NACo Vision

Healthy, vibrant, safe, and resilient counties across the United States

NACo Mission Statement

The National Association of Counties (NACo) assists America's counties in pursuing excellence in public service by advancing sound public policies, promoting peer learning and accountability, fostering intergovernmental and public private collaboration, and providing value-added services to save counties and taxpayers money.

Founded in 1935, NACo provides the elected and appointed leaders from the nation's 3,069 counties with the knowledge, skills, and tools necessary to provide fiscally responsible, quality-driven, and results-oriented policies and services for healthy, vibrant, safe, and resilient counties.
Table of Contents
2012–2013 NACo Annual Report

4  President’s Message
6  Executive Director’s Message
10  Presidential Initiatives
15  Accomplishments
28  Innovation
30  Partnerships
34  The Future
37  Financial Information
38  NACo Executive Committee and Committee Chairs
President’s Message:  
2012 – 2013 Annual Report

Proud of accomplishments on Smart Justice, Cybersecurity, Next Generation NACo

Dear Fellow County Official,

Thank you again for the opportunity to serve as the President of NACo for the past 12 months. It has been an amazing experience as the nation, counties and our association are all living through tremendous change and transition.

As part of my presidency, I am proud that the association has made substantial progress on three cornerstone initiatives: Smart Justice, Cyber for Counties and Next Generation NACo. On Smart Justice, we have focused on county innovations in pretrial services, improved collaboration between county mental health and court services, and jail population management. NACo worked with numerous partners to host three excellent peer exchange forums, produced new reports and issue briefs, and sponsored other educational sessions and workshops that helped county officials pursue new ideas and techniques for Smart Justice.

With the Cybersecurity Symposium in my home county of Douglas County, Neb., in April, NACo became the first public interest group to focus on cybersecurity and raise it as a critical issue that must be addressed by state and local governments. Through Next Generation NACo, we are on a path to develop young county leaders who will continue to move our association forward and ensure that it will continue to be one of the top organizations in the country. All three of these initiatives will be pursued in future years.

After 21 years of distinguished service, we also bid our thanks to long-time NACo Executive Director Larry E. Naake, who retired at the end of 2012. Under Naake’s leadership, NACo achieved numerous legislative victories, established significant programs to help counties, and developed a firm financial and membership foundation for the association.
Building on the theme of Next Generation NACo, the association has been led this year by two Generation X leaders! Our new executive director, Matthew D. Chase, joined NACo in the fall after nearly a decade at the helm of the National Association of Development Organizations. Matt has partnered with the Executive Committee, Board and committee leadership to bring an infusion of enthusiasm, new ideas and emphasis on collaboration with affiliates and state associations.

Just one example of our new approach is the Why Counties Matter! campaign, launched during the 2013 NACo Legislative Conference to make certain that the Administration, Congress and the American people gain a better understanding of our nation’s counties. This effort ties into our expanded focus on policy and practitioner research, especially data and facts that tell our story and demonstrate the impact of counties on the community, economic and social fabric of our local communities.

Recognizing that information is power in today’s world, NACo’s new leadership is committed to making sure county leaders across the nation have access to critical updates and facts on federal policy, politics and priorities. This is evidenced in the association’s recent presentations on sequestration, the debt ceiling and the President’s FY2014 budget plan. I know that this is just the beginning and our team’s attention to detail and commitment to counties will ensure that NACo is a force in the nation’s capital for many years to come.

By working together, we have had numerous accomplishments this year. They include a legislative victory on online sales tax, creating the County Solutions Network, adding other medical services to the Prescription Discount Card Program, reaching an agreement with Nationwide Retirement Solutions to continue the deferred compensation program and improving communications to members with presentations on key issues. This Annual Report provides information on these successes and much more.

Thank you for being a member of NACo and for giving me this opportunity to serve as your president. It has been a great experience and one that I will always remember.

Sincerely,

Chris Rodgers
President
Commissioner, Douglas County, Neb.
Executive Director’s Message

Committed to preparing America’s county leaders for excellence in public service

Dear NACo Member,

Thank you for your active leadership and participation in the National Association of Counties (NACo). It is an honor to serve as the new executive director of NACo at a time when our nation’s counties are facing daunting challenges and opportunities. This is why it is so vital that we dedicate more attention and resources to promoting county solutions and innovation, telling the story of Why Counties Matter!, and ensuring the voice of county government is omnipresent at the federal level.

As part of the association’s new strategic vision, we are focused on pursuing “healthy, vibrant, safe, and resilient counties across the United States.” To achieve this bold new plan, we are placing an increased emphasis on five basic principles:

▪ promote sound public policies that advance the interests of counties
▪ empower county leaders with new skills, resources, and ideas
▪ assist counties with first-class, cost-effective, and customer-driven services
▪ enhance the public’s understanding of county government, and
▪ exercise sound stewardship of NACo’s financial, intellectual, and human capital.

Our blueprint maintains that making NACo a stronger association will entail focusing on the five R’s: relationships, research, resources, responsiveness, and results. Building on our organization’s proud history and sound foundation, our priority is to bring new energy, intensity and strategies to carry out these focal points.

As part of our new public awareness campaign, Why Counties Matter!, we highlight how counties invest and allocate more than $460 billion each year in local communities and employ more than 3.5 million Americans. Counties are our nation’s primary local delivery system for public health and wellness, justice and public safety services, transportation and infrastructure, and public record keeping and elections, among countless other responsibilities for the American people.
Unfortunately, counties are a complex level of government with many different governance structures, services and charters. Yet, counties share a common mission of being a locally elected unit of government tasked with ensuring our local communities have the fundamental building blocks for competitive economies, safe and healthy communities, inclusive citizen engagement, and sound public administration. As the unit of government closest to the people, counties are also often the “last mile” service delivery provider for many federal and state policies and programs.

Statistics show that counties collectively are a $460 billion industry with 3.5 million employees.

It is important that we tell our story each and every day. This is why NACo is striving to improve communications with you, your colleagues, federal policy makers and the public. We have upgraded our website (NACo.org) to make it easier to navigate, and we have expanded our use of social media through Twitter, Facebook and YouTube. We launched a new weekly federal policy e-newsletter, Washington Watch, which is distributed to the full membership as well as key stakeholders. This is just the start as we work to become more nimble, consistent, and timely.

As part of this process, the association’s legislative team is now preparing more in-depth presentations on the federal policy landscape, such as the federal sequestration process, potential impact of proposed changes to tax-exempt municipal bonds, outlook of federal immigration reform, and an overview of the 2012 federal elections. We will also continue to host national conference calls and briefings for the full membership and related NACo policy committees with the White House, federal agency officials and members of Congress on pressing federal policy issues. All of these efforts are focused on applying the county lens for federal policy makers, the media and our membership.

These new strategies are not just about NACo pushing out information. This was evident at the Legislative Conference in March, when hundreds of county officials fanned out across the nation’s capital to educate federal policy makers about key county issues and tout our Why Counties Matter! message. Members were empowered with updated county statistics and legislative issue briefs, as well as a newly released video and infographic fact sheet.

In an effort to improve our professional development and continuing education services for the membership, we are rolling out a new format for the 2013 NACo Annual Conference: County Solutions and Idea Marketplace. We are offering educational sessions on a variety of topics, with core training tracks on: Healthy Counties, Smart Justice, County Resiliency, Leadership & Management, Cyber for Counties, Green Government, Counties Work, and Jobs & the Economy. These sessions are designed to appeal to elected county leaders as well as county leadership staff.
It has been an exciting first year and our team is energized by the leadership and talent that thrive in counties across the nation. We are grateful to have an outstanding executive committee, Board of Directors, committees and staff that are intensely dedicated to our mission. Together, we are committed to NACo’s primary purpose, which is to prepare America’s county leaders for excellence in public service.

NACo is stronger and more effective when officials like you become more engaged. We urge you to attend a conference, join a policy steering committee, contact your congressional representatives on key legislation, or take advantage of our many cost savings programs like U.S. Communities and the NACo Prescription Drug Discount program. Also, please let us know what you think. We welcome your ideas and suggestions about how we can achieve our goals and help you better serve your constituents and communities.

Sincerely,

Matthew D. Chase
Executive Director
NACo President Chris Rodgers presides over NACo’s 125-member board at its Legislative Conference meeting.

Photo by David Hathcox
Presidential Initiatives

Smart Justice profiles effective county practices

NACo President Chris Rodgers focused the Smart Justice Initiative on utilizing the hallmarks of evidence-based/data-driven policies, efficient use of resources, and maintaining public safety and accountability. By focusing in this way, the initiative profiled effective county justice policies and practices. The goals of this initiative were to:

▪ build capacity for evidence-based, data-driven local justice policies and practices throughout the nation’s counties, and
▪ provide a closer examination of the need for intergovernmental collaboration and public/private partnerships in an effort to enhance safer communities and utilize taxpayer money more effectively and efficiently.

Through workshops, webinars, forums and meetings, this initiative highlighted county solutions and innovations addressing local justice issues. These solutions and innovations were shared with NACo members, helping them to better deal with tough justice issues.
A highlight of the initiative was the Smart Justice Symposium, held in Los Angeles County, Calif., Jan. 31–Feb. 1, 2013. More than 100 county leaders attended to interact with leading experts in the fields of juvenile justice, workforce development, jail population management and public safety, who led discussions on critical issues in counties. Sessions addressed juvenile justice reform, pretrial justice programs, workforce and housing issues among this population, health care and jails, child sex-trafficking prevention, and the relationship between counties and states in the management of jail and prison populations.

NACo also conducted a meeting and jail tour in Shelby County, Tenn., where a small delegation of county leaders discussed crisis intervention teams, indigent defense (Jericho Project), and a local program, Operation Safe Community, a part of the Tennessee Department of Safety and Homeland Security.

An additional meeting was held in Cook County, Ill., to discuss, explore, collect and provide peer exchange of best practices and policies among partners across the country on reentry workforce issues and to examine Cook County’s Expungement Summit. The stakeholders, including counties, foundations, employment networks, and national organizations, among others, explored the impact this issue has on counties and what collaborations and information can be shared with the broader NACo
membership. A jail tour and workshop at the 2013 Western Interstate Region Conference provided a platform to examine the collaboration and work in Coconino County, Ariz.

A number of webinars were conducted as part of the initiative, and a database of county programs has been enhanced to catalog local justice system programs and policies. Further, workshops at the NACo conferences addressed pretrial release, reducing recidivism and utilizing cost-saving measures and practices in local justice system programs and policies.

President Rodgers also authored an article in Correctional News, highlighting the importance of counties’ roles and responsibilities in the justice system. Workshops addressing jail infrastructure issues and justice system efficiencies are scheduled at the NACo 2013 Annual Conference.

Cyber for Counties raises awareness about the need for vigilance

President Rodgers’s Initiative on Cyber Security has been a great success by informing both county officials and staff of the importance of protecting critical infrastructure, and the imminence of a cyber-attack at the county level.

The primary goals for Cyber for Counties are to:
- raise awareness among county elected officials of the threats to county government cyber infrastructure
- provide educational materials/training for elected officials and their constituents on issues related to cyber security at work and at home
- connect county government with federally funded services offered by the Multi-State Information Sharing and Analysis Center (MSISAC), and
- connect county governments with U.S. Department of Homeland Security (DHS) products and resources such as cyber exercises, evaluations, and IT risk assessments.
Beginning in October 2012, in conjunction with Cyber Security Awareness Month, NACo hosted a series of five webinars on cyber security and related issues. As part of the awareness effort, dozens of county commissions and boards signed the official proclamation for the month and more than 60 counties received October Cyber Security Awareness Toolkits.

Additionally, in January 2013, NACo’s Cyber for Counties released a cyber security awareness video featuring DHS Secretary Janet Napolitano. In March 2013, Cyber for Counties hosted a Cyber Forum at the NACo Legislative Conference.

In April 2013, NACo hosted its first National Cyber Symposium. This two-day educational event, which had a record attendance of over 140 participants and was held in Douglas County, Neb., featured speakers from the White House, DHS, MSISAC, AT&T and the FBI.

In July, two cyber security workshops are planned for the NACo Annual Conference: County Solutions and Idea Marketplace, in Tarrant County, Texas. Future Cyber for Counties programming will begin to focus on workforce and training needs for cyber and IT professionals.

Additionally, NACo will be launching the first Cyber for Counties Guidebook in July 2013. This publication will feature cyber-related best practices and case studies to help counties protect themselves. More than 100 counties have joined the MSISAC to receive no-cost cyber security education and services funded through DHS.
Next Generation NACo Network prepares future leaders

The Next Generation NACo Network is President Rodgers’ third initiative, and provides a forum for young county officials to network, engage and become involved in NACo. The hope is that through engagement and interactions within the Next Generation Network, these young county officials will be groomed to become a new generation of leaders for the association.

The purpose of the group is to:

▪ provide a grassroots, member-driven forum for young county officials to communicate and network with each other
▪ identify and serve the unique educational and professional development needs of young county officials.
▪ help young county officials become engaged in NACo, and help develop a new generation of leaders for the association, and
▪ draw on the energy, ideas and talent of young county officials to strengthen NACo and the association’s strategic plan, programs and services for the future.

Over the past year, the Next Generation Network has been busy sponsoring a number of activities that include both service and learning projects. At the 2012 Annual Conference, the Next Generation Network held a session called Messages that Resonate: Speaking with One Voice about Our Values. This session featured renowned communication strategist Parag Mehta.

Additionally, the group has led community service projects at both the 2012 fall NACo Board of Directors meeting in Shelby County, Tenn., and the 2013 WIR conference in Coconino County, Arizona. In May 2013, the NACo Board of Directors adopted bylaws for the Next Generation Network.
Accomplishments

Why Counties Matter! campaign delivers key message about service to America

NACo produced a video and infographic titled Why Counties Matter! to deliver a message to the Administration, Congress and the American people that counties matter because the services counties provide touch the lives of virtually every American. The message is basic, saying that if a person votes, drives to work, takes the bus, gets a flu shot, visits the library, goes to the hospital, eats at a restaurant, gets a marriage license, buys a house, plays in the park, recycles or calls 911, chances are that person is interacting with his/her county government.

With this effort NACo is emphasizing to the Administration and Congress that counties play a key role in our nation’s federalism system of government and need to be at the table when legislation and regulations are discussed. The two-minute video was shown at the Legislative Conference in March and is on the NACo website. The one-page infographic was also made available at the Legislative Conference. County officials gave copies to their congressional representatives when they made visits to Capitol Hill during the conference.

Ads were run in Politico during the conference and for the Rural Action Caucus (RAC) and Large Urban County Caucus (LUCC) fly-ins highlighting the same theme. The infographic was distributed to members through County News and at state association meetings. It is also available through the NACo website.
NACo’s efforts lead to passage of Marketplace Fairness

NACo’s aggressive campaign on remote sales tax helped pass the Marketplace Fairness Act in the Senate in May with strong bipartisan support. The act authorizes state and local governments to enforce existing sales and use tax laws on remote online sellers. NACo has long advocated for the enforcement of these existing taxes because counties have lost billions of dollars in uncollected taxes as Internet sales have grown dramatically.

The legislation creates a level playing field for all retailers and enables counties to collect the taxes they are owed. The measure now heads to the U.S. House of Representatives, and NACo will continue to push for enactment.

NACo fights for tax-exempt municipal bonds

NACo is leading the fight to retain the tax-exempt status of municipal bonds. At a news conference in February, NACo, the National League of Cities and the U.S. Conference of Mayors issued a joint report, Protecting Bonds to Save Infrastructure and Jobs, on the negative impact of proposed changes to the tax-exempt status of municipal bonds issued by state and local governments. This report has since been widely distributed and referenced.

In March, a NACo-led coalition of 59 national organizations sent a letter to Senate leadership calling for the preservation of the tax-exempt status of municipal bonds. In addition, RAC and LUCC both carried NACo’s municipal bonds case up Capitol Hill and to the White House during their spring fly-ins. In June, NACo produced an expanded report on municipal bonds with profiles and data for 50 states and 45 counties, including a new Web-based interactive tool.
Campaign pushes for rural development in Farm Bill

The NACo-led Campaign for a Renewed Rural Development continues to call on Congress to reauthorize the Farm Bill with a strong and comprehensive Rural Development Title. The campaign is a diverse coalition of 38 national organizations, touching nearly every building block of the U.S. economy. NACo leads this effort to focus on the innovative strategies and programs that assist rural counties in their community and economic development efforts.

A NACo representative has testified twice before the House Agriculture Committee and once before the Senate Agriculture Committee to make rural development programs and funding a priority in the Farm Bill. NACo’s RAC has also partnered with the bipartisan Congressional Rural Caucus to highlight the importance of rural development programs. The April 2013 RAC fly-in included a meeting with the Administration’s Rural Policy Council and Agriculture Secretary Tom Vilsack.

Counties participate in White House forum on economic development

Twenty county elected officials and staff participated in a White House forum, “Building Blocks for Economic Development and Job Growth,” on Sept. 19, 2012. The event focused on the role of the public sector in making strategic investments to support private sector job creation and economic opportunity. NACo partnered with the National Association of Development Organizations for the event.

The forum brought together senior White House and federal agency officials with regional development organization leaders and county officials to highlight noteworthy practices across the country. NACo’s participants highlighted the federal programs that are critical to their local efforts such as CDBG, transportation funding, USDA Rural Development programs, workforce training programs and Economic Development Administration programs. County officials also highlighted the importance of administrative actions that can be taken to simplify application procedures, ease reporting requirements, streamline environmental review for projects and ease an array of regulations.

Building Blocks for Economic Development and Job Growth,” held at the White House on Sept. 19, focused on the role of the public sector in making strategic investments to support private sector job creation and economic opportunity. Participating in a feedback session on Building Resiliency are (l-r): Rebecca Troutman, North Carolina Association of County Commissioners; Steve Etcher, Boonslick Regional Planning Commission, Warrenton, Mo.; Russell Cowley, Six County Association of Governments, Richfield, Utah; Angela Belden Martinez, senior advisor and director of external affairs, Economic Development Administration; NACo First Vice President Linda Langston, Linn County, Iowa; Council Member Greg Fox, Howard County, Md.; and Bob Fogel (with back to camera), NACo senior legislative director.

Photo by Erik Johnston
Return of SRS payments challenged

After the U.S. Department of Agriculture (USDA) demanded that states return 5.1 percent of the Secure Rural Schools (SRS) funding because of sequestration, NACo has led a multifaceted grassroots and media effort to overturn the decision. Nearly 60 members of the U.S. Senate and U.S. House of Representatives have signed letters to the Administration urging the USDA to rescind the decision. In addition, NACo’s objections were reported in multiple media markets, including an Associated Press article that was featured in more than 100 newspapers and online news sites nationwide.

Further cuts to SRS will create dramatic budgetary shortfalls for 729 rural counties, severely impacting their ability to continue providing services to the public. NACo will continue to fight to ensure that counties can retain funding.

Advocacy results in funding increase for CDBG

NACo’s steady and consistent advocacy in support of the Community Development Block Grant (CDBG) program has succeeded in retaining the 20 percent administrative funding cap for the program. During a time in which domestic discretionary spending has been subject to relentless and disproportionate cuts, NACo has been able to assist in efforts to obtain a modest increase for CDBG in the FY13 Continuing Resolution by eliminating the disaster assistance set-aside within the program. This yields an increase from the FY12 level of $2.95 billion to $3.07 billion for crucial community and economic development projects.
Membership approaches 2,300 counties; retention rate steady at 97 percent

NACo had 2,289 member counties at the end of May and achieved a 97 percent plus retention rate, which is among the highest in the nation. NACo has maintained a 97 percent retention rate or higher for the past seven consecutive years. NACo’s membership efforts are successful because of the active work of officers, the Board of Directors, state associations, members and staff.

Participation at state association meetings is a key part of this effort. In 2012, NACo officers and staff attended 56 state association meetings, which is a new record. Other efforts include direct mail, recruiting nonmembers and special promotions, like the “I Pledge” campaign. This effort encourages conference attendees, committee members and Board of Directors members to pledge to recruit or retain members.

Research effort focuses on data analysis, impact on counties

With a new focus, NACo’s research team will provide members with data analysis for better understanding the economic and socio-demographic dynamics, deliver more policy analysis of issues of immediate interest to counties, and better connect with NACo members, media and the wider public in telling the county story.

Since February 2013, the research division made significant steps towards accomplishing these goals. The team delivered the statistics for the Why County Matter! infographic and video presentation, a major element in NACo’s campaign showing the importance of counties nationwide. The research team started its own blog in March 2013 that allows NACo researchers to release short analyses of issues of immediate interest to counties. Among the pieces already released are county disaster policies, county retirement policies and the effects of sequestration on CDBG.

The first study in a new series of policy research papers was released on June 21 at the Annual Meeting of the Large Urban County Caucus in Franklin County, Ohio. The study provides a county perspective on the municipal bond market and estimates the impact of possible changes to the tax-exempt status of municipal bonds on counties. The paper was accompanied by a series of individual county and state data profiles and a Web-based map interactive.

For the remainder of 2013, the team will prepare a series of research products, including a more detailed infographic on the importance of counties, a policy analysis of online sales taxes, an analysis of the economic performance of...
counties throughout the recession and recovery, and an updated, more user-friendly version of the County Intelligence Connection database.

Dental program provides savings for county residents

The NACo Dental Discount Program was opened for all member counties in May 2012. Sixty-four counties have signed on to be a part of the NACo Dental Discount Program, and these counties have had more than 3,000 county residents sign up for the program. The dental discount program gives counties a great opportunity to offer uninsured residents dental and orthodontics savings.

The discount card allows people to save 5 percent to 50 percent on dental care and 20 percent on orthodontics. There is no fee for counties to participate in the program, which is an exclusive membership benefit. In mid-2013, there will be a full launch of the program.
Special reports focus on cybersecurity, health rankings

County News published three special reports in the first half of 2013: one, a Hot Topics — Why Cybersecurity Matters to You; the second, a special edition that focused on the 2013 County Health Rankings from the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute; and the third, a Hot Topics — Building Community Resilience.

Communication and outreach to federal partners, members enhanced

NACo’s legislative team has enhanced communication and outreach to county members, as well as the Administration and Congress. Staff have met with nearly all of the 96 new members of Congress and have been in regular contact with the Republican and Democratic parties’ leadership in both chambers.

For members, NACo has published in-depth presentations including the 2012 elections, sequestration, the ongoing fiscal debate, President Obama’s FY14 budget request, immigration reform and municipal bonds, focusing on the impact on counties. NACo has also made new policy briefs available and evolved the Legislative Bulletin, into the new Washington Watch, a weekly electronic newsletter that details federal legislative and regulatory action.

New Annual Conference name, format introduced

A new format was introduced for the 2013 Annual Conference in July in Tarrant County (Fort Worth), Texas, as a result of NACo’s Strategic Plan. Changes included reducing the conference by one day, adding educational sessions and an awards luncheon, adjusting the timing of when the exhibit hall is open in an effort to increase traffic on the show floor and combining two evening events into one co-sponsored event between NACo and the host county.

Breakout sessions focused on core topics: Healthy Counties, Jobs and the Economy, Smart Justice, Infrastructure, Technology & Innovation, and Leadership & Governance. In addition, all changes were showcased under a new name: NACo 2013 Annual Conference: County Solutions and Idea Marketplace.

Students learn about counties through online game

Counties Work, an online game about county government, continues to be a hit with students. It has been played 390,000 times by more than 319,000 unique players since it was launched in July 2011.

NACo partnered with iCivics to produce Counties Work, as well as County Solutions, a curriculum about county government. The curriculum, which was placed on the iCivics website in July 2012, has been accessed by nearly 4,400 teachers. A teacher might use the lesson plan for three to five classes that have an average of 20 students each, which means that it is reaching many students across the country.

Accomplishments 21
Improvements to NACo website yield positive results

Major changes to the front page of the NACo website (NACo.org) have produced a crisp, new visual interface coupled with content additions. Users now can find and browse the latest legislative news, research news, County News headlines, news releases and featured videos from NACo’s YouTube channel. They can explore the latest publications; see and register for upcoming events, webinars and conferences; and jump directly to other parts of the site using the new Quick Links feature at the bottom of each page.

By improving the top-level navigation, users can find the content they are seeking with fewer clicks. NACo plans to update and streamline the interior pages to give each section a fresher, cleaner and more functional look. The use of Responsive Design for accessing content on any device, whether it is a desktop, laptop, tablet or smartphone, is also in the plans.
NACo’s social media networks are growing

Since dedicating a position for “new media” late last year, NACo has seen positive growth and engagement on its social networks. Traffic and engagement for Twitter and Facebook are the highest since they were established, and NACo continues to see tangible growth in the number of referrals to NACo.org from social media sites.

Comparing Jan. 1–April 30, 2012 to the same time this year, NACo saw a 10 percent increase in referrals to NACo.org from Facebook, a 693 percent increase from Twitter, a 10 percent increase from LinkedIn and a 400 percent increase from YouTube. Additionally, the growing user base on Facebook has expanded content outreach by 130,000 users to a daily total reach of roughly 950,000 Facebook users.

Twitter is emerging as a great tool for sharing NACo news, updates and events, but also has been useful in engaging with Congress, federal agencies and the Administration as an advocacy tool. In 2013, NACo engaged in a White House Q&A session with county officials on Twitter and created several advocacy campaigns on issues like tax-exempt municipal bonds and the Marketplace Fairness Act.

Currently, NACo has 2,200 followers on Twitter, 1,665 fans on Facebook, and has seen its YouTube channel content accessed nearly 50,000 times. Learn more at NACo.org/social-media.

County News alert delivers key news, information

County News launched in late January a bright, expanded version of its emailed alert that delivers access to the latest online version of County News. The redesigned alert now includes news and online tips about NACo programs and practice areas, as well as information for counties from NACo partners and associates. It provides easy access to registration forms for conferences, webinars and special forums, and links to all current County News content. The alert is distributed to more than 40,000 elected and appointed county officials.

Media relations efforts yield positive coverage

NACo saw a 3 percent increase in overall media coverage in 2012–13 and received positive national and Capitol Hill media coverage for its advocacy efforts, programs and initiatives. Accomplishments and significant coverage included:

- news conference at National Press Club featuring NACo President Chris Rodgers and officials representing the U.S. Conference of Mayors and the National League of Cities on protecting the tax-exempt status of municipal bonds
- meeting between NACo leadership and editors and reporters from Politico that resulted in two articles on NACo efforts to protect municipal bonds
- Executive Director Matt Chase discussed the effects of sequestration on counties on "Comcast News-makers," a five-minute interview program which airs on CNN Headline News in Comcast markets across the country. NACo then partnered with Comcast during the Legislative Conference to produce 16 Newsmaker segments featuring county leaders discussing a variety of priority issues
- NACo quoted in a widely distributed Associated Press article (May 2013) on the U.S. Forest Service’s demand to states and counties
Legal center represents county interests before Supreme Court

The State and Local Legal Center (SLLC) files *amicus curiae* briefs in support of states and local governments in the U.S. Supreme Court, and provides other assistance to states and local governments in connection with Supreme Court litigation. Since 1983, the SLLC has filed more than 300 amicus briefs in the Supreme Court.

NACo is a trustee member of the SLLC, a collaboration of the “Big Seven” national organizations representing state and local elected and appointed officials.

NACo has signed onto a number of amicus briefs filed by the SLLC in the past 12 months in some far-reaching cases including:

- *Decker v. Northwest Environmental Defense Center (NEDC)* — held that discharges of
stormwater that ran off logging roads into ditches, culverts and channels did not require a permit under the National Pollutant Discharge Elimination System.

- *Arlington v. FCC* — determination of statutory authority in wireless siting matters
- *Maryland v. King* — collection of DNA samples from individuals arrested and taken into custody for serious crimes does not violate the Fourth Amendment’s prohibition of unreasonable searches

To learn more, visit the SLLC website: http://www.statelocallc.org/about-us

**Jobs, economy are Board’s top priorities**

Members of the NACo Board of Directors identified jobs and the economy as their dominant public policy passion and priority — and key to NACo’s mission — in a first-ever live, electronic polling session held Dec. 8, 2012 at the Board meeting in Shelby County (Memphis), Tenn.

One-third of the 80 Board members who participated in the “eForum” said jobs and the economy are the most important issues facing the country now, 32 percent said the federal deficit and national debt, and 17 percent said health care. Immigration, taxes, national security and foreign policy each received 8 percent or less of the vote.

During the eForum, Board members used handheld keypads to respond to 70 questions on topics ranging from politics and elections, county fiscal conditions, public pensions, health, immigration, economic development, natural disasters and NACo member satisfaction. The responses were anonymous. Poll results were posted instantly as each question was completed, and the Board stopped three times during the session to discuss its reactions to the results.
Education at NACo evolves to a NEW level

Formerly Educational Services at NACo, the new Professional Development, Education and Training (PDET) division has taken NACo education programming to an all-new level. The PDET programming includes the County Leadership Institute (CLI), which is now in its 10th year. The CLI program has now graduated more than 219 county officials from 44 states and 172 counties across the nation.

Since taking a specific focus on solutions and innovation, NACo has also built three new repositories of best practices and information. The State Education Database is a comprehensive database of specific professional development and leadership training that is happening at each of the state associations. Over the course of four months, the NACo team was able to gather all of the credentialing, certificate and leadership training information for each state and catalog and organize it for access to NACo members and staff.

The Conference Inventory, similarly, captures information on the multiple state conferences, both annual and legislative, for each state association. The conference agendas are catalogued and indexed based on topic and geographic region.

Finally, the NACo Knowledge Center will be the repository for all things counties on the NACo website. The Knowledge Center is intended to be the “one stop shop” for all the best practice and resource needs for counties. The Knowledge Center is organized based on topic areas, in addition to practice areas and NACo communities.

Keeping with the accessibility in trying to reach a broader NACo audience, all of the conference materials from both the Legislative and Annual Conferences were made available on the NACo website for attendees to view post-conference. This benefit allows conference attendees to take advantage of sessions that they may have missed during the conference due to scheduling conflicts, and to share conference learning with colleagues back home who might not have been able to attend the conference.
Recognizing members’ increasing use of social media, a Twitter hash tag has been created to communicate with first-time conference attendees, providing them with information about special events and sessions they might wish to attend. First-timers in record numbers also enjoyed a new program format for the First Time Attendees Orientation and gave it high marks. NACo conference newcomers were also invited to participate in the Ambassador Program. Those who accepted the invitation received a “mentor” for the conference to help them navigate and become familiar with the organization.

Conference attendees who complete a conference evaluation form can receive workshop attendance verification from NACo — useful for their personal continuing education certification requirements. The NACo Virtual Learning Community, now in its second year, continues to offer educational programming, in three basic areas — NACo News You Can Use, County Ideas that Work, and Leadership Series.

The NACo 2013 Annual Conference: County Solutions and Idea Marketplace will again feature the interactive workshop, which will be streaming live from Tarrant County, Texas, to hundreds of homes and offices throughout the country. The benefit for the interactive sessions is so those people who live far and those unable to attend the conference can participate in some of the educational sessions.

NACo is continuing to discuss with the state associations of counties allowing NACo conference workshops and webinars to be acceptable for local certification or credentialing programs. NACo is also evaluating the possibility of a Credential in County Leadership for future implementation.
Innovation

County-to-County Peer Exchange offers solutions, services

NACo is placing a high priority on sharing innovation among county governments through a variety of educational settings and information outlets. At the same time, NACo has always left it up to county members to seek consultants to enable these innovations to meet their specific needs, and to then implement these solutions. That is no longer the case. NACo is now entering into the solutions and services arena, where county subject matter experts will provide strategic consulting to other counties, led by NACo subject matter experts who will manage this process.

NACo’s County-to-County Peer Exchange will consist of practice areas from technology and innovation, health and human services, justice and public safety, community development and resilience, and leadership and governance.

Since information technology is the thread that runs through all these practice areas, and because there have been several successful regional County-to-County Peer Exchange engagements to build upon, the technology and innovation practice area will be the first area to be pursued.

To test the business model, an information technology assessment was conducted at the California State Association of Counties (CSAC) and CSAC Financial Corporation on April 3 and another one was held in Maui County on April 22–23. Staff briefed the NACo Board of Directors on May 23 about the exchange and plans for the future. The business model for the exchange will be finalized by NACo’s Annual Conference in July 2013.
NACo Application Store provides new technology

The NACo Application Store is a Web portal that allows governments looking for new technology applications to find solutions already implemented by other governments. It was developed in partnership with Oakland County, Mich., and the Southeast Michigan Council of Government to improve county government services by sharing technology through one central location. The application store is a first-of-its-kind and provides:

- a way for counties to identify and more easily share services across the nation
- accessibility using a single sign-on from NACo (no separate log-in), and
- VersalCode, a proprietary technology developed by Oakland County, Mich., that enables Web access from any type of device.

NACo members access the application store using their unique login and password at www.naco.org. Once in the store, they will be able to add new applications or search the application database. The interfaces are intuitive and easy to use. Users can also produce a report based on a query they create using an ad hoc tool to filter data. The application records will include contact information, so the user will be able to easily identify who to reach about a particular application.

Illustration of practice areas for NACo’s County-to-County Peer Exchange
Partnerships

Premier Corporate Members focused on providing solutions

NACo is building partnerships in a number of areas to support county objectives. NACo’s Premier Corporate Member Program continues to attract some of the largest and most innovative companies that are focused on providing solutions for county governments. The 30 Premier Corporate Members contributed knowledgeable speakers for forums, summits, symposiums, webinars, fly-ins, caucuses, regional meetings and educational workshops to assist county elected officials in understanding how they can enhance citizens’ quality of life, lower business costs, sustain economic development and increase their accountability.

The corporate members actively participated in the County Leadership Institute, Cyber for Counties, Geospatial Information Systems, Green Government, Healthy Counties, Information Technology, Large Urban County Caucus, Rural Action Caucus and Smart Justice Initiative. Also, the corporate members provided briefings to NACo staff on their programs and solutions and contributed to the financial health of NACo through annual dues and sponsorship dollars.

Discussions focus on water affordability

NACo is working with the U.S. Conference of Mayors and National League of Cities to discuss Clean Water Act water affordability issues with the U.S. Environmental Protection Agency. This dialogue will play a key role in determining how local governments invest in water and wastewater infrastructure. The inaugural meeting occurred in April 2013 and additional meetings were held throughout the year.
Rail event explores challenges faced by companies, counties

In April, NACo President Rodgers convened a day-and-a-half event in Douglas County (Omaha), Neb., for the NACo Transportation Steering Committee, members of the Executive Committee, and the Union Pacific Railroad and its Class I rail partners. Union Pacific is headquartered in Douglas County, where President Rodgers serves as a county commissioner. The purpose of the meeting was for the railroad staff to brief county officials on the operations and challenges faced by a large freight rail company.

Additionally, the meeting provided an opportunity for the railroads and county officials to discuss issues that present challenges to both groups. The outcome of the event was a commitment by both the railroads and President Rodgers to try to understand one another’s challenges better and to work together to address these concerns.

County officials appointed to transportation committee

U.S. Department of Transportation (DOT) Secretary Ray LaHood announced in May that county officials will be members of the National Freight Advisory Committee, which was recently created to provide advice for improving the national freight transportation system. Appointed to the committee were NACo President Chris Rodgers; Commissioner John Eaves, Fulton County, Ga.; and Mayor Carlos A. Gimenez, Miami-Dade County, Fla. Other appointees with county ties are Mayor Michael Nutter, City and County of Philadelphia, Pa.; Mayor Gregory A. Ballard, City of Indianapolis/Marion County, Ind.; and Randell Iwasaki, Executive Director of the Contra Costa (Calif.) Transportation Authority.

The advisory committee comprises 47 voting members from outside DOT, representing modes of transportation, geographic regions, policy areas and associations with an interest in the movement of freight. Members of the advisory committee will serve two-year terms and will meet at least three times each year.
U.S. Communities saved $200 million

Created by NACo in 1996, the U.S. Communities government purchasing alliance is one of the cornerstone programs for the NACo Financial Services Center. U.S. Communities provides facility, office and school, technology, and specialty solutions using 28 national suppliers. Over 55,000 distinct public agencies and non-profit organizations are registered to use U.S. Communities. The program is sponsored by seven co-founding sponsors and nearly 90 state and other association sponsors.

For calendar year 2012, U.S. Communities total sales were $1.35 billion, a 12 percent increase from 2011 sales. More importantly, public agencies saved more than $200 million using the nationally solicited and awarded contracts in the U.S. Communities program.

View all contracts at www.uscommunities.org.

Public Finance Authority presents new approach to bond finance

The Public Finance Authority (PFA) officially opened its doors in 2010 to provide financing for private activities that benefit public agencies on a multi-state basis. The PFA presents a new approach to traditional bond finance as the national and streamlined processes it offers will drive down costs of issuance and improve the access of many communities to tax-exempt finance for their infrastructure projects. Total financings since PFA’s inception and through 2012 total $1.165 billion. Projects financed include, among other types of projects, air cargo facilities, charter and religious schools, affordable housing, commercial offices and manufacturing facilities. One transaction, in particular, demonstrated what PFA was designed to assist: $305 million for 37 air cargo facilities in 18 states. This saved the company millions of dollars through a consolidated bond issue. The PFA is domiciled in Wisconsin and its four sponsors are: Wisconsin Counties Association Services, Inc., League of Wisconsin Municipalities, the NACo Financial Services Center and the National League of Cities.
Network of Care provides access to critical information

The Network of Care (NOC) is a highly interactive, single information Internet network that develops unique county websites for behavioral health, aging and people with disabilities, developmental disabilities, children and families, domestic violence, public health, and veterans. The NOC websites allow consumers, caregivers and providers to access critical service information, including a service directory; comprehensive health library; secure, personal health record-keeping tool for consumers and caregivers; a political advocacy tool; and links to pertinent web sites from across the nation.

For more information, please visit www.networkofcare.org.

Groups tackle pension funding policy

In March, NACo, along with the other “Big 7” state and local government groups and the Government Finance Officers Association (GFOA), published Pension Funding: A Guide for Elected Officials. The report provides key facts about public pension plans and a brief overview of which issues state and local officials should address. The guide explores why developing a pension-funding policy is essential and offers guidelines to follow when developing that policy.

Last year, the Governmental Accounting Standards Board issued new standards that focused on how state and local governments should account for pension-benefit costs, but did not address how employers should calculate the annual required contribution necessary to fund those pensions. To assist state and local government employers, the Big 7 and GFOA established a Pension Funding Task Force to develop policy objectives and guidelines. The policy objectives were released in October 2012.

Digital resources, tools available for enhanced coastal resiliency

NACo’s partnership with the National Oceanic and Atmospheric Administration (NOAA) provides data, tools and training to coastal counties for coastal management, disaster preparedness and adaptation to coastal risks. NACo and the National States Geographic Information Council (NSGIC) currently share a NOAA Digital Coast Fellow who provides information, training and assistance to coastal counties toward the use of geographic information systems (GIS) and other digital tools to reach better decisions related to local coastal planning, management and resiliency. One of the main projects of this fellowship is to create a coastal county network so that peer-to-peer sharing of information, best practices and lessons learned is streamlined and made accessible.

For calendar year 2012, U.S. Communities total sales were $1.35 billion... and public agencies saved more than $200 million...
The Future

Presidential Initiative: Building Community Resilience

Under the leadership of First Vice President Linda Langston, who will become president in July 2013 at the Annual Conference, NACo is embarking on an initiative to help increase the resilience of the nation’s 3,069 counties.

Resilience is the ability of a neighborhood, community or region to mitigate, absorb, respond to and successfully recover from an adverse event. Such events can be natural or man-made, acute or long-term, and foreseeable or unpredictable.

Langston will emphasize both the importance of resilience in the broad context of building the vibrant economic and social fabric of communities and the essential role that county officials play as regional leaders. She will highlight county officials’ unique position and skills in leading our communities toward a vision of local, regional and national resilience.

A “culture of resilience” is needed to achieve that vision. Advancing a culture of resilience includes building robust and collaborative governmental and community-based structures and systems, making shifts in physical and cultural approaches to community and economic development and acceptance, commitment, and investment by all levels of government, the private sector and others to managing risk and building resilience to disasters.

Because she has first-hand experience with Linn County, Iowa’s response to and recovery from the Midwest floods of 2008, Langston also will focus specific attention on enhancing county preparedness and resilience to natural disasters.

The goals of the initiative include:

- raising awareness among county officials about the concepts of community resilience and with external audiences regarding the county role in resilience
- assisting counties to measure resilience, using assessments and scorecards, and helping county officials to identify and access the
leadership skills, actions, tools and resources to help their communities become resilient

- actively participating in the national dialogue about resilience through communications and engagement with federal agencies, corporate and foundation partners and other organizations. Leveraging NACo’s corporate relations to identify model practices and public-private partnerships
- advocating for counties with regard to federal programs that address disaster mitigation, preparedness, response and recovery, and
- building NACo’s long-term capacity to assist counties in becoming more resilient, including economic and community resilience, as well as disaster response and recovery.

Additional discount medical services for residents added

The NACo Board of Directors, at its meeting at the WIR Conference in May, approved a proposal to allow NACo staff to negotiate an agreement with CVS Caremark to add discount medical services to the prescription program that will benefit counties and their residents. The services to be added are vision/eyeglass discounts, diabetic services, hearing aids and lab/imaging discounts. There are other discounts on services like chiropractic, alternative medicine, fitness programs, 24-hour nurse access and physical therapy that could be added in the future.

The dental program, administered by Careington, Inc., would remain separate and marketed by NACo and Careington to member counties.
New retirement, healthcare initiative to address challenges

The NACo Financial Services Corporation (FSC) Board of Directors has focused on the development of employee benefit programs, leading with retirement and healthcare. The board feels strongly that solutions in these areas will address the leading challenges faced by most counties.

Financial Corporation Board members, FSC staff and selected technical consultants, have moved forward with extensive discussions, information gathering and research culminating, for now, in a broad-based exploration of a new relationship with NRS to address the primary and future needs of the public pension market. As a result, NRS engaged McKinsey & Company to conduct further analysis on the future government retirement market and the expected changes that will take place in the shift from defined benefit plans to defined contribution plans.

NACo expanding its presence with foundations

NACo is expanding its presence in the foundation community by working with several philanthropic organizations now and by building on its portfolio in 2014 and beyond. NACo is doing this is by engaging national organizations to develop programs in the fields of justice, public safety, health and economic development. Four of the nationally renowned foundations NACo is working with are:

- the Robert Wood Johnson Foundation, where the focus is on the utilization of the County Health Rankings and Roadmaps program and the implementation of effective policy to create healthier, more livable counties across the country
- the Public Welfare Foundation, where the focus is on solutions to manage jail populations, pre-trial services, risk assessment and diversion practices
- the Ford Foundation, where the focus is on equipping rural county leaders with the tools, data and best practices they need to implement the WealthWorks strategy and spur economic development in their communities, and
- the Motorola Solutions Foundation, where the focus is on increasing the capacity of county staff to prepare, respond and recover in times of disaster. The goals of this program will be met through forums, conferences and public safety events. Motorola Solutions has been partnering with county officials across the country for more than 80 years to help build safer communities.
NACo ends 2012 with net operating surplus of $552,000

NACo’s consolidated financial operations ended the 2012 fiscal year on December 31 with a net operating surplus of $552,000, a 49 percent decrease from the 2011 operating surplus. In addition to the operating surplus, NACo long-term reserves generated investment income of $1.8 million, bringing total net income to just under $2.4 million.

Both revenue and expenses appear down from 2011 as NACo created the NACo RMA LLC, a company jointly owned with 37 state associations, to handle the marketing activities around the NACo Deferred Compensation Program in compliance with the Dodd-Frank law. Thus, only a portion of the marketing revenue and related expenses associated with the program are no longer run through NACo’s financial statements.

Revenue from NACo’s for-profit subsidiary, the NACo Financial Services Center, increased by 12 percent based on growth in the U.S. Communities cooperative purchasing program. During 2012, counties and other public agencies saved more than $200 million on $1.35 billion in purchases through the program.

The reduction in net operating income can be largely attributed to one-time expenditures associated with the leadership transition that began in late 2012 with the hiring of a new executive director. Mathew D. Chase was hired to replace Larry E. Naake, who retired after 21 years as NACo’s executive director.

NACo’s financial discipline over the past 18 years has allowed NACo to build a strong financial foundation with a healthy reserve balance. In addition, NACo continues to add to its $17.4 million building fund, an account established by the Board of Directors to fund the purchase of a headquarters building at some point in the future.
NACo Officers

President Christopher T. Rodgers
Commissioner
Douglas County, Nebraska

First Vice President Linda Langston
Supervisor
Linn County, Iowa

Second Vice President G. Riki Hokama
Council Member
Maui County, Hawaii

Immediate Past President Lenny Eliason
Commission President
Athens County, Ohio

NACo Regional Representatives

Regional Representative Joseph Giles
Northeastern Region
Council Member
Erie County, Pennsylvania

Regional Representative Joe Bryan
Southern Region
Chairman of the Board
Wake County, North Carolina

Regional Representative Robert E. Cope
Western Region
Commissioner
Lemhi County, Idaho

Regional Representative Ronald D. Houseman
Central Region
Presiding Commissioner
Taney County, Missouri

Steering Committee Chairs

Agriculture and Rural Affairs
Commissioner Bob Fox
Renville County, Minnesota

Community & Economic Development
Commissioner Welton G. Cadwell
Lake County, Florida

Environment, Energy and Land Use
Supervisor Salud Carbajal
Santa Barbara County, California

Finance and Intergovernmental Affairs
Commissioner Daniel P. Troy
Lake County, Ohio
### Health
Commissioner Larry L. Johnson  
DeKalb County, Georgia

### Human Services & Education
Supervisor Hubert Walsh  
Merced County, California

### Justice and Public Safety
Commission Chair Nancy Schouweiler  
Dakota County, Minnesota

### Labor & Employment
Board Member Denise Winfrey  
Will County, Illinois

### Public Lands
Commissioner Mike Murray  
Lewis and Clark County, Montana

### Telecommunications & Technology
Council Member Joyce Dickerson  
Richland County, South Carolina

### Transportation
Board Member James D. Healy  
DuPage County, Illinois

### Standing Committee Chairs

#### Information Technology
Recorder Helen Purcell  
Maricopa County, Arizona

#### Membership
Commissioner Cindy Bobbitt  
Grant County, Oklahoma

#### NACo Finance Committee
First Vice President Linda Langston  
Supervisor  
Linn County, Iowa

#### Programs and Services Committee
Commissioner Stephanie Tamiko Lynch  
Caddo Parish, Louisiana

### Caucuses and Regional Affiliate Chairs

#### Large Urban County Caucus
Council Member Helen L. Holton  
Baltimore City, Maryland

#### Rural Action Caucus
Supervisor Chair Doris M. Karloff  
Saunders County, Nebraska

#### Western Interstate Region
WIR President John Martin  
Commissioner  
Garfield County, Colorado

To view a list of the NACo Board of Directors, go to [www.naco.org](http://www.naco.org).