

## **FINANCE COMMITTEE AGENDA**

**March 16, 2015 @ 5:15 pm**

- 1. Update on Properties with Matured Tax Liens**
- 2. General Fund Status – January 2015**
- 3. Website Budget Information**

# MEMORANDUM



TO: Finance Committee  
FROM: Jason Bird, Community and Economic Development Officer  
DATE: March 6, 2015

## Update on Properties with Matured Tax Liens

Over the past month, City staff has revived its review of properties that have current matured tax liens and developed recommendations for those that are considerably delinquent with no attempt by the owner to become current. This renewed effort identified 34 properties that will be the focus of the coming months. Of those 34 properties, staff identified 10 vacant properties as the first priorities. The City of Bangor has made it clear that it will exhaust all possible options before recommending that we acquire property due to matured tax liens. To that end, the City will be sending one last notification, which is strictly a courtesy at this point, to inform the property owners of the impending action by the City and provides them with a 30 day window to contact the Treasury Department and develop a reasonable timeline to become current (one owner has already paid in full). For property owners who fail to contact the City, City staff recommendation is to take final action to acquire those properties. That final action will be in the form of separate Council Actions and Council Orders for each property, presented to the Finance Committee with a staff recommendation that the acquisition and reuse be supported by the full Council.

For the properties that are acquired by the City, staff will immediately begin to implement each site's specific reuse recommendation. The reuse recommendations range from:

- demolition of dilapidated properties and the sale of the now vacant parcels to abutters to address nonconformities or to provide green space in dense neighborhoods,
- selling properties that are in good condition on the retail market with a broker,
- City rehabilitating properties with CDBG funding and then selling to low to moderate income individuals, and
- selling certain properties to developers if they require renovations before they are suitable for habitation.

**General Fund Revenues  
January 2015**

<b>Category</b>	<b>FY 15 Budget</b>	<b>FY 15 Actual</b>	<b>%</b>	<b>Reference</b>	<b>FY 14 Budget</b>	<b>FY 14 Actual</b>	<b>%</b>
TAXES	58,156,192	56,685,894	97.47%	1	55,067,630	53,516,348	97.18%
LICENSES & PERMITS	701,676	486,139	69.28%	2	677,760	1,073,911	158.45%
FINES, FORFEIT, PE	32,000	4,820	15.06%	3	32,000	15,457	48.30%
REV FROM USE MONEY	696,850	272,779	39.14%	4	721,400	317,832	44.06%
INTERGOVERNMENTAL	6,836,953	3,559,784	52.84%	5	7,026,701	3,454,145	49.16%
CHARGES FOR SERVIC	9,827,014	5,896,341	60.00%		9,879,468	5,452,890	55.19%
TRANSFERS IN	145,292	-	0.00%	6	186,689	-	0.00%
OTHER	56,500	54,881	97.14%	7	45,000	31,248	69.44%

January 2015 Anticipated % 58.33% Reference - for category budgets that are not within 5% of Anticipated

- 1 - Taxes include property and excise taxes. Property taxes are recorded as revenue when the bills are issued in July.
- 2 - The largest portion of this category is building permits, due to our construction season, the majority are rec'd in warmer months.
- 3 - The largest item in fines and forfeiture is the annual police false alarm billings which doesn't occur until spring.
- 4 - Sawyer Arena rentals have been posted to wrong account, a correction will be recorded in February.
- 5 - Intergovernmental is lagging as Community Connector due to timing of drawing federal funds.
- 6 - Funds to be transfers from other funds or fund balances are typically recorded towards the end of the year.
- 7 - Other includes insurance settlements and sale of assets, to date more insurance settlements have been received.

**General Fund Expenditures  
January 2015**

Department	FY 15 Budget	FY 15 Actual	%	Reference	FY 14 Budget	FY 14 Actual	%
CITY COUNCIL	30,018	19,012	63.34%	1	30,484	14,913	48.92%
CITY CLERK	393,128	195,715	49.78%	2	365,685	222,012	60.71%
ASSESSING	358,275	223,291	62.32%		347,036	212,956	61.36%
LEGAL	279,901	165,832	59.25%		272,022	176,749	64.98%
EXECUTIVE	366,970	215,749	58.79%		355,117	224,291	63.16%
CENTRAL SERVICES	12,910	41,700	323.01%	3	42,150	(23,856)	56.60%
HUMAN RESOURCES	129,005	52,072	40.36%	4	120,256	59,012	49.07%
MOTOR POOL	193,400	142,877	73.88%	5	167,500	(146,519)	87.47%
BAT	2,812,949	1,503,150	53.44%		2,735,082	1,571,358	57.45%
FINANCE	1,610,816	1,010,102	62.71%		1,589,544	966,856	60.83%
INSURANCE	376,333	326,002	86.63%	6	361,076	783,167	216.90%
PLANNING	325,758	188,885	57.98%		315,254	176,076	55.85%
ECONOMIC DEVELOPME	334,109	183,964	55.06%		347,733	156,211	44.92%
CODE ENFORCEMENT	556,206	322,198	57.93%		519,241	310,961	59.89%
POLICE	8,771,851	4,922,518	56.12%		8,466,915	4,825,629	56.99%
FIRE	8,538,398	5,321,399	62.32%		8,303,450	5,076,074	61.13%
HEALTH & COMMUN SE	3,076,619	1,703,975	55.38%		3,223,990	1,698,330	52.68%
RECREATION	1,862,591	1,181,500	63.43%	7	1,768,156	1,166,643	65.98%
PUBLIC SERVICES	10,319,343	5,974,436	57.90%		10,283,684	6,223,319	60.52%
DEBT SERVICE	3,118,297	2,178,618	69.87%	8	2,754,485	2,163,525	78.55%
TAX INCREMENT FINA	982,168	545,342	55.52%		897,850	233,279	25.98%
PENSION & OTHER FR	2,200,737	673,999	30.63%	9	2,206,898	677,831	30.71%
TRANSFERS	645,000	645,000	100.00%	10	780,000	780,000	100.00%
OTHER AGENCIES	4,650,182	4,461,872	95.95%	11	4,548,422	4,353,460	95.71%

January 2015 Anticipated % Expended

58.33%

Reference - for department budgets that are not within 5% of Anticipated

- 1 - City Council expenditures include Mayor Coalition costs that were recorded in the wrong account - will be corrected in February.
- 2 - City Clerk's expenditures are lower due to upcoming June elections
- 3 - Central Services - Billings to other General Fund departments is lagging through January.
- 4 - Human Resources expenditures related to labor relations costs will be incurred in spring.
- 5 - Motor Pool due to personnel changes January charges to other departments were not reflected until February.
- 6 - Insurance appears over expended but is caused by the fact that school department workers comp premiums are not credited until June.
- 7 - Parks & Recreation due to the seasonal nature of pools, camp, and sawyer arena costs expenditures are not incurred evenly.
- 8 - Debt Service is based on when the principal and interest payments occur, the variance is due to timing of payments.
- 9 - Pension & Other Fringe contains the pension obligation bond debt service, the principal payment is due in June.
- 10 - Transfers to fund capital items are completed at the beginning of the year, therefore fully expended.
- 11- Other Agencies larger contributions are scheduled at the beginning of the year to generate checks automatically therefore fully expended