

A workshop meeting of the Caribou City Council was held 6:00 p.m. on Wednesday, November 9, 2016 in Council Chambers with following members present: Mayor Gary Aiken, Deputy Mayor David Martin, Philip McDonough II, Joan L. Theriault, Shane McDougall, and Jody R. Smith. Timothy C. Guerrette was absent and excused.

Austin Bleess, City Manager.

Department Manager: Gary Marquis, Supt. of Parks and Recreation; Wanda Raymond, Finance Director; Scott Susi, Fire Chief; Penny Thompson, Tax Assessor; and Dave Ouellette, Public Works Director.

Item #1: Discussion on 2017 Budget

By consensus of the Council at the end of the November 1st Budget Workshop, staff was directed to come up with a budget that only raised taxes by \$384,000 in 2017 over 2016. Manager Bleess read his November 9, 2016 Budget Information memo outlining the necessary cut in expenses and increases in revenue that total approximately \$206,000. With these changes the City will meet the goal established by the Council.

Manager Bleess answered several questions as to how these proposed changes could affect services. Councilor Theriault asked questions about TIF monies and if they could be used to pay for some of 2017 expenses; such as, LED lighting and parking lot paving. Manager Bleess answered that TIF monies can be used to purchase LED lighting but is unsure how many streetlights are within the Downtown TIF District. Councilor Theriault isn't comfortable eliminating the Assistant City Manager position and questioned if HR could be moved to Tax Collector then is there a need to have a second full-time position in Tax Collector's Office rather than a half-time person.

The TIF balance is approximately \$28,000.

Councilor Smith supports the budget as proposed as it shows that they are still trying to keep expenses under control and is a "happy medium". Councilor Martin agreed with Councilor Smith's comments. Councilor McDonough wants to retain the Assistant City Manager position.

Chief Susi wonders if the City should eliminate one truck by removing a rescue truck, and acquire in its place a rescue pumper. A rescue pumper would cost approximately \$600,000. The Mayor expressed his frustrations with the budget process and how numbers change and the year equipment needs to be replaced changes. Councilor McDonough stated that the City needs to take better care of our City's equipment.

The City implemented PILOT agreements with a number of places two years ago and they are currently paying. Currently the City is discussing a PILOT agreement with the MicMac Chief.

LED lighting was discussed.

Public Works Director is in favor of replacing the tanks versus using an outside vendor even if an outside vendor is cheaper. By using an outside vendor the City loses control and this is a concern of Councilor McDougall. Ouellette is concerned about pumping and storing diesel above ground because of jelling. Also he commented that above ground tanks are unsightly. He noted that that there are a lot less requirements for above ground tanks. Director Ouellette estimates the cost to be approximately \$150,000 for in ground and \$110,000 for above ground tanks.

Councilors Theriault and McDonough are in favor of keeping the Assistant City Manager position. Councilor McDougall wants to the City to fill the services that are needed. He doesn't think the Assistant City Manager position should be seen as a secession plan for the City Manager. Councilor McDonough thinks that someone other than the Assistant City Manager should take care of code enforcement and maybe even HR. When asked what would happen if the Assistant City Manager position was eliminated, the Manager stated that HR would go to the Finance Department and code would fall onto the City Manager along with the Planning Board, and a regional option of sharing code services would be considered. Payroll will be going bi-weekly and that will free up time in Finance, so there will not be any need to hire an HR Director. A City Planner position could be considered. Councilor Smith stated that he has never been in favor of funding the Assistant City Manager position.

The Mayor noted that at the end of 2015 the City had \$371,000 remaining unspent in the Expense Budget and it was moved to the City's Undesignated Fund Balance. That same year the City had revenues in excess of \$55,000 of what was budgeted for 2015 and this too was moved to the Undesignated Fund Balance. The two together is about \$425,000 or \$430,000 of taxpayer money or revenue. The Mayor doesn't agree with this money remaining in the Undesignated Fund Balance as he feels it should be applied to this year's tax bill. The Manager noted that at the end of 2015 the Undesignated Fund Balance was at 14% which doesn't even represent two months of expenses. The Mayor commented that there is \$3,000,000 in the bank next door if needed. The Mayor feels that there will be even more unspent monies at the end of 2016. He commented that the City could be receiving in 2017 a \$250,000 building permit for the new school, if so, this could be used towards funding the fire truck. With the new school, the Mayor feels the school budget will come down substantially. The Mayor's recommendation is to take the \$427,000 or so that was transferred to Undesignated Fund Balance at the end of 2015 to reduce the budget for 2017. The Manager cautioned against any reduction of the Undesignated Fund Balance. Discussion. Councilor McDonough stated that the City should set a cap for the City's "Rainy Day" Fund (Undesignated Fund Balance) and to develop a "Rainy Day" Fund Policy.

Council Consensus: To move the monies from the Undesignated Fund Balance equaling the amount moved to the Fund at the end of 2015 resulting in no mil increase.

Public Hearing scheduled for Monday, November 14, 2016 at 6:00 p.m.

Item #2: Broadband Coalition

A workshop with the Broadband Coalition was scheduled for November 28, 2016 at 5:00 p.m.

Workshop adjourned at 7:50 p.m.

Upcoming Meeting Dates:

Regular City Council Meeting Monday, November 14, 2016 at 6:00 p.m.

Regular City Council Meeting Monday, November 28, 2016 at 6:00 p.m.

Jayne R. Farrin, Secretary