

**WALDO COUNTY FY 2007 BUDGET COMMITTEE**  
**5<sup>th</sup> MEETING**  
**NOVEMBER 17, 2006**

**PRESENT:** Budget Committee Members Bill Sneed, James Bennett, Dean Potter, Richard McLaughlin, Tim Biggs, Richard Desmarais, David Pendleton and Richard Crossman; County Commissioners John Hyk and Amy Fowler; 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 Waldo County employees.

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

**DISTRICT ATTORNEY (1015) BUDGET REVIEW:**

Present for the discussion was District Attorney Geoffrey Rushlau and Deputy District Attorney Leane Zainea.

G. Rushlau mentioned that the personnel service line has increased from 2006 to reflect the standard 3.8% cost of living increase and the fact that two of the employees have pay step anniversaries in 2007. That was why it showed a \$5,000.00 increase over the 2006 budget. The Contractual Services line request was reduced, with smaller amounts in a number of different lines. The Commodities line is precisely the same and the capital outlay line is substantially less. B. Sneed asked what liability insurance is and how many people it covers. G. Rushlau explained that it covers just the attorneys. The Risk Pool charges a tiny premium; he didn't think that there was ever any claim against the State for D.A. work. B. Sneed commented that it had been remarkably stable over the last number of years. G. Rushlau said the attorneys have never gotten sued and that is why the Risk Pool has never increased the rate that they charge for Attorney's liability coverage. R. Desmarais had a few questions on line 4015 (Consulting). Last year only about 55% was spent out of \$7,500.00. He also said that maybe he was recommending dropping that line from \$8,200.00 to \$7,500.00. G. Rushlau mentioned that this line consisted of three payments: "#1 is \$2,500.00 to reimburse Knox County for the cost of the systems manager for the computer system that is shared amongst all four counties. The legal secretary in Rockland, part of her job is also to manage the joint system and so each of the three other counties contribute \$2,500.00 to Knox County to reimburse Knox for a portion of her pay in benefits. This year we asked Waldo County to pay half of that. The second part of that is \$5,000.00 for the computer support for the State wide system that seven out of the eight district attorney's use the same computer system to manage their data. It is called JUST WARE. We have a single consultant who does work for all of us and we share the cost of that consultant seven ways. The last \$1,200.00 is for all other consultants that we may employ. We sometimes need a reconstruction expert who may testify or psychological experts who may testify. In some past years we have spent several thousands of dollars."

R. Desmarais mentioned that his other problem was with line 4080 (Transcripts) because they asked for \$1,600.00 and they have only spent 11%. G. Rushlau said that line tends to go up and down in pretty wide swings. "If you have a number of trials which result in convictions and they are long trials, with the transcript that you have to purchase is expensive." **R. Desmarais recommended and made a motion that line 4015 be reduced to \$7,500.00 from \$8,200.00. Motion died for lack of second.**

B. Sneed then asked if there were any questions on Commodities. R. McLaughlin had a question on line 5510 Statutes and Education. He said that line had been overspent by \$405.00 and now the same amount was being requested. G. Rushlau mentioned that this year they discovered that they were looking at some of the volumes and they did not get the pocket parts. They figured it would be better to buy a new set but next year they are going to just buy the updates which will be less expensive.

**\*\*B. Sneed moved, R. McLaughlin seconded funding the District Attorney's (1015) budget at the rate here of \$149, 595.00. Unanimous.**

### **COMMUNICATIONS CENTER (1076) BUDGET REVIEW:**

Present for the discussion was Communications Director Owen Smith.

O. Smith explained that \$90.00 needed to be added to the bottom line under Contractual Services, line 4835 (Postage) because it didn't get added into the total. A. Fowler confirmed this. B. Sneed reminded the group that when Owen was here last time he spoke quite forcefully about how the towns are spending too much money on education and how we need to get our school budgets under control. He pointed out that O. Smith request had \$12,300.00 for education and training and he suggested reducing it to zero. O. Smith said he didn't think that would be a good idea. He discussed education and the tax bills. He explained that dispatchers have mandatory training that they need to do and the State may provide some of the education, but not all of it. He also stated that they need to keep up with the industry. The industry is changing, and it is necessary to educate people and get them out to these seminars and other functions. He said, "You need to know what is going on around you and you cannot isolate yourself." B. Sneed noted that last year Owen spent \$5,700.00 on line 3002 (Educational Stipends) and the year before he spent nothing. O. Smith said that he has been trying to build it up. Also, technology is changing so they need to keep up with that. He explained the union stipends and that line item. R. McLaughlin mentioned that he found about \$12,000.00 to cut. He recommended cutting line (3002) Educational Stipends, (4100) Travel, as there was still \$2,600.00 left in that budget, (4315) telephone still had \$4,000.00 left, (4600) Repairs and Maintenance still \$2,800.00, (4840) Printing – did not use any, (5325) Supplies and Maintenance \$944.00 and (5600) Recorder Maintenance/Materials at \$3,350.00. O. Smith said that he cut the travel budget back and explained that they do have to pay mileage for the seminars and, once in a while, meals. B. Sneed asked how much they were paying for mileage. O. Smith said .485¢. B. Sneed questioned the mileage rate. R. McLaughlin mentioned that the part time labor was over \$16,000.00 and he asked if there was another full time person added. O. Smith explained why part time was over. There was more discussion over mileage. J. Bennett said that under Contractual Services that he found \$10,800.00 to cut. O. Smith asked him where he found that money.

J. Bennett read the cut backs as follows: Line 4100(Travel) - \$4,000.00, Line 4315 (Telephone) - \$10,000.00, Line 4320 (Teletype) - \$1,500.00, Line 4600 (Radio/Repair/Maint.) - \$6,500.00, Line 4620 (Tower Site Operations) - \$20,000.00. O. Smith stated that Tower Site Operations could not be covered with \$20,000.00 due to the fact that they have added to the towers and are going to be adding another tower. He also mentioned which towers the County paid rent on. B. Sneed questioned the tower site operations being leases. O. Smith mentioned that it was mainly rent and the only tower that the County owns is Aborn. B. Sneed questioned line 5610 (CSH Maint./Upgrades) because last year they had argued to the Budget Committee the reason for "dumping" CSH was because CSH provided no maintenance and no upgrades. O. Smith said they need to keep this system running before they can move the stuff (data) over. J. Arseneau mentioned that, if they remembered, last year they said they were going to keep the maintenance on for one year, which is \$11,000.00, which includes, licensing fees as well as repairs. They are hoping to shut the server down and they charge \$100.00 times two technicians. J. Bennett went over his figures that he would cut with O. Smith again.

J. Bennett asked the Commissioners about a set of Commissioners minutes in which it was stated that the Commissioners didn't feel that \$26,900.00 was necessary. J. Hyk stated that he recalled that "the Commissioners didn't have a great deal to do with anything with the operations of the Communications Center and what we do know is that we have had numerous complaints and repeated concerns from people in Lincolnvile, Northport, Liberty and Palermo about the service out there and we are trying to do our best, and I believe they have a legitimate complaint." He brought out how hard Owen has been working with local authorities in those towns. He said that he knows they need additional "stuff" on the towers to help those communities to "be whole" and the County told the towns that they were going to do this. J. Hyk hoped that

would not be a place they were going to cut as the people needed those services. J. Bennett said that he does not want to cut any community but “if there is a line that is padded for four or five thousand dollars...” J. Hyk objected to the word “padded” and stated that he was getting tired of it! O. Smith said he does not go to the Commissioners with a “padded” budget. S. Story mentioned the recent wind storm that nearly caused a tower to land on the building and they had to have it guyed off – “which you run into with a lot of aging equipment.” He explained that they used a lot of Homeland security money to get things done. He felt there needs to be “a little bumper” in that there are a lot of unforeseen things that could happen. A. Fowler said that she had been doing some figuring and she came up with \$25,058.00 and she didn’t realize the County had to pay for each frequency. O. Smith explained the radio system and that if the Communications Center building had been planned by a study ahead of time, the referendum bond would have been closer to \$850 – 900,000.00. He reminded all they did not spend the money on planning. There was more discussion on the tower issue. R. Desmarais asked O. Smith if he could live with \$25,000.00 for line 4620 (Tower Site Operations). O. Smith said that they would have to live with it. R. Desmarais asked J. Bennett to continue on what he wanted to deduct off the budget. J. Bennett said that he had left line 4820 (Dues/Licenses) at \$700.00, line (4835) Postage he put at \$50.00 and line (4840). Printing he cut in half to be \$150.00.

**\*\*R. Desmarais moved, B. Sneed seconded to take \$5,600.00 off the Communications Center Contractual Services bottom line. Unanimous.**

#### COMMODITIES:

O. Smith described the 5 year lease on the new photocopier and how it has to be maintained for five years. R. Desmarais asked if O. Smith controlled the Educational Stipends and how many people are out at one time. O. Smith explained that one person at a time goes out for training because they are limited by how many people are working. He said that “under the educational stipends there is no conscious effort on his part to deny a person the opportunity to go to one of these seminars that is going to build their stipend.” O. Smith went on to discuss the educational stipends and what they are. B. Sneed said that he would like to see the educational stipends reduced by \$3,100.00. He also thought “if that is something that you have control over, then you ought to control it.” R. Desmarais agreed with B. Sneed.

**\*\*B. Sneed moved, R. Desmarais seconded to reduce line 3002 to \$5,700.00. Unanimous.**

**B. Sneed rescinded his motion.** He said that when there are large increases, you just have to ask why. R. McLaughlin asked about line 5375 under Training and Education. O. Smith explained that he cut it \$1,500.00 from last year and also discussed the new equipment coming in. He thought it was prudent to cut back the training but told the Budget Committee members that his employees needed to do the mandatory training. R. Desmarais asked J. Arseneau if it was possible to get rid of C.S.H. any sooner in order to save money. J. Arseneau said that they had originally thought they were going to keep it one full year after Spillman was brought up online. O. Smith explained the “Friendly Call Program.” B. Sneed noticed that only \$2,700.00 had been spent on C.S.H. this year. O. Smith added that the Sheriff and Jail shared a 1/3 of that cost for C.S.H. B. Sneed noted that they have reduced the total budget by \$8,700.00.

**\*\*B. Sneed moved, R. Desmarais seconded to fund the Communications Budget (1076) at \$650,436.00. Unanimous.**

#### EMPLOYEE BENEFITS (2025) BUDGET REVIEW (CONT’D):

B. Sneed said there seemed to be significant changes from the last time they met. J. Hyk said that when the broker gives them an estimated figure, it is based on the current number of employees that are involved in the program. He said they were able to do what the Budget Committee requested of them, which was to reduce the Health Insurance costs. B. Sneed said when they started this last week, the total was \$1,286,000.00 and then it

went up \$93,000.00 and now it is up to \$1,407,000.00 and it keeps going up every week. B. Arseneau explained the new figure, which had been provided by the Health Insurance broker to the Commissioners. There were still issues with the figures. B. Sneed asked if they needed more time to get the figures together. J. Hyk said he was not sure if they were “talking apples to apples.” There was more discussion on the figures and the apparent confusion over the requested reduction. B. Sneed asked again if they needed more time, J. Hyk said that maybe someone needs to go try to figure this out and to move on with another portion of the budget. (B. Arseneau, M. Wadsworth, D. Parkman, and K. Trussell left to recalculate the figures for the health insurance.)

#### **TECHNOLOGY (1020-7000) BUDGET REVIEW:**

Present for this discussion was Technology Consultant James Arseneau of J&B Diversified Associates, Inc and Pete Crepeau of CBE Technologies.

J. Arseneau handed out the breakdown of expenses for technology and made a few adjustments. T. Biggs asked what the budget was for last year. J. Arseneau said it was \$205,000.00 and the request for 2007 did go up from last year. He explained that there were a couple of additions to technology and which included the District Attorney’s Office for some wireless headsets (which were moved from the D.A.’s budget request over to the Technology Budget) and the University of Maine is in need of a new phone system. He said it was a 6.7% increase over last year. B. Sneed went over figures for last year. J. Arseneau said there are a few new items, such as the accounting software for Deeds. B. Sneed asked why. J. Arseneau said it was for doing the billing they do for the internet services offered to the Public requesting QuickBooks for five users so they can do the billing by the different clerks. He mentioned that it was a one time purchase for the software and probably an upgrade of \$400.00 every year after that. J. Arseneau went over the worksheet. B. Sneed questioned why the telephone headsets cost \$400.00 each. J. Arseneau explained they are wireless remote and that it allows the user to be in other rooms, as the offices are spread out. B. Sneed also asked about the University of Maine Extension Office. J. Arseneau said that since the County owns the building, the County needs to supply the infrastructure. He made clear the Waldo County budget would be paying for the hardware only and the University is going to take care of the labor and everything else. R. McLaughlin asked about certain technology items being in some budgets and then it being in other budgets and he felt that the phone system should be in the University of Maine Cooperative Extension Budget. J. Arseneau explained that the Commissioners had asked him to research this budget request by the Extension and to see if this would serve them the best. J. Hyk explained that five to six years ago, to deal with the technology issue in the County, there was a group of professionals and they decided that it was better that the individual department heads for the most part weren’t making decisions. B. Sneed added that when you had individual departments buying stuff, there is a lot of purchasing, and then at the end of the year when someone asks how much was spent on printers, you just never know. R. McLaughlin asked if the \$121,000.00 was a fixed figure. J. Arseneau said it was a fixed figure for the Spillman (Computer – Assisted Dispatch) system and it was for 7 years. He further explained that there was going to be a maintenance cost of about \$30,000.00 a year. J. Hyk said that as people are getting trained on the system, everyone is extremely happy with it. S. Story agreed with him and mentioned that Spillman had come through with everything they have said and more. (There was more discussion of Spillman.) B. Sneed said that as of that moment, the Technology budget was down by \$2,000.00 and asked if there were any other changes. R. Desmarais asked if all of this had to be done in one year. J. Arseneau said that most of the items were yearly items and he said that they will find that most of the items are on going. He mentioned how he would have liked to keep the budget around \$205,000.00.

**\*\*T. Biggs moved, R. Desmarais seconded to fund Technology at \$205,000.00. Unanimous.**

T. Biggs asked why technology was not reflected in the appropriations that they get weekly. B. Arseneau told him it was under Budget 1020 line 7000. He asked if it could be broken down better next year. He said there is

no continuity with the sheet they were given. He suggested different appropriation numbers. J. Arseneau mentioned that only a couple of lines will be the same and everything else will fluctuate. T. Biggs said that it would be beneficial to break the Spillman system away from this. J. Hyk said they would come up with a way to track it better.

#### **EMPLOYEE BENEFITS (2025) BUDGET REVIEW (CONT'D):**

Returning back to continue this discussion were Treasurer David Parkman, Deputy Treasurer Karen Trussell, Human Resources/Payroll Director Michelle Wadsworth and County Clerk Barbara Arseneau.

D. Parkman informed the Budget Committee that the bottom line is that AETNA Healthcare had reduced its original quote for the County. The figure being requested for Health Insurance was \$1,352,750. There was brief discussion about previous figures, clarification of them and the apparent miscommunication between the County Commissioners and the Budget Committee in terms of what was being considered a “reduction” in the request. While the Commissioners had reduced the cost by \$54,000.00 from the original quote, exceeding the Budget Committee’s request for a \$50,000.00 reduction, an error was found in the first quote and therefore, the actual savings would be \$26,000.00. B. Arseneau apologized for the error in the first quote. B. Sneed asked if there were going to be any more errors in the budget. B. Arseneau stated that while she certainly hoped not, she could not be certain, as she is not responsible for the figures for the other County departments.

There was brief discussion about how surplus is handled. D. Parkman explained that any funds remaining unspent from the County Budget become “undesignated funds.” The County Commissioners may use up to a certain percentage to fund reserves as necessary, after replenishing any expenditures that may have occurred from Contingency, up to \$100,000.00. According to statute, any undesignated funds beyond that percentage must be used to reduce taxation. The County has historically had so little undesignated funds that the County was not required to reduce taxation, but the Commissioners had chosen to do so on numerous occasions. J. Hyk explained that as the budget has increased each year, the County was having less and less in undesignated funds, to the point of putting the County in a precarious position in terms of funding to operate the County at the beginning of the next fiscal year until the Tax Anticipation Note can be utilized.

J. Bennett asked about how much surplus the County can carry by law. J. Hyk replied, “10% of the whole budget.” J. Bennett asked if the money left over from the end of the year is deducted from the bills that go to the towns. J. Hyk said no, it is not deducted and that it is part of the general fund (part of the cash flow of the County). J. Hyk explained the process of getting the Tax Anticipation Note and using surplus at the beginning of the year. D. Parkman went over the previous years and what surplus was for those. J. Bennett said that he understood. J. Hyk mentioned that Bond Council told them they did not have enough money to operate the county and they needed to build up the surplus. He said the County is in reasonable shape and not bad shape. R. Desmarais asked if the commissioners go out to bid for the health insurance. M. Wadsworth stated one of the reasons why the health insurance had gone up was the claims history in the last 12 months had been terrible. They had a couple of good years and in the past 12 months a lot of people had a lot of claims which is what the health insurance company looks at. She said that in one month AETNA had paid out \$110,000.00 and the County sent them \$68,000.00, so they were paying out more than what the county was sending them. She explained that the County had a broker. R. Desmarais asked if there was an opportunity to go out to bid. B. Arseneau said that the broker gets quotes for the County with insurance companies that are in the State of Maine and he gives the Commissioners options. B. Sneed (talking to J. Bennett) read statutes 30-A chapter 3, a section on surplus funds.

#### **COMMISSIONERS (1020) BUDGET REVIEW:**

Present for the discussion was Commissioners John Hyk and Amy Fowler and County Clerk Barbara Arseneau.

## PERSONNEL SERVICES:

B. Sneed asked if there were any questions on personnel services. J. Bennett wanted to know what the H/R Payroll director does. B. Arseneau explained that the position had been developed slowly over the last few years and she explained the history of the position. She also said there has been a huge increase in the number of employees hired in the last 10 years and there are a lot of things going on with personnel and insurances, etc. She explained that the payroll is a huge part of the job. J. Bennett asked if each department took care of their own employees in the way of keeping track of their employees. B. Arseneau said the Commissioners Office must keep track of vacation/sick/comp time, and the departments generate that in house and send the information to the office.

## CONTRACTUAL SERVICES:

B. Sneed said he could not see spending \$12,000.00 on a lawyer when a couple of years ago the county was spending \$3,000.00. B. Arseneau stated, "We live in a world where you have to keep up with laws that are continually changing. The County is not only dealing with statutes but dealing with the Department of Labor laws, equal opportunity laws and they change all the time and you can really get yourself in hot water and high expenses if you do not handle matters properly." J. Hyk mentioned there were complex personnel issues going on and that competent legal counsel was necessary. J. Bennett asked if the liability insurance was still a 30% increase. B. Arseneau said that is the M.C.C.A.'s guess for this year. T. Biggs mentioned it has more than doubled in four years. J. Hyk discussed what the liability insurance does and explained how it was set up under a Risk Pool. B. Sneed gave percentages of what was spent on Risk Pool all the way back to 2000 to current. B. Sneed said line 4105 (mileage) needs to come down to \$3,000.00.

**\*\*B. Sneed moved, R. McLaughlin seconded that line 4105 (Mileage) be reduced to \$3,000.00. Unanimous.**

**\*\*R. McLaughlin moved, H. Potter seconded to delete line 4860 (TABOR REFERENDUM) in the amount of \$47,900.00. Unanimous**

B. Sneed brought to Dick's attention that the bottom figure already did not include the TABOR figure. T. Biggs asked about Personnel Advertising and how only 7% has been used. B. Arseneau mentioned that it "goes in spurts" and how it is expensive to put ads in the Bangor Daily news.

**\*\*T. Biggs moved, B. Sneed seconded to reduce line 4730 (Advertising/Personnel) to \$800.00. Unanimous.**

**\*\*B. Sneed moved, R. Desmarais seconded to reduce line 4630 (Equipment Repairs) to \$500.00. Unanimous.**

**\*\*R. Desmarais moved, B. Sneed seconded to reduce line 4015 (Professional Services) to \$26,500.00. Unanimous.**

**\*\*R. Desmarais moved, B. Sneed seconded to reduce line 4115 (Lodging) to \$500.00. Unanimous.**

R. Desmarais inquired about line 4845 (Safety/Department Head Committee Supplies) and how it has been 30% expended. B. Arseneau said there will be training supplies that will likely be ordered and it will not be completely spent. T. Biggs questioned line 5510 (Statutes/Periodicals/Subscriptions). B. Arseneau said that it had been reduced from last year due to using the internet to look up statutes instead of purchasing the pocket parts. B. Sneed said that so far there has been a reduction of \$4,195.00, so the total for Contractual is \$218,583.00.

**\*\*T. Biggs moved, B. Sneed seconded to leave the Commodities bottom line unchanged. Unanimous.**

**\*\*B. Sneed moved, H. Potter seconded to fund the 1020 Commissioners budget at \$554,283.00. Unanimous.**

**RESERVES (2045) BUDGET REVIEW:**

Present for the discussion was Treasurer David Parkman and Commissioners John Hyk and Amy Fowler.

**CAPITAL RESERVES:**

J. Hyk mentioned that five or six years ago if you asked a question about reserves, you could never get an answer and the Treasurer has been working hard at keeping track of it and making sure that what is going on, is understood. J. Hyk gave, as an example the District Courthouse new heating system costing \$60,000.00. He also mentioned how last year the severance account was drained. J. Hyk read what the Commissioners were requesting the Budget Committee to fund. R. Desmarais wondered what the surplus was going to be at the end of the year. D. Parkman said they would not have the figure until the end of the year. He said he estimated it at \$180,000.00.

J. Hyk mentioned the complaints that people had with the Communications Center. "Some people say that they should be putting money aside for a new jail and a sheriff's department," he said. D. Parkman stated that he Budget Committee's help was needed to fund some of the reserve accounts.

**\*\*R. McLaughlin moved, B. Sneed seconded to fund the Reserve Account at \$193,000.00.**

Discussion:

R. McLaughlin said the budget needed to be cut somewhere. B. Sneed noted, "So far without Dick's motion, the Budget Committee has cut \$26,995.00 off the original proposed budget." He also discussed the LD 1 Cap and that in order to stay within last years LD 1 cap, \$184,000.00 needed to be cut from the Budget. He brought up how J. Bennett said that people are going to file a petition if the budget is "out of whack." B. Sneed said that until they get a number for LD 1, they will use last years figure. K. Trussell said that she was waiting for 10 towns to respond. J. Hyk asked what happens if the towns do not give the figures. J. Bennett said that he talked with Jeff Herman from Maine Municipal and Mr. Herman said that if they didn't give the figures, Maine Municipal would help get the figures to you. B. Sneed asked R. McLaughlin if he would like to withdraw his motion and then he would withdraw his second. R. McLaughlin stated the he would and then made the following motion:

**\*\*R. McLaughlin moved, B. Sneed seconded to cut the Reserves \$200,000.00 and the total is 93,000.00. Unanimous.**

**\*\*B. Sneed moved, R. McLaughlin seconded to adjourn the meeting at 8:50 p.m. Unanimous.**

Respectfully submitted by Veronica Stover  
Veronica Stover, Deputy County Clerk