

Council Workshop
January 18th, 2011
5:30PM

Councilors present: Kenneth Murchison, David Martin, Chris Bell, Karla Bell, John Boone, Mary Kate Barbosa

Others present: Steven Buck, John Swanberg

John Swanberg attended the meeting as a Member of the Charter Commission to observe the budgeting processes to report to the Commission as they consider amendments to the current process set forth within the Charter.

The City Manager referred to the First Draft of the 2011 Municipal Budget having a copy projected to coincide with the hard copies held by the Councilors. Several of the larger Departments were reviewed on January 10th, Fire, Ambulance, Fire revenues, and Ambulance revenues, as the 2011 associated bills needed to be sent as soon as possible. The Council had also reviewed a summary of major impacts, which isolated the largest items of change within the Budget. The Council had also reviewed the prior year comparisons for mil rate impacts.

The manager proceeded to outline any structural or major line item changes within each Department starting with Department 10 General Government. The bulleted summary is as follows:

- General Gov. wages have changed – 20% of Jayne Farrin's wage and 10% of Kalen Hill's wages have been assigned to General Assistance for the administration of the program. This action also removed 100% of Ellen Gendreau's wages and 30% of Jolene's from GA administration.
- Community Development was reviewed and it was noted the Council still needs to set aside time to discuss a combined Economic/Community Development Structure.
- No changes under Department 17 as Tri-Community Landfill fees will remain the same as last year. The Manager complimented the Board and especially administration at TCL for achieving this budget.
- Municipal Building – Janitorial fees were removed from 024-03 for the Lions Building and placed in Department 39 the EMA as a qualified expense for State reimbursable costs. The process of average gallons consumed per building versus target price for the year was noted. The average target price has been budgeted up by \$0.50 for the year on #2 heating fuel.
- Department 20 – There may be opportunity to reduce GA City as per current and anticipated utilization – Manager will review with the Director – potential for \$6,000 savings
- Tax Assessing 22 – Assessment Reserve was discussed and it was noted a net savings of \$36,795 could be taken and still make the Contract commitment for the ongoing revaluation.
- Code 23 – No changes were noted – The Department was completely funded through fees and charges for services for 2010 and should remain as such in the future provided fees for inspections are annually reviewed.
- Library 25 – No changes were noted – Operating hours, specially 10AM to Noon and Saturday hours were discussed – Council requested a review of the staffing levels for various times and if there were any potential savings during these noted hours.
- Nylander 26 – The Nylander continues to operate under a reduced hours scenario and with reduced resources towards collections cataloging and or display upgrades -Council reviewed the numbers for a potential closure as of April 1st – It was noted that the closure would not effect

collections, but would suspend operations for an interim period until the long-term fate of the Museum is determined – consensus was to further review this scenario – Manager was instructed to work with the Nylander Board or Trustees towards this action

- Fire 30 & Ambulance 31 were previously reviewed.
- Police 35 – The continued presence of the COPS Grant officer was reviewed – Opportunity may exist to reduce Academy training costs if a replacement officer being sought is already trained – Chief also sees opportunity to reduce OT and other associated costs even if Academy training will be used – Administration will review and report
- Protection 38 – Streets lights were reduced due to the associated savings from the LED conversions that were completed in September – Hydrant Rentals will need to be increased but have not as of yet – CUD will increase water rates by 6% in 2011 starting in July, but the resulting increase to the Hydrant Rental must be calculated by the PUC as per the application for the increase – The increase is estimated to be between 2 – 2.5%, CUD to report to City by March
- Caribou Emergency Management 39 – Janitorial fees for the Lions Building were moved completely to this Dept. for better cost accounting for State reimbursements – Council wants to review the equipment purchases within the EMA, possibly eliminating a Smart Board purchase.
- Public Works 40 – No structural changes were noted – The major impacts to the budget are the increases to bring winter maintenance inputs back to historical levels after being reduced by over \$200,000 in 2010 due to the mild winter season – impacts were noted on the Equipment Reserve line, Diesel fuel, Salt/MgCl, Sand, and Overtime (all winter related) – Asphalt has also been budgeted higher for an aggressive season – manager noted opportunity to reduce many of these line items should the 2011 season continue to be mild – Further opportunity was also recognized for reductions to the CIP for the overall road maintenance program, but this will be addressed during the CIP review.
- Recreation Dept. 50 – Part time staffing and funding levels were questioned – the Manager will continue to work with the Director for opportunities in this area – possible reductions to certain programs were discussed for later implementation – check on pool hour reductions as per last year, if any, other programs hours, any increase in either program fees or rental income.
- Parks 51 – No area of concern or changes were noted
- Snowmobile Trail Maintenance 52 - The next remount and or replacement of the Trail Groomer was discussed – Future savings on a remount versus new purchase are still being explored – Savings, if any, will be taken within the CIP.
- Airport 60 – manager noted the ability to reduced winter maintenance costs as the average expenses are now better documented given the dedicated removal equipment – these savings are already part of the current Draft.
- Caribou Trailer Park 61 – No anticipated changes and or reduction of rent for the ensuing year – manager noted the transfer of over \$3,000 in 2010 to Park Reserves stemming from operations.
- Cemeteries 65 – No changes were noted
- Insurance and Retirement 70 – Workers Compensation Insurance was noted as decreasing as per the continued work on the Safety Program and the SHAPE program – Payroll taxes are down due to 52 pay periods in 2011 as opposed to 53 in 2010.
- Contributions 75 – The Dept. is the same as last year as reflected by the current requests – Account 388 Chamber has been reduced from \$147,500 to the CCC&I last year to an anticipated \$40,000 to a new Chamber structure for 2011 – This anticipated structure is not yet complete pending the outcome of a vote of Members and funding concurrence by the City Council.
- Unclassified 80 – No changes were noted

- CIP Department 85 – Review was held until the pending Workshop with the CIP Committee and to address the entire program at that time.

Revenues were not yet reviewed during this Workshop.

The Manager distributed two sets of spread sheets noting potential Budget and CIP amendments. The Manager began a review of these elements explaining the probability of being able to implement each of the various items. Elements noted for concurrence to implement were:

- \$20,000 adjustment to Health Insurance costs that was not brought forward from the HRA savings.
- Electrical Generations rate reductions starting in March of 2011 produced an estimated \$11,897 of net savings.
- GA City expense can be reduced by an estimated \$6,000.
- Assessment Reserve may be reduced by \$36,795 with the remaining balance allocated in 2012 during the implementation of the revaluation.
- Nylander closure to public operating hours was the consensus directing the Manager to implement for April 1st.
- Code Enforcement will explore adjustments to the fee schedules for Electrical Inspections and other services under the new MUBEC requirements.
- Library hour reductions from 10AM to noon should be explored, or at least staffing levels during these times.
- Overtime in the Police Department may be reduced depending upon the Academy training needs for the year.
- Increased dispatch fees pending for Washburn Fire should they sign onto the program.
- A reduction through the CIP for the annual road maintenance programs will be reviewed with the CIP Committee for as much as \$51,000 savings.
- Recreation programming for Arts and Crafts may be reduced as per estimates – Dept. to report back

The Council was not able to complete a full review due to the late hour. The work will resume on the remaining review items for the Budget and on the CIP at the next Workshop scheduled for January 27th, 2011 at 5:30PM in the Council Chambers, with the CIP Committee.

Workshop ended at 9:05PM