

November 18, 2019

19-25 Wksp.

A Workshop meeting of the Caribou City Council was held 6:00 p.m. on Monday, November 18, 2019 in Council Chambers with the following members present: Mayor R. Mark Goughan, Deputy Mayor Jody R. Smith, David Martin, Hugh A. Kirkpatrick. Joan L. Theriault, Nicole L. Cote, and Thomas Ayer.

Dennis L. Marker, City Manager was present.

Douglas C. Morrell, Councilor-Elect was present.

Department Managers and Staff: Penny Thompson (Tax Assessor), Dave Ouellette (Public Works Director), Kenneth G. Murchison (Zoning Administrator), Christina Kane-Gibson (Events and Marketing), Michael Gahagan (Police Chief), Scott Susi (Fire Chief), Gary Marquis (Supt. of Parks and Recreation), Hope Shafer (Library Director), and Carl Grant (Finance Director).

The Mayor led the Pledge of Allegiance.

Item #1: 2020 Budget Discussion

The Mayor stated that members of the public may make comments during the Workshop by raising their hand to be recognized. Questions should be written down and submitted to the City Manager and Council will see that they are answered.

- The health insurance buyout was explained. The annual buyout is approximately \$2,600.
- Questions about streetlights and the anticipated savings from installation of LED streetlights – the City is still waiting on Emera Maine.
- Discussion as to how the Council wanted to precede, go line by line or give a target to be reached.
- Councilor Kirkpatrick reviewed a project, he has been working on much of 2019, concerning the 2013 to 2020 budgets for 3 departments - Fire & Ambulance, Police, and Public Works. He explained his four-slide presentation. (Exhibit A) His numbers show that in 2013, the three departments used 51% of the City's revenues and that increased to 75% in 2019. Councilor Kirkpatrick's presentation ended with a statement that the Manager and Department Heads have a lot of work to do.
- Discussion about air ambulance.
- Discussion as to the cost of a standalone fire department – The Chief reported that a study was done back in 2012, and it was estimated to be a million a year. There was questioning on the Council as to what are really the facts concerning standalone fire department costs.
- Where to go from here: The Mayor suggests that Council gives direction to the City Manager and then let management figure it out.
- The Mayor stated that Council has received information that it is costing approximately \$140 per person for fire and ambulance services for Caribou residents and that the City charges \$70 to \$75 per person to surrounding communities. He noted that its Caribou

is taking all the risk and probably the outside communities should be charged closer to \$160 a person.

Each Councilor was asked what they wanted:

Councilor Ayer: Need to do more with less. It needs to be done. The City needs to work within our means. We need to get this under control. The City should use 2019 numbers.

Councilor Kirkpatrick: A Budget, where expenses don't exceed 2019. A Budget, where Capital Investment doesn't exceed 2019. A Budget, which anticipates no mil rate increase in 2020 for the City. A Budget, where no one time revenue is needed.

Councilor Cote: Recommends looking at the 2019 Budget numbers.

Mayor: Noted four points from the 2018 Audit Summary, (1) less debt in the City than a year ago, (2) the City spent more money than we thought we were going to spend, (3) the City took in less money than we thought we would, and (4) the City is worth less than a year ago. The Mayor wants the management team to put together numbers using the 2019 Budget.

Councilor Smith: For management to bring back a Budget to Council to look at that doesn't exceed 2019 numbers.

Councilor Ayer: Stated that the mil rate will go up because of the school and county budgets.

Mayor: Noted it is anticipated that the City will receive approximately \$275,000 more in State Revenue Sharing.

Councilor Smith: Develop a Budget without one time money.

Councilor Martin: No way can a Budget stay the same without cutting programs and those decisions should be made by Council.

Councilor Theriault: Believes that it will be difficult to hold the Budget. She does believe that there are ways to cut expenses and increase revenues. She doesn't oppose the use of one time funds for certain items; such as, the River Road and damage to the Fire Station.

Resident Wilfred Martin stated that it is politics that is running the community.

The Mayor commented that it is the structure of the community and not the individual that is working within it that is being discussed. We need to dwell on solutions. He reminded everyone that the Mayor and Council has one employee and that person is the City Manager.

Someone from the audience praised Councilor Kirkpatrick for his presentation.

Discussion about the City's insurance buyout. The Manager stated that the City saves money when an employee takes the insurance buyout. There is 80-20 split between City and employee for health insurance costs.

November 18, 2019

19-25 Wksp. Pg. 3

A business owner stated that the departments have gotten larger as the population has gotten smaller. He commented that there needs to be creative out of the box thinking to supply the taxpayers of this community the services they are entitled to and not keep charging more money.

Council Consensus:

- 2020 Budget expenses doesn't exceed 2019
- 2020 Capital Budget doesn't exceed 2019
- Anticipate no mil rate increase for the City share in 2020
- No one time revenues anticipated needed for 2020

Motion made by J. Smith, seconded by H. Kirkpatrick, to adjourn the workshop at 7:07 p.m. (7 yes) So voted.

Upcoming Meeting Dates:

Regular City Council Meeting, Monday, November 25, 2019 at 6:00 p.m.

Regular City Council Meeting, Monday, December 9, 2019 at 6:00 p.m.

Jayne R. Farrin, Secretary

City of Caribou Historical Financial Results By Department

Dept(s)	Yr	40 Net Cost to Taxpayer	% of 10 Gen Gov	10 Gen Gov Rev	40 Rev	40 Exp	40 Capital	Status
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
40 Public Works	2013	(\$1,621,500)	28%	\$5,865,000	\$ 307,000	\$ 1,838,000	\$ 90,500	actual
	2014	(\$1,742,700)	28%	\$6,211,000	\$ 203,000	\$ 1,856,000	\$ 89,700	actual
	2015	(\$1,758,000)	28%	\$6,340,000	\$ 197,000	\$ 1,865,000	\$ 90,000	actual
	2016	(\$1,619,000)	26%	\$6,310,000	\$ 193,000	\$ 1,782,000	\$ 30,000	actual
	2017	(\$1,979,482)	30%	\$6,557,000	\$ 201,000	\$ 2,064,000	\$ 116,482	actual
	2018	(\$2,163,079)	32%	\$6,831,000	\$ 200,000	\$ 2,192,596	\$ 170,483	unaudited
	2019	(\$2,455,292)	35%	\$6,999,000	\$ 199,000	\$ 2,272,004	\$ 382,288	projected
	2020	(\$2,249,379)	31%	\$7,341,346	\$ 203,415	\$ 2,287,794	\$ 165,000	draft
7-yr difference		(\$834,000)			(\$108,000)	\$434,000	\$292,000	
7-yr % chg		51%			-35%	24%	323%	

City of Caribou Historical Financial Results By Department

Dept(s)	Yr	35 Net Cost to Taxpayer	% of 10 Gen Gov	10 Gen Gov Rev	35 Rev	35 Exp	35 Capital	Status
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
35 Police	2013	(\$1,135,347)	19%	\$5,865,000	\$ 54,400	\$ 1,141,000	\$ 48,747	actual
	2014	(\$1,168,852)	19%	\$6,211,000	\$ 57,500	\$ 1,180,000	\$ 46,352	actual
	2015	(\$1,232,678)	19%	\$6,340,000	\$ 50,400	\$ 1,234,000	\$ 49,078	actual
	2016	(\$1,323,645)	21%	\$6,310,000	\$ 37,400	\$ 1,313,000	\$ 48,045	actual
	2017	(\$1,439,044)	22%	\$6,557,000	\$ 61,200	\$ 1,446,000	\$ 54,244	actual
	2018	(\$1,549,736)	23%	\$6,831,000	\$ 63,300	\$ 1,553,146	\$ 59,890	unaudited
	2019	(\$1,648,859)	24%	\$6,999,000	\$ 112,000	\$ 1,701,891	\$ 58,968	projected
	2020	(\$1,660,800)	23%	\$7,341,346	\$ 111,920	\$ 1,710,220	\$ 62,500	draft
7-yr difference		(\$514,000)			\$58,000	\$561,000	\$10,000	
7-yr % chg		45%			107%	49%	21%	

City of Caribou Historical Financial Results By Department

Dept(s)	Yr	31 Net Cost to Taxpayer	% of 10 Gen Gov	10 Gen Gov Rev	31 Rev	31 Exp	31 Capital	Status
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(9)	(10)
31 Fire & Amb	2013	(\$257,053)	4.4%	\$5,865,237	\$ 1,914,645	\$ 2,049,847	\$ 121,851	actual
	2014	(\$445,377)	7.2%	\$6,211,275	\$ 1,955,670	\$ 2,162,522	\$ 238,525	actual
	2015	(\$465,996)	7.4%	\$6,339,916	\$ 2,002,084	\$ 2,218,176	\$ 249,904	actual
	2016	(\$566,017)	9.0%	\$6,310,195	\$ 1,861,316	\$ 2,298,050	\$ 129,283	actual
	2017	(\$718,967)	11.0%	\$6,556,664	\$ 1,859,576	\$ 2,286,801	\$ 291,742	actual
	2018	(\$947,475)	13.9%	\$6,830,540	\$ 1,459,777	\$ 2,168,194	\$ 239,058	unaudited
	2019	(\$1,137,313)	16.3%	\$6,998,781	\$ 1,409,503	\$ 2,326,021	\$ 220,795	projected
	2020	(\$959,756)	13.1%	\$7,341,346	\$ 1,698,575	\$ 2,372,736	\$ 285,595	draft
7-yr difference		(\$880,000)			(\$505,000)	\$276,000	\$99,000	
7-yr % chg		342%			-26%	13%	81%	

City of Caribou Historical Financial Results Fire & Amb, PW, PD

Dept(s)	Yr	31,40,35 Net Cost to Taxpayer	% of 10 Gen Gov	10 Gen Gov Rev	31,40,35 Rev	31,40,35 Exp	31,40,35 Capital	Status	CPI, previous yr	Budget Change vs CPI
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(9)	(10)	(11)	(12)
31,40,35	2013	(\$3,013,901)	51%	\$5,865,237	\$ 2,276,045	\$ 5,028,847	\$261,099	actual	1.7%	-
	2014	(\$3,356,929)	54%	\$6,211,275	\$ 2,216,170	\$ 5,198,522	\$374,577	actual	1.4%	3.7
	2015	(\$3,456,674)	55%	\$6,339,916	\$ 2,249,484	\$ 5,317,176	\$388,982	actual	0.7%	3.9
	2016	(\$3,508,662)	56%	\$6,310,195	\$ 2,091,716	\$ 5,393,050	\$207,328	actual	0.8%	3.6
	2017	(\$4,137,493)	63%	\$6,556,664	\$ 2,121,776	\$ 5,796,801	\$462,468	actual	1.9%	5.7
	2018	(\$4,660,290)	68%	\$6,830,540	\$ 1,723,077	\$ 5,913,936	\$469,431	unaudited	2.0%	6.4
	2019	(\$5,241,464)	75%	\$6,998,781	\$ 1,720,503	\$ 6,299,916	\$662,051	projected	2.0%	7.0
	2020	(\$4,869,935)	66%	\$7,341,346	\$ 2,013,910	\$ 6,370,750	\$513,095	draft	2.4%	4.8
7-yr difference		(\$2,228,000)		\$1,134,000	(\$556,000)	\$1,271,000	\$401,000			
7-yr % chg. (13)		74%			-24%	25%	154%			