

FINANCE COMMITTEE MINUTES
June 15, 2015 @ 5:15 pm

Councilors in Attendance: Baldacci, Civiello, Sprague, Faircloth, Nealley, Durgin, Blanchette, Graham

Staff in Attendance: Cyr, Conlow, Little, Theriault, Emery, Caruso, Collins, Rudzinski

1. Consent Agenda

- a. Resolve 15-204, Accepting and Appropriating \$1,379,967 in Federal and \$76,555 in State AIP 67 Funding for ASR (concrete) Mitigation, Trench Drains and Rehab of GA Ramp

Motion to recommend Resolve to full Council, seconded, approved unanimously.

2. Bids/Purchasing

- a. Building 487 Demolition – Community & Econ Development – J.E. Butler, LLC
\$136,920

Motion to recommend to full Council, seconded, approved unanimously.

- b. Odlin Rd Force Main Installation – WWTP – Lou Silver Inc, \$102,500

Committee requested affirmation from staff that even though only one bid was received, that the cost was in line and took note of the time sensitivity of the work. Motion to recommend to full Council, seconded, approved unanimously.

- c. Sewer System Maintenance & Repairs – WWTP – Eastwood Contractors

Committee reviewed recommendation to award to the second low bidder based on timeliness concerns of apparent low bidder. Motion to recommend to full Council, seconded, approved unanimously.

3. Workout Agreement – 190 Union Street

This item was continued from the previous meeting. Staff thoroughly reviewed the proposed terms of the agreement with the taxpayers. The taxpayers understand their responsibilities under the term of the agreement.

Motion made and seconded to approve the terms of the agreement. Motion was approved unanimously.

4. Request to Take Possession of Multiple Properties with Matured Tax Liens

Staff reviewed a list of five properties that the Council was being asked to take possession of due to matured tax liens. These properties had been previously identified by staff as properties with more than 5 years of outstanding taxes or properties that were impacting the overall neighborhood. As the City had no signed lien notices, staff

completed the required notice provisions of State Statute prior to bringing the properties to the Committee for consideration.

Motion made and seconded to recommend taking possession of these properties to the full Council. Motion was approved unanimously.

5. Overview of Property Tax Process

At the previous Committee meeting, there was a request to review the tax process from beginning to end. Staff reviewed the overview noting all steps in the process and whether or not required. Councilors were concerned that the tax bills do not contain past due amounts. The reason being the tax bills are generated from the Assessing portion of the database and not the collection side. Staff noted it would be difficult to do this and a potential issue as information included on tax bills is proscribed by State Statute. It was noted that staff could be sending more frequent past due notices if that is the will of the Council. This over of the process will be posted to the City's website for informational purposes.

6. Outstanding Taxes

At the previous Committee meeting, there was a request to review the amount of taxes currently outstanding. Staff reviewed the cumulative real estate and personal property taxes outstanding by year as well as in total. Over the last 20 years, the City's overall collection rate (which include amounts written off by the Committee) was 99.528%. While it may appear skewed with the number and value of 2015 that will come down when notices of liens are mailed this week. A tax lien takes priority over any other liens with the exception of the Federal and State governments. So while it may take some time for the City to receive payment it typically does so. The current rate of interest on past due accounts is 7% which is an outstanding return in the current market environment.

7. Workout Agreement Update

At the previous Committee meeting, there was a request to review the status and types of current workout agreements. Staff provided an overview of the three types of workout agreements (non-matured, matured, license) as well as update on the status of the 10 current workout agreements in place.

Meeting adjourned 6:10 pm