

**FINANCE COMMITTEE**  
**November 18, 2013 @ 5:00 pm**

**MINUTES**

**Council Members:** Gallant, Graham, Durgin, Blanchette, Baldacci, Sprague, Civiello, Plourde, Nealley

**Staff:** Birch, Cyr, Dawes

**1. Bids/Purchasing**

- a. Sidewalk Tractor – Public Works – HP Fairfield - \$99,911

Finance Director Cyr stated that staff recommendation is to award the bid to the low bidder, HP Fairfield, whom we've worked with in the past. This machinery will be used to plow sidewalks in the City.

Councilor Blanchette asked why there was such a big difference in trade-in price from the vendors. Equipment Director, Bob Dawes, explained that some equipment is worth more to some vendors than others. It depends if they are a direct or indirect supplier.

Councilor Blanchette moved staff recommendation, Councilor Nealley seconded, so approved.

- b. Front End Loader – Public Works – Nortrax - \$182,000, Life Cycle Cost \$84,500

Finance Director Cyr explained this loader is part of the buyback option which guarantees the City will be able to sell it back to the supplier in 5 years and put that money towards a new machine. The recommendation is to purchase the loader from Nortrax for the amount of \$182,000.

Councilor Blanchette moved, Councilor Nealley seconded, so approved to recommend to full Council.

**2. Update from City Assessor**

Assessor Ben Birch updated the Council on issues in regards to the City and the Assessing Department.

## **Sections from Assessing Department Update:**

**A & B** – These sections are related to Maine’s Real Estate Information and it shows that home sale prices are up approximately by 2% in the state. Bangor is up a little more than 4%. The last page dated in August is the home prices rose 2.2% for the year. This information is given due to the fact that a few years ago when housing appraisals dropped, people were calling and using the national rate to get a lower tax amount so being able to answer with the Maine rate helps them understand why this cannot be done.

In regards to the Governmental Shutdown had the effect of having the phones in the Assessing Department had stopped ringing all together. Due to the IRS shutting down, papers pile up on desks because social security numbers can’t be checked, etc.

**C** – This section is the Annual Sales Ratio Report which shows that the minimum assessment ratio of 70% which is the percentage of full fair market value at which the assessor is assessing taxable property. We report on a month to month basis but we are aware that one purchase can make a monthly report look higher than it really should.

**D** – This section showed the Proposed 2014 State Valuation which represents the full equalized value of all taxable property in each municipality as of April 1, 2012 but incorporates sales data from 2011 and 2012. This is to let you know that our State valuation increased a little which increases our revenue sharing.

**E** – The last section explained special interest items such as the Government Shutdown and the affects it’s had on local real estate activities. This section also explains about possible assessing issues for this coming year. This included things such as revenue sharing, BETR/BETE Conversion Task Force, and Nonprofit Tax Review Task Force. In 2013 we had 3.35% transfers. The vacant land has been a problem because it has residential and commercial properties plus waterfront areas. Sunbury Primary was sold to EMMC so that means we will see a loss of \$80,000 in taxes owed because of this purchase.

**Adjourned at 5:45pm.**