

# Maine County Commissioners Association

## 2018 PROJECTED REVENUE

### **4100-00 CONVENTION INCOME - \$42,900**

*The average net income from the convention over the past four years has been \$14,562; and the lower 2018 estimated net income is a result of projected higher venue costs and lower estimated revenue from vendors.*

#### **4110-00 Plaques - \$400**

This account will collect income from counties to pay for plaques for commissioners and other retiring county officials. The corresponding expense line is 6124-00.

#### **4120-00 Registrations - \$22,000**

This account collects all registration payments for convention registration, meals, and participation in activities. Reduced from 2017 budget because less revenue than anticipated was received for 2017 convention. We need more Commissioners to attend their annual conference.

#### **4130-00 Sponsorships - \$9,000**

This account shows revenue from contributions paid by organizations or individuals who donate to or sponsor an event. The budget projection for 2017 was not quite reached, but more sponsors should be acquired to help MCCA pay conference expenses.

#### **4140-00 Vendors/Exhibitors - \$11,500**

This income is received from vendors, exhibitors, and advertisers at the convention who are there to market their goods and services. The decreased amount reflects less revenue received than anticipated in this category in 2017.

### **4300-00 COUNTY MEMBERSHIP DUES - \$136,935**

This is the income received from member counties' annual dues. There was a 2.1% increase in 2017 changing each county's annual dues from \$8,765 to \$8,950. This line item shows a 2% increase for 2018, which is an additional \$179 for a total of \$9,129 per county. This amount is still decreased from 2017 as it does not include Franklin County.

### **4400-00 OTHER INCOME - \$4,500**

Any other miscellaneous income that MCCA receives during the year that does not fit within listed budgetary categories is shown in this line. This includes payments from NACo for MCCA's marketing of programs sponsored by NACo, such as the discount health prescription drug and dental programs, and the U.S. Communities joint purchasing program. The increased amount reflects \$4,000 expected from the endorsement of NACo Retirement Solutions.

### **4500-00 NACO ROSTER - \$500**

Funds received from the National Association of Counties for MCCA's contribution to preparing the roster are posted to this account.

**4600-00 MCCA RISK POOL ASSESSMENT - \$26,250**

Funds received from the MCCA Risk Pool are posted to this account. The assessment is calculated according to a cost allocation plan that considers the amount of time and space the Risk Pool utilizes of MCCA resources. The 2017 budgeted amount increased from \$25,000 to \$26,250 due to increased costs projected for MCCA. Last year upon request of the Budget & Financial Committee, the Executive Director, Rosemary Kulow collected data from other states about how their risk management pools contribute to their associations. The Budget and Finance Committee reviewed and considered that information, as well as cost allocation data in determining its budget recommendation of a 5% increase in the Risk Pool assessment. The 2018 amount will remain the same as 2017.

**4800-00 From MainePERS Fund - \$9,431**

Funds from the MainePERS surplus fund which are kept in a separate money market account, are used for the employer's contribution toward employee retirement in MainePERS. The increased budget for 2018 is caused by a mandated percentage employer contribution of 7% and higher salaries. These funds will be transferred in from the money market account to pay MainePERS. The money market account had balance of \$31,815 on November 15, 2017 which will last approximately three more years at the current rate.

**4810-00 INTEREST INCOME - \$100**

Income earned on savings investments is shown in this budget line.

**4920-00 TRANSFER FROM FUND BALANCE - \$29,830**

Surplus funds to be used from the undesignated fund balance to offset budget expenditures are shown in this account. *The Financial Management & Investment Policy* states, "The MCCA hereby establishes a policy that requires the MCCA to maintain a minimum undesignated fund balance equal to approximately **two months expenditures.**"

MCCA's average monthly expenditure is about \$20,000, indicating \$40,000 would be considered the lowest level of acceptable undesignated fund balance for MCCA. Subtracting the amount of surplus recommended for use in the 2018 budget (\$29,830) from the projected fund balance of \$102,663 (checking \$70,647, money market \$31,815, and petty cash \$200) would leave the fund balance at \$72,833 exceeding the policy requirement.

**TOTAL REVENUE PROJECTED FOR 2017 - \$250,446**

# Maine County Commissioners Association

## PROJECTED 2018 EXPENSES

### **5000-00 PAYROLL EXPENSES - \$148,042**

#### **5020-00 Payroll Fees - \$2,000**

MCCA pays this to Bangor Payroll for preparing MCCA's payroll and reports for employees, the IRS, Maine Dept. of Revenue, MMEHT, and MainePERS.

#### **5030-00 Social Security & Medicare (FICA) - \$9,620**

This account funds payments for Social Security and Medicare. The contribution for FICA is 7.65% of employee taxable wages. Social Security is calculated by multiplying an employee's taxable wages by 6.2%. Medicare is calculated by multiplying taxable wages by 1.45%. Taxable wages are calculated by gross salary minus health insurance deductions. The contribution is the same for both the employer and the employee. The line increases by \$1,320 for 2018.

#### **5040-00 MainePERS - \$9,431**

Funds to pay the employer share of retirement contributions are kept in an interest-earning money market account, which had a 11/21/17 balance of \$31,815. At the current level of employee salaries, the fund would last about three years. This year MCCA's contribution for this non-COLA-adjusted retirement program increases from 7% (January through June 2018 = \$4,401) to 8% (July through December 2018 = \$5,029.50) for a total of \$9,431 rounded to the nearest dollar.

#### **5050-00 Office Manager's Salary - \$47,951**

The budget reflects a 1% increase effective 10/28/17 as determined by Executive Director Charles Pray and the Budget and Finance Committee based on a favorable annual performance evaluation, and in recognition of additional responsibilities absorbed by the Office Manager this year.

#### **5060-00 Executive Director's Salary - \$79,040**

The budget shows an increase to match the amount in the contractual agreement between MCCA and Executive Director, Charles Pray.

### **5100-00 INSURANCE - \$14,354**

#### **5110-00 Health Insurance - \$11,300**

Amounts MCCA pays for employee health insurance are posted to this line. MCCA utilizes the health insurance services offered by the Maine Municipal Employees Health Trust (MMEHT). Employees may choose one of three plans offered, and MCCA pays 90% of the single employee premium for the employee's chosen plan. Executive Director Charles Pray has opted out of MCCA offered health insurance.

This budget proposal notes that premiums for the POS C plan used by Office Manager Lauren Haven will increase by 2%.

**5120-00 Commercial, Crime Protection, & Officers' & Directors' Insurance - \$2,054**

This is the account to which payments for premiums for MCCA's commercial policy, crime protection, and directors' and officers' insurance are posted. The commercial policy covers property and casualty/liability insurance for the MCCA. We also obtained crime protection insurance to insure against employee dishonesty and directors' and officers' insurance.

- **Commercial** - \$690 – Liberty Mutual via Macomber, Farr & Whitten; effective 8/23/17 – 8/23/18
- **Crime Protection** - \$492 – Ohio Casualty Group via Macomber, Farr & Whitten, effective 6/19/17 – 6/19/18
- **Directors & Officers** - \$812 – Twin City Fire Insurance Co., via Macomber, Farr & Whitten; effective 4/22/17 – 4/22/18

**5130-00 Workers Compensation Insurance - \$550**

Amounts paid for workers compensation insurance for employees are posted to this line. The policy is effective 7/2/17-7/2/18. The annual premium quoted to us was \$530 leaving a little room.

**5140-00 Unemployment Compensation Insurance - \$450**

MCCA participates with the MMA Unemployment Compensation Insurance program to control potential unemployment compensation insurance costs as a member of a large pool. The three-year average rate for MCCA is 1.69% with taxable wages of \$24,000 based on Maine law stipulating insurance for the first \$12,000 per employee making the estimate \$405 and leaving a small margin.

**6010-00 PROFESSIONAL SERVICES - \$3,500**

**6012-00 Legal Services - \$500**

This line contains an appropriation at no change from last year's allocation for legal services.

**6013-00 Financial Audit - \$3,000**

An audit of MCCA's finances is required at least every two years. On February 22, 2017 the MCCA Board of Directors voted to accept a proposal submitted by Ron L. Beaulieu which included an option of an additional two-year period ending December 31, 2017 for \$3,000. The same company performed the last audit for 2014 and 2015.

**6030-00 LOBBYING - \$200**

**6030-00 Contractual Lobbying - \$0**

There is no need to contract for lobbying, as the MCCA Executive Director and other members of the MCCA perform the required lobbying functions for the MCCA.

**6031-00 Lobbying Registration - \$200**

Those who engage in lobbying activities at the Maine Legislature are required to pay a registration fee to the Maine Ethics Commission and file a monthly report.

The fee for a lobbyist registration is \$200, so the fee for the Executive Director is in the budget.

**6041-00 NACo CONFERENCES - \$6,470**

This funding pays for conference registration, hotel, and meal expenses for two conferences for one county commissioner, one conference for a second commissioner, and one conference for the Executive Director. The amount is estimated based on the average cost per person (\$1,641) plus 3% (\$50) per person. The current Executive Director, Charles Pray, will not need hotel accommodations for the NACo Legislative Conference in D.C., therefore \$600 has been subtracted from the line item total. There is a buffer to absorb any unforeseen expenses related to the conferences.

Travel reimbursements for conferences such as airfare and taxis are paid from the Mileage & Travel Expenditure account 6180-00.

**6050-00 EDUCATION & TRAINING - \$600**

Payments for staff to attend necessary and beneficial work-related educational sessions are posted to this account.

**6100-00 BANK CHARGES - \$50**

Bank charges and fees are posted to this account.

**6110-00 ANNUAL CONVENTION EXPENSES - \$34,500**

**6113-00 Entertainment/Speakers - \$2,500**

The amount is based on a lower expenditure for entertainment and speakers at the 2016 and 2017 convention. Speakers are offered a meal and mileage only.

**6114-00 MCCA Staff Registration Expense - \$1,340**

The MCCA Executive Director's and Office Manager's registration, meals and hotel costs are posted to this account. There is no mention in the contract of a courtesy room based on attendance numbers, therefore this line has been increased by \$340.

**6118-00 Meeting Expenses - \$29,760**

All expenses related to the convention venue, including meeting space, meals, A/V rentals, activities, etc. are charged to this line. Often negotiations lower this amount.

**6121-00 Supplies - \$500**

Supplies purchased for the convention are paid for from this account. This includes beverages and snacks, decorations, signs, paper, equipment, and other supplies.

**6124-00 Commissioner Retirement Plaques - \$400**

The cost of recognition plaques for retiring county commissioners and other county employees is posted here. Each county will reimburse MCCA for the cost of the plaque(s) for their retiring employee(s).

**6140-00 COPYING & PRINTING - \$100**

**6142-00 Directory - \$100**

The cost of materials used to print the annual county directory is posted to this account.

**6143-00 Other Copying or Printing Charges - \$0**

Any miscellaneous printing or photocopying charges for documents or books would be posted to this account. This line has been eliminated from the 2018 budget.

**6145-00 DUES EXPENSE - \$1,100**

Dues for memberships are posted to this account. Currently, MCCA pays dues to the following organizations: NACo/NCCAE – \$500 and MMA – \$600. MTCMA dues of \$125 have been dropped from this line.

**6150-00 OFFICE EQUIPMENT - \$6,750**

**6151-00 Computer Hardware & Software - \$250**

Purchases of computer hardware or software are paid from this line.

**6152-00 IT Services - \$1,700**

Capitol Computers provides routine computer system maintenance and administration, on-call service for problem solving, and off-site back up of MCCA and Risk Pool financial records.

**6153-00 Photocopier Lease - \$3,400**

The Xerox photocopier is leased through US Bank at a cost of \$281 per month. Included in the leasing fee is regular service, charge-per-copy, reduced cost for supplies, and same-day service for problem resolution.

**6154-00 Printers & Printer Supplies - \$1,000**

The cost of printers and supplies such as toner, ink cartridges, and paper is charged to this account.

**6156-00 Other Office Equipment - \$400**

The cost of any other office equipment, such as desks, chairs, printer stands, headphones, projectors, paper shredders, safes, etc. is charged to this account.

**6160-00 FEES - \$100**

Fees charged for filings to the Secretary of State's office and others are posted to this account.

**6170-00 MEETING EXPENSE - \$3,550**

**6171-00 Annual & Other Membership Meetings - \$2,000**

Costs for the venue and food for the annual meeting and other full membership meetings are posted to this account. This line item has been increased by \$500 which is allocated for an educational training session in the afternoon of the annual meeting.

**6172-00 County Officials' Workshop - \$250**

The associated costs of special workshops for county officials are shown in this line.

**6173-00 Monthly Meetings - \$2,800**

This account shows the costs for the Board of Directors' regular monthly meetings, including food and related supplies. This line item has been reduced from \$3,500 in 2017. The annual general membership meeting and the convention have other line items from which to draw.

**6174-00 Retreat Meeting Expense - \$0**

This line funds a Commissioners' retreat for planning or other meeting purposes. The Budget & Finance Committee proposes a cost-per-person will be charged if such an event is arranged.

**6175-00 Other Meeting Expenses - \$750**

Any other meeting expenses that do not appropriately fit within any of the categories above are posted here. The cost of facility rental and refreshments for special meetings are charged to this account.

**6180-00 MILEAGE & CONFERENCE TRAVEL EXPENSE - \$2,750**

Funds in this account reimburse staff for mileage associated with use of personal vehicles for work-related travel, as well as airfare and other transportation costs associated with conferences and continuing education for Commissioners and staff. The amount reflects an expected decrease in NACo travel.

**6195-00 OFFICE RENTAL - \$19,000**

This account is used to pay the Maine Farm Bureau for leasing office space at 4 Gabriel Drive, Augusta. The current lease expires on 3/31/2018. Based on the last renewal increase of \$100 per month, the new amount may be \$19,166. The first quarter of 2017 will be \$4,491.51, and may be \$1,597.16 for the remaining three quarters for a total of \$18,866 in 2018.

**6215-00 POSTAGE - \$250**

Amounts paid for postage and shipping are posted here; the amount is same as last year.

**6230-00 ADVERTISING - \$250**

Advertising costs for marketing programs, providing notice to the public, advertising requests for proposals, and employee hiring processes are shown in this account.

**6235-00 SUPPLIES - \$2,000**

Supplies for the office that do not more appropriately belong within other accounts are posted to this account. This includes all regular office supplies such as office décor, paper and file folders, pens, staples, paper clips, calendars, chair mats, etc.

**6240-00 TELEPHONE, FAX & INTERNET - \$4,030**

**6241-00 Cell Phone - \$1,830**

Reimbursements to the Executive Director and Office Manager for using their cell phones for work are posted to this account. The current reimbursement rate is \$75 per month for each employee.

**6243-00 Other Telephone, Fax & Internet - \$2,200**

Monthly charges from Spectrum Business for telephone, fax, and Internet services are posted to this account.

**6250-00 WEBSITE - \$100**

Payments for web hosting service and other website expenses are paid from this account.

**6260-00 CONTINGENCY ACCOUNT - \$500**

With approval from the Executive Committee, this account funds emergency expenditures not otherwise identified in the budget. Money remaining at year's end reverts to fund balance. This line item is reduced from \$1,000 in 2017.

**TOTAL EXPENDITURES PROJECTED FOR 2018 - \$250,446**