

13-05 wksp

A workshop meeting of the Caribou City Council was held at 6:00 p.m. on Tuesday, February 12, 2013, in Council Chambers with the following members present: Mayor Gary Aiken, Deputy Mayor Kenneth G. Murchison, Jr., Philip McDonough II, David Martin, Joan L. Theriault, and David R. Genthner, Sr. Mary Kate Barbosa was absent and excused.

Austin Bless, City Manager and Department Managers: Kathleen A. Mazzuchelli, Superintendent of Parks & Recreation; David Ouellette, Director of Public Works; Michael Gahagan, Police Chief; Scott Susi, Fire Chief; Elizabeth O'Bar, Tax Assessor; Stephen Wentworth, Code Enforcement Officer; William Tasker, Chamber Executive Director; Lisa Plourde, Housing Executive Director; and Diane C. DuBois, Library Director were present.

Also attending were approximately six Caribou citizens including former Charter Commission member John Swanberg.

Natalie Bazinet, representing the Aroostook Republican and Time Warner Cable covered the meeting.

Item#1: Discussion of 2013 Expense and Revenue Budgets.

The Proposed 2013 Revenues total \$5,174,148.00 which is \$3,149.00 more than last year's Budgeted Revenues. Manager Bless commented that utilizing the total proposed revenues and the expenses adopted on December 10, 2012 requires a minimum mil rate of 20.4. Manager Bless has reviewed the Expense Budget and has a list of proposed changes that would reduce the minimum mil rate to 19.4. The 2012 mil rate was 19.3. The Mayor requested that a mil rate worksheet be sent to Council members.

### **Proposed 2013 Revenues: (See Exhibit A)**

#### General Government - \$2,291,533

- Excise Tax – a more conservative estimate than 2012
- Vehicle Registration Local Fee – same as last year
- State Revenue Sharing – for now using the number that the State anticipates Caribou will receive
- Cable TV Franchise – this could change as the franchise fee has not been set with Time Warner Cable.
- The 2012 actual revenues column includes an amount for property taxes. The mayor requested that the amount for property taxes be included for the other listed years.

#### Community Development - \$0.00

#### Chamber of Commerce - \$66,642

- 2013 Membership Dues Revenue is estimated to be an increase over what was collected in 2012.
- New line item – Transfer from Reserve – will fluctuate based on revenues received in the other line items resulting in this account being revenue neutral.
- Mayor Aiken commented on the proposed 2013 Annual Dinner revenue of \$2,300 and the Expense Budget has \$4,200 budgeted for the Annual Dinner. He stated that the members need to be funding the cost of the dinner.

- Utilities are paid out of the Nylander account

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Health & Sanitation - \$0.00

- None budgeted for 2013

Municipal Building - \$8,000

- Same as 2012

General Assistance - \$53,800

- 4,800 for Connor Administration Fees and \$49,000 State Reimbursement
  - The City is reimbursed at 100% for any Connor General Assistance

Tax Assessment - \$188,600

- Conservative estimate for Homestead Exemption Reimbursement

Code Enforcement - \$23,340

- Slight increase from 2012
  - 2012 revenue listed from LDA Inspection Service is probably a receipt of a past due debt of the MicMacs.

Housing - \$70,000

FSS - \$36,004

- The amount of the City's grant application.

Library - \$4,500

- Increase in some fees.

Fire Department - \$131,753

- Insurance Recovery is a new line item

Ambulance - \$1,936,422

- Based on 2012 splits
- Starting July 1<sup>st</sup>, Caribou Ambulance billing may take over billing for Van Buren Ambulance Service. This would generate another \$5,000 in revenue.
- Mayor Aiken commented about the changes in Medicaid, Medicare, and Private Insurance estimated revenues. He noted that Caribou per capita fee is no longer being added in as revenue or as an expense.
- Chief Susi commented about increase in Private Insurance Air Ambulance and the elimination of VA Air.
- Now that a contract has been signed, Loring Development Per Capita Fee will be added into Ambulance Revenue.

Police Department - \$44,175

- Decrease in Police Dispatching because the department is no longer dispatching for Limestone.
- The COPS Grant Reimbursement is less because there is only one more quarter remaining on the grant.
- False Alarm Fees estimated at \$1,000

Emergency Management - \$800

- The City does not expect to receive any State EOC Reimbursement

Public Works - \$204,641

- The Connor Contract equals Lines Salary Reimbursement, Equipment Rental, and Connor Contract

- No estimate for the Brush Removal Permit Fees Line

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- Mayor Aiken commented that the Connor Contract amount is larger than the total of the three lines. Director Ouellette believes that the balance of the contract is in the Sand and Shop Lines. Mayor Aiken wants to see in Revenues the total amount of the Contract in a line item titled “Connor Contract”.
- DOT Road Funding will not increase even if the City experiences above normal snow amounts.

Recreation - \$10,800

- Historical history for 2011 only

Parks - \$6,700

- Historical history for 2011 only
- Slight increase in Rental Income

Snowmobile Trail Maintenance - \$44,500

- The proposed amount is based on the proposed expenses and will zero out before the end of the year.
- Mayor Aiken noted that the Reserve Account does not zero out

Airport - \$138.24

- Hanger fees

Trailer Park - \$22,800

Insurance & Retirement - \$24,000

Contribution - \$0.00

- Mayor Aiken is concerned about the level of funding the City will receive for Revenue Sharing and Homestead Exemption Reimbursement.
- Councilor Martin would like to see some work done on the MicMac Pilot Agreement.

The total expenditure number is \$8,952,550.

**Expense Budget Changes:**

General Government – (\$20,929)

- Reductions in salary and health insurance

Chamber - \$1,000

- Added for their storage
- Mayor Aiken wants to see within the Chamber budget the total employee costs including FICA, Workers’ Compensation, and sick pay cost or the account needs to be adjusted before the end of the year.

Municipal Building – (\$7,829)

- This reduction is based on Trane’s projected savings.

Housing – (\$17,798)

- The City will receive a reduced amount from HUD
- Housing Department annually pays approximately \$800,000 to area landlords.
- Housing pays for their own office supplies

Library – (\$20,783)

- Do not fill the Assistant Librarian position

Nylander – (\$1,404)

- Cost of janitor moved to the Chamber Budget

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Fire Department – (\$1,583)

Ambulance – (\$3,977)

- Mayor Aiken asked questions concerning health insurance costs and why the salary line is up about \$14,000. He does not agree with adding a half time person in Ambulance billing.
- Councilor McDonough does not support adding a person in Ambulance billing

Police - \$13,308

- Salaries increased \$13,308 due to incorrect calculations

Protection – (\$123,079)

- Reduction in street lights and no longer paying the Ambulance Per Capita to ourselves

Emergency Management – (\$100)

- Reduce awards

Public Works – (\$751)

- Reduction in heating fuel and electricity with increases in rock salt and equipment maintenance
- Councilor McDonough wants to see a reduction in the amount budgeted for awards and recognitions. Currently \$7,500 is budgeted for this item. He recommended funding awards and recognitions at \$500.00, drop \$1,000 in the Fire, drop \$1,000 in the Ambulance, drop \$500.00 in EMA, and \$4,000 in the insurance and retirement awards.

Recreation – (\$28,058)

- Close the pool and reductions in heating fuel and electricity
- Councilor Martin has a problem with closing the pool without asking for public input or considering charging a fee to use the pool.
- Councilor Murchison stated that the City should consider completing necessary pool repairs if it is decided not to open it in 2013.
- Mayor Aiken wonders what the ramifications of closing the pool would be and whether its closing could lead to increase expenses in other departments.
- Councilor Theriault does not want to see the pool closed.
- Councilor McDonough noted that it would cost about \$55,000 to repair the pool.
- The Recreation Commission did not recommend closing the pool.

Parks – (\$13,369)

- Do not fill the janitor position and reduction in electricity.

Airport – (\$1,000)

- The runways are being repaired so no need for runway maintenance money

Trailer Park – (\$360)

- Reduction in electricity.

Cemeteries – (\$1,050)

- Reduce amounts to Evergreen and Grimes Cemeteries
- Brief discussion concerning graves of veterans and their maintenance.

Insurance & Retirement - \$18,684

- Workers Compensation increased by \$22,032
- Councilor Genthner asked if the City shops for health insurance. Manager Bless stated that it was done two years ago.

Unclassified - \$22,000

- Increased due to abatements given.

Capital Improvements – (\$52,000)

- Reductions made to the Ambulance Reserve, Police Computer Server, Public Works Reserve, Community Pool Reserve, and Civic Beautification Reserve.
- Mayor Aiken will support reductions in Capital Improvements if the Department Managers state that there is no longer a need for the Reserve Account.

Employee Contingency – (\$83,040.50)

- Wages for 2013 will remain the same.

Other areas:

During 2013, study health insurance costs for possible savings.

Staff has been looking at ways to increase revenues; such as, business licenses, parking fees, and land use fees.

As suggested by Council, staff has compared the cost of cell phones versus Tracfones and has determined that it would be more expensive for to use Tracfones. The City pays about \$287 per month for 17 cell phones.

Staff has been looking at ways to cut vehicle expenses. Councilor McDonough recommends using the two pickups already owned by the City for assessing and code enforcement.

**Upcoming Meeting Dates:**

Regular City Council Meeting, February 25, 2013 at 7:00 p.m.

Regular City Council Meeting, March 11, 2013 at 7:00 p.m.

Workshop adjourned 7:21 p.m.

Jayne R. Farrin Secretary