

1. 2023-08-31 Finance Committee Meeting Agenda

Documents:

[2023-08-31 FC AGENDA.PDF](#)

2. Property Tax Assessment - Intro Series

Documents:

[INTRODUCTION TO PROPERTY TAX ASSESSMENT.PDF](#)

3. Property Tax FAQs

Documents:

[PROPERTY TAX FAQs.PDF](#)

4. 2023-07-20 FC Meeting Minutes (DRAFT)

Documents:

[2023-07-20 MINUTES \(DRAFT\).PDF](#)

Town of Brunswick, Maine
Finance Committee Meeting
Thursday, August 31, 2023 at 6:30 PM
Council Chambers, 85 Union Street

HOW TO WATCH AND COMMENT VIA ZOOM

<https://us02web.zoom.us/j/85394744965?pwd=UGNzSTB5ZlhtOFVyV2lyVUQ5NjNjQT09>

HOW TO WATCH VIA TV 3 OR LIVE STREAM

*THE LINK TO VIEW OR LISTEN TO THE MEETING ON TV3 (Channel 3 on Comcast) or
VIA LIVE STREAM FROM THE TOWN'S WEBSITE*

<http://tv3hd.brunswickme.org/CablecastPublicSite/watch/1?channel=1>

Agenda

1. Acknowledgement that meeting was properly noticed
2. Adjustments to agenda
3. Plan for public outreach and communication around property revaluation.
 - How to structure public forums
 - When and where to hold them
 - What specific topics will be discussed (see attached suggestions)
 - What other ideas are there around improved communication from the Town to the citizens and in reverse?
4. Review of meeting minutes from 7/20/23
REQUESTED ACTION - Approval of minutes
5. Adjourn

Introduction to Property Tax Assessment

A Five-Part Series (short presentations 10-15 minutes)

Introduction

- A. Purpose: To provide interested persons with an overview of the property assessment and taxation profession.
- B. Basic Principles
 - a. Constitutional law
 - b. Statutory requirements
- C. Assessment vs. Taxation
- D. Important Dates

The Assessor's Tasks (bolded items to be main focus)

- A. Property record cards**
- B. Tax relief**
- C. Property deeds**
- D. Real estate sales**
- E. Tax maps, permits, ownership info, 911 addressing, personal property, appeals, town valuation

The Valuation Process

- A. What affects value?
- B. Data collection
- C. Sales approach
- D. Cost approach
- E. Income approach
- F. Review

Tax Billing

- A. Town Budget (school, town, county)
- B. Taxable value
- C. Mil rate
- D. TIFs
- E. Overlay
- F. Tax commitment
- G. Tax bills

Assessment Appeals

- A. Informal appeal
- B. Formal appeal
- C. Board of Assessment Review
- D. State Board

Frequently Asked Questions about the Revaluation

1. Why is the revaluation necessary?
2. What are the different ways revaluation/reassessment can be done?
3. What should I do if I don't agree with my updated assessed value?
4. Will my property taxes go up if my assessed value goes up?
5. Will the Town make more money if my assessed value goes up?
6. Why don't assessed values increase to 70% of market rather than 100%?

Frequently Asked Questions about the Budget and Taxes

1. How is the Town's budget developed and adopted?
2. How does the budget determine property taxes?
3. What does 'mil rate' mean?
4. Can we charge different tax rates on different property classes?
5. What tax exemptions are available?
6. What property tax assistance programs are available?

Frequently Asked Questions about Property Tax Bills

1. When do tax bills come out?
2. When are taxes due?
3. What time period do the taxes cover?
4. What if I have a mortgage and my escrow pays my taxes?
5. What if I sell my property after April 1st?
6. What if I don't pay by the due dates?
7. Who should I talk to if I can't pay my tax bill?
8. What happens if I don't pay my tax bill?
9. What is the timeline of the tax lien and foreclosure process?
10. What happens after tax foreclosure?

Town of Brunswick, Maine

**Finance Committee Meeting
Thursday July 20, 2023 at 6:30 PM
85 Union Street – Council Chambers
and by electronic devices**

Meeting Minutes (DRAFT)

Committee Members: Councilor Sande Updegraph
Councilor Nathaniel Shed
Councilor Dan Ankeleles (remote)

Staff: Finance Director Julia Henze

1. Acknowledgement that meeting was properly noticed
2. Adjustments to agenda / Public comment
None

3. Review of meeting minutes from 6/15/23

Councilor Shed moved to approve, Councilor Updegraph seconded. Councilor Ankeles abstained. Approved by two councilors.

4. Review Investment Policy

J.Henze provided a brief review of the scope, purpose and general objectives of the policy. Explained that this policy does not apply to the Trust Funds, which are managed by the Trust Fund Advisory Committee and are invested in the stock market. Committee discussed collateralization, maturities, cash flow, earnings, and looked at the bank account charts (see item 5 discussion below).

Councilor Updegraph asked about the Glossary, and pointed out that Bankers' Acceptances is not defined. J.Henze will follow up with an amendment to the policy to flesh out the definitions in the glossary section, and will also change Comprehensive Annual Financial Report to Annual Comprehensive Financial Report on page 1.

Councilor Updegraph moved that the suggested amendments to the Investment Policy be forwarded to the Town Council for consideration. Councilor Shed seconded. Approved unanimously.

5. Review 6/30/23 Cash

Review of these charts was covered during the discussion of the Investment Policy.

5a. Bank accounts – J.Henze reviewed the Town's bank accounts and explained the operating flows between accounts for the general fund. The Town's cash is currently in deposit accounts at local banks, and is managed to maximize interest earnings. Councilor Shed asked

about opportunities for higher returns from other instruments. Staff will look into that, while maintaining the order of priorities in the Investment Policy: Safety, Liquidity, Yield.

5b. Balances and cash flows – Committee reviewed the general fund cash flow chart, Councilor Shed asked about appropriate cash balances. J.Henze pointed out the correlation between the fund balance and general fund cash balance, and mentioned best practice, the recent Moody's Annual Comment, use of funds for capital projects, avoiding use of one-time resources for ongoing costs. Committee discussed the other (non-general fund) accounts, and the reasons for the changes over the years. Councilor Ankeles explained Recreation Impact Fees and Recreation Special Programs. Committee discussed how the landfill closure was funded through the funds reserved from the pay-per-bag program, and what the future pay-per-bag revenues might be used for.

5c. Fed Funds Rate and Yield Curve charts – J.Henze reviewed three charts reflecting general economic trends and explained how an inverted yield curve has historically predicted recession.

5d. General Fund interest revenue chart – J.Henze pointed out that this chart profile mirrors the Fed Funds Rate chart, as the Town's interest earnings are pegged to the Fed Funds rate.

6. Proprietary Funds

J.Henze explained how the accounting methods for business-type activities (Proprietary or Enterprise Funds) are different from governmental-type activities. Presented historical balance sheets and P&L for each Enterprise Fund.

a. Graham Road Landfill – J.Henze pointed out where the landfill closure appears in the statement, and discussed the reimbursement from the State through the Landfill Closure Program. Committee discussed how the reimbursement works, the landfill postclosure costs, past funding, and how the next 30 years might go.

b. Pay-Per-Bag Program – Committee reviewed the historical financials of the program, and J.Henze pointed out the changes in revenues due to the increase in price in 2019, and the trends of bag sales. Committee discussed the program

c. Processing Facility – Committee reviewed the statements, and discussed the operations of the facility, including how the fees do not cover the cost of operation. The initial funding from Landfill Impact Fees covered construction of the facility and is currently covering the annual operating deficit.

d. Mere Point Wastewater System – J.Henze explained that the Webb Field Road force main was funded with an advance from the general fund, and MPWW currently owes the general fund \$104,981. User fees were increased in 2022, and the advance is projected to be repaid within 6 years. Committee discussed the origins and operation of the system.

e. Train Station/Visitors Center – Committee discussed the Town's agreement with BDA to run the visitor's center, and the Town's responsibilities to maintain the train station. J.Henze explained the 2022 change in accounting rules for leases, and how that changed the P&L.

7. Updated Finance Committee meeting schedule

Committee reviewed proposed schedule. J.Henze mentioned that the Tax Acquired Property Policy may come back before the Committee.

8. Adjourn

Councilor Updegraph adjourned meeting.