

May 10, 2012

12-13 wksp

A Workshop meeting of the Caribou City Council was held 6:30 p.m. Thursday, May 10, 2012 in Council Chambers with the following members present: Mayor Kenneth G. Murchison, Jr., Mary Kate Barbosa, John R. Boone, Philip McDonough II, Gary Aiken, and Bryan Thompson. Deputy Mayor D. Martin was absent.

Steven R. Buck, City Manager was present.

City of Caribou employees attending: Joelene Reitmeyer, Kalen Hill, Constance J. Michaud, Lisa Plourde, Ellen S. Gendreau, Stephen Wentworth, Wanda Ouellette, Diane DuBois, Mona Martin, Brian Levesque, Kathleen Mazzuchelli, Penny Thompson, Ricky Patterson, David Ouellette, Corlene Singletary, Scott Susi, Michael Gahagan, Jean Shaw, Ron Michaud, and Jenny Coon.

Others attending: Joan Theriault, Paul Theriault, Milo Haney, Doug Morrell, Wayne Belanger, and Wilfred Martin.

Item #1: Presentation by Citizens for Responsible City Management

- Doug Morrell – He stated that furlough days should be for all City employees and employee benefits need to be reviewed. He made a comment concerning the cost of building permits in Caribou and how the City recently lost the opportunity to have a structure built in Caribou because of a high building permit fee.
- Joan Theriault – Stated that it must have been very difficult for the four councilors that voted for the furlough days. She is reminded of the base closing and how changes had to be made. She feels that all of us need to make sacrifices. She noted that Caribou has an older population. We need to stop making excuses and to look for solutions. Ms. Theriault suggested that we take the furlough days by closing all City facilities and gave examples of closing the day before Memorial Day, Labor Day, and the day after Thanksgiving.
- Paul Theriault – He commented that no one knows their job better than the employees. He stated that the City's taxes need to start a downward trend. He commented that the City is on a downhill spiral.
- Wilfred Martin – We are all having financial struggles. In the City there have been a number of foreclosures and the economy is poor. We need lower taxes. Mr. Martin would like to see furlough days for all City employees; furthermore, he wants the Council to look at sick days and insurance coverage. He would like to see any tax acquired properties put out to bid quickly and suggested that it be done no more than 30 days after foreclosure. He spoke of city equipment and its use, wants the City to stop providing a fuel depot for Cary Medical, and for the Council to revisit wage contracts.
- Milo Haney – He feels the City Police Department has too many full-time employees as compared to the Police Departments for the Towns of Van Buren, Fort Fairfield, Limestone, Fort Kent, and Madawaska. He commented that Caribou is top heavy with labor. He suggested privatization. He feels Caribou is in a downhill spiral.

Item #2: Employment & Budget Examinations for 2012 Budget – Reductions.

Manager Buck has met with Department Managers twice since the April 30<sup>th</sup> Workshop to discuss and develop the spreadsheet provided this evening titled "Employment & Budget

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Examination for 2012 Budget – Reductions”. The Council had directed the Manager to look for savings reflecting “true hard costs going forward”.

Areas discussed:

1. Gross Wages – employees received 2% COLA after two years of no COLA. There has been some reduction in the impact of this COLA due to new hires, less seniority, new Fire & Ambulance Chief, and the delay in hiring the Chief. There will be continued examination of staffing levels, full versus part-time employees, and stipends in lieu of COLA increases.
2. FICA – The City will consider means of providing compensation not subject to FICA.
3. Health Insurance – If everyone moved to the PPO 500 plan – it would save the City approximately \$61,000.00 in premiums and possibly \$39,960.00 with the HRA retention.
4. Worker’s Compensation Insurance – The City continues to reduce this cost. Twice in the past five years, the City has been certified under the SHAPE program. This year it has been further reduced by \$11,500.00.
5. Unemployment – The City is a direct pay; which means, that the City pays the entire cost of unemployment when it is incurred.
6. Retirement Match – City employees are covered by either a defined contribution to a 457 Plan or MSR for members of the Police and Fire Departments. For the 457 Plan, the City matches up to 3.5% of gross wages for each employee. The Investment Committee is examining options regarding the City taking over the investment of Caribou’s monies that are managed by MePers. There are potential savings of \$15,000.
7. Sick Bank- Payout Over Bank – Possible changes to this practice which has an annual cost of \$6,500.00.
8. Sick Bank – The Department Managers have had discussions concerning this growing liability for the City including reducing the number of allowed banked hours, having the City pay all or a portion for short term disability, and allowing the exchange of banked sick time for vacation time.
9. Other Areas – Staffing changes, favorable salt bid, Nylander cataloging costs, closure of the pool, City’s ISO rating reduces the cost of homeowners insurance by approximately \$50.00 per policy, converting from #2 heating fuel to wood pellets for several City buildings, and the possible changes to the ambulance service.
10. Recreation Superintendent Kathleen Mazzuchelli explained her and the Recreation Commission’s reasoning for suggesting the closing of the pool. The pool workers for this summer have been selected so if the Council elects to close the pool for this summer then approximately six to eight individuals will have to look for a different summer job.

Item #3: Meeting adjourned at 8:10 p.m.

Jayne R. Farrin, Secretary