KNOX COUNTY COMMISSION
KNOX COUNTY BUDGET COMMITTEE

Quarterly Budget Committee Meeting **Thursday – May 7, 2015 – 5:00 p.m.**
Knox County Commission and Budget Committee

A Quarterly Budget Meeting of the Budget Committee was held on Thursday, May 7, 2015, at 5:00 p.m., at the county courthouse, 62 Union Street, Rockland, Maine. The administrative assistant was present to record the minutes of the meeting.

Commission members present were: Commissioner Carol L. Maines, District 1, and Roger A. Moody, District 3. *Commissioners not present: Richard L. Parent, District 2.*

County staff present included: County Administrator Andrew Hart, and Administrative Assistant Candice Richards.

Budget Committee members present were: Bill Jones, Ann Matlack (*left at 5:59 p.m.*), Lawrence Nash, Dorothy Meriwether, Bob Duke (*arrived at 5:05 p.m.*), Stephen Carroll, and Randy Stearns. *Budget Committee members not present: Shawn Levasseur.*

Others present: St. George resident Nick Lapham.

Quarterly Meeting – Agenda
Thursday, May 7, 2015 – 5:00 p.m.

I. 5:00 **Meeting Called To Order** (Chair Dorothy Meriwether for the Knox County Budget Committee, Commission Chair Roger Moody for the Knox County Commission)

II. 5:01 **Approve Minutes** (Chair Dorothy Meriwether)
1. Minutes of the 2015 Budget Public Hearing of December 11, 2014.

III 5:05 **Discussion Items**
1. Ground Rules for Budget Review
2. Program Grants
3. Budget Committee Seat Vacancies – Districts 1 & 8
4. Building Envelope Project

IV. 5:25 **Quarterly Budget Review**
1. Review of 1st Quarter of 2015 (A. Hart)
2. Review Projects / Items of 2015 Budget (A. Hart)
3. Schedule Next Meeting Date for July / August 2014

V. **Adjourn**

I. Meeting Called to Order

The May 7, 2015 joint meeting of the Knox County Budget Committee and the Knox County Commission was called to order by Budget Committee Chair Dorothy Meriwether and Commission Chair Roger Moody at 5:01 p.m.

II. Approve Minutes

1. Budget Public Hearing of December 11, 2014.

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

III. Discussion Items:

1. Ground Rules for Budget Review

   Administrator Hart explained that after the Budget Committee and Commission last met together in December of 2014, he had drafted out some ground rules for budget review based on that discussion in an effort to clear up any confusion:

Operating and Capital Budget Process: Every September, each County Department Manager shall submit a detailed budget for the following year, including capital and revenues as may be required by the County Administrator.

Preparation: The Finance Director shall compile all operational and capital budget requests, and in conjunction with the County Administrator prepare a preliminary budget that includes revenue estimates. These preliminary budgets shall be provided to each County Department Manager and meetings will be scheduled for a review of each County Department Budget with the County Administrator, Finance Director, and the respective Department Manager. These meetings will be held during the middle of September of each year. After these meetings (and any subsequent meetings with respective Department Managers as needed), the Finance Director will assemble the County Administrator's preliminary budget, which shall be submitted to the County Commission for their review. At this meeting, the Commission shall review each County department budget with the department manager present. This meeting shall be held the first week of October each year.

Budget Modifications: After deliberation of the of the County Administrator's preliminary budget, the Commission and County Administrator, while considering Department Managers' recommendations, shall make any additions, deletions, or modifications as they deem necessary to ensure the proper fiscal performance of County government and submit the preliminary budget to the Budget Committee.

Public Hearing: The first joint meeting of the Budget Committee and Commission shall be a public hearing. At this meeting, the County budget is presented to both the Budget Committee and Commission. This public hearing will be held in October each year.

Budget Review Meetings: The Budget Committee and Commission shall hold additional budget review meetings for all County Department Budgets. At these meetings, both the Budget Committee and Commission shall ask questions of the County Administrator, Department Manager, and Finance Director. At the conclusion of each County department budget review, the Budget Committee and Commission shall each take a consensus vote of that budget. These meetings will be held in October and November each year.

Final Review and Vote on Provisional Budget Proposal: The Budget Committee and Commission shall complete the review of all County department budgets and after deliberation of all county department budgets, the Budget Committee and Commission shall vote on the provisional budget and submit that provisional budget to a public hearing and final budget approval. This meeting will be held in November each year.

Public Hearing & Presentation of Budget to the Public (Annual Budget Acceptance): A joint meeting of the Budget Committee and Commission shall be held to present the budget at a public hearing. This meeting will be held in December each year. After the public hearing is completed, the Budget Committee shall adopt a final budget and transmit that budget to the Commission. The Commission may not further increase, decrease, alter or revise the final budget as adopted by the Budget Committee, except by unanimous vote of the Commission. If the adopted final budget is changed by the Commission, the Budget Committee may reject that change by a two-thirds vote of its membership. Those actions shall be final and not subject to further action by either the Commission or Budget Committee.

Administrator Hart noted that he had checked with other counties and none of them had ground rules; they either follow their county charter or some other process they've developed. Cumberland County has a finance committee which is just advisory and the Commission makes all the budget decisions. He added that the above list is just a draft and changes can be made if there are suggestions for changes.

Bob Duke arrived at 5:05 p.m.

There was a discussion about the purpose of this document, whether it was actually needed, and where the information in the document had come from. Administrator Hart explained that most of the language in the draft was taken from the County Charter but also just spelled out the process as it was already being conducted since not all elements of the process are actually spelled out in the Charter. The only changes he had made to the process were intended to include the Commission in the review process more.

A few Budget Committee members were adamant that a document was not needed and there was some confusion about what weight this document would have – would it be legally binding like the Charter or just be guidelines? Administrator Hart explained that the purpose of the document was just to clarify the process, in particular for new Budget Committee members or new commissioners because anyone coming in is not going to have the benefit of years of history that many of the current Budget Committee members have. The document was intended to be guidelines, but it is up to the Commission to approve or reject it; the Budget Committee was being given a chance to offer feedback since they are involved in the process being spelled out in the draft. Budget Committee members voiced their support and encouragement for the commissioners to participate more in the coming budget process and expressed the belief that the budget will be better with commissioner participation than without.

There was some discussion about who would run joint meetings since both the Budget Committee and Commission have their own Chair. There was no specific decision made during the discussion; the consensus for the most part was that the issue would work itself out even though Budget Committee Chair Dorothy Meriwether and Commission Chair Roger Moody seemed unconvinced.

Commissioner Moody suggested that a footnote be put at the bottom of the document noting what part of the Charter the references came from. Administrator Hart said that he would do that.

There was some discussion about a few Budget Committee members feeling like their voices were not heard during the last budget process because they were a minority view. Other Budget Committee members commented that just because an opinion is a minority view doesn't mean the rest of the Committee members aren't hearing what is being said. It was also noted that voicing different opinions is important and good for the process in general and gets the other Committee members to think more about the issues. Everyone should feel comfortable sharing their point of view.

- Commissioner Maines motioned that the Commission adopt the document and call them "guidelines", and reference the Charter. Commissioner Moody seconded the motion.

Administrator Hart stated that the subject was not on the agenda as an action item for this meeting and suggested having the Commission formally adopt the guidelines as an action item at a Regular Commission meeting next week. He explained that he had just brought the matter up tonight to get input from the Budget Committee. He reminded everyone that the Budget Committee only votes on the bottom line of the budget; if any vote were to be taken to adopt or approve the document, it would be up to the Commission to do so, not the Committee.

- The motion and second were withdrawn.

Budget Committee Chair Dorothy Meriwether asked for a straw vote of the Budget Committee just to give the Commission a general idea of whether the Committee members supported the Guidelines drafted by Administrator Hart. When the straw vote was taken, Ann Matlack, Bob Duke, Randy Stearns, Dorothy Meriwether, and Bill Jones supported the Guidelines. Steve Carroll said that he did not support the document because he felt it was unnecessary.

2. Program Grants
Administrator Hart noted that the process for program grants will stay as it is. He said that he had contacted other counties to see if they had a different process for accepting grant requests or reviewing them, but none of the responding counties had a different process than Knox County. He added, however, that only Knox County has as many budget meetings, and that last for as many hours as each of them seem to do during the Knox County budget process.

There was a discussion about the Budget Committee Chair needing to keep program grant representatives to the limited amount of time allotted to the program grants and cut the presentation off if the presenter keeps going past their 10 minutes. It was also suggested that Committee members really needed to keep in mind not to go over things over and over again and only bring up new questions and new information so that a lot of time isn't wasted going around in circles.

There was also a brief discussion about how the County determine whether a grant funding request is something the County should even consider. Commissioner Moody noted that it needs to fall into a core county function/responsibility. It was agreed that it be the purview of the County Commission to decide whether it goes into the budget before it gets to the Budget Committee.

3. Budget Committee Seat Vacancies – Districts 1 & 8

- District 8 – Tom Mellor from Thomaston resigned. The County has sent the Town of Thomaston a letter asking for a replacement but has not received anything back yet.
- District 1 – Ann Matlack has to resign because she was hired by South Thomaston as their Town Administrator and part of her duties includes being their registrar of voters. She can no longer be on the Budget Committee because the statutes say she can't have an elected position. St. George has submitted the recommendation of Nick Lapham, who was present at this meeting.

Ann Matlack left at 5:59 p.m.

4. Building Envelope Project
This project of repairs to the external envelope of the courthouse had been discussed during the 2015 budget process during 2014. Administrator Hart explained that Phase I will start at the end of May and the Commission had voted to take the funds to pay for Phase I from the building reserve fund and contingency. The process will take roughly 3 – 4 weeks and involves the area of the building in front of Probate Court. Administrative Assistant Richards has been working on applying for grants and the County is still waiting to hear back on a few of them. Any funding still needed to complete Phases II – IV would need to either be built into the 2016 budget or the Commission could go out to bond for it. Several members of the Budget Committee counseled against going out to bond for so low an amount because of the costs that are associated with going out to bond.

IV. Quarterly Budget Review

1. Review of 1st Quarter of 2015
Administrator Hart explained that everyone had a copy of the YTD expenses/revenues report and that the report shows that the County is about where it should be at this point in the year. He said that the only exception is that the County budgeted $50,000 for general legal in the Administration & IT budget but the budget line has already over by about $200 even though the County is only in the 5th month of the 2015 budget. He noted that the County has had a lot of personnel issues so far this year that have used up the legal expense budget. He explained that the County is going to start charging the airport, jail, and KRCC for their legal expenses since their budgets are all separate from the County's general funds, but that cannot be done until the Jail's new budget starts July 1st. The majority of the legal expenses for the County are related to jail issues.

2. Review Projects/Items of 2015 Budget
   Administrator Hart noted that he did not have any other projects to review except the building repairs, which was already discussed earlier in the meeting. He did note, however that the County received a bigger credit on the workers comp audit and that the County has locked in heating fuel for the 2015 – 2016 fiscal year at $2.09/gallon, which is about a dollar less per gallon than the previous year.

3. Schedule Next Meeting Date for July / August 2015
   Administrator Hart thought that probably the only topic to discuss at the next quarterly meeting would be an update on the building repairs project, or possibly the situation with county jails in Maine if anything has changed in the meantime.

   A tentative date for the next quarterly meeting was set for Thursday, August 27th at 5:00 p.m.

V. Adjourn

- Randy Stearns motioned to adjourn the meeting. Bob Duke seconded. A vote was taken with all in favor.

- Commissioner Carol Maines motioned to adjourn the meeting. Commissioner Roger Moody seconded. A vote was taken with all in favor.

The meeting adjourned at 6:18 p.m.

Respectfully submitted,

Candice S. Richards
Administrative Assistant

The Knox County Commission approved these minutes at their regular meeting held on June 9, 2015. The Knox County Budget Committee approved these minutes at their next Budget Committee meeting held in 2015.