

STATE OF MAINE
COUNTY OF WALDO
COURT OF COUNTY
COMMISSIONERS

District

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WALDO COUNTY COMMISSIONERS SPECIAL COURT SESSION

DECEMBER 16, 2025

10:00 a.m.

PRESENT: Commissioners Betty Johnson (Chair), Kevin Kelley, and Timothy Parker. Staff present were IT Director J-sun Bailey, County Clerk Barbara Arseneau, Treasurer Owen Smith, Communications Director Michael Larrivee, Sheriff Jason Trundy, Register of Deeds Stacy Grant, Register of Probate Sharon Peavey, Facilities Manager Christopher Bryant, Judge Joanna Owen. Members of the public were also present.

1. Call to Order: B. Johnson called the session to order at 10:00 a.m.

B. Johnson stated that the Commissioners noted what the public commented during the Public Hearing Friday night. While the Commissioners were not planning on public comment today, she asked if the department heads might have thoughts that they would like to share but that today's session was primarily for the Commissioners to speak concerning the Public Hearing.

2. Discussion of 2026 Budget Ideas – Commissioner K. Kelley

Health Insurance: K. Kelley explained that the normal broker rate in the current market is about \$40.00. After researching, the Commissioners discovered the County was paying \$67.00 per covered life for broker services, severed ties with that broker, and effective October 1, 2025, Cross Insurance was named the broker of record due to their depth of experience and to ensure the best value for the dollar. The County is still self-insured with Meritain for the next 12 months because seven (7) insurance companies declined to bid. It was suggested that the Commissioners check Maine Municipal Association's (MMA) health insurance, they have done so, and the premium would be 20% higher. The County has raised the premium cap to reduce stop loss insurance costs. Commonly, an employer pays the larger portion of the employee's health care and currently the County pays 85% and the employee pays 15% of the premium. Historically premiums have increased 3 to 4% annually but increased 7% for 2026. Case management can reduce claim costs. The Commissioners are trying to contain the costs but cannot make any major changes due to language in the union contracts. If self-funding ceased now, the reinsurance coverage cap would increase. The County will try MMA again next year, and will go out to bid on health insurance annually.

Liability insurance: K. Kelley is still Vice-Chair of the Maine County Commissioners Association Risk Pool and the County is enrolled in that pool for general liability, automobile, cyber, and some other liability cases. Premiums are generated on a weighted average and are increasing 2% for 2026, which is very minimal.

2026 Budget "Driving" Costs: Salaries, benefits, Jail, and Sheriff's Patrol make up the majority of the budget increases. The COLA for the 35 non-union employees (not including per diem or part-time) is 2.7%, which matched the CPI.

Budget Process: By statute, the Commissioners run the first organizational budget meeting, and the Waldo County Budget Committee runs the remainder of the budget meetings. Audits have been an issue. Waldo County hired a new auditor in May 2024 to do the 2021, 2022, 2023, and 2024 audits; the County has not

engaged for 2025. The State Auditor's website shows that some counties are caught up since 2021; others are still catching up, in large part due to a shortage of auditors. Since the County went through several Finance Directors and other staff assisting the past few years, the County is in now in "cleanup mode." The current Finance Director has been with the County since 08/20/2023 and is doing a great job. The antiquated, 31-year-old financial software system cannot produce necessary reports and the County has engaged with Edmunds' accounting software in the future. K. Kelley recused himself four (4) times for the discussions and votes on the accounting software because his spouse works for one of the companies that submitted a bid (but was not awarded the contract.) The County's finances and delays with the auditor have added to the problem. The Commissioners have spoken several times with the auditor to continue urging this process along. He described that audits may include ratings of Material, Significant, Findings, and Management Concerns. The 2021 audit had Management Concerns for reconciliation of checking accounts. 2022 will also have Management Concerns, and once it is reviewed and accepted, it will be posted on the County's and State Auditor's websites. A maximum of five (5) paper audit copies will be available for the public to review. 2023 is going to be an issue; fraud is not a suspected concern, but poor accounting processes likely will be. The County wrote to the State Auditor to notify them that the Commissioners plan to reduce the reserves from 32 to about 8, as some must stand alone by statutory requirements.

Minutes for Meetings: The Commissioners offer Zoom viewing as much as possible. The County of Waldo does not have a County Administrator, and the Commissioners do not believe this is the time to do that because it would be at least \$150,000.00 plus benefits. The County Clerk has been trying to catch up on minutes while also filling in with other vacant positions in the office during recent years.

Executive Sessions: These sessions are for personnel and legal issues, and the Commissioners are trying to avoid lawsuits for saying something publicly that is non-public. Some of the Commissioners have been doing more work than just commissioners court sessions, and are often in the office three to four times a week. There have been discussions on issues with the County website, and job descriptions required updating and/or creating. The department heads are working hard and doing an excellent job. The new County Human Resources Director has years of training and expertise and really knows the job. The Employee Handbook requires updating, policies need to be developed, and these are brought before the Commissioners during executive sessions. The Commissioners leave it to the department heads to write their own procedures.

Contracts: The Commissioners have requested a list of all County contracts and for those to be filed at the Commissioners' Office.

(At this point in the court session, electrical power went out and so did Zoom. The session was paused until that resolved.)

The session resumed. A member of the public asked when the notice for today's meeting went out, and was told by the County Clerk that notices are sent out as soon as possible, so it was sent out the afternoon before because the Commissioners notified her that day.

Belfast resident Eric Buch claimed that the December 15, 2025 meeting was conducted incorrectly because of what is being discussed today, that the Commissioners hold too many executive sessions and that they are discussing things they should not. He claimed that Title 30-A requires 10 days for notices. B. Johnson told all that there was no public comment and that questions would not be answered.

K. Kelley continued to explain the budget. When the former Superior Courthouse was sold, those funds were distributed in a few select reserves that were low. He noted that an email had been sent by the Budget Committee Chair with requests for information related to the 2026 Budget and was provided.

Discussion of Jail Boarding: K. Kelley reported that Knox County had a budget shortfall and Waldo's inmates had

to be moved out of Knox's Jail recently with extremely short notice. All other jails were full, could not take Waldo's inmates, and the Sheriff and staff met with Somerset County to develop a long-term arrangement to house Waldo County's inmates.

At the Public Hearing, a member of the public had raised the issue of the 2003 County referendum to rebuild the Jail and that the Jail was not built. K. Kelley stated that the referendum was defeated by the citizens. It would be very expensive to build a jail now and staff it. The County's jail budget increased from 2024 to 2025 and it will continue. The State doesn't pay for this. He recommended that people talk to their Senators and Representatives about the State not funding enough to run the Jails and the need for the State to increase the reimbursement for jail costs. Maine County Commissioners Association has hired a lobbyist and typically there are 3 or 4 bills on the floor related to jails at any given time. He asked Representative Reagan Paul, who was present, to speak about the Jail costs to the Legislature, including the cost for medicated assistance for inmate drug addiction to the legislature.

K. Kelley stated that the current 2026 budget proposal is based on real numbers, and likely the Budget Committee had not seen real numbers in previous budgets. The Commissioners realize the Budget Committee wants the Commissioners to find ways to reduce the 2026 budget, including benefits costs, etc. Union contracts must be kept in mind. He stated that the County must get smarter, more efficient, noted that the Commissioners feel the pain regarding minutes and finances. The resources are one Clerk, one Finance Director, there was a gap when the former H.R. Director left and the Finance Director and County Clerk took on the additional work. They have been putting out fires, and have not been able to work on efficiencies.

The Commissioners are trying to work smarter, more efficiently, and get the job done. Many people don't know what services are provided by the County including 9-1-1, Dispatching, Probate, Deeds, law enforcement, emergency management, etc. The effectiveness of the County garden and the produce being grown and donated is being reviewed.

ARPA Funds have been brought up many times. This has been audited to ensure that the County followed the guidelines for use.

T. Parker asked to speak, and stated that Commissioner Johnson had created a video about what County Government does a number of years ago, which is on the County website. He felt there was likely an issue in 2020-2021 and not having a County Administrator may have also been a problem. The Commissioners are there nearly every Thursday. He said that now that he has more knowledge, he realizes that there is no way the budget numbers were accurate. The current Commissioners are responsible to be honest and transparent. Earlier this year, the County had a vacancy in the H.R. Director position, which had already experienced a lot of turnovers, along with turnover in the Finance Director position. Regarding the Reentry Center/Jail, it is its own entity, and cannot be converted back to a County Jail. When Knox County suddenly declined to keep Waldo County's inmates, the Sheriff immediately contacted the Commissioners.

Once reason T. Parker said he contacted the Budget Committee about saying no to the 2026 budget is because he has several ideas of how to attack the financial downfall and is open to hear ideas about it.

K. Kelley addressed the question raised at the public hearing about whether the County has engaged outside agencies to look at County operations. SMRT company had been hired to analyze Jail buildings and Jail operations. The Jail is 50-years old, aging, and SMRT's report provided ballpark figures, looked at the operations, and encompassed the counties in the district that were trying to collaborate together.

B. Johnson said she has been commissioner for over 15 years and has seen varying ways and methods for accounting and getting things accomplished. 2020 hit the County hard and there were many adjustments that had to be made such as meeting remotely by Zoom. Offices were down to one-person departments. Since the

pandemic, the County has been trying to get back to meeting in person regularly, being careful not to infect each other, etc. She also explained that there was a time period she couldn't be present in person due to personal medical issues and she had felt left out and not included. Now there are two new commissioners, and the commissioners have been assigned to various departments as liaisons to get to know the departments, which will rotate periodically. The Commissioners have had to analyze reduced staffing and especially turnover since 2023, which has been very difficult. Office hours were kept and they tried to keep things running. The Commissioners have been coming in several times a week to help. They have been more open with the Budget Committee than ever regarding practices, have shared information with the Budget Committee and answered their questions. The Commissioners have met for discussions in executive sessions regarding contracts, policies, etc. to see if these were up to date. They will work on transparency, as they heard about Friday night, and will try to make people more aware of things. She has tried to be helpful with information she can recall, and she has faith in the other two commissioners. The Commissioners serve on other committees such as Coastal County Workforce, State Workforce, and MCOG, which are organizations that help the County. The Commissioners serve on Maine County Commissioners Association boards of directors, both Risk Pool and main Board of Directors. The Commissioners are also tax payers. She lives in Lincolnville – one of the highest taxed towns in the County, and her district has Islesboro, Belfast and the other highest taxed towns, and she has been hearing from them. She asked that people please be kind, the Commissioners are trying to work on things and are listening.

K. Kelley asked to speak about narrative with the budget, which had been brought up by Eric Buch. Regarding the IT budget, years ago each department had lines to budget their own technology, and gradually this was pulled out of those departments. IT has a very detailed budget summary, the IT Director spent weeks putting it together, and is more than happy to share it. It includes the IT costs to hire employees, exact prices for licenses, etc. The numbers are changing now, so it would be listed as a "Draft."

A full-time staff accountant is requested in the Finance budget because more time must be allocated for that kind of work. He hears everyone's comments, wants to keep it close in mind, and figure out the way to accomplish this. There are many FOIA requests. The voter has a right to see documents and that is being addressed.

T. Parker explained that the Commissioners present the budget proposal to the Budget Committee and the Budget Committee votes on it.

B. Johnson said she would now allow some time for the public to speak. One member of the public commented that the Commissioners have spoken about be short-staffed, that there is a huge problem with Waldo County and wondered when Waldo County would focus just on Waldo County and make things right for them and when questions have been asked, the Commissioners didn't have any answers. B. Johnson and T. Parker spoke to the Commissioners' focus on the welfare of Waldo County, and its importance to them. B. Johnson recalled that that she was a selectman and was on the Waldo County Budget Committee and she was against the Jail referendum. She listed Waldo County Committees she has served and currently serves on that benefit Waldo County.

One member of the public commented that there were a number of questions during the Public Hearing and the Commissioners didn't have answers, especially about the audit. B. Johnson explained that the Public Hearing was the Budget Committee's meeting and it is up to the Budget Committee to answer questions.

The Commissioners said they would like to get the 2026 budget done within the next few weeks but the audits may not be completed until later.

One member stated that he is a member of the Thorndike Selectboard, has worked in corporate America, and as a C.O., has two points. It has been said that the people working for the County have continued to go above and

beyond but the accounting isn't being done correctly. He wondered why personnel are spoken of as top notch but not doing their job. It was understood that problems had been inherited and things were being uncovered. The person reported doing many audits in their previous job, and thought that things should be planned better for the future and offered to look at the County budget and give suggestions, not telling the commissioners what to do, and also suggest looking for a 10-year loan. T. Parker provided his personal cell number as a contact.

K. Kelley noted that there has been confusion about the 2026 budget increase; it was not over 55% increased, it is 36.27% increased. Regarding the staffing matters, this was inherited by the current board of Commissioners and they are working on it.

Another member of the public thanked the Commissioners for the opportunity to share their minds to help with the issues, asked if all 95 employees were necessary to run the County, if anything could be delegated back to the Towns to do, what could be done differently to reduce costs that are driven by headcount, and suggested getting creative to get the job done with fewer people and teamwork, including the County and towns together.

K. Kelley listed the major County departments as Emergency Management, Communications, District Attorney, Sheriff's Office, Jail, Deeds, Probate, and Facilities, and noted that the Commissioners will be looking at staffing but did not know if there would be layoffs.

One member of the public felt that the 85/15% split on health insurance is very generous, citing Athena Health as having something closer to 60%/40% because it helped people use health insurance more wisely. Most of the people paying the taxes are not getting health insurance with an 85%/15% split. K. Kelley said he will take a look at it, commenting that one business owner with 26 employees in the County has had to lay off 6 employees and had to adjust benefits because of tariffs. B. Johnson noted there are also optional benefits that are paid solely by the employees.

One member of the public stated that the State of Maine and sometimes cities such as Portland were handing out needles and drug paraphernalia to addicts and asked that if the County had any power with the State, to push back on this sort of thing.

The Commissioners thanked everyone present for attending and encouraged attendance in the future.

B. Johnson requested a moment of silence for Islesboro Clerk Tina Pendleton's husband, who had passed away.

3. Adjourn

****MOTION: K. Kelley/B. Johnson to adjourn at 11:38 a.m. Unanimous.**

Respectfully submitted by  Waldo County Clerk
Barbara L. Arseneau