

City Council Minutes

Tuesday, July 27, 2021

Special Meeting  
City Hall Council Chambers

Tuesday, July 27, 2021  
4:00 p.m.

The special meeting was called to order by Mayor Michele Daniels. The city clerk called the roll:

Councilor Goss-present  
Councilor Morin-present  
Mayor Daniels-present

Councilor Ferris-present  
Councilor Phanthay-absent

Mayor Daniels declared a quorum present. City Manager Stephen Bost was also present.

Mayor Daniels led members of the council and others present in reciting the pledge of allegiance to the flag of the United States of America.

Mayor Daniels read the notice for the special meeting.

TO: Joseph Ferris, Jerry Goss, Jenn Morin, Soubanh Phanthay, and Michele Daniels; MEMBERS OF THE BREWER CITY COUNCIL. You are hereby notified that a special meeting of the City Council of the City of Brewer will be held on Tuesday, July 27, 2021 at 4:00 p.m., 80 North Main Street, to consider and act on the items on the attached agenda.

s/Michele Daniels  
Mayor and Chairman of the City Council  
Or \_\_\_\_\_  
Majority of the City Council

a true copy, attest: s/Vincent P. Migliore  
City Clerk

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OFFICER'S RETURN

I have on the date(s) and time(s) indicated given notice of this meeting by giving in hand of by leaving at the usual dwelling place of the within named an attested copy of this notice of meeting:

Given/Delivered to:	by (person delivering)	Title	Date	Time
Joseph L. Ferris			07/09/21	
Jerry Goss			07/09/21	
Jenn Morin			07/09/21	
Soubanh Phanthay			07/09/21	
Michele Daniels			07/09/21	

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**CITY COUNCIL SPECIAL MEETING**  
**Tuesday, July 27, 2021 4:00 P.M.**  
**Brewer City Hall Council Chambers**

- I. Call to Order** (Mayor Daniels)
- II. Roll Call** (City Clerk)
- III. Pledge of Allegiance to the Flag of the United States of America** (Mayor Daniels)
- A. Minutes** (None)
- B. Awards, Petitions and Public Comments**
  - 1. Public Comments
- C. Consent Calendar**
  - 1. (2021-B020) RESOLVE Amend City and School Budget Appropriations for Fiscal Year 2022 (Councilor Goss)
- D. Monthly Reports** (None)
- E. Nominations, Appointments, Elections** (None)
- F. Unfinished Business** (None)
- G. New Business** (None)
- H. New Items with Leave of Council**
- I. ADJOURN**

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**A. Meeting Minutes**

There were none.

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**B. Awards, Petitions and Public Comments**

There were none.

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**C. Consent Calendar**

2021-B020

July 27, 2021

TITLE: RESOLVE, AMEND CITY AND SCHOOL BUDGET APPROPRIATION  
FOR FISCAL YEAR 2022.

Filed July 19, 2021  
By Jerry Goss

WHEREAS, on June 8, 2021, the City Council adopted Resolve 2021-B010, approving the City and School budgets, setting the mil rate, and establishing the property tax levy for the 2022 fiscal year; and

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WHEREAS, the fiscal year 2022 tax commitment was recently finalized and included \$15,000,000 more taxable assessed value than expected at the time the City Council adopted the budget; and

WHEREAS, the City Council wishes to amend the budget to apply this unanticipated taxable value to lower the mil rate, providing fiscal relief to Brewer taxpayers;

RESOLVED, that the previous sum and schedules adopted on June 8, 2021 are superseded and that instead the sum of \$18,161,533 which sum constitutes the estimated requirements of the City for the fiscal year 2022 (commencing July 1, 2021 and terminating June 30, 2022) based upon the budget submitted by the City Manager as provided by the City Charter, be raised by assessments upon the estates of the Inhabitants of the City of Brewer and upon the estates of the non-resident proprietors within the City for the present municipal year and this sum is hereby appropriated, in addition sums otherwise provided, the amount for each purpose being specified in the schedule hereto attached:

**Statement of Fact:** This resolve amends the property tax levy adopted at the June 8, 2021 Council meeting to a property tax levy of \$18,161,533 to support the FY 2022 City and School budgets. The amendment recognizes an additional \$15,000,000 in assessed valuation and reduces the mil rate for FY2022 by \$0.45, to \$22.30.

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Line	REVISED	FY2022 Brewer Property Tax Calculation		REVISED	REVISED vs FY21 Appvd \$ Change	% Change
		FY2021 Approved	FY2022 Apprvd 6.8.21			
<b>MUNICIPAL BUDGET</b>						
1	General Fund Appropriations	14,151,200	14,914,195	14,914,195	762,995	5.39%
2	Less: Non-Property Tax Revenues	6,542,927	7,201,017	7,201,017	658,090	10.06%
3	<b>NET MUNICIPAL BUDGET (from taxation)</b>	<b>7,608,273</b>	<b>7,713,178</b>	<b>7,713,178</b>	<b>104,905</b>	<b>1.38%</b>
<b>EDUCATION BUDGET</b>						
4	General Education Budget	23,967,934	24,528,447	24,528,447	560,513	2.34%
5	Less: School Revenues	16,089,220	16,649,733	16,649,733	560,513	3.48%
6	<b>NET EDUCATION BUDGET (from taxation)</b>	<b>7,878,714</b>	<b>7,878,714</b>	<b>7,878,714</b>	<b>0</b>	<b>0.00%</b>
<b>TAX INCREMENT FINANCING DISTRICTS</b>						
7	Transfer to TIF Special Revenue Fund	1,398,310	1,398,310	1,370,861	-27,449	-1.96%
8	Less: TIF BETE Exempt	10,561	10,561	10,561	0	0.00%
9	<b>NET TIF BUDGET (from taxation)</b>	<b>1,387,749</b>	<b>1,387,749</b>	<b>1,360,300</b>	<b>-27,449</b>	<b>-1.98%</b>
10	<b>COUNTY ASSESSMENT</b>	<b>1,100,233</b>	<b>1,189,342</b>	<b>1,189,342</b>	<b>89,109</b>	<b>8.10%</b>
11	<b>OVERLAY</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>	<b>0.00%</b>
12	<b>TOTAL PROPERTY TAX LEVY</b>	<b>17,994,968</b>	<b>18,188,983</b>	<b>18,161,533</b>	<b>166,565</b>	<b>0.93%</b>
13	<b>ASSESSED VALUATION</b>	<b>790,988,373</b>	<b>799,516,065</b>	<b>814,418,545</b>	<b>23,430,172</b>	<b>2.96%</b>
14	Less: Tax Increment Finance Districts	61,000,000	61,000,000	61,000,000	0	0.00%
15	<b>NET ASSESSED VALUATION</b>	<b>729,988,373</b>	<b>738,516,065</b>	<b>753,418,545</b>	<b>23,430,172</b>	<b>3.21%</b>
16	<b>Municipal</b>	10.42	10.44	10.24	-0.18	-1.77%
17	<b>School</b>	10.79	10.67	10.46	-0.34	-3.11%
18	<b>County</b>	1.51	1.61	1.58	0.07	4.74%
19	<b>Overlay</b>	0.03	0.03	0.03	0.00	-3.11%
20	<b>TAX RATE</b>	<b>22.75</b>	<b>22.75</b>	<b>22.30</b>	<b>-0.45</b>	<b>-1.98%</b>

Section B  
Property Tax Rate Calculation

CITY OF BREWER  
REVISED FY2022 Budget



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City of Brewer  
General Fund Spending Summary

	FY2021	FY2022	FY2022	REVISED vs FY21 Appvd	
	Approved	Appvd 6.8.21	REVISED	CHANGE	CHANGE
				\$	%
<b>MUNICIPAL</b>					
General Government	2,088,548	2,187,716	2,187,716	99,168	4.7%
Protections	4,928,037	5,490,360	5,490,360	562,323	11.4%
Public Services	315,811	317,374	317,374	1,563	0.5%
Public Works	2,705,509	2,700,814	2,700,814	(4,694)	-0.2%
Unclassified	322,402	302,399	302,399	(20,003)	-6.2%
Debt Service	2,542,428	2,567,617	2,567,617	25,189	1.0%
Library & Recreational Services	1,248,464	1,347,914	1,347,914	99,450	8.0%
<b>TOTAL MUNICIPAL FUND</b>	<b>14,151,199</b>	<b>14,914,195</b>	<b>14,914,195</b>	<b>762,995</b>	<b>5.4%</b>
<b>EDUCATION</b>					
01 Personnel	16,010,307	16,498,511	16,498,511	488,204	3.0%
02 Supplies and Services	1,144,975	1,109,775	1,109,775	(35,200)	-3.1%
03 Buildings and Grounds	1,965,049	1,993,270	1,993,270	28,221	1.4%
04 Transportation	793,503	790,720	790,720	(2,783)	-0.4%
05 Supt / Administration	593,598	611,271	611,271	17,673	3.0%
06 Out of District	550,400	581,400	581,400	31,000	5.6%
07 Vocational Education	0	0	0	-	0.0%
08 Adult Education					
09 Capital Outlay	217,685	128,000	128,000	(89,685)	-41.2%
10 Trustees	2,692,417	2,815,500	2,815,500	123,083	4.6%
<b>TOTAL EDUCATION BUDGET</b>	<b>23,967,934</b>	<b>24,528,447</b>	<b>24,528,447</b>	<b>560,513</b>	<b>2.3%</b>
<b>COUNTY ASSESSMENT OVERLAY</b>	<b>1,100,233</b>	<b>1,189,342</b>	<b>1,189,342</b>	<b>89,109</b>	<b>8.1%</b>
	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>	<b>0.0%</b>
<b>GRAND TOTALS</b>	<b>39,239,366</b>	<b>40,651,984</b>	<b>40,651,984</b>	<b>1,412,617</b>	<b>3.6%</b>

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**ACTION:** Councilor Goss moved that the resolve be adopted. Councilor Ferris seconded.

Councilor Ferris: Do we have any options other than to do what we're doing here? What is the effect to our taxpayers? Must we do something? Must we raise the value?

Finance Director: Good afternoon, Mayor, members of the Council. The Council does not need to do anything with this information, but if you recall from prior budget years, when the Council considers the budget in early June, the Assessor is still working on finalizing commitments, so every time Council is considering the budget, we're doing it with an estimated valuation figure. We were conservative in that valuation figure so we always hope that when commitment is finalized, the valuation figures come in a little bit over what we included in the budget, so we're guaranteed to have those tax dollar revenues. There's always a little excess, which goes into what we call "overlay", which ultimately adds to the City's fund balance. In this case, when the City Assessor finalized the commitment figures, she had additional value in there that we did not anticipate that we were going to have when we were preparing the budget. And, it was relatively significant in amount, so that is why we brought it to the Council's attention to see whether there was any action you wanted to take. There's no required action. If you were to take no action, the money would sit there and, go to overlay and ultimately, at the end of the Fiscal Year, would close out to fund balance and add to the City's reserves, for use in future years, which is a perfectly acceptable, and fine, and legal approach to handling it. In this case, I believe we were looking at somewhat of an average reduction in the residential property owner's tax bill, like \$50. It's not huge but it will be a modest decrease in the average tax-payer's bill. Now, of course, some will be much lower, some will be higher depending on the value of the home. One of the things that we talked about when the Council reviewed the budget this year was how, this year, generally, valuations were not being adjusted like they have been in the prior two years when the Assessor was making more sizable adjustments to try to make sure we were keeping up with changes in the market place. Unlike other communities across the state, which this year were doing those more sizable adjustments to capture some of the changes in the market, Brewer had done most of those last year and the year before. This year there were two classifications of homes that needed to have that adjustment because they didn't get adjusted last year, I think those were the garrisons and the bungalows, so two classes that had an adjustment, and I think they were relatively small maybe, what, 5 percent or something like that, they were somewhat smaller. But the other change that the Assessor did this year was deck values. So, a lot of people have decks and porches so there was some adjustment in those that people were seeing. With the change in mill rate before you today, even with those adjustments in the decks and the porches, most taxpayers are going to see a reduction in their tax bill. Again, it might be modest, but at least it won't be going up with changes to the deck values.

Councilor Ferris: But if we leave the mill rate the way it is, taxes will be higher for the taxpayer?

Finance Director: Assuming they have a deck or a porch...

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- Councilor Ferris: Forgetting the decks and porches, just talking about the mill rate...
- Finance Director: The mill rate that the Council approved in the budget in June was the same as last year's mill rate. So, if somebody's assessed value didn't change at all, their tax bill won't change. However, because of the adjustment the Assessor did to the decks and porches, and most people have decks and porches, people would see some increase. I think the change was 1 or 2 percent. Its small, but still, if you looked at this year's tax bill compared to last year's tax bill, with a fixed mill rate, \$22.75 which was the mill rate for Fiscal Year 21, if you were to keep it for Fiscal Year 22 and you have an increase of, you know, \$500 in your deck value, your tax bill is going up some amount of money, 10 dollars or 20 dollars...
- Councilor Ferris: But it will go up less if we reduce the mill rate?
- Finance Director: Yes.
- Councilor Ferris: Okay, that's what I was getting at. There is going to be a savings here?
- Finance Director: Absolutely, yes. The proposal in front of you reduces the mill rate by \$0.45. So, it goes from \$22.75 to \$22.30 which is a decrease of about 2% and that will accrue to people's tax bills. So, yes there will be a savings there. And the majority of residential taxpayers will see the savings in that. Actually, and the commercial tax payers as well.
- Mayor Daniels: Any other questions? I just have one question on the decks and porches. Where almost all the houses in the city have decks or porches, or both, is that re-assessing most everything in the city again?
- City Assessor: All of our values are based on construction costs, and because the construction costs went way outside of our tables, I had to make an adjustment to those tables. We adjusted the cost for houses last year, those base rates, but we didn't do anything to out-buildings, and with decks and porches it was getting way outside the curve. So, I just made a small adjustment to decks and porches to bring it back inside the curve and that's the reason why we made that change.
- Mayor Daniels: Is that also based on the 90 percent of the state? Keeping within that?
- City Assessor: Keeping everything within that. Outbuildings, garages we're still okay, sheds... but decks were getting away, just because of the prices. We've had a 400% increase in the price of lumber. We got outside the table.
- Mayor Daniels: Great, thank you. Any other questions?
- Councilor Ferris: So, how much did the deck's go up?

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City Assessor: We adjusted the table, it's a square-foot value, so just a few dollars per square-foot for composite, two dollars per square-foot for wood.

Councilor Goss: Even though the deck's been there since the house was built?

City Assessor: Decks that are older are automatically depreciated to 50% of their value.

Mayor Daniels: So, someone that added a deck two years ago is going to have more value than someone that had a deck for 15 years?

City Assessor: Anything that was assessed in the 2014 re-valuation is automatically at 50%.

**ACTION:** The resolve was adopted with a vote of 4-0.

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**D. Monthly Reports**

There were none.

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**E. Nominations, Appointments, Elections**

There was none.

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**F. Unfinished Business**

There was none.

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**G. New Business**

There was none.

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**H. New Items with Leave of Council**

There were none.

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**I. ADJOURN**

**ACTION:** Councilor Goss moved that the meeting be adjourned. Councilor Ferris seconded the motion. The motion passed with a vote of 4-0. The meeting was adjourned at 4:14pm.

ADJOURNED, ATTEST: \_\_\_\_\_ Vincent P. Migliore  
City Clerk

A TRUE COPY, ATTEST: \_\_\_\_\_ Brewer, Maine