

WALDO COUNTY FY 2007 BUDGET COMMITTEE
4th MEETING
NOVEMBER 8, 2006

PRESENT: Budget Committee Members Bill Sneed, James Bennett, Dean Potter, Richard McLaughlin, Tim Biggs, Richard Desmarais and Richard Crossman; County Commissioners John Hyk and Amy Fowler; Commissioner-Elect Donald Berry, Treasurer David Parkman, Sheriff Scott Story, County Clerk Barbara Arseneau and Deputy County Clerk Veronica Stover. Also present were members of the press and numerous employees.

B. Sneed opened the meeting at 6:00 p.m.

PROBATE COURT (1070) BUDGET REVIEW:

Present for the discussion was Judge of Probate Susan Longley and Register of Probate Joanne Crowley.

PERSONNEL SERVICES:

B. Sneed asked if there were any questions or discussion on the Personnel Services Detail. T. Biggs asked if the case load is up this year. J. Crowley said that it is also subsequent proceedings that come up after the initial hearing. B. Sneed mentioned that he understands that cases can carry on and on.

CONTRACTUAL SERVICES:

B. Sneed asked if there were any comments or questions. R. Desmarais said that he had two questions on Contractual Services. When you look at the percentages spent, based on what you have spent during the year and what you are requesting, he tried to draw a picture as to what they should be given for next year. He also asked if there was anything that would cause Joanne to use 100% of her budget. He mentioned that the percentages used are very weak in a lot of areas and those were the ones that he knocked down. J. Crowley said there are two months left in the year, so there are bills that will be coming in. She thinks they will be close. She used line 4650 (Repairs/Photographic) as an example. She said there was \$700.00 put into the account and the money is still in that account. She went on to explain that the money is for the equipment that is under contract for repairs and this year they have not needed to do any repairs. R. Desmarais mentioned that the percentage of what has been spent has stayed the same since last week. He brought out that in all of the Contractual Services he had come up with \$5,200.00 less for 2007 (which he did line-by-line) based on the percentages spent so far this year. He asked J. Crowley if she would like to address any particular line. S. Longley asked what the numbers were. R. Desmarais stated:

Line	Amount Requested	His Figure	Reason for Cutting
4105	\$1,513.00	\$1,000.00	only spent 40%
4110	\$1,000.00	\$400.00	only spent 26%
4115	\$1,800.00	\$1,100.00	only spent 50%
4125	\$1,000.00	\$600.00	only spent 40%

S. Longley mentioned that her only concern is the vouchers that have not been filed yet. She stated that with a day or two, they could add those up. There are outstanding vouchers. R. Desmarais asked how long it would take to put the vouchers in the system. J. Crowley cautioned the budget committee that there are two months left. S. Longley said they would be happy to get the vouchers to them and then from there, they can figure out the last seven weeks of the year as to what strikes the budget committee sees as being fair to cut. R. Desmarais said that all together \$6,000.00 was coming off but agreed that there were bills that "we don't know about that we should know about." B. Sneed mentioned that he only cut \$3,800.00 from the total bottom line and they need to work with the numbers they have. He also brought out that there is the Public Hearing for final discussions. R. McLaughlin said he was around the \$2,500.00 mark and the last night (Public Hearing) they can change it and they should take action on it tonight of some sort. D. Parkman brought up court appointments and he felt that it should be brought up to \$12,000.00 to make it in the "black" again. He said S. Longley started the restitution and has collected as of this year, \$6,489.74 which is all under Miscellaneous Revenue. The Miscellaneous Revenue is over \$9,733.80 and \$6,400.00 of that is her work on restitution. She has done well this year. D. Parkman said he would like to see that raised to \$12,000.00 to reflect the real expense and then next year the County will have that in the revenue. J. Bennett asked if there was money left over could it be used for something else as long as it stays in that department. S. Longley said she has appreciated all of the comments and it has been real team effort in coming up with the system and how to set the payers up to succeed so they know what is expected of them. B. Sneed mentioned that the Court Appointments line is perpetually under funded and feels that they rose to the challenge and he accepts her judgment. S. Longley mentioned that when D. Parkman is writing checks out of that account it is dipping into the red and they legitimately do not want to dip in to the red and so she thought that is the gist behind Dave's request. B. Sneed said that statutorily one of the things can be in the red. He said "you just spend what you have to spend to do your job and if it is in the red, then so be it."

****R. Desmarais moved, B. Sneed seconded to cut the bottom line by \$2,000.00 under contractual for a total of \$24,860.00. Unanimous.**

COMMODITIES:

B. Sneed asked why line 5510 (Statutes/Reference Books) doubled. J. Crowley said they have gone from the online service to the actual books. B. Sneed had a question on line 5370 (Schools/ Training) which have also doubled. J. Crowley explained the judge attends conference and there is a college that she attends. S. Longley said that previous judges have gone to two conferences a year and she tried them the first year and found that it was not a productive use of tax payer's dollars as the courses they offer were what she would call "Judge Camp." It is the National Judicial College which is quality training. She said that she has received scholarships for both years and into next year. The fee they charge is from \$900.00 to \$1,100.00 for four days of back to back training and they are also adding other computer training for the employees to enhance their duties. S. Longley said that she has a scholarship from March that is about a \$1,800.00 so the committee could feel free to cut it down. She told him to cut it in half and she

would be O.K. B. Sneed asked her if she could live with line 5370 at \$1,420.00. He said he would take her word for it.

****B. Sneed moved, R. McLaughlin seconded to reduce the Commodities bottom line by \$1,420.00. Unanimous.**

****B. Sneed moved, J. Bennett seconded to accept the Probate Budget (1070) at \$173,488.00. Unanimous.**

EMPLOYEE BENEFITS (2025) BUDGET REVIEW:

Present for the discussion was the County Commissioners and County Clerk Barbara Arseneau.

R. McLaughlin stated that several years ago when he was a county commissioner, he had moved to cut health insurance for county commissioners due to the amount of time that is put into the job compared to the other people, which was passed, and later on it was put back in. He said that he does not have a problem with any of the commissioners, but he feels that somewhere along the line employee benefits have to stop escalating the way they are now. He also said that when looking through the comparisons, Waldo County is about 4th from the top regarding benefits. Businesses cannot afford to carry health insurance for their employees at 100%. He thought that something needed to be done about this “roller coaster of employee benefits.” He said that he would like to see this line cut.

B. Arseneau explained that she did not have the correct figure for the anticipated 20% increase and apologized for that. The health insurance figure for 20% should have been \$998,400.00. She had heard back from the current insurance company that the County is using and that the last time she had spoken with the committee she told them that it had increased to 23.2%, because they had given the County an estimate of 20%. They have since agreed to go down to 19.9%, so that figure would be \$968,262.00. That includes the two employees that have been removed. B. Arseneau re-called that R. McLaughlin had asked about the Union Contract. She said that the Union Contract states that the health insurance needs to stay as close to the current level as possible but it does allow the Commissioners to change plans if they have to. The idea is to keep it as similar as possible. R. McLaughlin asked when the new contract had to be negotiated. B. Arseneau said it was negotiated last year and runs from 2006 to 2008. R. McLaughlin asked how many employees are involved with the Union. Human Resource/Payroll Director, Michelle Wadsworth spoke up and explained that eight employees are part of the Union but all of dispatch falls under the Communications Center Contract except for the Director and the Shift Supervisor, so that would be ten people. R. McLaughlin mentioned that he had asked for a breakdown of the number of departments. (M. Wadsworth had put that information together.) D. Potter asked if Waldo County ranked forth in cost of the benefits and asked where Waldo County ranks in personal income. B. Sneed mentioned that in his town that 10.7% of people in his town are living below the poverty level, 7.8% in Islesboro are living below the poverty level, and 19.8% are living below the poverty line as of 2000. J. Bennett said the Waldo Cap just did a report for

every town and if you call them up, they will give you a run down of everything on the chart. D. Potter questioned where the County ranked as far as paying out for health insurance.

S. Story asked if he could have the floor. B. Sneed said yes. S. Story asked the Budget Committee to make careful consideration before they go after the lines of the Employee benefit budget. He mentioned that he had worked with Commissioner McLaughlin when they looked at other plans. At that time they had a reduction in the benefits and an increase in the co-pays. He said right now their co-pays are ridiculous. He mentioned that he has put off a back surgery because the co-pay was going to cost him \$1,500.00. "Our jobs, and I am only going to speak for my little corner here, but I do think that it also extends to all of the other county employees; people are not standing in line for some of these jobs. I had a 25% turn over at the jail last year. We used to get people stacked to come to work for us and now we have to go hunt them down. These jobs are not some of the best paying jobs out there as you know. The cost of living increase that we are getting, 3.8% the last time I looked, we are at 4.3% [actual cost of living increase over 2006 figures] and I know that we are averaging out as the year progresses. If we keep whacking away at the things that mean the most to the employees and we are not getting full cost of living increases, we are literally moving backwards. Again, these jobs are not the greatest. I am going to a funeral tomorrow for a police officer. I talked with one today who lost an election. As he was crossing a bridge in Rumford, people were out with picket signs calling him a murderer because he was involved in two police shootings. These are not the greatest jobs in the world; we do them because we love them. If you ask most of my people what their paycheck looks like they don't know, it goes to their wife or accountant to pay their bills. I have to tell you the benefits are important to us. There are other employees here, I am sure I'm not the only one that will tell you."

B. Sneed mentioned that the committee received the salary benefit sheets and when they flipped through, there is a box, "Percentage paid" for spouse, children, and family. There are 13 counties listed and Waldo is at the top. He took seven job descriptions out that he could run across all 12 or 13 counties, 5 of the 7 of those employees are at or above the median income for the same job description for other counties. "The median means they are in the top half of the salary areas. Those include the Probate Judge, EMA Director is below the median, County Commissioners are well above, Register of Deeds Deputy below the median, above-Deeds Clerk, above-Dispatcher, above-Corrections Officer. These guys are not the top of the bottom third; most of them are in the top of the top half. These were the numbers that we were given, I just ran the arithmetic."

S. Story: I have police officers that are working side by side with state troopers and municipal officers and ours are the lowest paid ones. Our benefits are lower than the guys they are working beside them out in the field. One of my patrolman, after he gets his 3.8% raise and then he has assessed his increase in the percentage of pay for the health insurance, he is going to see somewhere around a \$200.00 raise next year. He is not the worst example. There is another employee in this County that is going to make a whopping \$90.00 increase next year, after they pay their percentage. Again that, through

attrition, will happen to everybody in this County at some point. Do I think that is fair? I am not excited about that either but that was a decision that the commissioners made to try and keep this down. A few years back our co-pays went up; our prescription costs went up. Just a few weeks ago we sat here and you folks looked me straight in the eye and you said, "You know what we are not telling you that you can't go have a new employee, but we are cutting your bottom line \$20,000.00." My chief, myself, and my jail administrator went back and said "We hear what they are saying; they want to keep the number of employees down." We heard what you said and are not going to hire that employee. I am asking you tonight to please consider not taking away health benefits from the employees of this county.

J. Hyk: By way of sublimated history on this issue, when Jethro and I were elected six years ago, health care was not the issue; it wasn't nearly the issue that it is today. Within two or three years it started climbing dramatically and we felt we had to do something. I sort of followed Jethro's lead on it because he had more business experience with his business background. His thinking prevailed which was-we are talking people-you have to take care of your people somehow. He thought the way to proceed was we didn't want to take things from people in the present, which he thought was not fair, and he convinced me that it wasn't. He said the first step is we need to change the future so that anybody that comes on knows what they are buying into. That is what we did. He thought that it worked for a couple of years and now it is not working. I don't have the answer but the people that work here for the most part the medical benefits are extremely important to them because they are not making the big money.

B. Sneed: You go back and look at the salaries; you guys are the ones that gave us these figures. I have no idea where they came from but if you look at Knox County and Waldo County, Waldo County is doing really well in terms of health benefits in dental and vision for Union and non-union employees.

S. Story: Time out – We have no dental and no vision. I can get a pair of eye glasses and an exam and \$100.00 towards eye glasses every two years.

B. Sneed: That is not what it says here. It says, "Employer 100% Vision."

M. Wadsworth: The employee pays full for the dental.

B. Sneed: That is not what it says here. You need to get us the right numbers.

B. Arseneau: This is generated by Penobscot County; they were kind enough to take over where Knox left off in trying to put this information together. I had not seen that was inaccurate. We focused more on the salary.

A. Fowler: In regards to the Delta Dental we picked that up a few months ago, but it is up to the employee, if they want it they pay the full cost of it.

B. Sneed: That is weird because here it says, "What percentage does the county pay for employee for dental?" Under employee it says, "Zero," and under dependent it says, "100%." Someone has to get us the right numbers, we are working with bogus numbers, and how are we suppose to make a decision?

J. Hyk: The situation with the Communications and the Bargaining Unit; that situation we inherited before my time. It was a deal between the County and Belfast in making the county wide communications centers come into being.

B. Sneed: That is why I did not mention union because there are two sets of figures here, one for union employees, and one for non-union employees. What are we going to do? You hand us a budget and we have no idea as to how you compare to the rest of the world.

J. Hyk: I thought the numbers were the right numbers.

B. Sneed: You get them where you get them. If they are in error than they are in error and we need to work to get them out of error.

J. Bennett: If you say these are all wrong, then I would like to know how they came up with the numbers for Waldo County, if some other county made these up.

B. Arseneau: We supplied them with the information but they enter them into a spreadsheet, so there is margin for human error.

T. Biggs: I vote green and if everybody voted green we would have national health care. This is where the rubber meets the road. We had between '04 and '05 a \$126,000.00 increase, between '05 and '06 we had \$150,000.00 increase, and this year we are looking at another \$130,000.00 increase. We just can't keep doing it. Our town clerk works 40 hours a week and we can't afford to give her health insurance and we pay her \$10.50 per hour. I feel like I am stuck in the middle.

R. McLaughlin: The last time when I talked with Sheriff Story at this meeting, it was an employee benefit that is really necessary for the County to have but on the same token, we are not 8 or 10 people sitting here worrying about our own budgets, we are worrying about the towns that we come from. Like I said in the first place when I got up here, we are paying 14% county tax, 16% municipal tax and 17% school tax and it is climbing. It will take over.

S. Story: It is my understanding that there is "one game in town" for health insurance. One of the things that I remember that Dick and I did together with another committee, is we investigated three different ones and we didn't take the most expensive one or the cheapest one but we did take the quality health care program at the time. It has been my understanding that there is really "one game in town" which is AETNA.

B. Arseneau: That is not necessarily the case. Historically Anthem in the past has been consistently higher than AETNA. We are waiting to try and get more information; it is always hard to get it this time of year. In fact, the Commissioners are going to be meeting on Tuesday with the insurance representative who tries to help them find a plan that is consistent with what has been going for the Union and so that it is consistent across the board. I would think that we would know better what we are dealing with after Tuesday's meeting.

S. Story: This is a global issue; this is not isolated to Waldo County, and health care expenses are everywhere. Instead of going after the real problem we have a tendency to run around and eat our own children up. That is kind of what we are doing here tonight and that is what scares me the most about this. Instead we should be trying to deal with the bigger more global issue. If we start taking away from the employees, there will be no one here to do these jobs and, again, these are not the easiest jobs out there.

J. Bennett: I know what the insurance means to people that is working out but it didn't seem to bother anybody when they said you can't work no more and that is the end of your insurance and I get \$1,000.00. I had a woman call me and she asked if I got on the budget crew and she said "Don't forget that I live on \$4,000.00 a year." These people just can't do it. The elderly people are all living on five or six thousand dollars a year.

B. Sneed: Would any of you sitting out there like to comment? If you would let's take a 10 to 15 minute break and then we will come back and continue. Owen had his hand up; does anyone else want to say anything else while they are here? It's a public meeting; speak your piece.

J. Crowley: All I want to say is I feel the same way that Scott does. I do care about my employees. I echo what Scott says.

(BREAK)

O. Smith: I worked for the City of Belfast and the same thing is happening to the County when the door was a revolving door; people kept coming and going. We have seen some stability in the last five years in employment. Like every job, it takes people awhile to learn these jobs and to see if they are good at it. I think that it is partly because the money is decent and the benefits, which adds stability. It takes a lot of time to train people to do this. The other thing that I wanted to comment on as far as the visual is, under the Union contract, the first one four years ago, one of the things that was negotiated is eyeglass compensation at Dispatch along with whatever we have in our health insurance, which I think is \$100.00 for lenses. They [Dispatchers] get an additional contribution on a yearly basis. The health insurance now is \$100.00 for lenses every two years. Dispatch is because of the clause of contract and they [the County] pay an additional \$225.00 on the glasses. That is the only visual that we have. Dental was brought up at the last contract. Our present group at the time, dental insurance would have been very expensive. What we have seen in the 6 ½ years that I have been involved is a steady increase in co-payments. Co-payments have gone up and hospital stays also.

Health insurance is high. About ten years ago the City of Belfast looked into self insuring and someone decided not to do it. MACo had looked into self-insuring last spring and looked at doing a group with other counties, which we haven't gotten that far yet. From what I understand, you need the balance that keeps the employees. (He briefly discussed the two tier system.) I just want to say that I think it goes a long way for stability.

D. Parkman: I hear remarks about your towns and how it is to keep taxes down in your town. I don't see any salaries in here that are exorbitant in this county. I really figure that if you want to keep taxes down, take care of your school systems, and take care of your roads, if you cut the roads and your school system and some of your operating costs. You're responsible for your own taxes on a large part of it. With this job I have found, don't take it out on the County; the County is going by State law. That is what we are doing as far as getting money through the property taxes. I just don't see that cutting benefits is going to; we have salaries in here for \$21,000.00 and if you don't have a benefit package to go with it, I think it is ridiculous.

J. Nealley: I work at the Probate Court. My first comment is the people that are probably making \$46,000.00 a year probably are not paying property taxes. My second comment is my mother in law was one of those people and she could not afford to (she is a 75 year old active woman) but she could not afford to take care of herself and she lives with us now. My third comment is when I started this job 3 ½ years ago I was hoping that the wages would be a little higher but the benefit package was enough to make up for what I was hoping to make for a salary. To have it taken away would really hurt. The \$190.00 a year increase in my wage-if we have to pay higher on our benefits-and I am on the low end of the pay scale. I don't want to look for another job, but it is a big benefit for me to have that insurance.

R. Desmarais: My wife and I have a \$15,000.00 medical package between my retirement and what I have to pay into it. I was in the emergency room twice last month and I am rather shocked at the bills that I got from the hospital even with that amount of insurance. It is unbelievable the way things are going. I can tell you through my working career the important part was the medical benefits, the medical package. You cannot put a price tag on it. I do not know where the answer lies but I would hate for the people to lose their medical package.

J. Bennett: I would hate to see for the people that work for the County to lose their insurance but I don't think that we ought to be paying for the whole family. I think that there should be some break down in that part.

R. Desmarais: The people that came and replaced me were not getting the medical that I had. They went through the same system that you have experienced.

J. Hyk: I would like to say that the people that should be addressing this problem aren't in this room. They are the politicians that have been pandering from both parties and no

parties for years and years now while the thing gets worse and worse. I would just ask you not to punish the employees because it is not their fault.

S. Story: Right now my employees up at the Jail are caring for people, the people you don't want on the streets, with better health benefits than what they are going to get while they are working. Why? Because exactly what John just said and what I said because the real problem has not been addressed. That literally makes me sick that we pay 100% of their health care, while the employees that are working would watch them, the police officers that had to go and arrest them and risk their lives, deal with them when they are drunk, on drugs, and fighting aren't going to have the same health benefits. So please keep that in mind.

B. Sneed: I am going to throw this suggestion out. I did some calculations the other day and for every 1/10 of the percent that is taken off the 3.8% raise, we get \$3,000.00. So if there was a zero percent raise this year in salaries we could save \$114,000.00 which would make up the raise that we are going to throw into the benefits.

R. Desmarais: While there are so many of you sitting here, any feed back on what he [Bill Sneed] just said?

J. Nealley: OUCH!!!!

J. Hyk: All I can say is if you do that then don't be surprised if, what I think you may be doing is you may.... I don't know how you are going to handle the Union because that is in the contract. The Union gets a 3% increase like they are supposed to over the next three years and nobody gets one; you are going to have a Union County here pretty soon.

O. Smith: I can only speak for myself. My preference would be let's do the raise and leave the health insurance alone. I think that 3% and keep the health insurance benefits would be a better trade off. I agree with what Dave Parkman said, you folks are selectmen and me as a private citizen. I wouldn't know about my tax bill in Belfast but I also have an elderly uncle in Searsport and I know where his tax dollars go. Everybody sit down tonight and analyze your tax bill. The problem is not with the City of Belfast or the Town of Searsport, the problem is not with the County of Waldo. If we do not put pressure on the governor to get funding of education off property tax where it does not belong and give us a fair formula for all of us, taxes will just continue to increase. I am not anti-education, but that is where my tax bill is going to and I believe that Dick would know better, but I think that 73% or 74% of my uncle's tax bill in Searsport is going towards schools. If we don't find a way to finance schools, then you folks every year, and thank you for doing this thankless job, are going to have to come here and find a way to curb the spending of the County money. This is not the problem. The vast majority of tax bill is education and we've got to change that or we are all going to go into poverty and it is not because of the City or the towns or the County; it is the educational system. I don't know how you do it, but I do have some ideas. I don't know if I polled everyone that works for the County and said, "If it came to push and shove would you trade .8% to keep your health insurance what it is?" I don't have any idea. A lot of them will

probably be teed off. 3% is what the Union is getting. I am not defending the Union; they made their own private negotiations.

R. Desmarais: What amazes me is you can fill a gymnasium for a town meeting but you can take a school budget meeting and people would not even fill this room and you are talking; add a couple zeros to the total.

O. Smith: How many people are willing to step up and say that education is killing us? You have to fund it some other way.

T. Biggs: Do we have any idea of what the Commissioners' insurance packages are worth?

J. Hyk: For a single person?

T. Biggs: The dollar value per year.

M. Wadsworth: I think per single person is \$538.00 per month. I think that it may be on the handouts that you were given at the last meeting.

T. Biggs: It might be that you are paying \$12,000.00 per commissioner each year.

D. Potter: I don't think that I could support cutting the benefit package to the workers and I don't think that I could support cutting the raise. I think the problem is bigger than Waldo County.

B. Sneed: The sad thing is the eight of us have volunteered to do something for the County Budget by December 31st. The problem is this is the County Budget Committee.

T. Biggs: Our towns are paying for this. Our taxpayers are paying for this.

J. Hyk: You have to go home and say you did something to lower the budget. I understand that. That is what people expect.

R. McLaughlin: We are talking all night about benefits and salary. Maybe when we do a cost of living increase or an increase across the board in another year, maybe we should look at the health benefits and the pay at the same time and give a percentage of what we are going to get. If it is eaten up by the health insurance, then so be it. If there is leftover for a raise, then they get it.

B. Sneed: As we found out, that is for the Commissioners to negotiate.

J. Hyk: (Addressing B. Sneed and members) The Commissioners don't know any better what to do with this problem than you do. It seems bigger than us. It is somehow very intimidating; there are not a lot of good answers. I think that whatever you guys do here tonight, you are going to do what you are going to do. I talked with Dick at the break. I think that we need some way of coming up with some type of a study group or somehow

working together to help solve this problem into the future. We have two problems, right now and the problem continues from here. There is the problem of this budget and then there is going to be the problem of the next budget, the next budget, and the next budget. If we don't do something different, then the way we are doing things, we will be no more prepared next year than we are now.

R. Desmarais: I am just going to throw this out and I am not suggesting it at all. You can cap medical, but if you are giving 3.8% raises and medical keeps going up, eventually you are going to need to give the same person purchasing power on the street with a medical package. You are going to start to have to give 8% to 10% raises and you are going to get your head handed to you when you come out with those kinds of figures, so capping medical defeats itself down the road because medical is moving at such a high percentage.

J. Hyk: I think it's well understood that benefits do not cost you as much as raises. When you give someone a raise, you are paying FICA and everything else that the employee never gets. When you do the benefit, whatever you spend on the benefit the employee gets 100% of it.

B. Sneed: Are there any employees here that would like to speak their piece?

R. Keating: I have worked for the County for 4 years and for the City of Belfast for 32 years. For the 32 years I was working for the City, the benefit package was a very important thing to all of the employees and it is at the County level too. We have young officers that are working on the street now starting at \$14.00 a hour and they work part time jobs to be able to feed their family because they cannot live off of \$14.00 per hour. I have one deputy that works his off duty time for the Searsport Police Department because he needs the extra money and he works down to Lincolnville. I have other deputies that work their days off doing carpentry work to help pay the bills. You start cutting their pay raises and you start whacking them on their benefits then we will lose the good people. We've got good quality people working in this County and Owen is exactly right-it used to be a revolving door in this County. It isn't now. You have some employees in this room that have been in the County 20 – 25 years. You have dedicated employees that know what they are doing and are very good at their job. If you start punishing them by taking their benefits away and hurting their pocketbooks, then all of a sudden other jobs are going to look better for them. I understand the cost is going up, we all pay taxes.

J. Crowley: I would like to follow up with what John Hyk said-to give the 3.8% and to do a study for 2008. I don't think that it is fair to make a snap decision.

A. Fowler: John and I were just talking. I think that it is bigger than any of us even realize at this point coming to the table now. It makes me very nervous to see any rash decision made. Where do you begin, where do you start? I just reiterate everything that has been said in here now, look at the employees, and look at the employees here tonight, they don't need to be. You get what you pay for with an employee. We have really good

employees and there is a reason for that. I really hope before you do anything that you would seriously consider all of the options.

J. Hyk: You have more employees here tonight then you will have people at the Public Hearing. There are more people here tonight then I have ever seen when the Public Hearing comes, so you know that it is important to them.

S. Story: I am going to make my last pitch. Our health insurance is literally the best benefit that we have. We do have Maine State Retirement, but make no mistake, my colleagues that I work with throughout the State get done at 25 years and out. Some of them have health insurance at the State level. I am tickled to death that we have it. Those in the Lord Abbott [Deferred Comp Plan], the County contributes \$600.00 a year match fund. There is no double dipping. The health insurance has been good and solid. It really is the one benefit that the employees feel good about. They see their colleagues making more money in some places, I hear what you are saying Dick, I know as you go down through that chart some employees are a little higher then the top of the third, yet we still have some that are a little under in different places. All they are asking is to leave the health insurance. That is the big one for us. Whittle away at that and you really do start taking away the incentive.

R. Desmarais: I want to say that I lost my first wife to cancer and she had it for 4 years before she passed on and if I did not have medical insurance, and this was almost 20 years ago, I would still be trying to get over the cost of that. I look at health insurance as the most important benefit.

R. McLaughlin: I think the consensus is the benefits are going to stay where they are. I think that it is good that we had this discussion tonight because it is something that we need to work on in the future. It is not going to stop here. The ability to pay from the town level is getting harder and harder every year and something is going to have to happen. We might not be the final voice. If the people of this county get together and decide to go after something more than what we can save, then we are all going to pay for it. We are trying to do our job and we hear you and we understand what you are saying.

S. Story: Can I make a suggestion on where we do go? I have spent a lot of time with this TABOR thing. I think that we ought to go back and get a State-wide referendum like we did with the schools and have the jails paid for. It is a State employee judge that puts people in jail; it is a State employee prosecutor that puts people in jail; it is a state probation officer that puts people in jail; it is a State Legislature that mandates how long they are there; and it is the County and the municipalities that pick it up. Everyone says, "What can we do about it?" You know the Maine Municipal and the Maine County Commissioners together cannot be beat in the legislature, and why we don't get together and tackle some of these big issues that are sitting here tonight figuring which leg we are going to chew off to accommodate it? I would pose a challenge; let's get together, and rally some support to look at this.

D. Parkman: There are a couple of figures to support here. You cut the Corrections down to under 2 million dollars. We get a check every year for corrections reimbursement. This year it is \$162,000.00; that was it. So to support Scott on that, those were the figures that will support what he is saying.

Henry (Bob) Plausse (Chairman Board of Selectmen in Lincolnville): We have all made valid points but we have several issues here. Number one, in Lincolnville this next budget, what we paid to the County in taxes are going to exceed what we use to fund municipal government. This is the first time in the town's history. We are going up almost \$100,000.00 a year in the last 4 years. I think we are the third highest assessed in the County. So when the Commissioners say that we have to go back and say that, "Well, we cut something," it goes much deeper than that. You have to go back and say the County Budget is a rock bottom budget "where you are getting the most bang for the buck." I think that the property tax has got to level off. There are only two or three ways to do it. One is the governor and the legislature has to pay a larger percentage of education. When you pass the tax cap, one of the pieces in the tax cap that made it attractive was that all the additional money go to education both to reduce taxes. That was taken out of the bill. When you took that out of the bill, you took the guts out of the bill. The State should be paying for the jails; they make the rules, they make the laws, they send the people, they sentence the people and they do everything to the Jail except pay for it. So let me tell you right now, three things need to happen.

- We have to get together and get to the State and no matter who you elect, I don't care who you elect for Senator or Representative; none of them talk about county relief. It is not on their agendas, so we have to do it. We should have a Waldo County Selectmen's Meeting that all we should talk about is this. We should really stop talking about it and do something about it.
- The educational part has to change so that money does go and reduce the tax rate. I don't know how much you have to do before the legislature understands that people are getting fed up with it. People are fed up and are frustrated. When you go to a town meeting and there are only 50 or 60 people, that is because some are not satisfied and some are just frustrated. We as selectmen have got to do something as a group. Some of us need to take the bull by the horns and do it.

(He continued to discuss some of his past as selectmen in Massachusetts.)

We can't afford to pay it. I can't afford next year to pay \$600 – 700,000.00 to the County and they have to stay at the tax cap to boot. It cuts up the local level to pay the County. It's not right, moral, and fair, it's not balanced, and it doesn't make any sense, so we have to do something.

T. Biggs: I am going to throw this idea out there that we cut the insurance for the three commissioners and the treasurer where it would save us \$50,000.00 and drop COLA down to 3%. Something has to be cut here. We have to make both parties happy.

J. Bennett: Rather than cut the Commissioners down to nothing, I would rather cut a percentage off the family package. I don't think that we are going to do anything here tonight anyway because I think they are going to have to give us some figures.

J. Hyk: For the obvious reasons, I don't care for cutting the Commissioners benefits. Due to statutes you may want to re-word that.

R. McLaughlin: It's hard to take away from someone once they have gotten it.

T. Biggs: I get \$3,000.00 a year salary for being a selectman. I put in maybe 10 – 15 hours a week at it. How many hours do you guys (to the Commissioners) put in this?

J. Hyk: It depends on the year. The third year I was here I went to almost 100 meetings. How often do I get called, Barbara?

B. Arseneau: Too much, sometimes several times a day.

J. Hyk: It's not like we are not working. A lot of it is we have 120-something employees and, believe me, there are issues that could get costly real quick if they are not handled real well.

D. Parkman: These Commissioners make \$27,000.00 all together and I make \$8,000.00. What is it going to cost you to get a County Administrator in here? It is going to cost you \$60,000.00, \$70,000.00, or \$80,000.00. The responsibility in my office is between 6 and 7 million dollars. If anything goes wrong, it is on my shoulders, so I think that you are getting by cheap. \$3,000.00! I never got paid over \$1,500.00 for Palermo when I was selectman.

B. Sneed asked if the budget was going to increase or decrease at the next meeting due to the \$93,000.00 increase of the health insurance.

R. McLaughlin: If someone was to make a motion to cut the health insurance budget \$50,000.00, how would you handle it?

J. Hyk: We would have to go to Paul Barbera and say, "How do we cut this \$50,000.00?" and listen carefully to what he has to say. I don't know the answer to your question.

R. McLaughlin: You gave me the answer that I was looking for. My suggestion is that you go to Paul Barbera and say that you have to do something for us and you have to cut this \$50,000.00 for us or else we are going to be in trouble; what can you do? Then come back at the last meeting and let us know.

J. Hyk: We are going to meet with Paul on the 14th; he is on our agenda. That is the soonest that could happen.

****D. McLaughlin moved, T. Biggs seconded to go to Paul Barbera and see if he can cut \$50,000.00 off the health insurance benefits and let the Budget Committee know at the last meeting. Unanimous.**

B. Sneed: We still have a problem with the bottom line on this beast.

J. Bennett: For some reason if the budget went out to referendum and you didn't get this money, what would you do?

J. Hyk: We will keep going out to referendum at \$50,000.00 a whack until we get something. As far as I know TABOR didn't pass, so it doesn't go out to referendum.

B. Sneed: Jim was talking about the LD-1. Within 30 days of January 1st if a petition of 10% of the people who voted in the last election sign, then this whole budget goes to referendum.

J. Bennett: I want to tell you, I was at a meeting out at Waldo, when a woman asked on how to go about this and he said they have already picked up the paper work and it is very simple.

J. Hyk: If that is the case, then the more interesting question would be, how would we operate or pay payroll after the 28th of January because you will be out of money. Then, come February, we would be calling the banker and the lawyer.

****B. Sneed moved, R. McLaughlin seconded to accept the Employee Benefits (2025) Budget at \$1,409,550.00. Motion passed with 4 in favor and 2 opposed (J. Bennett and T. Biggs.)**

FUTURE MEETINGS:

November 11, 2006

- District Attorney
- Communications
- Commissioners
- Revisit Health Insurance Benefits

****B. Sneed moved, J. Bennett seconded to adjourn the meeting at 9:50 P.M. Unanimous.**

Respectfully submitted by Veronica Stover
Veronica Stover, Deputy County Clerk