

KNOX COUNTY COMMISSION

Special Joint Meeting Knox County Commission and Budget Committee

Thursday – November 4, 2010 – 5:00 p.m.

A special joint meeting of the Knox County Commission and the Knox County Budget Committee was held on Thursday, November 4, 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: Anne Beebe-Center, Commissioner District #1, and Roger A. Moody, Commissioner District #3.

County staff present included: County Administrator Andrew Hart, Executive Assistant Constance Johanson, Finance Director Kathy Robinson, Communication Director Linwood Lothrop, and District Attorney Geoffrey Rushlau.

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

Also present were: Lawrence Nash of Union and Carol Maines of Rockland.

Special Meeting – Agenda Thursday – November 4, 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 28, 2010.
- III. 5:03 Budget Review**
 - 1. District Attorney’s Office (pgs. 11 - 13)
 - 2. Communications (pgs. 34 - 37)
- IV. 7:00 Adjourn**

I. Meeting Called to Order

The November 4, 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 Chair Anne Beebe-Center. Commissioner Anne Beebe-Center welcomed Commissioner-elect Carol Maines.

II. Approve Minutes

Ann Matlack called for a motion and second to approve the minutes of the October 28, 2010 Budget Review Meeting.

- A motion was made by Bob Duke to approve the minutes of the October 28, 2010 Budget Review Meeting. The motion was seconded by Jim Bowers. A vote was taken with all in favor.
- A motion was made by Commissioner Roger Moody to approve the minutes of the October 28, 2010 Budget Review Meeting. The motion was seconded by Commissioner Anne Beebe-Center. A vote was taken with all in favor.

Finance Director Kathy Robinson distributed a document showing the cost for wages with a two percent increase for the CPI and the cost of wages with September’s CPI-W of 1.4 percent increase. If the committee wants to have a zero increase in wages, then the figure in the two percent column would be subtracted from the proposed bottom line of each departmental budget. The longevity was expected to remain in the proposed budget for 2011.

Department	2 %	1.4%
Airport	\$ 4,523.00	\$ 3,166.00
Building Maintenance	\$ 2,436.00	\$ 1,705.00
Communications	\$ 9,943.00	\$ 6,960.00
Registry of Deeds	\$ 2,720.00	\$ 1,904.00
District Attorney	\$ 5,101.00	\$ 3,571.00
Emergency Management Agency	\$ 1,506.00	\$ 1,054.00
Administration	\$ 5,224.00	\$ 3,657.00
Finance Office	\$ 2,673.00	\$ 1,871.00
Probate Court	\$ 2,693.00	\$ 1,885.00

Sheriff	\$17,114.00	\$11,980.00
Total	\$53,934.00	\$37,754.00

III. Budget Review

1. District Attorney’s Office – pages 11- 13

District Attorney Geoffrey Rushlau commented that he was told not to figure in the personnel services because the finance director figured the personnel services. The rest of the budget for the District Attorney’s office consisted of contractual, commodities, and capital budget lines. He reported meeting with the county administrator and finance director to review the his budget. There were some reductions in the District Attorney’ budget due to the review of expenditures.

Mr. Rushlau explained that there was a one-time increase in capital for a software upgrade in the amount of \$3,750.00 as shown in line 57350. He submitted a memo regarding this request and it is in the supporting information section of the budget notebook. Since 2000, seven out of the eight prosecutorial districts have used a prosecution software called Justware. Cumberland County has been the only exception and that is now changing. Each district has paid an annual invoice for the software’s maintenance and a license fee for the number of computers using the software at one time. This has changed as the company now has the capability to keep track of the number of users, which means a license has to be purchased for each computer. Knox County only needs to purchase three quarters of a license to be in compliance. Much of the necessary training for the upgrade is included in the cost of the upgrade.

Mr. Rushlau explained that the prosecution database uses two servers, which are replaced about every three years when the warranty expires. The disadvantage of this decentralized system is that repairs have to be done by technical staff from Augusta if the local staff can not fix the problem. This can be slow and expensive. The seven participating districts agreed to transition to a centralized server arrangement located in Augusta. Fewer servers are needed and the database remains in operation because, when there is a problem, the user is shifted to one of the other servers. A cost savings is anticipated with this centralized statewide system. There is a quarterly fee associated with participating in the centralized system.

There is another one-time cost for safety equipment. The prosecutorial assistant has a police background and has often worked with the sheriff’s office in recapturing and escorting criminals without personal protection. The purchase of the items requested would provide protection during investigations and other incidents.

Ann Matlack asked if there were any questions. Bob Duke commented that the budget and its presentation were well put together.

Commissioner Roger Moody asked if there were any other items of note that were anticipated in the next few years that would impact the budget like the requested software upgrade this year. Mr. Rushlau responded that the only question was whether or not the state would take over the centralized system and that was not likely. He does not anticipate any significant changes other than next year having a Justice Data Broker, which is software to allow the sharing of court documents through digital transmission statewide.

Bob Duke commented that the workers’ compensation was a significant increase and asked for an explanation. Mr. Hart explained the rates were not available, but the numbers put in the budget proposal were based on the recommendation from the provider. Usually a higher number is put in and a refund is received. The cost for workers’ compensation is based on the salaries of those in the department.

Mr. Hart reported that the health insurance was calculated at 10 percent increase, which is in the budget proposal. The actual rate increase for 2011 of 10.06 was recently received and is not in this budget proposal dated October 21, 2010.

Sid Lindsley commented that some of the wages showed an increase of three percent while some of the others showed greater increases. The explanation was that while the CPI increase is the same, the longevity differs.

Ann Matlack said wages would be discussed after the review of the Communications budget.

2. Communications – pages 34 - 37

Communications Director Linwood Lothrop said he would be glad to answer any questions on the proposed communications budget. He explained that there was a potential for changing the statewide footprint of regional dispatch centers by combining some of the centers. This did not happen. Knox County will remain as it is with no expectation of taking on serving other counties. Knox, Lincoln, and Waldo Counties all serve as a single county PSAP and met the requirements of a PSAP as set forth in the Kimball Report.

Ann Matlack asked how the new equipment was working out. The commissioners and the budget committee approved investing in equipment upgrades to improve the communications infrastructure. Director Lothrop responded that the loan was approved for the equipment, but the holdup has been finding a solution to the “harmful” radio interference problem. Another vendor with frequencies available has been found and the executive board will meet to review their proposal.

Bob Duke asked about the radio repair line, which shows a significant increase. Director Lothrop explained that this line covers all radio repairs, semi-annual inspections of all equipment and on-going costs associated the dispatch center and the four remote tower sites.

The semi-annual inspections require a tower climber to inspect the on-site equipment. Upgrades include building a microwave system that is more sensitive to weather and vibration. These have to be adjusted.

Elizabeth Dickerson noted the difference in the holiday overtime line and the part-time employee line. Director Lothrop said he would defer to the finance director, but he understood the figures were based on the number of employees. The dispatch center is currently fully staffed, but sometimes there are vacancies. Currently there is one part-time employee who works 10 hours a week. Ms. Dickerson asked if the communications center was adequately staffed. Director Lothrop said yes, but the call volume was increasing and he may have to request an additional employee next year. There are a number of mandates that increase the staff’s workload including Quality Assurance (QA). Three employees are QA certified, but there may come a time when one person will have to be dedicated to QA. Major incidents or events such as the Lobster Festival also increase calls and the required response.

Bill Jones asked Director Lothrop to share his opinion on the proposal to stay in the law enforcement facility rather than moving elsewhere to resolve the space needs issue. He asked if the frivolous calls were increasing. Director Lothrop responded that the frivolous calls were decreasing due to the law that allows prosecuting those who make repeat frivolous calls. The space needs issue remains critical and he would prefer to remain in the law enforcement facility because of the cost and difficulty of moving all the equipment.

3. Wages

Ann Matlack reported that the finance director provided the amount of wages for each department that represented the two percent increase. If the two percent was taken out of the budget, there is a potential savings of \$53,934.00.

- A motion was made Sid Lindsley to reduce the wages by two percent (2%) for all departments. The motion was seconded Mason Johnson.

A lengthy discussion on wages ensued. Sid Lindsley said he proposed reducing the wages in each department by two percent (2%) for the CPI and leaving the longevity in the budget under wages.

Bill Jones asked if this proposal was approved, could the budget committee look at someone’s salary and change it. The answer was the budget committee does not vote on individual wages, but rather on the bottom line.

Elizabeth Dickerson asked, for clarification purposes, if the wage increase was reduced to zero, which meant taking the two percent increase out and leaving the longevity in, could the administrator work with the commissioners to adjust an individual’s salary.

Dorothy Meriwether asked if what she was hearing was that it was the administrator’s job to work within the budget that the committee recommended and decide on the wages. The answer was yes; it is the administrator’s job to decide on the wages.

Mr. Hart was asked his opinion on the wages. Mr. Hart explained that funds were allocated in the budget proposal to conduct a wage and job classification study next year. He said he would not change anyone’s wage until after the study is finished. He would not change a wage or wages this year just to be playing around with salaries. It was noted that morale is down now due some issues. The only reason to make a change in an employee’s wage would be if a person was moved into a new position and a new job description was approved. Mr. Hart said if the two percent is taken out, then he would not move money around to put the wage increase back in because that would be considered going around the budget committee and commissioners.

Sid Lindsley said he was not proposing setting wages, but rather setting the value of the total benefit within the department. He stated that “they can do whatever they want with that amount of money”.

Ann Matlack asked if Mr. Lindsley was willing to say that the budge committee recommends these reductions, but it does not necessarily means a reduction in wages. Sid Lindsley commented that if they can do that, then the numbers in the rest of the departmental budget do not mean anything. Jim

Bowers asked if the intent of the motion was to reduce each budget by the two percent (2%) for the CPI. Mr. Lindsley said yes.

Ann Matlack said the one concern she had was the airport because the airport advisory committee had recommended increasing the manager's salary. Their reasoning was based on the opinion that he was underpaid and when he retires there would be a significant increase in wages for the incoming airport manager.

Elizabeth Dickerson asked if Sid meant "do whatever they want" means taking \$53,934.00 out of the budget or was he really addressing wages. Sid Lindsley said he meant reducing the wages, but he did not think he could say that. Jim Bowers noted the technicality was the net budget.

Bob Duke recognized the probability that there were deficiencies in the wages for the airport manager and patrol administrator, but said this was not the year to make up those deficiencies. He recommended waiting until the job classification and wage study was completed. It was suggested that the budget pages could be adjusted to take the two percent out and leave the longevity in to see what the net budget would be.

County Administrator Andrew Hart said if the intent is to give zero increases and the press gets a hold of that idea and he rearranges the budget to give increases, he will lose credibility and he is not willing to do that.

Commissioner Roger Moody suggested using the CPI-W index for September. He commented that if the overall goal of the budget committee is to keep the assessment to the towns flat, then it should be noted that this has been done over the past two years. This is the third year of flat funding, which is a good track record. If the issue is the assessment to towns, then the challenge is to find \$54,000 to take out of the budget proposal to bring the assessment down. This is a different task than taking the two percent for the cost of living out of the wages for 2011.

Dorothy Meriwether commented that one year the budget committee cut the bottom line of one departmental budget by the exact amount for an item that the committee did not wish to fund. It was then a matter of the administrator adjusting the budget if that item was to be purchased. She asked if the reduction in wages was tying the administrator's hands.

County Administrator Andrew Hart said his understanding of the discussions was that the sentiment was for county employees to receive a zero increase for wages because the towns gave a zero increase to their employees. If the wages are set with a zero increase, then he would stay with that as the budget proposal for wages. Mr. Hart explained that he put the two percent in the 2011 budget for wages in support of the employees.

Commissioner Anne Beebe-Center commented that she thought that the complexity of the issue was missing. Some employees in the District Attorney's office would be getting raises as state workers and the others as county employees would not be getting raises. There is a union contract that covers the majority of county employees and by not giving raises that action is, in effect, tying the county's hands in terms of negotiating a contract. It appears to be counterproductive and makes negotiating a contract difficult. The contract has already gone to mediation over the issue of the two percent raise. The union contract may require raises and then there will be the situation of union employees receiving a raise while the non-union employees will not. If the intent is to lower the budget by a certain dollar amount, that may be one option. To reduce the wages by the two percent, then the budget committee is setting up difficulties for the administration and the county employees.

Sid Lindsley explained that he understood that the budget committee can not eliminate a specific budget item, but he supported reducing wages because the towns did not give raises. If the same end can be achieved by lowering amounts elsewhere, then that is an option, but if the message is to lower wages because the towns have done so, then that should be made clear. The sentiment appears to be that if the towns can give zero increases, then the county can do likewise.

Mason Johnson said that his opinion is to reduce the wages by the two percent (increase) because the towns have done this and it is time for the county to do the same.

Finance Director Kathy Robinson asked if the towns had unions and if so, did the unions accept the zero wage increase. Ann Matlack explained that the zero increase was given in the first year of the new union contract for Rockland. Last year a three percent increase was given. The finance director commented that in many cases the same amount of money is expended for wages because the years following a zero increase had larger increases to make up for the one year that there was a zero increase. A zero increase could also affect morale. Ann Matlack explained that St. George gave a zero increase one year and it was followed by the traditional three percent increase the next year.

Elizabeth Dickerson reported that the year Rockland gave a zero increase it was because some employees volunteered to take a zero increase. It does not appear that this is the case now with the county. The expectation for Rockland employees was that there would be raises in the future.

Bob Duke remarked that the zero increase proposal will be a challenge in dealing with the union. He noted that the jail debt bond was retired last year and much of the savings from that was put into renovating the courthouse. His goal is to have a zero increase in wages 2011.

Bill Jones said he did not know how the situation with the union would play out if this resolution of zero increases is approved, but he hoped that it would strength rather than weaken union negotiations. The administrator could advise the union that it was the budget committee's wish to give the zero increase because of the economy and the austerity trend.

Mason Johnson suggested that the union should not be a controlling factor and the budget committee needs to look at what is right for the residents.

Ann Matlack asked the county administrator what it would take to the keep the budget at a zero increase. Mr. Hart responded it would be \$67,000.00 plus the adjustment for the health insurance. The communications' budget is funded by an assessment of a fee to each municipality. Taking the two percent increase out translates into the budget being reduced by \$53,934.00. If the CPI-W for September of 2010 (1.4 percent) is used as a wage increase, then the budget would be reduced by \$37,754.00.

Commissioner Roger Moody commented that, in his experience, budgets often did not include wages, but the wages were put in a reserve account to order to be available later for the outcome of the union negotiations. He said he supports the union and non-union employees being treated the same.

Elizabeth Dickerson asked if Sid Lindsley wanted to change the motion on the floor to reduce the budget by a specific amount rather than targeting the wages. Finance Director Kathy Robinson reminded the budget committed that there were still several other departmental budgets to be reviewed and suggesting a specific number at this time was not beneficial because of the variables that were still possible due to the remaining budget process.

Bob Duke commented that it is unusual to go after wages and suggested going through each department and review all the proposed budget lines to find savings. Sid Lindsley said that he was told that the committee could only reduce the bottom line. The committee has made suggestions in specific lines, but only reduced the bottom line by a number that reflects that recommendation. One example of this was the reduction of the communications' bottom line one year that effectively eliminated the consoles.

It was suggested that the motion could be amended to reflect the budget proposal being reduced by \$53,954.00, which represents the two percent increase being taken out of all budgets. Ann Matlack called for a vote on the amended motion.

- A vote was taken on reducing the budget proposal for 2011 by \$53,954.00 with three in favor and six opposed.

Ann Matlack stated that the budget committee would now return to the budgets already reviewed and vote on the bottom line for each.

Dorothy Meriwether suggested coming to a consensus on each department and then vote after all the departments have been reviewed. Bob Duke recommended taking a consensus on each of the departmental budgets that have been reviewed. Bill Jones asked if some changes could be made later. The answer is yes.

Budget Committee Member Mason Johnson left the meeting.

~~Dorothy Meriwether commented that she would like to see the two percent increase remain in the budget proposal and agrees with the sentiment to reduce the over all budget by \$67,000.00 to have a flat funded budget for 2011.~~

Elizabeth Dickerson suggested looking at the level of service that the county wants to provide to its citizens and the cost associated with that service. It may not be in the best interest of the citizens to just pick an arbitrary number to reduce the budget by.

- A motion was made by Bill Jones to approve Probate's total net budget in the amount of \$128,253.00. The motion was seconded by Bob Duke. A vote was taken with four in favor and four opposed. The motion failed.

It was noted that there was no mention of wages, but for clarification purposes, \$128,253.00 represents the administrator's proposal Probate's net budget for 2011 minus the two percent increase as shown on the chart provided by the finance director.

- A motion was made by Sid Lindsley to approve the Probate total net budget in the amount of \$128,254.00. The motion was seconded by Bob Duke. A vote was taken with four in favor and four opposed. The motion failed.

Bob Duke commented that while some of the budget lines show no increase, he is confident that the Probate Office can offer the level of service that the county needs to provide to its citizens.

- A motion was made by Jim Bowers to approve the county administrator's proposed total net budget for the Probate Office in the amount of \$130,946.00. The motion was seconded by Dorothy Meriwether. A vote was taken with five in favor and three opposed.
- A motion was made by Jim Bowers to approve the county administrator's proposed total net budget for the Sheriff's Office in the amount of \$1,487,427.00. The motion was seconded by Dorothy Meriwether.

Dorothy Meriwether asked if this budget could be revisited. The answer is yes.

Bob Duke commented on the budget line for training supplies; indicating that \$2,673.00 had been spent as of September 30, 2010. He asked the reason for requesting \$8,000.00. The explanation in the budget states that the amount is to be used for ammunition, targets, cones, and other items. Mr. Duke suggested reducing the line of the budget by \$3,000.00. He commented that the budget committee is not being responsible for just focusing on wages. It was noted that the training line was split.

Jim Bowers offered to amend his motion to reduce the total net budget for the Sheriff's Office by \$3,000.00. Dorothy said she would second the amended motion.

- A motion was made by Jim Bowers to approve the county administrator's proposed total net budget for the Sheriff's Office in the amount of \$1,484,427.00. The motion was seconded by Dorothy Meriwether.

Finance Director commented that many items are purchased in the last quarter of the year because that is when the taxes are received. The vehicle reserve account was depleted last year. Two vehicles are being funded in the budget with the third being paid with forfeiture money. Forfeiture money is regulated.

Bob Duke mentioned the K-9 food line. One dog was recently purchased and another may be requested. The commissioners have to approve the purchase.

- A vote was taken on the motion on the floor with four in favor and four opposed. The motion failed.
- A motion was made by Sid Lindsley to approve the administrator's total net budget for the Sheriff's Office minus \$17,114.00. The motion failed for a lack of a second.
- A motion was made by Bob Duke to approve the approve the administrator's total net budget for the Sheriff's Office minus \$10,000.00 for an amount of \$1,477,427.00. The motion was seconded by Jim Bowers. A vote was taken with three in favor and five opposed. The motion failed.

It was noted that the intent of the \$10,000.00 reduction was to take \$3,000.00 from training supplies and \$7,000.00 from personnel services. If this motion had passed, it would be up to the administrator to discuss where to make the actual adjustment with the finance director and sheriff.

- A motion was made Bill Jones to adjourn and think about the budget proposal. The motion was seconded Dorothy Meriwether. The second was withdrawn.

Elizabeth Dickerson said she would like some input from the sheriff on whether or not the department would be comfortable with the reduction. Mr. Hart commented that he wished that next year if there were questions that the questions were asked when the department head was present. He suggested it was not fair to discuss a departmental budget and cuts without the department head being present. The opportunity for comments and questions was given at the time of the department head's presentation. Bob Duke remarked that the department head was not needed to discuss a reduction of \$3,000.00.

County Administrator Andrew Hart commented that the review scheduled was changed because of the organizational study's findings. The commissioners have not acted on the recommendations. Another meeting is scheduled for November 17, 2010. The recommendations could significantly impact the budget.

- A motion was made Jim Bowers approve the administrator's total net budget for the Sheriff's Office in the amount of \$1,487,427.00. The motion was seconded by Dorothy Meriwether. A vote was taken with six in favor and two opposed.

District Attorney's Office

- A motion was made Sid Lindsley to accept the county administrator's budget proposal minus \$5,101.00 for an amount \$340,436.00. The motion was seconded Bob Duke. A vote was taken with three in favor and five opposed. The motion failed.
- A motion was made Dorothy Meriwether to accept the county administrator's total net budget for the District Attorney's Office in the amount of \$345,537.00. The motion was seconded Tina Plummer. A vote was taken with five in favor and three opposed.

It was noted that the in-house IT department takes care of the computers in the District Attorney's office in terms of minor repairs. The software is serviced by the software company. Three computers are being replaced.

Communications

It was noted that the expenditures for this department is offset by revenues received by the municipalities.

Bob Duke asked if there were any comparisons made between the PSAPs statewide. He asked if the system was cost effective or is an expensive superstructure being built. The cost for dispatch services has gone up \$400,000.00 over the last four years. It was noted that some of the cost was attributed to the poor system being put in place at the very beginning when Knox County became the designated PSAP for the county.

- A motion was made Jim Bowers to accept the county administrator's total net budget for the Communications Department in the amount of \$929,628.00 with the notation that this amount is cancelled out by the dispatch fees assessed to the municipalities. The motion was seconded Dorothy Meriwether. A vote was taken with six in favor, one opposed and one abstention.

IV. Adjourn

- A motion was made by Jim Bowers to adjourn. The motion was seconded by Bob Duke. A vote was taken with all in favor.
- A motion was made by Commissioner Anne Beebe-Center to adjourn. The motion was seconded by Commissioner Roger Moody. A vote was taken with all in favor.

Ann Matlack announced that next week's meeting will be a review of EMA and the Airport budgets.

The meeting adjourned at 7:21 p.m.

Respectfully submitted,

Constance W. Johanson
Executive Assistant