



**TOWN COUNCIL
WORKSHOP
MEETING MINUTES
FEBRUARY 24, 2015**

Gregg Garrison, At Large 2015
Mark Lunt, District 1 2015
Dillon Pesce, District 2 2015
Christopher Brunelle, At Large 2016
Eric Metivier, District 1 2016
Roger Bickford, District 2, 2016
Dale Crafts, At Large 2017

CALL TO ORDER & PLEDGE TO THE FLAG. The Chairman, Dillon Pesce, called the meeting to order and led the pledge of allegiance to the flag at 7:00 PM.

ROLL CALL. Members present were Councilors Lunt, Bickford, Pesce, and Garrison. Councilor Brunelle was excused. Councilor Craft was unexcused. Also present were Diane Barnes, Town Manager; Kathy Malloy, Assessor; William Van Tuinen, Contracted Assessor; Charles Smith, Finance Committee; Karen Paradis, Planning Board Chairman; Donald Fellows, Planning Board Member /Assessment Review Board Member; Clyde Cavender, Assessment Review Board Chairman; Marie Hale, Assessment Review Board Member; Miriam Morgan-Alexander, Assessment Review Board Member; David Ledew, Director of Property Tax, Division of Maine Revenue Services; Darcie Moore, Times Record Reporter; and others totaling 15 citizens in the audience.

COMMITTEE

Ms. Malloy introduced David Ledew, from the State Division of Revenue Services, Director of Property Tax, and husband. She indicated he had lots of knowledge about the revaluation process having served for the past 10 years as Director of Property Tax for the State of Maine.

Mr. Ledew reported that he started working with the State of Maine in 1978. In 1987, he took on the position of Chief of the Training Certification Program for Assessors. Each year that program offers a one-week course for Assessors. They offer an introductory, law, and evaluation course as well. They teach a cost approach to value and use the mass appraisal technique to estimate equitable values. He presented the Council and audience with brochures explaining the basics for determining "fair market value". When the revaluation is completed, the goal would be here that each property owner pays no more or less than their fair share of the cost of operating local government. When the certified ratio is less than 70% of value, the penalty is that the town would not be recognized for tree growth reimbursements and based on that value the town loses revenue from other state subsidies and reimbursements. When you recognize there are inequities in town, the revaluation process is the best way to go. He mentioned that you can expect to hear from those whose taxes went up, but not those whose taxes went down. He said in general one third of the properties will go up, one third will go down, and one third will stay the same; however it is all about equity. Every revaluation company is required to be registered with their office. His job is to equalize the educational subsidy, revenue sharing, and county tax.

Mr. Van Tuinen explained that the final step in this process is to notify the taxpayers and provide them with the new information we generate from the database that includes an estimate of what the property tax is expected to be for the year. We will hold informal hearings so taxpayers can come in and review the information with us, compare the new value with similar properties, and come to an understanding. If we thought they had more land than they did actually have, then we would adjust our information. The software does a good job of performing the calculations required once we enter into the system the schedules it uses to calculate. We factored into the equation neighborhood status, floodplain, and the community sales analysis.

Mr. Van Tuinen said 93% of the data is collected and 54% of the double checking work is done. He indicated only 24% of the job is about data entry. He said callbacks are happening now. He said there is a lot of personal property work still to do. He reported that he would be ready to do notices in May and hold hearings. He explained that all the work would be completed in time to do the commitment.

Mr. Van Tuinen explained that taxpayers can request an abatement from the local Assessor, appeal that decision to the Board of Assessment Review who will hear testimony from the Assessor, Taxpayer, and

deliberate to make a decision. The next step, if the taxpayer still disagrees, is to go to Superior Court. He explained that the general rule is that property is always to be assessed equally to just value, except that certain owners, for instance those with 10 acres of land under a forest management plan can be taxed using the state's calculated tree growth formulas and farmers with over 5 acres of land with open fields or used for horticulture use, then that farmland value can be lower than the regular value. There is a statutory adjustment made to the regular schedule less 20%. Land used for public areas is eligible for additional reductions in value by 30% and if left forever wild entitled to receive even a greater reduction in value.

Mr. Van Tuinen said once this information is compiled and ready to use that it will be easier to adjust the schedules and land value across the board to maintain better equity as times goes by. He encouraged the Council to be careful. He reported that only doing another revaluation every 20 to 25 years would catch all the changes over time to each and every property. He discouraged the Council from taking the approach of doing ¼ of the town each year for four years; he said this approach should be avoided all together.

PUBLIC COMMENT: Dorothy Fitzgerald asked about the slum and blight designation for downtown. She asked if foreclosures and short sales would affect the values.

Mr. Van Tuinen said he didn't care for the grantsmanship that might help call an area slum and blight, an unfortunate term, to qualify for funding. He said he preferred that had not been done, that there is something to a legal theory which may make others start to act the way you have label them. He indicated that he would look at sales in those areas and be as accurate as possible based on the sales. As far as foreclosures and short sales, we rely on documents like the transfer sales real estate forms and exclude those arms length transactions from father to son or avoid quick sales to settle estates.

Councilor Pesce asked Mr. Van Tuinen if he had seen any negative impact on a municipality from slum and blight designations. Mr. Van Tuinen replied he could not say that he had, no. He reported Fairfield had designated one section and that he had noticed low-income housing developed in that area.

Steve Warren asked how this new data would be accessed by the public. Mr. Van Tuinen said it would be available at the Town Office. He indicated reports could be printed and placed online. He said his company did not have the ability to host the data but that it could possibly be arranged.

Ms. Malloy reported that Jay Raitt is working on a project using Google Earth, which is free. She mentioned that once this data has been reviewed thoroughly it could be posted online.

ADJOURNMENT

Seeing no further business to discuss, the Chairman closed the Council workshop at 8:45 PM.

Twila D. Lycette, Council Secretary
Town Clerk, Lifetime CCM/MMC
Date Approved 03-03-2015