

January 25, 2010

10-03wkshp

8:50 p.m. Workshop session began with six members present. Councilor Goughan was absent and unexcused.

CCC&I members attending were Joe Sleeper, Shawn Anderson, Craig Staples, Wendy Landes, Norma Milton, Jim Cyr, and several others.

Item #1: Presentation by the Caribou Chamber of Commerce and Industry on their 2010 budget request for municipal appropriations. Joe Sleeper related there were some problems that need to be addressed. He said the Board would go along with any suggestions from the Council as to how to handle the issues and the cost related to them.

Executive Board has developed a Strategic Plan covering a 3 to 5 year span – Budget was built on the plan this year.

2010 City Appropriation request - \$187,310 - (2009 appropriation was \$155,000)

Two factors contributing to increased request:

- A. Health insurance increases although flat salary funding
  - Cost increase due to proposing more full time staff (3 at 80%) and reduced part time staff (1) (Joe said the idea here is to offer some attractive positions)
- B. Default Property Maintenance
  - One property – 3 months ownership at 100% costs - 423 Main Street
  - Two properties – 9 months ownership at 50% costs shared with NMDC – Van Buren Lodge and 24 Main Street, Limestone, which is collateral on the Van Buren Lodge along with three tracts of land in Florida. There will be costs associated with turning the properties over. There are heat, utilities, plowing, and other maintenance costs to bear until the properties are sold.
  - Taxes are owed on the properties – Steve pointed out that 2009 taxes would go to lien and would expire by November of 2011. The board members felt they could move the Main Street property in 2 to 3 months. The buyers of the properties would pay taxes at the time of sale.
  - Plan to dispose of property would most likely be through the auction process
  - Losses (rather than any gains) are expected on the sale of the properties. Joe thought the loss would be minimal, if at all, on the 423 Main Street property. He agreed that there would definitely be a loss on the other property.
  - Board having discussions with NMDC to determine details of sale process, best time to sell, and by what method, auction, etc. Joe said they were being very conservative in the ongoing process to sell the properties.

Board has spent time deciding how to operate the organizations under the Strategic Plan and has worked with staffing models to decide what is best. Full time staff would bring greater structure. Turnover has taken place in the past with the part time positions, hence, the proposal for more full time staff. Additional costs for hiring full time staff would be in the health insurance benefit that would be part of any offer. They thought the proposed change in staffing was necessary to carry out the goals of the Strategic Plan.

### Board Observations

- A. Staffing needs - “Someone at the helm “ as Executive Director - Fulltime employee dedicated to projects – Full time Membership/Office Manager position - Part time position to have someone in the office at all times. Wendy noted the existence of a Development Committee, which was not fully utilized this year.

When asked by Councilor Martin where Economic Development would fit in, Joe said it would be handled jointly under the Director and the Projects coordinator positions.

- B. Loan side of the budget is time consuming and has become a challenge - A proactive approach is needed with existing portfolio.

Steve said he had observed a very active Executive Board and noted that the work being done by the loan committee members has been evident this year. Councilor C. Bell noted he was impressed by the diligence of the CCC&I board this year as well.

- C. Jim Cyr saw the need to do more if asking for more appropriation from City. He thought there was always room for improvement, although he noted the board continues to do their best – their intent was to be on top of the game. Joe noted that the board would work with whatever funding is appropriated.
- D. Goal of CCC&I is to improve performance and provide a function for community as directed by the Council – Looking for direction from Council

CCC&I membership consists of approximately half of the 480 businesses actually in existence – Equates to 230 to 240 members (40 are outside of Caribou)  
Some members, with non-profit status for example, figure out ways to pay less.

Norma Milton, a part time employee now and a former full time employee of the Chamber in 1963, commented that she perceived the City Council as being the foundation of the City and the Chamber was the heart, whose job has been to welcome new people and business to the area, providing the comfort zone and support they need in their endeavors. She said the enthusiasm shown during the 150<sup>th</sup> is something that should be ongoing in 2010.

Councilor C. Bell pointed out that the Council had charged the City Manager with finding nearly three quarters of a million dollars in reductions, so an increase for the CCC&I appears doubtful.

Councilor Boone questioned the nearly 300% increase in health insurance with no increase in salaries. He asked if it were necessary to offer such a “sweet deal” to entice prospective employees, especially in the economy situation today. He didn’t see any way around the Council’s having to look seriously at cutting back expenses wherever possible this year.

Councilor C. Bell suggested the City Manager might have some advice for the board members to minimize the cost of health insurance. Steve said he was not that familiar with the various plans, but suggested costs could be saved with high deductibles, etc. Shawn agreed they would need to readdress the health insurance costs and they would do what is needed to work within the budget.

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Mayor Murchison asked if the group had had time to consider the concept of a Memorandum of Understanding, the one-year contract or a multi year one. Shawn replied that the contract had outlined quite well what had been expected. Joe added that a multi year contract would be most desirable, but he was willing to go along with either version. He said the goal was to give the Council what is wanted. "We're here to work for you." Joe said the board appreciated the present format that gives everyone an opportunity to speak and discuss issues as a group.

9:50 p.m. CCC&I session ended.

Continuation of Municipal Budget discussions

Steve said he would continue to work on reductions that are expected, said he would come back to see what would be acceptable.

Councilor C. Bell said he would need to review the consequences and at this point everything is on the table.

Councilor K. Bell suggested that each department needs to look within to see what can be left out or avoided.

It was agreed that even small amounts do add up.

Steve was hopeful that the Medicare funding would come back.

Steve would meet with the department heads to gather whatever can be gleaned.

10:10 p.m. Workshop session ended.

Judy-Ann Corrow, Secretary