in itself a good impact, and can lead to hi-tech job creation, something every county desires.

A reminder of the importance of this Open Data value was shown in March 2014, when the White House launched a major effort around a high priority

problem that many coastal governments face around the globe: sea level rise and flooding. Here is what John Podesta, presidential counselor had to say:

“...Data from NOAA, NASA, the U.S. Geological Survey, the Department of Defense, and other Federal agencies will be featured on [climate.data.gov](http://climate.data.gov), a new section within [data.gov](http://data.gov) that opens for business today. The first batch of climate data being made available will focus on coastal flooding and sea level rise. NOAA and NASA will also be announcing an innovation challenge calling on researchers and developers to create data-driven simulations to help plan for the future and to educate the public about the vulnerability of their own communities to sea level rise and flood events.

These and other Federal efforts will be amplified by a number of ambitious private commitments. For example, Esri, the company that produces the ArcGIS software used by thousands of city and regional planning experts, will be partnering with 12 cities across the country to create free and open “maps and apps” to help state and local governments plan for climate change impacts. Google will donate one petabyte—that’s 1,000 terabytes—of cloud storage for climate data, as well as 50 million hours of high-performance computing with the Google Earth Engine platform. The company is challenging the global innovation community to build a high-resolution global terrain model to help communities build

resilience to anticipated climate impacts in decades to come. And the World Bank will release a new field guide for the Open Data for Resilience Initiative, which is working in more than 20 countries to map millions of buildings and urban infrastructure. ...”

Note: The actual wrap up session of the White House event with the federal and industry commitment announcements can be viewed at [this link](#).

So what does this mean? Ready access to high-resolution imagery for every county in the nation is now available, and private sector partners are willing to contribute resources to make this data usable and aligned to our practical needs on the ground. NACo and ICMA are partners in this initiative and will be promoting practical engagement mechanisms to make this work.

The challenge will be to continue the vigilance and careful deployment of programs that safeguard the security of our data, while ensuring that the benefits of the data are provided directly and easily to our residents, businesses and visitors. Sounds contradictory, but it can be done, and give us new styles of economic development based on the digital economy that is here now. We need to take up this challenge! ■

(“*SECURING .GOV WISELY*” from page 1) evolved over years. But he is challenging his administrators to examine the business end of things, and to make sure that there are valid reasons for decentralized outposts of technology.

I must say that the 90 day implementation target impressed me; seeing the sometimes glacial pace of change in governments, I was inspired by the obvious sense of urgency that matches the real threat of total business disruption.

Each of the three steps outlined in the University of Maryland case could be implemented in most counties with little change- it makes sense and is relevant to the risk outside the gates. Of course each county will take on a different direction as the cyber security attacks increase. Early action is required at a pace and sense of urgency much more acute than “business as usual”. And yet, there must be some basic elements that are contained in each: a recognition that the cyber security puzzle is

real, that a zero-risk solution cannot be bought and that sound practice requires a dual attack: technological and human, with strong continuous training of all employees, and attention beyond the IT realm to the business continuity aspects of the entire County. We have overcome many challenges before, and I am confident that we shall overcome this one- but it will take a fresh approach, and the courage to involve new minds and new strategies. Let’s roll up our sleeves and dive in! ■

# Tax Issues are Top Priorities for Local Governments

by Christina Barberot, Public Policy Coordinator, ICMA



Last Spring, the Senate passed the Marketplace Fairness Act, an important first step in leveling the playing field so that merchants collect sales taxes

owed, whether the purchase is made on Main Street or over the Internet. This legislation has no effect on federal revenues or the federal budget, but does allow states to enforce their own laws.

ICMA and numerous state and local government organizations recently signed onto a [letter urging the House Judiciary Committee](#) to take action on the Marketplace Fairness Act. County officials can remind their Congressional representative how important it is to address this issue now.

Another top priority for local governments is to protect the tax-exempt status of municipal bonds. State and local governments provide three-quarters of the total investment in infrastructure in the United States, and tax-exempt bonds are the primary financing tools that more than 50,000 government entities and authorities rely on to satisfy these infrastructure needs. Over the past 10 years, the tax exemption has enabled state and local governments to finance more than \$1.65 trillion in infrastructure investment. For more information on the importance of the tax-exempt status of municipal bonds, check out these ICMA and NACo fact sheets and reports:

- [2014 Facts: State and Municipal Bankruptcy, Municipal Bonds, State and Local Pensions](#)
- [Protecting Bonds to Save Infrastructure and Jobs](#)

- [National Association of Counties: Municipal Bonds Build America.](#)

The Simpson-Bowles Commission and/or the Domenici-Rivlin Commission are often cited as a rationale for capping or eliminating the tax-exempt status of municipal bonds. However, Alice Rivlin has stated that neither commission addressed the consequences for state and local governments should the tax exemption be curtailed. The White House continues to consider a 28 percent cap on the value of certain tax benefits, including interest earned on new and outstanding state and local tax-exempt bonds.

ICMA, the National Association of Counties, and the National League of Cities, among others, remind their members that now is the time to show their Congressional representative the projects that have been financed with municipal bonds. ■

*(“NACo Representative” from page 6)*  
Secure Rural Schools (SRS) programs; and amplifying county voices on the newly-proposed definition of “waters of the U.S.”

Conferences such as the WIR and meetings of the NACo Board continue to illustrate in a positive manner that it’s important for us to share what we’re doing well and learn from others who are faced with similar challenges. By attending the conference, county leaders are able to make sure that they have a prominent role in shaping key federal policies that affect us every day.

The conference brought together nationally-renowned experts, state and federal policy leaders and county officials from across the country. Featured speakers included former Alaska Governor Frank Murkowski; Municipality of Anchorage Mayor Dan Sullivan; Alaska State Director Bud

Cribley, Bureau of Land Management, U.S. Department of the Interior; Alaska Regional Forester Beth Pendelton, Forest Service, U.S. Department of Agriculture; and Martin Buser, four-time Iditarod champion.

In addition to the line-up of dynamic speakers, the WIR conference organized workshops for county leaders to delve deeply into topics important to the West. These discussions included county solutions for managing wild horses and burros, innovations in rural economic development and reforming county public defender systems.

WIR President John Martin, Garfield County, Colorado commission chair, spoke about WIR’s dedication to represent counties in policy decisions affecting the West.

“Together, we can be a strong voice for Western priorities within NACo, on Capitol Hill, with the Administration

and for all of our counties,” Martin said. “Western leaders know how to deal with tough issues and get results for our communities.”

The Western conference also provided opportunities for NACo policy committees to discuss effectively managing land and natural resources, promoting rural development and prosperity, expanding broadband access and preparing for the upcoming wildfire season.

The NACo Board of Directors met during the conference and was able to receive reports from a number of its committees and NACo staff. The Finance Committee met and continued to discuss the potential for acquisition of property to house the NACo offices in collaboration with similar organizations representing various facets of local government. The Committee also reviewed reports from the NACo financial advisors. ■



## NACA Events at NACo

At NACo's invitation, NACA submitted five educational session proposals for this year's NACo Annual Conference in Orleans Parish/New Orleans, Louisiana. Two of our proposals were accepted and will be part of the robust program of sessions. The two offerings are described below. Be sure to include them in your plans for your participation in the NACo conference.

Sunday, July 13 · 10:30am - 12:00pm

### The Value of Professional Management

The appointed manager or administrator of a county is charged with carrying out the policies established by the elected officials, and with delivering public services efficiently, effectively, and equitably. Elected officials, in turn, have more time to concentrate on creating a vision for the community's future. Day-to-day operations

are managed by a professional who is educated and trained in current local government management practices, state and federal laws and mandates, and cost-effective service delivery techniques. Learn how this model can work in your community.

Monday, July 14 · 9:00am - 10:15am

### Refocus on Access to Healthcare Services

Unsustainable increases in healthcare costs, older residents experiencing multiple hospital readmissions, fragmented communication among providers and cuts to funding led the Sussex County Department of Human Services to re-focus access to healthcare services. By creating a public-private partnership with the community hospital and the County's largest physician group, the County-led Transitional Care Program brings services directly

to high-risk patients, reduces traffic to the Divisions of Social and Senior Services, receives grant funding, and generates revenue.

The NACA Executive Board will meet on Saturday morning, July 12, and NACA's traditional Idea Exchange will take place together with the General Membership Meeting on Sunday, July 13. Register in advance for the Idea Exchange and Lunch using the form provided with this issue of the Journal. Please add to the growing list of Idea Exchange discussion topics:

- High Performing County Organizations
- Forming Innovation/Tiger Teams
- Cyber Security: Liabilities and Insurance
- Pre-Trial Adjudication
- Jail Diversion Programs

EVENT	DATE	TIME	LOCATION
<b>Executive Board Meeting</b>	Saturday, July 12	9am – 11am	Morial Convention Center
<b>Past Presidents Breakfast</b>	Sunday, July 13	8:30am	Hotel Location TBD
<b>NACA Sponsored Session:</b> • <i>The Value of Professional Management</i>	Sunday, July 13	10:30am – 12noon	Morial Convention Center
<b>General Membership Meeting &amp; Idea Exchange</b>	Sunday, July 13	12noon – 3pm	Morial Convention Center
<b>No Host Dinner</b>	Sunday, July 13	7pm	Downtown New Orleans (location TBD)
<b>NACA Sponsored Session:</b> • <i>Refocus on Access to Healthcare Services</i>	Monday, July 14	9am – 10:15am	Morial Convention Center

## WITH SINCERE APPRECIATION TO THE FRIENDS OF NACA





THE NATIONAL ASSOCIATION OF COUNTY ADMINISTRATORS

## REGISTER BY JULY 7, 2014 TO ATTEND NACA EVENTS AT NACo's 2014 ANNUAL CONFERENCE – Orleans Parish/New Orleans, Louisiana

The National Association of County Administrators (NACA) will convene a series of events at the National Association of Counties' (NACo) Annual Conference on July 11-14, in Orleans Parish/New Orleans, Louisiana.

Once again, we will combine our **Idea Exchange** and **General Membership Meeting** on Sunday to accommodate busy schedules during the conference. Our traditional **Idea Exchange** will provide an opportunity for county administrators from across the country to discuss, in an informal setting, ideas and best practices that are relevant to county management. Please give us suggested topics in the space below so that we can build the agenda. The **General Membership Meeting** will offer an update of NACA activities and recent board actions.

On Sunday and Monday **NACA will co-sponsor two educational sessions on the NACo program.** Details are provided below.

### IDEA EXCHANGE & GENERAL MEMBERSHIP MEETING (Sunday, July 13 @ 12:00noon to 3:00pm)

Register by July 7, 2014: \$50.00 per person, includes Sunday lunch.

**SUGGEST YOUR IDEA EXCHANGE AGENDA TOPICS HERE:** \_\_\_\_\_

<b>Name &amp; Title:</b>			
<b>County or Organization:</b>			
<b>Address:</b>			
<b>City:</b>	<b>State:</b>	<b>Zip:</b>	<b>E-mail:</b>

**Return to:**

NACA Attn: **Alex Harrison, c/o ICMA**  
777 North Capitol Street, N.E., Suite 500  
Washington, DC 20002-4201

**Method of Payment: ( ✓ one)**

- Check Enclosed       Credit Card Information (AmEx; MC; VISA only)
- Check to Follow      Card type: \_\_\_\_\_
- Account Number: \_\_\_\_\_
- Expiration Date: \_\_\_\_\_

■ **PHONE: 202-962-3542 (phone)** ■ **FAX: 202-962-3678 (fax)** ■ **E-MAIL: [naca@icma.org](mailto:naca@icma.org) (e-mail)** ■

EVENT	DATE	TIME	LOCATION
Executive Board Meeting	Saturday, July 12	9am-11am	Morial Convention Center Room 224
General Membership Meeting & Idea Exchange Luncheon	Sunday, July 13	12:00noon-3:00pm	Morial Convention Center Room 214
<b>NACA Sponsored Sessions:</b>			
• The Value of Professional County Management	Sunday, July 13	10:30am-12noon	Morial Convention Center; Room R03
• Refocus on Access to Healthcare Services	Monday, July 14	9am-10:15am	Morial Convention Center; Room 218

Check the NACA Web site at [countyadministrators.org](http://countyadministrators.org) for more information

**iMIS Meeting Code: NACA0714**