

KNOX COUNTY COMMISSION

Special Meeting

Tuesday – October 4, 2011 - 8:30 a.m.

A special meeting of the Knox County Commission was held on Tuesday, October 4, 2011, at 8:30 a.m., at the county courthouse, 62 Union Street, Rockland, Maine.

Commission members present were: Carol L. Maines, Commissioner District #1, Richard L. Parent, Jr., Commissioner District #2, and Roger A. Moody, Commissioner District #3.

County staff present included: County Administrator Andrew L. Hart, Administrative Assistant Candice Richards, Communications Director Linwood Lothrop, EMA Director Ray Sisk (*left at 9:47 a.m.*), Registrar of Probate Elaine Hallett, Register of Deeds Lisa Simmons, Chief Deputy Tim Carroll, District Attorney Geoffrey Rushlau (*left at 9 a.m., returned at 9:10 a.m., left again at 9:46 a.m.*), Finance Director Kathy Robinson, Airport Manager Jeff Northgraves, and Technical Support Specialist Mike Dean.

Special Meeting – Work Session – Agenda

Tuesday – October 4, 2011 – 8:30 a.m.

- I. 8:30 Meeting Called To Order**
- II. 8:31 Discussion Items**
 - 1. Discussion of Knox County 2012 Budget Draft.
- III. Adjourn**

I. Meeting Called to Order

Commission Chair Roger Moody called the October 4, 2011 special meeting of the Knox County Commission to order at 8:33 a.m.

II. Discussion Items

1. Discussion of Knox County 2012 Budget Draft.

Commissioner Moody explained that the purpose of the meeting was for the Commission to gain an over-all understanding of the budget. He asked the Commission to keep in mind the time constraints of the meeting and to not get too hung up on detail. The budget would be dissected in detail as part of the budget process with the Budget Committee in a couple weeks. He asked the administrator to give a brief summary of the budget.

Administrator Hart said that he and Finance Director Robinson had met with all department heads mid-September to review their departmental budgets. Some changes were made after that. He said that he had encouraged department heads to not share salary figures in the draft with their employees because the figures could change. All elected officials in the budget were not given an increase since the Commission had previously voted to not include elected officials in the Compensation/Pay study. That can be changed or discussed later. The budget will be impacted greatly by workers comp increasing, the compensation study, and the bond referendum.

Right now the budget is at an 8.2% increase over 2011's budget. If the bond passes, then the County would need to pay the purchase price for the building at closing in early January of 2012, which may require some short-term borrowing. The borrowing for the remainder of the project would be through the Maine Municipal Bond Bank with a projected Spring issuance. The \$2.5 million is the worst-case scenario anyway so the amount the County will have to borrow, and therefore ultimately pay back, could be considerably less than what is projected in the current budget draft.

If the bond doesn't pass, the whole project will be pulled out of the budget and the County will have to figure out how to fund the communications upgrades because those have to be done whether the bond passes or not. If the County only pays on the interest in 2012, it may be possible to pay the interest payment from the building reserve fund. Salaries are still being calculated and that will affect the worker's comp costs. Health insurance is currently projected at an 16% increase, but it will probably not be that high.

Administrator Hart asked if the Commission wanted to take the bond interest payment out of the building reserve line in the 2012 budget. Commissioner Moody said that he liked that idea. Finance Director Robinson said that there is \$132,000 in the building reserve. The interest payment will probably be around \$70,000. Commissioner Maines commented that she agreed with using the building reserve.

Capital Improvements

Building maintenance

Commissioner Moody asked if the courthouse building maintenance reserve could pay for projects like repairing the cupola, the chimneys, and replacing windows. Finance Director Robinson said yes. Administrator Hart added that with some of the work the County has already done in the past year, the County should be having some energy cost savings. If there isn't enough funding to replace the windows in 2011, it can wait until 2012.

Information Technology

Administrator Hart explained that Technical Support Specialist Dean is working on a schedule for replacing computers in all County departments. Some will need to be replaced in 2012. Jail, Airport, and KRCC computers come out of their own computer reserve accounts instead of the over-all computer reserve that the County as a whole utilizes.

TSS Dean suggested that instead of cleaning out the computer reserve for the entire cost of computer replacements in 2012 and then have a huge increase in the 2013 budget, the County might consider taking half of the amount needed in 2012 from the reserve, and the other half of the reserve in 2013 with the rest of the needed funding coming from that year's operating budget. This would prevent major budgeting hikes. Every year the County should be replacing 20% of its computers so the money needs to be available. Over the next three years the County has to spend a lot to get caught up to where it needs to be. After that, it's just a maintenance cycle. It would be a bad idea to replace all computers in one year because then five years later you have to replace all of them at the same time. If it's done in phases, you're only replacing a third of the computers each year. The computer reserve should be there for the unforeseen costs, such as equipment dying before it was expected to or the accidental breaking of equipment. No computer should be older than 5 years. No laptop or server should be older than 3 years.

Commissioner Moody asked to look at all the computer reserve accounts for the County and see if they truly need to be raided in the 2012 budget, or if they should stay untouched for now.

TSS Dean commented that he would like to see all computer reserve accounts combined as much as possible because it's difficult to keep track of what is there and to effectively put that money to use.

Departmental Budget HighlightsRegistry of Deeds Fees

The MacImage lawsuit is still in the process of being appealed, which may not be heard until December. A decision wouldn't be handed down until months later. Deeds is currently losing money on the internet fees by participating in the statewide Deeds hub website, but is doing better on photocopying fees than they had been in the past.

Building Maintenance

The Energy Efficiency grants are helping to get a lot of projects paid for. Heating fuel costs are locked in at \$3.20 per gallon.

District Attorney

The Capital in the DA budget is just for computer replacement. One increase in the commodities is due to the increase in cost for bound copies of statutes purchased every year for use in the courtroom. The prices have been increasing at a huge rate each year, which may result in the department going over to the electronic version, which would probably be a higher cost but wouldn't have such large yearly increases. Staff would have to print off what was needed in the courtroom so that would mean increased spending for printing costs on a regular basis.

Emergency Management Agency

Includes costs for moving to the new facility at 301 Park Street. If the bond fails, the County would need to make some improvements to the EMA office as well as some structural improvements to get the offices ADA complaint. The improvements won't actually solve the space problems but still need to get done.

Human Resources

Administrator Hart said that he is still thinking that the County will only need an HR person for about half-time rather than full-time. There still needs to be some funding in the budget for consultants to finish up some projects in the administration office before an HR person is hired.

Elected officials pay

Administrator Hart explained that he did not add any increases in the budget for elected officials because the Commission had voted at a previous meeting to not include elected officials in the pay study. Commissioner Maines commented that she thought the commissioners should get COLA increases. Commissioner Parent didn't agree and felt that if elected officials weren't included in the study then they shouldn't get the increases. Also, the Budget Committee sets the Commission pay so commissioners are different from other elected officials.

Register of Probate Elaine Hallett said that she had assumed that even though she wasn't included in the study that she would still get the CPI. She said that's what the Judge of Probate thought too. Commissioner Moody thought that if they did not get the CPI, they will fall more behind over the years. Commissioner Maines suggested that all elected officials, including commissioners, get the 2012 COLA (3.4%), and that all elected officials *except* commissioners should also receive the 2011 COLA (1.4%). Administrator Hart said he would get that figured into the budget.

IT as its own department

TSS Dean indicated that this recommendation by the MRI study did not make sense because they also had recommended completely getting rid of the IT director position, and there can't be a department without a department head. It costs less to have a lower-level IT employee reporting to an existing department head (the county administrator) than to hire a high-level IT director, especially since the County is already spending money for contractual IT services.

Commissioner Moody suggested changing the title of the Executive department so that the public did not misunderstand the increases in that budget and assume it was the administrator's salary when it's really capital improvements to IT for all County departments. He suggested changing the Executive Office name to be "Administration and Information Technology" so there might be less confusion.

Probate

The Judge of Probate wants to have copies of the statutes for her own use. The departments that use the statutes a lot really need to have the hard copies. This line had been cut out of Deeds' budget the previous year and they share with the other employees in the Probate office, so if Elaine Hallett's copies are also cut out, Lisa Simmons won't have any to borrow.

Registry of Deeds

Commissioner Moody asked how the department was running with one position having been cut to ½ time (20 hours) since January 1st. He asked if that position should be cut all together. Register Simmons responded that she really struggles to keep the office covered, especially in the summer when staff members go on vacation. She had asked for some over-time in her 2012 budget but the administrator took it out. Commissioner Parent asked how the department handles if an employee is out due to sickness or some other reason – how is the department going to function?

Administrator Hart thought that making any decisions on changing the number of hours or the number of positions in the department should wait until the 2013 budget because the County already has too many projects affecting the 2012 budget. He said that the County is not violating any laws by having some of the work done in the Deeds department wait until their staff returns from vacation.

Commissioner Maines suggested putting part of the \$1,000 of over-time back in since Deeds revenue is up. Commissioner Parent said he had no objection to that. Commissioner Moody suggested waiting until meeting with the Budget Committee so that it could all be discussed together.

Finance Director Robinson commented that the County really doesn't have a mechanism to help with a small department that doesn't usually budget for overtime. When these small departments are down a person, it can cripple the entire department. The DA's office was recently down a person for six months. There hasn't really been a solution. The staff just had to muddle through and do their best to keep up. Administrator Hart commented that there is over-time built into his budget but it is for IT staff emergency call-outs or for staff attending meetings after normal business hours.

Commissioner Maines suggested that since Deeds already had their staff cut back last year but work has increased, the Commission should put some over-time money in their budget just in case. Commissioner Parent agreed that there needs to be some mechanism for covering that need. Administrator Hart stated that the County cannot budget for "what-if's" or the over-all budget will skyrocket. If a situation arises the Finance office can do a transfer from another line within that department's budget to cover it from within the operating budget.

- Commissioner Carol Maines motioned to add \$500 back into the Deeds' over-time line. Commissioner Richard Parent seconded the motion. A vote was taken with one in favor (Commissioner Maines), one against (Commissioner Moody), and one abstention (Commissioner Parent). The motion therefore did not pass.

Sheriff's Department – Patrol

The biggest increase is the over-time line in an effort to get the budgeted amount up to the level of what is actually being spent. 2011's overtime line has already run way over. Gas prices have also driven up the contractual line even with getting more fuel efficient vehicles. The vehicle line was not increased last year so it looks like an even larger jump for 2012. The capital line is just for

vehicle replacement. Last year the County was able to use some forfeiture money for purchasing vehicles so the administration didn't have to spend as much from the patrol budget as in other years.

Grant Requests

The County didn't receive a request this year from EMDC. Time & Tide didn't turn in their request on time so Administrator Hart did not put an amount in the budget under his recommendations column. He said that he would leave it up to the Budget Committee to decide whether or not to grant their request.

Airport

The revenue is down but the Capital line is fairly level for 2012.

Communications

The bond referendum and the battery backup are the biggest factors to the Communications budget. If the bond fails the County and advisory groups will have to revisit the communications budget.

III. Adjourn

- A motion was made by Commissioner Richard Parent to adjourn the meeting. The motion was seconded by Commissioner Carol Maines. A vote was taken with all in favor.

The meeting adjourned at 10:35 a.m.

Respectfully submitted,

Candice Richards
Administrative Assistant

The Knox County Commission approved these minutes at their regular meeting held on November 8, 2011.