

KNOX COUNTY COMMISSION

Special Meeting

Wednesday – November 16, 2016 - 9:00 a.m.

A special meeting – work session of the Knox County Commission was held on Wednesday, November 16, 2016, at 9:00 a.m., at the county courthouse, 62 Union Street, Rockland, Maine.

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

County staff present included: Administrator Andrew Hart, Administrative Assistant Candice Richards, Airport Manager Jeff Northgraves, Communications Director Linwood Lothrop (*left at 9:16 a.m.*), DA Prosecutorial Assistant/Investigator Shane Riley (*left at 9:16 a.m.*), DA Geoffrey Rushlau (*left at 9:16 a.m.*), Deputy Register of Probate Julie Allen (*left at 9:16 a.m.*), Finance Director Kathy Robinson, Sheriff Donna Dennison (*left at 9:16 a.m.*), Chief Deputy Tim Carroll (*left at 9:16 a.m.*), Jail Administrator John Hinkley (*left at 9:16 a.m.*), EMA Administrative Assistant Donna Allen (*left at 9:16 a.m.*), Register of Deeds Lisa Simmons (*left at 9:16 a.m.*), and Building Maintenance Supervisor Don Decker (*left at 9:16 a.m.*).

Others present: Michael LaPlante, Program Manager for the Maine Department of Labor (*left at 9:16 a.m.*); Steven Greeley, Director of the Maine Department of Labor, Bureau of Labor Standards, Workplace Safety and Health Division (*left at 9:16 a.m.*); State Representative Joan Welsh (*left at 9:16 a.m.*); and Kelly Bowden, Auditor.

Special Meeting – Agenda

Wednesday – November 16, 2016 – 9:00 a.m.

- I. 9:00 Meeting Called To Order
- II. 9:01 Presentation
 - 1. Presentation of the Safety and Health Award for Public Employers (SHAPE) Certification Award (*Michael LaPlante, Dept. of Labor, Program Manager*)
- II. 9:15 Discussion Item
 - 1. Presentation of the Knox County Audit for the Year Ending December 31, 2015.
- III. 9:30 Other Business
- IV. Adjourn

I. Meeting Called to Order

Commission Chair Roger Moody called the special meeting of the Knox County Commission to order at 9:04 a.m.

II. Presentation

1. Presentation of the Safety and Health Award for Public Employers (SHAPE) Certification Award.

Michael LaPlante explained about the programs that the Maine Department of Labor has to award employers in both the private and public sectors for their efforts in having safe working environments. The Department of Labor loves being able to award entities with the SHAPE certification because it means the employer and the employees have a commitment to safety and do not need as much attention from the DOL. Only 5 or 6 of these awards have been handed out in 11 years.

Steve Greeley stated that rewarding employers with good safety records is one of his favorite things about his job. The Department of Labor now knows that their time can be spent elsewhere because it doesn't have to worry about Knox County. The award is for 2 years and the plaque will be updated the next time the DOL comes to check on the County if the County still at this high level.

State House Representative Joan Welsh congratulated the County because she knows how much work it takes to get the award.

Administrator Hart was presented with the plague. He briefly explained about how it was a long process getting employees trained and getting documentation up to date. He thanked the department heads and other staff for all of the work and dedication to achieving this certification. Now that training and the tracking of that training is organized and staff know what they need to do, the whole process should be much easier to keep up with in the future.

III. Discussion Items

1. Presentation of the Knox County Audit for Year Ending December 31, 2015.

Auditor Kelly Bowden was present to go over a summary of the County's audit for the calendar year January 1 to December 31 of 2015. She briefly ran through the summary that she provided to the Commission.

- **Pages 1 – 2:** Opinion Letter – “Unmodified” Opinion – clean opinion on financial statements, note disclosures and Federal grant compliance. An Unmodified opinion means there are no issues that the auditors identified.
- **Page 3:** Management Discussion & Analysis – Fund Highlights paragraph: Unassigned Fund Balance. The County is in good shape on the percentage of expenditures.
- **Pages 3 – 8:** Provides a narrative discussion of the year's financial highlights.
- **Pages 9 – 10:** Government-wide Financial Statements – Contains all funds of the County.
- **Pages 11 – end:** Financial statements and schedules on the same accounting basis as the County's records. Governmental fund assets and liabilities are short-term only.
- **Pages 16 – 35:** Notes to Financial Statements. There was no cash that was uninsured this year.
- **Page 26:** Long-Term Debt. Knox County has a lot less than the surrounding municipalities. Any lease/purchases the County enters into is tracked in this section.
- **Page 36:** Budget vs. Actual Operations Statement.
- **Pages 38 – 40:** Budget vs. Actual Revenues & Expenditures.
- **Page 41:** Schedule of changes in Unassigned Fund Balance. It is not recommended using surplus to lower the 2017 taxes to the municipalities because the County's surplus is already below 20%. The surplus document in the budget binders that the commissioners all have contains the surplus as it stood on December 31, 2015, which is accurate until December 31, 2016.
- **Pages 42 – 55:** Further breakdown of reserves, capital improvement reserves, dispatch and airport funds, federal airport projects, etc.
- **Pages 56 – end:** Reports related to Federal Grant Programs. There were no issues found in the federal grant programs.

Commissioner Maines asked the next to last paragraph on page 56 that read as follows:

“Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.”

She wanted to know what that meant in terms of what the auditors did look at. Ms. Bowden responded that the auditors do enough of an audit of internal controls through sampling to be able to say that the County's internal controls are in good shape and that the County is doing what it needs to be doing. While the auditors won't catch everything, they get a really good idea of what's going on with the County's financials, and didn't find anything wrong in 2015.

There was a brief discussion about whether the County should consider going out to bid for future County audits. Administrator Hart said that if the Commission wanted him to do that, he would. He noted that James Wadman and Kelly Bowden have been doing the County's audits since he started working here in 2008, so he was not sure when the County had last gone out to bid for audit services. Administrator Hart was asked to check with other counties to see what they are paying for auditing services. It was noted, however, that no one had any issues with the current auditors but thought it might be worth looking into bidding out those services. Finance Director Robinson commented that it

will take time to put together a bid package that will require the same level of services currently being received.

There was also a brief discussion about the issue of potentially changing the County to a fiscal year, which has been reviewed and discussed several times in the past. Ms. Bowden stated that it was really a personal preference. Some towns do fiscal years to have their budgets coincide with their schools, but that's not something the County has to worry about that. Administrator Hart stated that the County has discussed this several times with the municipalities but support was really split, so the discussions didn't really go any farther. Ms. Bowden was asked if when changing to a fiscal year if it would be better to do a 6 month budget, or an 18 month budget. Ms. Bowden replied that a six month budget would be better.

Commissioner Maines asked if Isle Au Haut has paid their taxes yet. Finance Director Robinson answered that the town has paid their 2015 taxes, as well as a portion of their 2016 taxes. The due date before starting to accrue interest was November 1st, so part of their taxes will end up being paid late.

IV. Adjourn

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

The meeting adjourned at 9:52 a.m.

Respectfully submitted,

Candice Richards
Administrative Assistant

The Knox County Commission approved these minutes at their regular meeting held on December 13, 2016.