

KNOX COUNTY COMMISSION

Public Hearing - Budget

Thursday – March 15, 2012 – 7:00 p.m.

A public hearing on the proposed Knox County Budget for 2012 was held on Thursday, March 15, 2012, at 7:00 p.m., at the county courthouse, 62 Union Street, Rockland, Maine. The Knox County Budget Committee and the Knox County Commission met following the public hearing.

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, Sheriff Donna Dennison, Chief Deputy Tim Carroll, Communications Director Linwood Lothrop, EMA Director Ray Sisk, EMA Administrative Assistant Donna Allen, Finance Director Kathy Robinson, Deputy Treasurer Barbie Sylvester, Probate Judge Carol Emery, Register of Probate Elaine Hallett, Register of Deeds Lisa Simmons, Deeds Clerk Madelene Royer, Probate Deputy Registrar Julie Allen, Probate Clerk Vicki Gamage, Airport Maintenance Supervisor Bill O'Brien, Airport Maintenance Worker Mark Kunz, Finance Clerk Jill DeLaney, DA's Victim Witness Advocate Lynn Talbot, Deeds Clerk Madelene Royer, Airport Manager Jeff Northgraves, and District Attorney Geoffrey Rushlau.

Budget committee members present were: Ann Matlack, Dorothy Meriwether, Lawrence Nash, Elizabeth Dickerson, Bob Duke, Tina Plummer, Randy Stearns, Mason Johnson, and Bill Jones.

Municipal representatives present were: Donald Grinnell, Washington Selectman; Wesley Daniel, Washington Selectman; Leanne Robicheau, Warren Clerk; Bill Reinhardt, St. George Selectman; Craig Cooley, Rockport PD; Valmore Blastow, Thomaston Town Manager; Dan Davey, Warren Selectman; Grant Watmough, Warren Town Manager; Dave Chamberlain, Thomaston Selectman; Duane Vigue, Washington Selectman; Pete Lammert, Thomaston Selectman/Assessor; Donald Burke, Appleton Selectman; Christine Wakely, Warren Selectman; Ed LaFlamme, Warren Supt. Sanitation; and Jonathan Eaton, Thomaston Selectman.

Also present were: Knox County Attorney Peter Marchesi; Laurie Bouchard, HR consultant; Maggie Trout, resident of Rockland; Steve Betts of the *Bangor Daily News* and resident of Rockland; Christine Parrish of *The Free Press*; Robert Moors, resident of Rockport; Andy Vaughn, resident of Warren; Carol Brown, resident of South Thomaston; Adelbert Elliott, resident of South Thomaston; Wayne Brown, resident of South Thomaston; Judith Jones, resident of Hope; Ashley Hallett, resident of Rockland; Joseph Robicheau, resident of Warren; Nadine Reiner, resident of Spruce Head; Anthony Jameson, resident of Warren; Linda Boden, resident of Rockland; Jean Ettinger, resident of Hope; Bill Packard, resident of Union; Ken Keiran, resident of Union and owner of Union Farm Equipment; Joseph Berry, resident of Hope; Pam Mason, resident of Warren; Sara Moore, resident of Union; Joel Moore, resident of Union; Wendy Pelletier, resident of Hope; Gene Grover, resident of Rockport; Paul Gibbons, Attorney for the Town of Thomaston; Lee Houghton, resident of Union; Joe Patricia, resident of Union; Elsie Brown, resident of South Thomaston; Ron Demers, resident of Rockport; Louise Demers, resident of Rockport; Betty Thomas, resident of Spruce Head; Maggie Trout, resident of Rockland; Patricia Egan, resident of Rockport; George Knutson, resident of Warren; Wayne Luce, resident of Warren; John French, resident of Camden; Nate Pease, resident of Union; Henry Carey, resident of Thomaston; John Field, resident of Union; Joel Wentworth, resident of Union; Heidi Stevens, resident of Rockland; Dana Stans, resident of Rockport; Harold Hayward, resident of Rockland; Joan MacDonald, resident of Warren; Russell Montgomery, resident of St. George; Rodney Royer, resident of Rockland; and Steve Dennison, resident of St. George.

Knox County 2011 Budget – Public Hearing and Final Budget Meeting

Thursday – March 15, 2012 – 7:00 p.m.

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| I. | 7:00 | Meeting Called To Order (Chair Bob Duke for the Knox County Budget Committee, Commission Chair Roger Moody for the Knox County Commission) |
| II. | 7:01 | Approve Minutes (Chair Bob Duke for the Knox County Budget Committee, Commission Chair Roger Moody for the Knox County Commission) |
| | | 1. Minutes of Budget Review Meeting of November 17, 2011. |
| III. | 7:03 | Opening Remarks – Bob Duke, Chair |
| IV. | 7:05 | Public Hearing |
| | | 1. Chair Duke Opens Public Hearing on the 2012 Proposed Knox County Budget. |
| | | 2. Chair Duke Closes Public Hearing. |
| V. | | Budget Committee Vote on 2012 Budget |
| | | 1. Vote to Approve 2012 Budget and Transmit to Commission. |
| VI. | | Commission Vote on 2012 Budget |
| | | 1. Vote to Approve 2012 Budget. |
| VII. | | Adjourn |

I. Meeting Called to Order

Budget Committee Chair Bob Duke called the March 15, 2012 Knox County Budget Committee meeting to order at 7:00 p.m.

Commission Chair Roger Moody called the March 15, 2012 special meeting of the Knox County Commission to order at 7:00 p.m.

II. Approve Minutes

Approve the minutes of the Budget Review meeting held on November 17, 2011.

Budget Committee:

- A motion was made by Lawrence Nash to approve the minutes. The motion was seconded by Ann Matlack. A vote was taken with all in favor.

County Commission:

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

III. Opening Remarks

Budget Committee Chair Bob Duke

Budget Committee Chair Bob Duke explained that this hearing is to take the place of the hearing that happened on December 1st since the notice was two days short of the legal requirement. The Commission and Budget Committee are working from the same draft of the budget that was used that night since this is redoing of everything that was done on December 1st. If any members of the public had comments, they were asked to please not verbally attack anyone. He said that he will try to allow as many people speak as possible. Anyone wishing to speak should walk up to the podium, announce their name, what town they are from, and state their issue. He asked everyone wanting to speak to just line up at the podium. He added that

the Budget Committee and Commission are not here necessarily to have a dialog with anyone, but rather to listen and make sure people understand the budget.

Administrator Andrew Hart stated that he wanted to explain what the County had done to notify the public of this hearing since the lack of proper notice for the December 1st hearing had been an issue. He stated that he intended to follow this same outline for notifications in the future:

<p>February 24 @ 10:28 a.m.</p>	<p>Email sent to County department heads, news media (news papers, etc.), Budget Committee, Commission, and any other individuals who signed up to receive agendas via email when they are sent out with attachments:</p> <ol style="list-style-type: none"> 1. Notice of Public Hearing 2. Agenda for Public Hearing <p>*note: the budget draft was not included in this email but the email explained that the budget could be accessed on the County’s website and printed copies were available at the Administrative Office and would also be available at the hearing.</p>
<p>February 24 @ 10:34 a.m.</p>	<p>Email sent to all municipalities (to town clerks and also to the town managers/administrators/selectmen) with attachments:</p> <ol style="list-style-type: none"> 1. Notice of Public Hearing 2. Agenda for Public Hearing 3. Copy of the Budget Draft (same as was presented on December 1st) <p>The email indicated that hard copies of all three would be sent out this same day via certified mail.</p>
<p>February 24</p>	<p>Certified mail packets sent out today containing:</p> <ol style="list-style-type: none"> 1. Notice of Public Hearing 2. Agenda for Public Hearing 3. Copy of the Budget Draft (same as was presented on December 1st) <p>ALL GREEN CARDS FROM ALL MUNICIPALITIES HAVE SINCE COME BACK TO OUR OFFICE AS HAVING BEEN DELIVERED AND SIGNED FOR.</p>
<p>February 24</p>	<p>These following items were placed on the front page of the County’s website and copies were placed in the lobby outside the Administrative Office:</p> <ol style="list-style-type: none"> 1. Notice of Public Hearing 2. Agenda for Public Hearing 3. Copy of the Budget Draft (same as was presented on December 1st)
<p>February 24</p>	<p>The following newspapers were contacted via email to place the Notice of the Public Hearing in both the Legal Notices and the General Section area of their newspapers, along with their online notices:</p> <ol style="list-style-type: none"> 1. Village Soup 2. Free Press 3. Bangor Daily News 4. Portland Press Herald <p>All four papers ran the notice in two places and online if that option was available, as we requested, on March 1st.</p>
<p>March 8 @ 1:20 p.m.</p>	<p>An email with the agenda for the public hearing was emailed to all five program grant representatives informing them of the budget revote and invited them to attend if they so wished.</p>

Bob Duke asked the members of the Commission and Budget Committee to introduce themselves:

<p>Commissioner, Chair</p>	<p>Roger A. Moody</p>	<p>District 3</p>	<p>Appleton, Camden, Hope, Isle Au Haut, Matinicus Isle Plantation, North Haven, Union, Vinalhaven, Washington and the unorganized territory of Criehaven</p>
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Commissioner	Richard L. Parent	District 2	Cushing, Friendship, St. George, Thomaston and Warren
Commissioner	Carol L. Maines	District 1	Owls Head, Rockland, Rockport and South Thomaston

Budget Committee, Chair	Bob Duke	District 6	Rockport and Camden south of Route 1 from Camden/Rockport line to the Megunticook River
Budget Committee	Ann Matlack	District 1	Isle Au Haut, Matinicus, North Haven, St. George and Friendship
Budget Committee	Dorothy Meriwether	District 2	South Thomaston, Vinalhaven and Owls Head
Budget Committee	Elizabeth Dickerson	District 3	Rockland
Budget Committee	Tina Plummer	District 3	Rockland
Budget Committee	Randy Stearns	District 4	Camden – north of Route 1 from the Megunticook River
Budget Committee	Lawrence Nash	District 5	Appleton, Union and Washington
Budget Committee	Bill Jones	District 7	Warren and Hope
Budget Committee	A. Mason Johnson	District 8	Thomaston and Cushing

Before proceeding with the hearing, Administrator Hart briefly updated the Budget Committee and County Commission on the 301 Park Street project. He explained that the property was previously owned by Village Net Media, but at the November 2011 referendum, voters passed the bond to purchase the property and the County has since taken ownership. He had originally proposed a budget of \$54,346 for 301 Park Street in 2012, but at the December 1, 2011 meeting, the Budget Committee and Commission proposed reducing the amount to \$40,000. He recently discussed utility usage with CMP, the Maine Water Company and Maritime Energy, and now felt comfortable lowering the figure even further to \$22,430.

IV. Public Hearing

Question/Comment Period:

The public hearing portion of the meeting commenced at 7:13 p.m.

Maggie Trout – Rockland

Ms. Trout expressed some concern about Budget Committee taking its final vote on the budget the same night as the public hearing. She said that the reasonable interpretation of the County's Charter was that the final vote should not take place on the same night as the public hearing in order to allow committee members and commissioners time to reevaluate in light of public input. This procedure must be clarified and adhered to. She requested that no one allocate money any funds for unproven or in unproven speculation. The money needs to go where it's going to be used and for the good of all of Knox County and wherever it goes there must be public accountability.

Paul Gibbons – Attorney for the Town of Thomaston

Mr. Gibbons said that the big issue for the Town of Thomaston were the pay increases. He said that he understood that the Commission was trying to raise the employees to market levels. The problem, he said, is the disconnect between the increases given by the County and what the Towns have done for raises, if any. Mr. Gibbons had a sign with him that showed a graph on it which indicated that Knox County had given an average of 5.30% increases over the last eight years, while the towns had an average of 2.38%. He said that he had called all the towns in Knox County and asked for their average wage increases over the

last eight years. He added that he was at the hearing because the Town of Thomaston felt that the County's budget proposal was too high for their people to afford. Mr. Gibbons also had a second sign that showed what he thought was an injustice to some employees who were getting large increases while others saw none. The example on his sign showed a comparison of the County's EMA Director and Sheriff:

	Total Budget	Employees	Wages
EMA Director	\$29,028	1	\$59,946
Sheriff	\$5,426,727	41	\$59,788

Mr. Gibbons stated that he was not making a point of whether the EMA director is worthy of that or not. He said that the Compensation Study had created an inequality for the sheriff, especially since the study didn't include the elected officials. If anything, it has created a greater inequality than before the County even started the study. He added that he felt that the study's results seemed to have a gender bias because it seemed like more men got increases than women. He said that as a lawyer who works out of Camden, he goes to the Probate Court frequently. Knox County has one of the best Probate judges in the state. He said that it was his personal belief the only reason Judge Emery has continued to be the judge here is because she chooses to make a personal sacrifice. The pay is extraordinarily low. If the County had a judge of less quality, it would be a disaster. He felt that if Judge Emery were to leave, the County would not be able to attract someone to replace her at such low pay. Mr. Gibbons summed up his remarks by saying that in his opinion, the study that the County commissioned will result in greater inequality for its employees.

Val Blastow – Town Manager of Thomaston and resident of Rockport

Mr. Blastow stated that for the Jail budget between 2007 – 2012, there was not much of an increase but the rest of the county budget increased by over a million. He said that he wanted to know what that total is and how the increase is being covered...if the state is covering it will the taxpayers be responsible for covering that increase?

Administrator Hart stated that he was not really sure what the total is off the top of his head. He explained that the jail budget was taken over by the Board of Corrections and the budgets were capped. The \$3,188,700 is the capped amount assessed to the County. The increase of whatever is over that is covered by the state. It is controlled by the Board of Corrections through the legislature. The 2013 budget is actually going to be capped at the same level as 2012 but will be cut by an additional percent because they don't think that the legislature will give them what they asked for. (Sheriff Dennison gave Administrator Hart a piece of paper with the jail budget on it.) Administrator Hart read aloud that the FY2012 budget was \$3,704,529 so if you add to that the capped assessment to the County \$3,188,700, the total budget is about \$6 million.

Paul Chamberlain – Thomaston Selectman

Mr. Chamberlain thanked the County for rescheduling the hearing and for doing the right thing by hearing all of the concerns. He said that he wanted to speak to the increases. He felt that the County giving such high salary increases makes it that much tougher for the towns to put together fiscally responsible budgets. He wanted to reiterate this to remind the Commission and Budget Committee that it's much more than the County budget that's being impacted by the wage increases.

Lee Houghton – Union Resident – Dairy Farmer

Mr. Houghton stated that he got pretty upset when he heard that that the County increased all the salaries. He said that he runs a dairy farm. He said that the County seems to be forgetting the town reports and about all the people falling behind in paying their taxes because they don't have the money...and then the County goes ahead and doubles the wages of people who he didn't think were worth having there. He said that he was pretty upset and he thought that anybody who votes for these increases may not be re-elected next year.

Leanne Robicheau – Clerk for the Town of Warren

Ms. Robicheau asked for clarification of how much was spent for the study that resulted in the pay raises. She said that she had been told by one County official that it was \$60,000 but the news paper reported it as being around \$22,000. She asked how much the actual study had cost.

Administrator Hart stated that the contract with Thornton & Associates for the Compensation Study cost the County \$22,500. There were other expenses that came out of that same budget line. The County had hired an HR consultant to assist with the Administration office since the administration wasn't ready to hire a full-time HR person. The consulting fees for the HR consultant came out of the same line as the Compensation Study. The HR consultant has been helping with rewriting job descriptions, completely rewriting the County's personnel policy, and a number of other HR functions. The money budgeted for the HR employee position wasn't used since the County wasn't ready to fill that position yet, so money was transferred out of that line to pay for the HR consultant from the consultant fees line because it was a contract. The total amount of money spent from the Compensation Study budget line was close to \$60,000 but only \$22,500 of that was spent on the study itself.

Peter Lammert – Town of Thomaston - Selectman

Mr. Lammert said that as an assessor, he gets a bill from the County and if you don't pay by a certain date hell and damnation is going to fall on you. He said that RSU13 is doing this too. The town is going to get hit with all of this money it needs to pay and it's a real tough year to do it. He asked the County to please reconsider.

Kenny Keiran – Owner of Union Farm Equipment

Mr. Keiran stated that he was unable to attend the previous public hearing and had sent a letter to Budget Committee member Lawrence Nash for consideration. After the hearing, four board members said they strongly agreed with his point of view. He said that he was not arguing that the employees deserve raises but he didn't think it was realistic to say that the employees might not stay if they don't get the raises. He said that when you come into his shop you have the friendly staff there to help you, but as great as they are, he hasn't been able to give them a pay raise. He said that after he pays his taxes, he has nothing left. There are only two options – he either increases the amount of business he does or charge more for the services his business performs. He said that he didn't care about the reserve but if the County increases the burden upon the taxpayers, the Village Soup is a good example of what's going to happen to businesses. He asked the question if the County giving raises now was a good time when he couldn't afford to give his own employees raises. He asked that any decisions made at the hearing be made for the good of the whole county.

Nate Pease – Union

Mr. Pease stated that he agreed with Lee Houlton. It seems that common sense ought to take place. He asked why the County would need to pay to have someone do a study. Isn't there anyone able to run a business here? He said that if the commissioners don't do their job, they don't belong to be here. The man who took the job as EMA Director was apparently happy with it. He said that if he wanted more money, he has to work harder. He was sure there are some people who don't care about the rest of the people but he was in attendance to fight for the "little guy". He added that you don't need a labor study to do that to exercise common sense.

Dale Hayward – Rockland

Mr. Hayward said that he had made a couple interesting observations. He said that if you go to the website Opengovernment.org, every salary of every public official in the state of Maine is available to look at. The County didn't have to go out and pay for a study. He said that the government is talking about more transparency but the guy who did the study doesn't want his notes to be released to the public. Mr. Hayward said he'd like to see a copy of the report and see how those people went about the study, and to see what test they went through. It would have been more cost-effective to utilize the free websites.

Bill Reinhardt – Selectman for the Town of St. George

Mr. Reinhardt stated that he appreciate the fact that there would be a revote on the budget. He thanked Ann Matlack for attending one of their selectmen meetings and giving them a detailed explanation of the budget. Individually and collectively the Selectboard objects to the raises. He said he would leave it up to the County whether or not the raises were justified but the County should have at least considered phasing them in. The Town of St. George has eight full-time employees and some part time employees. They did not receive any raise last year and will only get 2% this year with no increase in their benefits. The Selectboard also believes and urge you to return the Airport budget to a self-funded budget. He said that they understand that the County has a new terminal building and that there are additional costs, but the Town urges the County to get the Airport back to being self-funded since that is how they believe airports should run. Most airports in Maine are self-funded through grants, user fees and leases.

Bill Packard – Union

Mr. Packard stated that he had previously served on the Knox County Budget Committee board for five years, and there were more people in attendance at this meeting than there were for those five years put together. He said that his perspective is a little different than the others who have come up to speak. He believed that there was good intent behind the raises but it has run amuck. He felt that it was the opinion of the people attending the hearing that this had gone in a direction that was not in the best interest of the County. He said that what concerns him is that we see this in government a lot – a governmental body makes a decision to go down this path and refuses to veer from it. He added that he was not saying that several employees need to be compensated more than they are. What he sees as a problem was the process.

Madelene Royer – Employee, resident of Rockland

Ms. Royer stated that she was an employee of Knox County and works in the Registry of Deeds. She said that something had been bothering her since she spoke up at the previous hearing. Budget Committee member Bill Jones was participating by phone and he had asked her to speak up. She said that after she was done speaking, Mr. Jones said he got most of it so she thought she'd come back and speak again at this hearing. She felt that the Committee seemed a little wishy-washy and the point that she made last time was that she and a few other employees thought that when this budget came out that there weren't going to be any raises. Everyone knows people who have lost their jobs and businesses that have gone under. She said that she was glad to have a job and that she never thought since coming to work for the County that she was underpaid. She felt like she was a little blind-sided when just before the budget vote she was made aware of some of the sizable raises being given out. She said she wasn't jealous, just dumbfounded, and she thought this is not going to go over well with people. It's not so much that raises were given...it just seemed way out of proportion for what the economy is going.

Dale Hayward – Rockland

Mr. Hayward asked about how much the County pays of health insurance.

Administrator Hart started to explain by saying that the County pays 100% of the employee's single coverage.

Mr. Hayward cut Administrator Hart off and said that he didn't need to say anymore. He said that it was the shell game again. The City of Rockland pays 85% of the employee's health insurance. The County pays 100% of the single. He asked how much the County pays for the family coverage. He said that he needed to know that.

Administrator Hart stated that for dependents, the split is 75% (County) / 25% (employee) unless the employee was hired before 2000/2001; then it's grandfathered at 100%.

Mr. Hayward stated that that drives him "berserk" in itself. He asked how many businesses did Administrator Hart think could pay 100% of their employee's health insurance and afford it, or even 85% as the City of Rockland does. He said that was a tremendous amount of money and someone has to come here and bring this into perspective for the employees that its not just dollars and cents, it's these other benefits that they're getting too. He said that if somebody doesn't want a job for \$50,000 that was offered a

raise up to \$70,000, he would give the County his phone number because he was retired with two college degrees and can't "find a full-time job to save my life". He said that he didn't get what the County was doing or understand "what planet you people came from". He said he didn't mean that personally, but as a whole, or as a concept.

Bob Moors – Rockport

Mr. Moors commented that everybody at this meeting is saying we're having very tough times right now. What's going to happen next year? The County took \$175,000 out of the surplus to make the budget look good for this year. He asked why when nobody knows what it's going to look like next year. He said that a 0.5% increase does not really explain the budget makeup.

Vicki Gamage – Employee

Ms. Gamage introduced herself as an employee in the Knox County Probate office. She said that the insurance that the employees are benefiting from are being talked about being taken away. There are some employees who didn't get big increases, or got no increase at all. Some of the employees are very content with their jobs and don't support the huge increases either. She said that employees do understand that some benefits may not be there next year. This is something that was brought out with this study. In the end, some employees will end up making less money than they are now.

Dale Hayward - Rockland

Mr. Hayward stated that he was concerned about that the previous speaker's comments were being pointed to him.

Bob Duke stated that he wasn't going to allow a dialog between individuals. He said that if Mr. Pease had a question or wanted to voice an opinion, he could go to the microphone and address the Chair.

Mr. Hayward said that it's impossible for members of the public to know how benefits are distributed. He said that if the county administrator says that the County pays 100% of the employees' benefits, he's supposed to believe that. He said that has no way of knowing that the County has talked about cutting back benefits. He added that he wanted to clarify the point that the only information he had is what Mr. Hart said – 100%.

Val Blastow

Mr. Blastow stated that wanted to get clarification on the jail budget again. He said that he knew that the Jail budget was \$3,762,000 or \$3,710,000, and the capped amount was \$3,188,000. He asked if the jail budget total was \$6,900,000 or if it was the difference between the capped \$3,188,000 and the \$3,710,000. He said that there was a big difference between \$3,700,000 as opposed to \$3,700,000 minus \$3,188,000, since that's the capped amount.

Administrator Hart responded that the jail figures he had showed that the Board of Corrections approved budget for the jail for FY12 for expenditures is \$3,704,529 which is funded by \$361,380 in community corrections. \$3,188,700, which is the cap \$146,549 which is the funding from the DOC investment fund.

Mr. Blastow said that he thought that answered it, but he said that there was about \$384,000 revenue on page 7 of the Knox County Budget Revenue. He asked if that revenue stream was a component from the state or an outside revenue that the County takes in.

Administrator Hart responded that he was pretty sure that it was a combination of the community corrections money that the County gets and other sources.

Mason Johnson – Budget Committee member, resident of Thomaston

Budget Committee member Mason Johnson asked to be able to speak as a member of the public. He said that he has been involved with public service for around 25 years and has never seen such a "forceful, eager group of people" at a public hearing. He said that he tries to support the interests and needs of the people.

He commended the meeting attendees for bringing their concerns to the Commission and Budget Committee. He said that the County has to rein in spending so people aren't having such a hard time and can enjoy life. He said he also wanted to thank those that have been on the Budget Committee too and that he was sure that they are going to work even more diligently now.

Jean Ettinger – Hope

Ms. Ettinger asked how much surplus cash there was and whether or not the County has a policy of how much it needs to keep on hand.

Administrator Hart explained that under the statute, the County is required not to carry more than 20% surplus. The amount of \$175,000 is being used in the budget because that is the excess the County has over the 20% maximum. It could be more or less next year, but there is no way to know.

Madelene Royer - Employee, resident of Rockland

Ms. Royer asked the Budget Committee if the report from the study was given to them once it was finished.

Budget Committee Chair Bob Duke responded that the Committee received an executive summary but have since then received more information than that.

Ms. Royer asked Chair Duke if the County had formed a group to study the Study. When Mr. Duke indicated that he didn't know what Ms. Royer was referring to, Ms. Royer asked who chose who was going to be on that committee. (*She was referring to the Job Evaluation Committee.*) She stated that she thought that the people who were on the committee were the ones to receive the big raises so she thought it didn't seem like anyone who got a big raise would want to be on the committee because they know people are going to say, "gee, he was on that committee and look at that honking raise!" Ms. Royer said that it seems like the County paid money for all these studies and the end result, in most of the cases, didn't really have anything to do with the Study. She added that she kept hearing that everybody was pretty much good while others said you're lucky this person is still working for you because they're getting paid dirt.

Mark Kunz – Employee and resident of Thomaston

Mr. Kunz stated that the Compensation Study was done to see if there was a discrepancy between what people are getting paid versus what they *should* be getting paid. There were a group of employees who were found to be making wages less than employees around the state doing the same jobs. He said that the employees of Knox County are not looking for a raise; the employees are just looking to be brought up to an equal pay compared to what other people are making doing the same job around the state. He said that his wage is really just a subsistence wage for a single person so it was very important to him that this study was done. He said that he doesn't make enough to put any money away; he makes just enough to get by. He added that he didn't receive a large raise and his supervisor received no raise at all. There were no bags of money handed out. He said that he hoped the Budget Committee wouldn't erase what was done, which would mean taking away what little increase he received at the start of the year. He said he was just looking for a subsistence wage and this increase was very important to him.

Lynn Talbot – Employee and resident of Rockland

Ms. Talbot stated that she had taken it upon herself as an employee to become very aware of the wage study. She said that she felt that you can't always wait for things to be presented to you. She had made a point to get a copy and understand it, and go to the meetings and ask questions. She said that she appreciated the study being done. She explained that she is a single homeowner and essentially on-call with no compensation, and she pays for her own cell phone. She was one of the employees found to be making far less than her counterparts throughout the state. She appreciated the raise and she wanted the Budget Committee to know that not everyone is against the increases. She said that she appreciates that people are struggling to pay their taxes but she also felt like a lot of work was put into the study and the process. There's so much more that was put into this as far as putting people into pay grades and factoring their experience, etc. than what people know. She ended by saying that she felt that if employees had received

their letters (*explaining the increases and how they were calculated*) sooner, it wouldn't have been such a surprise when the budget was passed the first time.

Andy Vaughn – Warren and Appleton

Mr. Vaughn stated that he had attended the previous meeting in December at which he acknowledged the Budget Committee for all the work it does. He said that there seemed to be a lot of dissention among the Committee members at that meeting. He agreed with a suggestion Budget Committee member Lawrence Nash had made at the previous hearing regarding using the wages shown in the proposed budget of the department heads in the original draft of the budget. He said that he wished that more discussion had happened that night and he was a little distressed that Mr. Nash's suggestion was swept aside. He thanked Steve Betts for letting the taxpayers know what was going on and asked that his words be taken into consideration.

Shane Riley – Employee and resident of Cushing

Mr. Riley said that he was not going to comment too much on the raises. He explained that there were two studies done in two years (*Organizational Study and Compensation Study*) and the studies did not result in all employees receiving increases. There have been some positions that were eliminated and cost savings that have been realized. County government has been shrunken. It's not all bags of money being handed out.

There was no other public comment.

Public Hearing Closed:

The public hearing portion of the meeting was closed at 8:21 p.m.

V. Budget Committee Vote on 2012 Budget

Elizabeth Dickerson commented that there has been some dissention in the Budget Committee about the funding for the Maine Coast Economic Alliance (MCEA). She said that she has had some discussions with people in the community, and though she has been a long time supporter of economic development, MCEA/KWRED has changed. She said that when Alan Hinsey was running KWRED, he was active in the community so she was aware of what was being worked on, but she has been less aware of what is going on now there is a new person (*Justin Holmes*) running the newly named MCEA. She said that she has learned that he has not been attending meetings in Rockland like Alan Hinsey had been when he was the director. She was not completely convinced it was necessary for the County to contribute funding at this point so she was recommending that the Budget Committee should remove some of the money from the line.

Bill Jones stated that he agreed with Ms. Dickerson. He said that his career has been in economic development and he felt that the functions of economic development are better served by chambers of commerce and the private sector.

- **Bill Jones made a motion to cut all funding for MCEA in 2012 by changing it to \$0. The motion was seconded by Dorothy Meriwether.**

Ann Matlack stated that when KWRED was originally started several years ago, she was a big supporter of it. At that point the County was sending \$5,000 to EMDC and getting nothing for it so that year the Committee was contemplating not paying dues. A proposal came from Alan Hinsey, and for the next two years he worked diligently to make it work. He was instrumental in Boston Financial and Athena Health coming to the mid-coast. Since KWRED/MCEA was taken over by Mr. Holmes about a year ago, she has been waiting for some signs of life from the organization. She said that last fall she was willing to give him a little bit more time but the Committee received an update from Mr. Holmes that showed little had happened since December.

Tina Plummer stated that she had read through Justin Holmes' email that he had sent to them earlier that day, but when she looked at the report he sent, it indicated that it was a complete report but it clearly wasn't complete. There's a section six with nothing in it. There's a summary with nothing in it. She felt that Mr. Holmes seems to come up with things at the last minute when he wants the money. She said that she was willing to go along with the others in cutting funding.

Randy Stearns agreed with Ms. Plummer that whole sections were left blank in Mr. Holmes' report and it seemed that Mr. Holmes couldn't even summarize what he's working on. Mr. Stearns stated that it may have been a simple mistake but when someone is asking for a lot of money, you'd think the person would make more of an effort.

- **A vote was taken with all in favor of cutting funding for MCEA to \$0.**
- **Ann Matlack made a motion to lower the budget bottom line for 301 Park Street to \$22,430. The motion was seconded by Bill Jones. A vote was taken with all in favor.**

Lawrence Nash suggested that the Budget Committee needed to give an across-the-board raise to employees for 2012, which would give the Committee more of a chance to look the results of the Study over more and have more time to dissect the budget and cut lines if necessary.

Ann Matlack stated that she was not interested in going in that direction. She said that one of the reasons the Committee was going through this during this budget year is because next year the County goes back to having a bond payment. Not having a bond payment for the past couple years allowed the County to be able to fix the infrastructure that has been allowed to go without getting fixed, like the windows and the front steps. This year the Committee is trying to fix the problem of some employees not being paid appropriately. Part of the reason for the study was the concern over the high turnover rate of County employees. When you have a high turnover rate, you have high expenses with hiring and training new employees, especially in the sheriff's department and communications. It won't work to try to phase the results of the study in later. This is the year to do it. The bottom line is that there is virtually no increase from last year's budget to this year's budget; it's a 0.5 % increase. Next year the County will have the bond payment. She warned that to play around with thinking about making these needed wage changes in the years to come means it will continue to be put off, which has already been going on too long.

Elizabeth Dickerson stated that she couldn't disagree with a lot of what Ms. Matlack says; however, she felt that the problem that the Budget Committee faces is that this is a time when many people are not able to meet their basic necessities. She said that she had voted against the proposed budget at the December 1st hearing not because she didn't think we should look at the employee's compensation, but because the problem is the \$175,000 surplus. She said that she represents the municipality of Rockland and she felt that the County's Budget Committee has to be prudent and if there is extra money, the Committee has the burden to do things across the board. The Committee does need to do something about the inequity of the employees and all they were asking were to be brought up to a livable wage, but she felt that there's more work to do on this issue and the Committee is not ready to move on it. She said that she wanted to comment on the figures on the sign that Mr. Gibbons had displayed earlier in the meeting. She said that even though the point is well taken, you really can't compare the County's wages against other entities without using baseline wages. She said that it was really just a shock factor on the part of Mr. Gibbons. The Committee has talked a lot about the Compensation Study and she did agree with the HR consultant who had said it gets really complicated if you try to do portions of the fixes rather than all. At the same time, however, she was sensitive to the feelings of the taxpayers at the meeting.

Bill Jones commented that on the whole, he didn't feel that this was a bad budget. It's pretty flat – almost exactly what the County had last year. He said that he was happy to see money taken out of surplus to cut back on the amount assessed to the towns to keep more money in the taxpayers' pockets. He said that he really had waived when he voted at the previous hearing because there were some things that were wrong with it- two of which the Budget Committee just fixed. He said that he almost agrees with Ann Matlack.

There have been anomalies; there are employees who have been over-paid. Two of my friends had their positions eliminated and now the County contracts those services out. He said that he has always said the County needs to pay the good people working for the sheriff's department better to keep them working here. The problem with being in civil service is that it's not like in the private sector. Government jobs' pay are dependent on job descriptions. If someone hired is grossly over qualified for the job, it doesn't matter – they are still doing the same job as if someone else worked the same job but with less qualifications who can do the job just as well. He said that he wasn't sure where the Committee goes from here. He felt like there were three possible ways to proceed: 1) not make a decision at this meeting, but sooner or later we have to decide. 2) Phase in the changes, still recognizing that the Study was correct but that the employees' wages just aren't going to get to the point where the Committee wanted it to be this year. 3) Cut apart the study and look at specific lines.

Elizabeth Dickerson asked Mr. Jones how he would suggest phasing.

Bill Jones said that he had previously submitted one option for phasing Administrator Hart at the Joint Work Session on March 1st. The option would cap the increases at 9% and each individual with a raise over 9%. The remaining proposed increase would be phased into the next three years. He also suggested that including a cost of living might avoid the employee losing too much ground in where their pay was supposed to be. He said that this is not a commitment to the future but a promise. He said that he felt this is a fairly generous offer and it was still accepting in the long run that the Study was correct. He ended his comments by adding that although he had submitted this proposal two weeks prior to this meeting, he had not heard anything from Administrator Hart as to what the bottom line consequence is if it were implemented.

Bob Duke asked Administrator Hart if he had an answer.

Administrator Hart stated that it was not easy to figure out and took time. He said that Mr. Jones' suggestion saves in the budget \$56,140. That includes all departments with the exception of the jail because that's a different budget.

Bob Duke asked how many employees that would affect. Looking at his paperwork he thought it was roughly 23 employees. Administrator Hart confirmed that there were 23 employees with increases over 10%.

Bill Jones commented that he wasn't making a motion on this because he wasn't sure this was a direction that he actually wanted to go.

Dorothy Meriwether said that she had voted for this at the last hearing, but since then she has done further research and she was not going to vote for this budget as it is. She also would not vote for a phase in, although she did believe that more work needs to be done. She said that she would prefer to have the discussion of costs and have more time to do the work and research that the Committee needs to do.

Randy Stearns commented that he was a little frustrated about not hearing from members of the community until the night of the hearing. He said that he has not been a supporter of the budget the way it has been presented during the entire process. It had been mentioned that because the economy was in a bad shape last year, the County eliminated jobs and no one got raises, but he hasn't seen anything in the last year to indicate that the economy has improved. He added that he appreciated the employees and what they do but that he couldn't justify the raises. He said that if the budget is presented as it was last time, he would have to vote no on every budget because each budget has the salary increases which he can't support.

Lawrence Nash stated that he had heard feedback from municipal officials and another counties and the question he kept getting was, "what are you doing? Now we'll have to follow suit!" He said that the County has to be a leader. He added that he was not saying the employees don't deserve raises.

Bob Duke said that he had thought about that issue too, that there's always been this effect of towns having pay increases and others following suit. He said, however, that his bigger concern is for the patrol deputy who has been working out there alone. He said he thinks that the County needs to take care of that deputy just as much as an officer in the Rockport, Camden, Rockland, or Thomaston police departments. This should be a financial decision not a political one. He said that he was against just doing a COLA instead of following through with the Study. He believed that would be a cop-out. The Committee has been promising these employees for a long time to fix this. He said that he was not in favor of big increases so if it could be capped, he would vote for it, but he would not vote for a COLA just to get by for the year. He added that nobody from the public showed up last year and said "thank you very much" when the County eliminated positions. Everyone knew last year that the Compensation Study was the second step of that process.

Dorothy Meriwether said that she does agree that the survey was necessary, and she was sure that most of the increases were appropriate. In defense of her original vote, she said that she had believed that all subjectivity was removed from the survey. She said that now she knows that's not true. She said that what she would like to see in the next year is for an independent committee, not the current compensation committee, to review every increase over the capped amount, and for everyone under the capped, if they chose, to have an opportunity to appeal to this committee the decision that was made about their grade and step. She added that she also would not vote for this unless elected officials are included in some fashion.

Bill Jones commented that if the Committee was going to go through salary by salary, it's only just if the Committee also looks at the salaries of the elected officials who opted out of the survey. He said that he felt it was mean-spirited to offer them nothing. If the Committee is going to go through bit by bit, he was going to propose increasing expenditures on those lines.

Bob Duke commented that he does like the concept but does not want to vote for a budget with a COLA.

Dorothy Meriwether said that her preference would be to vote it down for now, and under the pressure of having no budget, go through the review process.

Elizabeth Dickerson said that it was her understanding that if the budget was voted down, the County operates on last year's budget until it's finally approved. She asked if since the Committee just voted to take funding away from MCEA, wouldn't that mean MCEA would go back to getting more money since they received funding in 2011?

Administrator Hart answered yes.

Elizabeth Dickerson asked if that would also mean that when the County needed to spend money on 301 Park Street there wouldn't be any money for it since that's not in the 2011 budget.

Administrator Hart answered yes.

Lawrence Nash commented that he didn't want to take away money from the deputies or the jail guards but that he thought the Committee could come up with a capped percentage that could cover most of the employees and get the budget passed. He said that he also felt that the elected officials should at least receive a COLA even though they did not receive an increase.

Bob Duke stated that the one thing in front of the Committee at the moment is that if the increases were capped at 9%, the savings would be \$56,140. That's one option. He suggested that the way to address the elected officials might be to put an amount, such as \$10,000, in the budget that would be used toward those increases, and allow the commissioners to decide how that's distributed.

Commissioner Moody said that the Commission's understanding of the three elected officials was that they chose to opt out of the Study. They had reasons for doing so and the Commission didn't force them. It wasn't done out of mean-spiritedness. Since the results of the Study came in, the Commission has invited

them to present ideas of how the County should go about calculating their wages. They gave a proposal to the Commission and the commissioners agreed that they would do research around that and come back to the next meeting to work on that. He said that he didn't know how much that would cost or where the money would come from.

Ann Matlack said that she was opposed to both giving a COLA and putting the Study increases off until next year. The Committee gave zero increases last year. She said that technically, there were no increases being given this year, either – the Committee is adjusting the employees' base pay to what they should have been making already. Since the Committee didn't do an across-the-board increase, the elected officials didn't get an increase. The County needs to find a way to compensate them.

Elizabeth Dickerson asked to find some sort of consensus among the Committee. She asked what Committee members thought of capping increases at 9%, appointing a committee to look at increases above 9%, and giving a COLA for elected officials.

Ann Matlack asked if Administrator Hart if he had a figure for the bottom line. Bob Duke stated that they already knew what the savings would be for capping at 9%, plus he had suggested putting aside some money for the three elected officials.

Ann Matlack thought that \$10,000 is way too high an amount to set aside for the elected officials, but she said she would be content with the 9% cap.

Tina Plummer said that she would vote for the 9% cap.

Randy Stearns said that he wouldn't support 9% increases.

Bill Jones commented that he was pleased that the Commission is working on doing something for the elected officials but he wanted to hear more about how much the Commission thinks will need to be in the budget. He said that he thought that 9% is awfully generous and if the others aren't comfortable with a percentage that high, he would support a lower percent.

Mason Johnson asked why not lower it to 6%?

Bob Duke responded that 9% is a good cut off line because many of the employees that are directly under that line are the patrolmen and jail corrections officers who really needed those increases. If the line were dropped down to 6%, you may as well throw the Study away because those employees wouldn't get the increases and they were the reason the Study was done in the first place.

Dorothy Meriwether said that she had had some trouble hearing what Ms. Dickerson had said earlier about a COLA.

Elizabeth Dickerson responded that it seems like the consensus was to cap the increases at 9% and maybe giving elected officials a cost of living increase, which is about 2% this year, and that ends up being around \$2,500. She reiterated that her suggestions were:

1. pay raise total for elected officials together would be around \$2,500 and the Commission would work with them on how that's distributed
2. cap employee increases at 9%
3. form an independent committee to work on the increases over 9% in the future

Dorothy Meriwether said that she was fine with the 9% and forming an independent committee, but that she was not comfortable with locking the elected officials increase at a total of \$10,000.

Bob Duke explained that the reason he had threw out the figure of \$10,000 is because the Commission has been stuck on a zero increase for the elected officials for a long time, so whether or not they include themselves or not is up to them.

Elizabeth Dickerson commented that a 7% increase for all three is \$8,814, which is under the \$10,000.

Ms. Bouchard commented that that's just wages and is not counting social security, retirement plan, etc. It would be impossible to try calculate it at the hearing.

Elizabeth Dickerson agreed and added that the other problem with the Budget Committee coming up with a figure is that they are essentially doing an on-the-fly compensation study for the elected officials. The Committee could decide that they wanted that done, but it may not be a good idea to try to do it while here at the hearing when there was a lot of detail and work that went into the Compensation Study done for the rest of the employees. It would be inequitable to compensate the elected officials without doing the appropriate work and research on their pay.

Administrator Hart commented that when the Work Session was held on March 1st, Mr. Jones was the one to come up with 9%. He said that he had asked if there were figures the Committee wanted the administrative and finance staff to calculate because it takes time to do that. If the Committee changes the capped percent to something other than 9 percent, the Committee and Commission aren't going to be able to vote on the budget at this hearing because he would have to figure out what the gross and net budget would be so that the Committee could vote on the bottom line. He said that the Commission had asked his office to do research on the elected officials so the Commission could have a work session. The plan was for the Commission make a decision at a future meeting after having the work session.

Mason Johnson left the hearing at 9:29 p.m.

Lawrence Nash commented that he couldn't support the 9% cap but that he could support compensation for the elected officials.

- **Elizabeth Dickerson made a motion to cap employee pay increases at 9% for 2012, which takes \$56,140 out of the bottom line. The motion was seconded by Ann Matlack.**

HR Consultant Laurie Bouchard warned that if the County caps increases at 9%, the Study is working for anybody under 9%, but it's not working for everybody who was above 9% - they won't be in the right place in the wage scale.

Randy Stearns commented that this would mean that next year the Committee was going to be debating how to bring the other people in line with the pay scale set by the County's Study. He asked, doesn't capping this mean we're throwing the survey out?

Bob Duke said no. He said that the employees will still get their increase, but it will be phased in.

Bill Jones commented that there are employees being paid at a rate from a budget that is now known to not have actually been passed. He said he would only support the 9% cap if the Committee follows Ms. Meriwether's suggestion to create a committee to look into the mess the Budget Committee has created.

Administrator Hart stated that he wanted to clarify what the Charter says about the Budget Committee. He read aloud from *Article 5 Budget Procedures, Section 2 Budget Committee* from the Charter:

“A Knox County Budget Committee... shall review the itemized estimated budget, as prepared by the County Administrator and submitted by the Commission, and shall, after a public hearing, approve a final budget.”

Administrator Hart stated that the Commission is the only body to establish policy. He said that he thought that the Budget Committee has tried in numerous years to get involved with more than just the budget. How the employees are paid and how the County's administration sets up committees falls within the right of the Commission, not the Budget Committee.

Ms. Bouchard stated that there are some ramifications for the Committee to think about. When the budget was presumably approved in December, employee increases were to go into effect January 1st. Each employee was given a letter explaining things, which means that the County has provided to employees in writing that this is what they are going to get paid for 2012. There would be challenges to the Committee's decision and grievances filed if the increases are taken away. Employees have made life decisions based on that budget without knowing that there were going to be any issues with the budget being approved. New employees coming in will be coming in under the compensation study and getting a benefit that someone already working here isn't getting because they fell above the 9%. Employees have all been put on a step on the pay scale, so if you limit the increases, you end up with some employees *still* not being on the right step. The reason the employees were getting such large increases is because the market shows that this is a fair rate of pay for that position. If a cap is set at 9%, some employees are getting the full benefit of the Study while others aren't. She asked the Committee to think about what they had already put into place when the budget was approved in December. She said that they needed to keep in mind that things have already been put in place and decisions have already been made.

Elizabeth Dickerson commented that the information is before the Committee and it's up to its members to take the information that the HR consultant and administrator have given the Committee and do what Administrator Hart suggests and vote on the budget. She said that what the Committee can do is take information and vote as the Committee members see best, and that's what the Committee's job is.

Ann Matlack asked if the Budget Committee would be done once they take this vote because the Committee votes the bottom line.

Bob Duke answered that the \$56,140 covers a lot of lines within the budget, but the Committee still has to vote on the bottom line.

- **A vote was taken with 6 in favor (Ann Matlack, Bob Duke, Dorothy Meriwether, Tina Plummer, Bill Jones, Elizabeth Dickerson) and 2 opposed (Lawrence Nash, Randy Stearns). The motion therefore passed 6 – 2. (*Note: Budget Committee member Mason Johnson had already left the meeting and was not there to participate in this vote.)**

Commissioner Maines commented that the Commission had asked the elected officials to come up with some alternative or some ideas of what they thought they should be paid. The Commission received two letters from the three officials suggesting that they felt that they ought to get raises, but no suggestions were offered on how to calculate that.

Commissioner Moody said that the three elected officials did agree to allow the county administrator and HR consultant do research to calculate it fairly.

Commissioner Maines added that the Commission did discuss doing a COLA for the elected officials for 2012 to give themselves another year to do more work on the matter, but ultimately decided against that because the commissioners thought they could figure this out this year.

Bob Duke asked the commissioners if they thought it was more prudent to put a figure in the budget.

- **Dorothy Meriwether made a motion to put \$10,000 in the budget to cover the elected officials increases. Bob Duke seconded the motion.**

Lawrence Nash stated that \$10,000 was too high.

Ann Matlack said that she was not sure what the number should be but Commissioner Moody had said that the Commission could find the funding in contingency and didn't want to limit the Commission's negotiations with the elected officials based on a \$10,000 figure.

Commissioner Moody stated that there needed to be a sound process that will drive what the numbers are.

Randy Stearns commented that he didn't know how an amount could be arrived at. It seemed as though Committee members were just pulling numbers out of thin air.

Administrator Hart suggested having the Commission take the funding out of contingency. He said that it needs to be done and was discussed with the Commission after the budget was provided for the original vote in December. The elected officials weren't included in the study so there wasn't anything to put in the budget. He said that now he has been directed by the Commission to research this, which he is doing, but there wasn't time to come up with a figure for tonight.

Bob Duke commented that as the Commission, they certainly have the authority to do that.

Ann Matlack commented that these were not union positions, they are elected positions. You don't go to school for them or take courses for them. She said that she was sure that there are ways to find an appropriate level of compensation for elected officials, but without them having participated in the Compensation Study, there's no telling what that might be. She said that it should be left up to the County Commission, in consultation with the HR consultant, to work with the other elected officials to find an appropriate way to compensate them.

Lawrence Nash responded that he disagreed with what Ms. Matlack had said. The elected officials do go to school to hold their jobs. He said that they wouldn't even get elected if they didn't have the appropriate schooling and experience and wouldn't be able to do their jobs if they didn't continue their education while in office. They go to schools and seminars as they can.

- **A vote was taken with all opposed 0 - 8.**

Dorothy Meriwether commented that she was willing to take it on good faith that the Commission will take care of this.

Bill Jones said that at some point, the Committee just has to trust the Commission to do their jobs.

There was a brief discussion as Administrator Hart, Budget Committee Chair Bob Duke, and other Committee members came up with what the new bottom line numbers were for the budget so that the Committee could vote on the bottom line. Reductions made to the budget by the Committee:

\$45,000	MCEA funding cut to \$0
\$56,140	9% cap on wage increases scales down overall wages for the year
<u>\$17,570</u>	reduction in budget for 301 Park Street
= 1.68% negative increase (otherwise known as a decrease, or a \$118,710 reduction in the bottom line.)	

- **A motion was made by Bill Jones to approve the 2012 Knox County Budget as proposed in the total amount of \$9,166,444 and a net amount of \$7,355,470 and transmit the 2012 Knox County Budget to the Knox County Commission. The motion was seconded by Dorothy Meriwether.**

Randy Stearns commented that he was still not supporting it.

Elizabeth Dickerson stated that there is still work to be done but the Committee needed to go in the right direction. She said that she didn't see the wage increases as a pay raise but as an adjustment.

- **A vote was taken with 6 in favor (Ann Matlack, Bob Duke, Dorothy Meriwether, Tina Plummer, Bill Jones, Elizabeth Dickerson) and 2 opposed (Lawrence Nash, Randy Stearns). The motion therefore passed 6 – 2. (*Note: Budget Committee member Mason Johnson had already left the meeting and was not there to participate in this vote.)**

VI. Commission Vote on 2012 Budget

Commissioner Moody asked for comments from the Commission.

Commissioner Maines said that there was a lot of misunderstanding about the budget, the wage increases, and even the discussion about the health insurance. It's not a Cadillac plan by any means. She said that she was disappointed in the way that some of the employees who benefited from the Study didn't say anything until the end of the process. The County has been working on this since August. The Commission didn't just look at similar wages but also decided to look at past experience, which turned out to be a source of heartburn because some employees felt their past experience wasn't properly calculated. Some others felt that the committee looking at that information wasn't being objective. The commissioners have done their best to be fair. She said that she was disappointed that some employees are not going to end up on the steps where they ought to be after all of the work that had been done.

Commissioner Parent apologized for not saying more during the meeting. He said that he had the flu.

Commissioner Moody said that he had heard for many years from union employees that they are underpaid compared to comparables in other counties. The Commission and Budget Committee had promised to do a study to show them that they were valued. This has been going on for the past 3 or 4 years. The study was prepared by a professional based on proposals that the County went out to bid for. This is the first salary study done for these employees. He said, yes, you can find information on website that show salaries and this is something that he has done that for; however, for some employees that works okay but the Commission didn't want to just look at municipal employees, but also the private sector as well. You have to look at more than just the job descriptions because in different counties you can have huge discrepancies in job function and responsibility. Last year the County eliminated positions and contacted services. The County has also taken advantage of federal grants to become more environmentally efficient. The County performs some essential functions and taxpayers have the right to expect that their taxpayer dollars are getting them those quality services. Fair compensation and attracting good employees gets those good services. He added that he hoped that next year, the Budget Committee will respect the contents of the study and the commitment that the County has made to correct the pay of those who are underpaid.

Bill Jones left the hearing at 10:07 p.m.

- **A motion was made by Commissioner Richard Parent to approve the 2012 Knox County Budget as presented in the total amount of \$9,166,444 and a net amount of \$7,355,470 as approved by the Budget Committee. The motion was seconded by Commissioner Carol Maines. A vote was taken with all in favor.**

The 2012 Knox County Budget was therefore passed.

VII. Adjourn

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

The meeting adjourned at 10:10 p.m.

Respectfully submitted,

Candice Richards
Administrative Assistant

The Knox County Commission and Knox County Budget Committee approved these minutes at the quarterly budget meeting (Quarter 1) on May 3, 2012.