

KNOX COUNTY BUDGET COMMITTEE

Quarterly Budget Meeting – Quarter 1

Thursday – April 23, 2009 – 5:00 p.m.

A Quarterly Budget Meeting of the Budget Committee was held on Thursday, April 23, 2009, 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.

County staff present included: County Administrator Andrew Hart, Administrative Assistant Candice Richards, and Finance Director Kathy Robinson.

Budget Committee members present were: Committee Chair Ann Matlack, Jim Bowers, Sid Lindsley, Bill Jones, and Dorothy Meriwether.

Quarterly Meeting – Agenda Thursday, April 23, 2009 – 5:00 p.m.

- I. 5:00 Meeting Called To Order** (Chair Ann Matlack)
- II. 5:01 Discussion Items**
1. Review of 1st Quarter of 2009 (A. Hart)
 2. Review of Current Projects Affecting the Budget (A. Hart)
 3. Schedule Next Meeting Date of July 23, 2009.
- III. 5:30 Adjourn**

I. Meeting Called to Order

Budget Committee Chair Ann Matlack called the April 23, 2009 Budget Committee meeting to order at 5:03 p.m. She commented that Bart Virgie had gone to New York and that she had not heard from him. The City of Rockland still has not appointed two people to serve on the Budget Committee even though she has spoken with the mayor and city manager. She said that she would continue to remind them that the seats needed to be filled. Rockport has reappointed Bob Duke to the committee so he will be back.

II. Discussion Items

1. Review of 1st Quarter of 2009

County Administrator Andrew Hart reviewed the financial report for the first quarter of 2009.

Revenue:

Airport, Building Maintenance, Dispatch (fees from the towns have not been paid yet), DA (from Witness Advocate program), Jail (large reimbursement will not be paid out until July – September) Probate, and Sheriff's Office are all as they should be. Deeds revenue down 10%, but it is better than originally predicted to be. Finance is keeping an eye on that since Deeds is the biggest source of revenue for the County. Finance's interest income is lower than expected.

Expenditures:

Airport, Building Maintenance, Dispatch, Executive Office, Deeds, DA, Finance, Probate, Sheriff's Office, and the Jail are all as they should be.

EMA will be paying out money for the Space Utilization and Needs Assessment to receive 50% reimbursement from the State.

The County Insurance (Risk Pool) was lower than what was budgeted. Program Grants are as they should be. The jail bond is not paid off yet. The TAN interest is set at a lower percentage than it was last year.

2. Review of Current Projects Affecting the Budget (A. Hart)

County Administrator Andrew Hart reviewed current projects affecting the 2010 budget.

Health Insurance plan:

County Administrator Andrew Hart explained that he is comparing some other health plans to what the County currently has with MMEHT, to see if there are any available that will cut costs while still maintaining good health care standards for the staff. The agreement with MMEHT is for two years, which ends at the close of 2009. He is checking with other counties to see what they are using, and will also be meeting with one carrier soon.

Ann Matlack commented that the County had changed health care providers a few times over the last several years in order to save money.

Maine PowerOptions:

County Administrator Andrew Hart explained that Maine PowerOptions started through the Maine Bond Bank, which lets municipalities and counties get acquire power at a fixed rate. This service is also offered to entities such as school districts and sewer districts. MPO also does fixed rates for fuel and is looking into possibly providing other resources at fixed rates. The County had been locked into a contract for \$4.285/gal when the prices had been going up, but the County was able to get out of that contract for the rest of the year since the prices had dropped so much. Central Maine Power rates are also going down. Not all County locations/departments may be covered by MPO because of their size/power consumption. Savings would depend on the size of the power consumption.

Knox-Waldo Regional Economic Development Council:

Committee Chair Ann Matlack explained that KWRED is being reorganized. She said that the reason she was bringing up this subject was because the Budget Committee had set aside \$20,000 in the 2009 budget with the assumption that Eastern Maine Development Corp. (EMDC) would continue to support a full-time person in Knox and Waldo Counties. Alan Hinsley was the original KWRED director but he no longer works for EMDC. Chris Shrum had initially taken over Mr. Hinsley's role, but he was recently let go by EMDC. Ms. Matlack stated that she would advocate not sending the remaining three quarters worth of payments (\$15,000) to EMDC since they are no longer fulfilling their end of the contract. She said that she supported the Knox Waldo Regional Economic Development group but not EMDC, which is statutorily required to work in the Midcoast but has never had much of a presence there. The KWRED board would like to continue the work of KWRED with Chris Shrum, providing economic development support to the area. Ms. Matlack requested that the \$15,000 originally appropriated for KWRED be directed to KWRED and not EMDC.

County Administrator Andrew Hart stated that he would speak with Commission Chair Anne Beebe-Center about this issue. He added that the agreement between Knox County and the Mid-Coast Regional Planning Commission had to be redone because the MCRPC is no longer part of EMDC.

Contract Negotiations:

County Administrator Andrew Hart explained that negotiations for the Union Contract were still going on. Most of what had been worked on so far involved language in the contract and getting it to match the County Charter and Personnel Policy. Most of the money issues had not even been discussed yet, so it was unknown how negotiations would impact the budget. The previous contract expired on December 31, 2008. The new contract may or may not include any increases in the form of retro pay going back to January 1st of 2009.

It is possible that there will be cut backs in staff in the County in the next budget year. Many municipalities in Knox County have either made cutbacks, or not given their staff an increase in 2009, or both, regardless of whether or not the employees were union or non-union.

Review of Current Projects:

County Administrator Andrew Hart explained that there are several projects currently being worked on or in the planning stages.

- a. Roof – the flat roof needs to be replaced. A contractor looked at the roof this week. \$10,000 may either be built into the 2010 budget or it may be possible to find the money in the 2009 budget considering the poor nature of the roof.
- b. Boiler – need to put money into the 2010 budget (\$45,000). It has been put off by the Budget Committee in previous years.
- c. Windows – There are windows in the Finance Office and both the Probate Offices and Probate Courtroom that need to be replaced. Money was in the 2009 budget for the Finance Office windows. Some of the windows were done in the 1990's but were not done correctly and are in poor condition. Dave Nazaroff did the windows in the Superior Courtroom in 2007. It is assumed that he will bid to do the upcoming replacements.
- d. Repainting Superior Courtroom – This will be a shared expense with the State since the room is being used by the State even though it is owned by the County. It will probably cost around \$75,000 total, with about half of that being paid by the County. The most expensive part of the project will be the staging, which has to be carried in by hand. It will also require very specific French paint, as well as painters and someone skilled in detailed stenciling.

Fiscal Year:

County Administrator Andrew Hart explained that the Commission is looking at possibly changing to a Fiscal year. This would most likely mean doing a six month budget for January to June of 2010, and then a twelve-month budget from then on in the fiscal year cycle. The tax due date would remain the same. Towns would probably have to take out a Tax Anticipation Note to pay their taxes on time. Information is still being collected from other counties as to whether they are on a fiscal or calendar, and what process was taken to make the change from calendar to fiscal.

Space Needs:

County Administrator Andrew Hart explained that the Space Needs study has been completed and the Commission is awaiting the final report from QA13. A time is being scheduled with QA13 to meet with the Communications Director and EMA Director to look at scaling back the square footage needs numbers that QA13 believes is needed by both departments. Both department heads believe the numbers are too high and that some of the space can be shared.

The Commission had looked at the Maine DOT building on Rankin Street but the Space Needs study was incomplete and the owners of the building did not want to wait for the Commission to make up its mind. The building was sold to Brad Carter, who then offered to lease it to the County. The Commission does not seem interested in leasing property, but is most likely looking to buy.

3. Schedule Next Meeting

The next quarterly budget meeting is scheduled for Thursday, July 23, 2009.

III. Adjourn

The meeting adjourned at 6:04 p.m.

Respectfully submitted,

Candice Richards
Administrative Assistant