

# KNOX COUNTY COMMISSION

## Special Joint Meeting Knox County Commission and Budget Committee

Thursday – October 28, 2010 – 5:00 p.m.

A special joint meeting of the Knox County Commission and the Knox County Budget Committee was held on Thursday, October 28, 2010, at 5:00 p.m., at the county courthouse, 62 Union Street, Rockland, Maine. The Executive Assistant Constance Johanson was present to record the minutes of the meeting.

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

County staff present included: County Administrator Andrew Hart, Executive Assistant Constance Johanson, Finance Director Kathy Robinson, Probate Judge Carol Emery, Registrar of Probate Elaine Hallett, Sheriff Donna Dennison, and Acting Chief Deputy Tim Carroll.

Budget Committee members present were: Ann Matlack, Bob Duke, Sid Lindsley, Dorothy Meriwether, Jim Bowers, Elizabeth Dickerson, Tina Plummer, Mason Johnson, and Bill Jones.

### Special Meeting – Agenda

Thursday – October 28, 2010 – 5:00 p.m.

- I. 5:00 Meeting Called To Order** (Chair Ann Matlack for the Knox County Budget Committee, Commission Chair Anne Beebe-Center for the Knox County Commission)
- II. 5:01 Approve Minutes** (Chair Ann Matlack for the Knox County Budget Committee, Commission Chair Anne Beebe-Center for the Knox County Commission)
  1. Minutes of Budget Review Meeting of October 21, 2010.
- III. 5:05 Budget Review**
  1. Debt Service (pg. 29)
  2. Probate Court (pg. 22-23)
  3. Sheriff's Office – Patrol Division (pg. 26-28)
- IV. 7:00 Adjourn**

#### I. Meeting Called to Order

The October 28, 2010 joint meeting of the Knox County Budget Committee and the Knox County Commission was called to order by Budget Committee Chair Ann Matlack and Commission Vice-Chair Roger Moody.

#### II. Approve Minutes

Chair Matlack called for a motion to approve the minutes of the Budget Review Session held on October 21, 2010.

- A motion was made by Sid Lindsley to approve the minutes of the October 21, 2010 meeting. The motion was seconded by Bob Duke. A vote was taken with all in favor.
- A motion was made by Commissioner Richard Parent to approve the minutes of the October 21, 2010 meeting. The motion was seconded by Commissioner Roger Moody. A vote was taken with all in favor.

#### III. Budget Review

##### 1. Debt Service – page 29

County Administrator Andrew Hart recommended keeping the same amount (\$30,000.00) as was budgeted for 2010. The jail bond was retired and the only budget line item is the Tax Anticipation Note (TAN) interest. It was noted that \$5,580.00 has been spent as of September 30, 2010. It is anticipated that there will be additional expenditures that will draw on the TAN budget line for 2010 because tax revenues are not received until November. The actual amount spent in 2009 was \$12,743.00.

Ann Matlack asked how much money the county borrowed. County Administrator Andrew Hart reported that the county borrowed \$3,555,000.00 at a rate of 1.75 percent.

Bob Duke asked if there were any airport projects planned for 2011 because the time-line for the reimbursement process for airport projects puts stress on the county's borrowing (TAN). The county administrator was asked if his recommendation was based on any known factors or was it a "safe" number based on 2010's expenditures.

Finance Director Kathy Robinson explained that it was a number that should work for the county and suggested that when the county books are closed out there could be a reduction in the interest paid. She commented she could not predict what the interest rate in 2011 will be and agreed with the administrator to use the 2010 budgeted amount for the TAN interest in 2011. As to the airport having projects in 2011, she suggested that there is always some type of airport project going on. Even when an airport project closes out, 10 percent of the cost of the project has to be retained for a significant amount of time until the final closing takes place. The finance director suggested asking the airport manager for additional information on future airport projects.

Ann Matlack commented that the TAN interest in 2008 was \$52,031.00 and asked what factored into the lowering of the TAN interest in 2009 to just under \$13,000.00. The finance director explained that the jail budget was separated out.

Commissioner Roger Moody suggested another way to reduce the TAN interest was to change from a calendar year to a fiscal year. The consensus of the towns last year was not to change from a calendar to a fiscal year.

- A motion was made by Jim Bowers to approve \$30,000.00 as recommended by the county administrator. There was no second and no vote taken. The budget committee chair asked for a consensus. There being no objection; the consensus was to concur with the county administrator's recommendation of \$30,000.00 for the 2011 Debt Service.
- A motion was made by Commissioner Richard Parent to approve the administrator's proposal of \$30,000.00 for Debt Service. The motion was seconded by Commissioner Roger Moody. A vote was taken with all in favor.

2. Probate Court – pages 22-23

County Administrator Andrew Hart explained that expenditures increased by \$3,718.00, which is an increase of two percent (2%). Revenues are projected to be the same as in 2010 (\$78,500.00).

Ann Matlack referred Municipal Resources Inc.'s Preliminary Organizational Study Report (MRI's Report) that recommended electronic record keeping and asked if this was something that was planned and might impact the budget. Registrar of Probate Elaine Hallett explained that there were surcharge fees available to use for electronic record keeping and this was also a recommendation in MRI's Report.

Dorothy Meriwether commented that MRI's Report also recommended increasing the vault space and this is not reflected in the 2011 proposed budget. Mrs. Hallett explained that the surcharge money can also be used for a new filing system that would provide more storage space. State statute allows the Probate Office to collect a surcharge fee of \$10.00 that is earmarked by law for the restoration and archiving of records. The estimated revenue over the last five years is between \$16,000.00 and \$18,000.00, which has been put into a reserve account.

County Administrator Andrew Hart commented that there have been several references to the MRI's Report and noted that the commissioners have not acted upon the preliminary report. There was a commissioners' meeting yesterday regarding the preliminary report, but the commissioners have not given any directives. Some department heads have discussed implementing some of the recommendations. Probate and Deeds have been working on the storage issue by looking filing systems, which would be paid for with surcharge fees and therefore not impact county taxes. Other recommendations from MRI's Report have not been discussed with the commissioners.

Commissioner Roger Moody asked if \$200.00 for training was enough because MRI's Report referred to training. Mrs. Hallett explained that the training on ICON's product, which allows the staff to image all incoming documents into the filing system, is provided by the company by means of teleconferences. The \$200.00 is sufficient for other training needed.

Bill Jones commented that there are some small differences between the administrator's and department head's budget proposal. He asked what the basis is for differences. The county administrator reported that he and the finance director met with the department head and agreed to the changes. Some of the changes were based on past expenditures and some were due items being moved into another budget line.

Bill Jones asked if the surcharge fee was something the budget committee should have been aware of and can the fees be used for Probate only or by other departments. Mr. Hart explained that the surcharge fees were placed in a reserve account for use by Probate. The Registry of Deeds also collects surcharge fees that are placed in a reserve account for their use. Both departments are looking at filing systems similar to the one in the District Attorney's office because of the vault space needs issue.

The revenue figures shown on page 23 are fees collected by the Probate Office, but do not reflect the surcharge fees. The surcharge fees are separate and are placed in a reserve account for specific items as regulated by statute. Finance Director Kathy Robinson reported that the surcharge fees received were consistently \$200.00 to \$250.00 a month.

Elizabeth Dickerson asked if there was a list of reserve accounts. The finance director provided copies of the list of reserve accounts.

Dorothy Meriwether asked if the budget committee should be referring to MRI's Report. She also asked if the statement in MRI's Report that reads "Surcharge Fees/Dedicated Fund: By Maine Statute, the Registry of Probate charges a surcharge fee of \$10 that is earmarked by law for the restoration and archiving of records" is a true statement. The answer is yes.

Bob Duke responded that the commissioners have to authorize any changes that MRI's Report recommends and suggested that any changes can be implemented within the budget. Any changes made could be discussed at the first quarterly budget committee meeting in 2011.

Mason Johnson suggested that it was time to really watch the figures in all of the departmental budgets and all additional items proposed. Some of these might need to be cut. It was time to be careful and some of the running percentages could be adjusted. He recommended looking at every department to see if the budget lines can be held, rather than increased.

Sid Lindsley said he was in favor of somewhat the same thing. Camden's budget has a zero increase in wages for all employees. He suggested increasing wages by zero percent.

Bob Duke commented that he did not look at reducing the budget so much as working with the commissioners to develop a responsible budget. He suggested that if a proposed departmental budget is high, then it should be discussed at the time of that department's budget review and not at the end of the budget process.

Sid Lindsley suggested that, although this office works well, all wages in the department reflect a zero increase.

Mason Johnson said he agreed because Thomaston and Rockland as well as other towns in the county have not given an increase in pay for their employees.

Elizabeth Dickerson reported that Rockland gave no salary increases last year and did some increases this year. Discussions were held on the consequences of holding down wages for a number of years. The no increase theory allows for salaries to be ratcheted down and in the long term could cause sharp spikes when salaries are adjusted by means of a salary study. She suggested trying to hold the line, but also looking at the long term scenario.

Commissioner Roger Moody explained that there was a budget item in another department that was for a wage and classification study in 2011. The county needs to be competitive in the wages and benefits it offers as long term goal. Union negotiations are in the mediation stage because of the dissatisfaction with the proposed wage increase of two percent that is included in the budget proposal.

Bill Jones said he was opposed to automatically ratcheting down or up. If there are wage increases or decreases, there should be explanations. He said he was receiving feedback from residents in his town not to support raises.

Bob Duke commented that many employees have been here a long time, which accounts for the step or longevity portion of the wage increase. He said he supports a zero increase due to the CPI, but advocates keeping the longevity portion of the wage formula. The longevity should be untouchable because it is in the personnel policy.

Ann Matlack mentioned a number of towns; including Camden, Thomaston, Rockland, Rockport, St. George, and Hope, gave zero increases. The county has not done so and suggested putting pressure on the county to have a one-year wage increase of zero.

Mason Johnson stated that employees are entitled to health insurance and by receiving this benefit there is an increase each year for the employees as the cost of the health insurance increases so does their benefit.

Dorothy Meriwether said there was some grumbling about the amount of proposed wage increase and it's not being enough. She asked if there was any basis for this opinion and will there be a big jump next year.

Mr. Hart explained that the union representatives for patrol, jail, and dispatch provided salary information, but did not provide benefit information. The salary information they provided makes it appear that Knox County has one of the lowest rates of pay. One of the reasons for the wage and classification study is to verify the salary information as presented and also look at the benefits offered. The study would provide a baseline and increases could be done by increments or all at once.

Ann Matlack asked if the study would impact the various departments and individual employees differently. Mr. Hart said it could. It would then have to be decided what changes would be made and how they would be implemented.

Ann Matlack said she was reluctant to increase wages this year as it would impact a 3-year contract. The county administrator explained that the contract has an appendix showing the wage plan and this is updated on an annual basis according any increases approved in the budget.

Dorothy Meriwether asked if this discussion can influence the union or is it just for the non-union positions. As noted, the union is going to mediation, which is the next step in trying to reach a compromise. If the wage issue is not resolved by mediation, then the union can go to arbitration. The process takes time. The budget committee recommendations are for all employees. The wages in the budget proposal is the amount available for wages in 2011 and if there is an increase due to arbitration, then the commissioners will have to find a way to make up the difference.

Sid Lindsley asked if administrator's budget proposal for personnel services includes a two percent increase and longevity for each of the Probate employees. The answer is yes, except there is no longevity in the judge's salary, just the two percent raise. It was noted that the longevity is not a percent, but a set amount as determined by the numbers of years in service to the county.

- A motion was made by Sid Lindsley to increase wages by a zero percent (*for the CPI*) and have the longevity remain. The motion was seconded by Mason Johnson.

The question was posed as to whether or not this was a motion and second for the Probate Office only or was it for all departments. Usually votes were taken on each departmental review, but this was a general item that could be voted on for all departments.

Bill Jones suggested passing the motion on the floor and making changes in other departments if there was sufficient reason to increase the percentage for the wages. It was noted that the intent of the motion, as put forth, was for the Probate Office with motions being made on wages during each departmental review.

Elizabeth Dickerson if the CPI-W figure for September 2010 has been received. Mr. Hart reported that the CPI-W increased by 1.4% over the 2009 figure.

Sid Lindsley observed that the health insurance was an important benefit and many people would like to have health insurance as a benefit. It was noted that some towns require the employees to pay a portion of their health insurance. Mr. Hart explained that some employees were "grandfathered", which meant the county pays the employee's entire health insurance premium.

The cost breakdown for employees was presented. The county pays 100 percent of the health insurance premium for those non-union employees hired prior to December 31, 2000. The county pays 100 percent of the single subscriber's (employee's) premium and 75 percent of the dependant coverage for non-union employees hired January 1, 2001 and later. The county pays 100 percent of the health insurance premium for those union employees hired prior to December 31, 2001. The county pays 100 percent of the single subscriber's (employee's) premium and 75 percent of the dependant coverage for union employees hired January 1, 2002 and later.

Mason Johnson reiterated his position that there had to be a cost savings found somewhere in the budget to save taxpayers' money. It could be in the wages or elsewhere.

- The motion on the floor was made by Sid Lindsley to increase wages by a zero percent (*for the CPI*) and have the longevity remain. Mason Johnson withdrew his second. The motion was seconded by Jim Bowers.

Elizabeth Dickerson would like to see the benefits package and said the salaries were not extravagant. She questioned the amount of savings if the vote was to go with the zero percent increase as in the motion on the floor.

Judge Emery reported that she gave up her longevity last year and only received the two percent wage increase. Her salary for 2011 was calculated in the same manner.

Bill Jones commented that this was a budget and the budget committee was not setting salaries. The commissioners can change the wages. The budget committee's responsibility is to vote on the bottom line. The question was asked as to the impact on the budget if the motion on the floor were to pertain to all departmental budgets. Finance Director Kathy Robinson estimated the impact to be a saving of \$52,000.00 on the county's total budget for 2011 and offered to determine the exact amount including FICA, ICMA, and any other variable. The information can be provided on one page for the next meeting.

- The motion on the floor was made by Sid Lindsley to increase wages by a zero percent (*for the CPI*) and have the longevity remain. Sid Lindsley amended the motion. The motion is to increase wages by a zero percent (*for the CPI*), have the longevity remain for all county employees. The motion was seconded by Jim Bowers. A vote was taken with all in favor.

Tina Plummer asked why the budget line for transcripts had decreased. Mrs. Hallett explained that she recorded the uncontested hearings. Judge Emery reported that attorneys were asked to pay for transcripts that they requested based on the likelihood of the matter being appealed. The budget figure represents an amount that would probably only be needed if the hearing involved a matter pertaining to an indigent person that needed a court reporter. The administrator's recommendation was based on recent expenditures

3. Sheriff's Office – Patrol Division – pages 26-28

County Administrator Andrew Hart explained that the personnel services line increased by \$113,733.00, which is an increase of eight (8) percent. Currently one of the county's detectives is assigned to the MDEA and is shown in budget line 55332 – Drug Enforcement Detective. The main reason for the increase in the personnel services is because the Maine Drug Enforcement Agency (MDEA) contract that "requires the county to maintain evidence certifying that the position vacated by the assigned officer is either backfilled by the county or that the county has had their yearly budget allocation increased by an amount at least equal to the reimbursed personnel costs". Budget line 55319 is for the replacement employee, which is a new budget line.

Sid Lindsley asked if there were four detectives. It was noted that there are three detectives and one detective supervisor. Mr. Hart explained that the MDEA reimburses the county for the detective assigned to the MDEA, which means the only cost to the county for this change is \$37,814.00 for his replacement. This position was created in order to comply with the MDEA contract.

Commissioner Roger Moody asked why the MDEA contracted with the county for a detective to work for their organization and was there any advantage to rotating personnel in and out of that organization.

Sheriff Dennison explained that the MDEA was a joint task force set up for drug enforcement and was made up of law enforcement personnel from various towns and counties because of their working knowledge of their local areas. The task force has statewide jurisdiction because drugs move in and out of the area and cross town and county lines.

Sheriff Dennison reported that a deputy had been promoted on a temporary basis for fill in for the detective assigned to MDEA in the past. When the complaints started coming in regarding patrol not being on the road 24/7, that employee was returned to patrol duty.

County Administrator Andrew Hart said this is a temporary position because if MDEA does not continue to contract with the county for a detective, there has to be slot kept for that person.

Sid Lindsley asked about the two patrol supervisors and their salaries as set at \$86,602.00 and was told they were both on military leave, which meant two deputies were filling those positions on a temporary basis. Two temporary full-time deputies were hired to fill their regular patrol positions and provide road coverage. When the officers return from their military duty, they will take up their former positions as patrol supervisors and their replacements will return to regular patrol duty. The temporary patrol officers will no longer be employed by the county. The seven percent increase is due to the officers on military leave having been county employees for some time and are at a higher rate of pay, which includes their longevity.

Sheriff Dennison distributed a document showing the wages for the sheriff, chief deputy, and patrol administrator from 2006 to 2011. There have been changes in personnel holding these positions and the turnover has resulted in decreased salaries for the new hires. New hires, traditionally, start at a lower rate than the out-going person. The sheriff advocated for higher rates of pay because of the responsibilities associated with the jobs.

Bob Duke suggested that having salary survey conducted next year on a regional basis might clarify what the salaries should be for these positions. Acting Chief Deputy Carroll commented that by comparison, with adjacent counties, the salary should be closer to what the sheriff requested. The

benefits, by like comparison, are similar so it is a matter of salary. It was noted that some of the detectives make more money than the current patrol administrator because of their ability to be paid overtime.

Ann Matlack commented that the county administrator's recommendation for training and seminars was half of what the sheriff requested and MRI's Report supports increasing training. She said she was inclined to fund this line at a higher rate. County Administrator Andrew Hart said he met with the sheriff and acting chief deputy and they decided to split the training budget line of \$1,500.00 between training and the new line 54015 "consultant". The consultant was separated out to show the funds available for developing policies and procedures. The training line is for training from Maine Criminal Justice Academy (MCJA) and training on-line.

Sid Lindsley asked about the purchase of new vehicles in the amount of \$61,000.00 as proposed by the county administrator, while the sheriff asked for \$96,000.00. Mr. Hart explained that last year the vehicle budget line for purchasing three new vehicles was reduced by using reserve funds. This action reduced the vehicle reserve account to zero. In order not to have a spike in the vehicle budget line for three vehicles (*\$96,000.00 as proposed by the sheriff*), the line was reduced to \$61,000.00 by using forfeiture money in the amount of \$35,000.00. Acting Chief Deputy Tim Carroll reported the Dodge Chargers that have been purchased are six-cylinder vehicles and get 20 miles per gallon, which means they are more cost effective than the Ford Crown Victorias that are being phased out.

Dorothy Meriwether referred to the MRI Report; noting that there are three divisions in patrol with one at the airport. The sheriff's office is responsible for the deputies at the airport and providing a patrol vehicle, but their wages are paid out the airport budget and reimbursed from Transportation Security Administration (TSA).

Sid Lindsley noted that there was a recommendation to building onto jail and let communications take over the patrol's section of the facility to accommodate their space needs. Commissioner Roger Moody reported that the commissioners have met on the space needs issue with a real estate agent in several executive sessions. There may come a time that surplus funds might be needed to be used for space needs options. Currently, the commissioners are still in the negotiation stage. The law enforcement facility is built on unstable ground and considering building onto that facility has been discussed. Commissioner Richard Parent commented the MRI Report recommended building onto the jail, but the ground is unstable and the MRI was not charged with finding solutions to the space needs issue.

Elizabeth Dickerson asked if the commissioners were considering not moving the communications center because of the cost to move the equipment and finding an alternative space for patrol. The response was this consideration was premature because the communications advisory committee needs to meet and discuss the issue first.

Bob Duke said he was interested in hearing comments and opinions on the personnel services lines. Dorothy Meriwether commented that she was of the opinion that it was not the budget committee's responsibility to make decisions on personnel services. She recommended waiting for the wage and benefit study. Bob Duke suggested that the department head's recommendation be used as the budget figure for the patrol administrator's position because of the responsibilities and hours associated with the position.

Elizabeth Dickerson commented that the pay for the patrol administrator was low for the risk involved. It was noted that one patrol administrator started at a low rate. Mr. Hart said he did not want to get into details and as the county administrator and HR director the wage was his decision and is not within the purview of the commissioners or the budget committee. The starting pay for a new patrol administrator can be 90 percent of the previous person's salary, but experience is also taken into account. The budget committee is responsible for voting on the bottom line of each department's budget, not on making recommendations regarding individual salaries.

Dorothy Meriwether asked why the public relations was reduced by \$150.00 and asked if this was reasonable in light of MRI's recommendation on public relations. It was noted that past expenditures were reviewed and this amount will be monitored in 2011 to determine if the amount is sufficient.

The polygraph machine was taken out of the budget because the Sheriff's Office plans to use forfeiture money to purchase one. Sherriff Dennison reported that the postage meter line needs to be increased by \$100.00 because of a recent bill.

Ann Matlack announced that the District Attorney's Office and Communications are scheduled to be review at next week's meeting scheduled for November 4, 2010.

#### IV. Adjourn

A motion was made by Jim Bowers and seconded by Sid Lindsley to adjourn. A vote was taken with all in favor.

A motion was made by Commissioner Richard Parent to adjourn. The motion was seconded by Commissioner Roger Moody. A vote was taken with all in favor.

The meeting adjourned at 7:05 p.m.

Respectfully submitted,

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Constance W. Johanson  
Executive Assistant