



**City Manager's Report
May 24, 2024**

Economic Projects

River Front - Powerplants	The Steam Plant CERCLA project has a new project manager after the unexpected departure of the former project manager. There is a Brownfields Summit in Portland May 29-30. The Diesel Plant is a Brownfields project.
Broadband Initiative	An email from the Maine Connectivity Authority that states that have reached agreement on contract terms with Charter for the communities that were covered in the ReachMe grant award from April 2023.
Ogren Dump Solar Project	No new updates.
Events and Marketing	Thursdays on Sweden Street begins next week on June 6!
Landbank	No new updates.
Chapter 13 Rewrite	A Planning Board workshop was held May 23.
Federal American Rescue Plan Act	No new updates.
Blight Cleanup	No new updates.
Birdseye Cleanup	Staff is working to gather the amount spent to date for clean up of the site.
Caribou Development Committee	No new updates
River Front - Master Plan	No new updates
Façade Improvement Program	No new updates.
Aldrich ATV/Snowmobile Storage	No new updates.
Caribou Economic Growth Council	No new updates.
Business Outreach	Congratulations to Ruska Coffee whi received a Customer Service Award from the Central Aroostook Chamber of Commerce.

Other Administrative Projects

Tax Acquired Property Policy	No new updates.
Nylander	No new updates.
Fire Structural Work	No new updates.
Fire Station Renovations	No new updates.
Police Station	The committee met last week to discuss. USDA RD was up this week and visited intended site.
River Road	Versant has been in touch about moving "the pole".
Investment Policy	No new updates.
Trailer Park Closure	No new updates
Cable Franchise Renewal	No new updates.
Airport	No new updates.
Personnel Policy	No new updates.
New LED Street lights	The Highway/Protection committee has met. A list was given to R L Todd to determine costs to install additional lights.
Comp Plan Update	The Planning Board has drafts of several sections of the 2024-2034 Comprehensive Plan.
LD 2003 Implementation	No new updates.
15 Prospect Street	Many complaints of burning, noise and the continued dilapidated appearance.
Water Street Fire	No new updates.
Age-Friendly Efforts	No new updates.
Personnel Changes	A new Code Enforcement Officer has been hired and will start on June 4.
DOT Village Partnership	There will be a public meeting in June.
Aroostook Waste Solutions	Meeting held on May 24.
Cary Medical Center	The 100th anniversary of Jefferson Cary's vision for a Caribou community hospital will be celebrated in 2024.
Other Updates	Maine Revenue Service was onsite for the City's State Valuation audit this week. All good for another year.
Administrative Approvals	Caribou Country Club renewal was processed.

Looking Ahead to Setting the 2024 Tax Rate

(Review from the April meeting)

The total amount to be raised from property taxes includes:

Municipal Appropriations

*Amount needed to fund all city departments and is reduced by the revenues raised by the city which includes excise tax and state funds like Revenue Sharing and the exemption reimbursements like homestead, business equipment, etc.

*The City Council approves the expense and revenue budgets after a public hearing. This was set in March per city charter. The City Council may not increase the annual expense budget after

School Funding

*Amount to operate the RSU#39, Stockholm 4.39% and Caribou 95.61%. This amount is reduced by the State Aid to Education.

*The School Board sets the school budget and it goes first to a District Budget meeting where the warrant articles for each cost center are approved. Then the budget is sent to a validation vote.

*2024-2025 Budget dates: Wednesday May 22 was the District Budget Meeting & Tuesday June 11 will be the Budget Validation vote.

*The assessors for the City must raise the amount billed to the City by the RSU.

City portion of County Tax

*The Aroostook County budget is apportioned to all areas of Aroostook by the equalized state valuation. It includes amounts to operate county operations which is a distinct and separate budget from the county jail budget. Caribou is third, behind the Unorganized Townships & the City of Presque Isle for County taxes assessed.

*The County Commissioners and the County Finance Committee work to prepare and approve these budgets. This year, the County is transitioning to a fiscal year & will send out for 18 months of County Tax.

*The Public Hearing on the 12-month budget was on Tuesday May 14. The budget was passed. The bills will go out shortly.

*The assessors for the City must raise the amount billed to the City by the County.

To determine the amount to be raised, the total amount to be raised from property taxes (combine the amounts above) by the taxable valuation in Caribou (both real estate and business personal property).

Using the most recent 2023 tax year as an example: The total taxable valuation in Caribou was \$470,220,059. The amount of tax for commitment was: \$9,169,291. The tax rate was .0195 or a “mil rate” of 19.5. If you are wondering, a “mil” is 1/1000 of valuation or \$470,220.059, so a “mil rate” of 19.5 means the City raised 19.5 “mils” ($\$470,220.059 \times 19.5 = \$9,169,291$).

Looking Ahead to Setting the 2024 Tax Rate

An update for the May meeting

The total amount to be raised from property taxes includes:

Municipal Appropriations

Expense Budget Passed:
\$11,084,281

Capital Budget Passed:
\$ 1,244,980

Total Municipal Expense:
\$12,329,261

Then we subtract from this the
Accepted revenues
Unanticipated 2023 revenues carried forward
Lapsed Appropriations from 2022

Total Amount to be raised by the City
From 2024 property taxes will be:
\$ 4,429,792

School Funding

Amounts Passed:
2023-2024 School Year
\$ 4,451,017

2024-2025 School Year
\$ 5,501,382

The City pays ½ of each
For the 2024 tax bill
\$ 4,976,200

City portion of County Tax

12-month portion:
\$ 905,531

6-month portion:
(paying in installments)
\$138,615

Total amount for the County:
\$1,044,146

Total Amount to be raised: \$10,450,138

42%

48%

10%

Using some rough preliminary numbers for valuation (the other part of the tax rate calculation), the minimum tax rate would be approximately: .02235 or 22.35 mils, resulting in the following mil rates for each:

9.387 mils

10.728 mils

2.235 mils

The 2023 tax rate was .01950 or 19.5 mils. This would be a 2.85 mil increase.

For every \$1,000 of property value, a citizen will pay \$2.85 more in property taxes over 2023.

Now consider that 496 senior taxpayers had their 2023 tax bills stabilized at their 2022 amount. These taxpayers will be paying the 2023 increase and the 2024 increase this year.

Note:

We have not finished our valuation for 2024 so this is not a firm number. It is just meant to give an estimate.